

Report: Drought won't hurt Calif. economy

By Chris Megerian, Los Angeles Times

California's drought has threatened farmers, ski resorts and golf courses, but it's unlikely to do much damage to the state's overall economy or budget, according to a new report.

"We currently do not expect the drought to have a significant effect," said the report, released Tuesday by the nonpartisan Legislative Analyst's Office, which provides budget advice to state lawmakers.

The minor impact is explained by the lopsided relationship between water use for farming and agriculture's overall contribution to the state economy.

Farmers consume four times as much water as California's cities and towns, and they produce a huge portion of the country's crops.

But they contribute only 2 percent to the state's gross domestic product, according to the seven-paragraph report.

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