



COUNTY OF HUMBOLDT

For the meeting of: 10/20/2020

File #: 20-1360

To: Board of Supervisors

From: Agricultural Commissioner

Agenda Section: Consent

SUBJECT:

Approval of Cooperative Agreement No. 20-0323-000-SA, Industrial Hemp Cultivation Program Agreement in the amount of \$11,275 and Supplemental Budget (4/5 Vote Required)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve Cooperative Agreement No. 20-0323-000-SA, known as the Industrial Hemp Cultivation Program agreement and attached supplemental budget;
2. Authorize the Chair to sign the agreement and return all copies to the Agricultural Commissioner's Office for further processing;
3. Approve the attached supplemental budget; and
4. Grant a waiver from the provisions of the Nuclear Free Ordinance.

SOURCE OF FUNDING:

California Department of Food and Agriculture (CDFA)

DISCUSSION:

The waiver from the provisions of the Nuclear Free Ordinance is requested because the State of California will not modify its cooperative agreements to accommodate local ordinances. The Agricultural Commissioner's Office (CAC) receives annual subventions from CDFA to help offset the local cost of enforcing certain state-mandated programs.

CDFA is the state agency with the primary responsibility for enforcing the Industrial Hemp Law as contained in Division 24 of the Food and Agricultural Code (FAC) and Title 3, Division 4, Chapter 8 of the California Code of Regulations. FAC Section 81000 defines Industrial hemp "as an agricultural product, whether growing or not, that is limited to types of the plant *Cannabis sativa* L. and any part of that plant, including the seeds of the plant and all derivatives, extracts, the resin extracted from any part of the plant, cannabinoids, isomers, acids, salts, and salts of isomers, with a delta-9 tetrahydrocannabinol concentration of no more than 0.3 percent on a dry weight basis."

Under California law, CACs are required to register growers and seed breeders of industrial hemp who

meet state requirements for registration. To register to cultivate industrial hemp in the county, growers and seed breeders must submit a registration application, completed background check and associated fees (\$900) to the Agricultural Commissioner. After thorough review, the application and fees are forwarded to the CDFA Industrial Hemp Program for final review and approval. It is important to note that although registration for the industrial hemp program occurs with Humboldt County, CDFA provides oversight, deposits the registration fees, and develops the various documents used by counties. Registration funds are distributed to CACs through cooperative agreements to cover the actual costs of work performed by CACs in the areas of registrations, enforcement for non-compliant cultivation by hemp growers and seed breeders, public outreach, and staff training. Departmental costs associated with sampling, testing and destruction of non-compliant crops are not covered by this agreement and will be charged to the grower directly according to the CAC's schedule of fees for services (inclusive of staff time and mileage). This agreement only pertains to activities associated with commercial growers and seed breeders. California law does not provide for cultivation of industrial hemp for personal use. In 2020, the CAC has registered 2 producers to cultivate industrial hemp in Arcata and Rio Dell, which have no restrictions on industrial hemp cultivation.

Emergency regulations for sampling, testing, harvest and destruction have been extended for an additional 120 days by a Governor's Executive order. The proposed permanent regulations to establish time-frames, procedures, methods and confirmation of THC concentrations for industrial hemp planting, sampling, laboratory testing, harvest and destruction was released for a public comment period which ended Oct. 12. As required by the interim federal rule establishing an industrial hemp program (7 CFR 990), the state industrial hemp plan was submitted to the United States Department of Agriculture (USDA) for approval on Sept. 17, 2020. The USDA will review the state plan and provide feedback and/or approve the state plan as compliant with federal requirements.

On Dec. 10, 2019 your Board adopted Ordinance 2637 which extended for 1 year a temporary moratorium on the cultivation of industrial hemp in unincorporated areas of the County. Currently 17 Counties have some form of restriction or moratorium on the cultivation of industrial hemp. As of August 19, 2020, there were a total of 430 industrial hemp producer registrations in California. A total of 20,413 acres are registered for industrial hemp production. Counties with the most registrations include: Riverside (80) and San Diego (60).

FINANCIAL IMPACT:

Approval of Cooperative Agreement No. 20-0323-000-SA will provide \$11,275 to reimburse Humboldt County for performing mandated Industrial Hemp Program activities for the period from July 1, 2020 to June 30, 2022. Fees collected for new registrations and renewals are forwarded to the CDFA Industrial Hemp Program. Approval of the attached supplemental budget is requested because this agreement and funding amounts were unknown when the FY 2020-21 budget was prepared. This agreement is coming to your Board after the effective date due to delays in receiving the agreement from CDFA.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by enforcing laws and regulations to protect

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residents.

OTHER AGENCY INVOLVEMENT:

CDFA

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Board discretion

ATTACHMENTS:

One complete Cooperative Agreement No. 20-0323-000-SA, and supplemental budget.

PREVIOUS ACTION/REFERRAL:

Board Order No.:

Meeting of:

File No.: