

COUNTY OF HUMBOLDT

For the meeting of: 3/25/2025

File #: 25-372

To: Board of Supervisors

From: Agricultural Commissioner

Agenda Section: Consent

Vote Requirement: Majority

SUBJECT:

Approval of Cooperative Agreement No. 24-0413-000-SA, Industrial Hemp Cultivation Program in the Amount of \$3,934.50

RECOMMENDATION(S):

That the Board of Supervisors:

- Approve Cooperative Agreement No. 24-0413-000-SA, known as the Industrial Hemp Cultivation Program agreement in the amount of \$3,934.50; and
- 2. Authorize the Chair to sign the agreement and return all copies to the Agricultural Commissioner's Office for further processing; and
- 3. Grant a waiver from the provisions of the Nuclear Free Ordinance.

STRATEGIC PLAN:

This action supports the following areas of your Board's Strategic Plan.

Area of Focus: Core Services/Other

Strategic Plan Category: 9999 - Core Services/Other

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.

The California Department of Food and Agriculture (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. CDFA and the California Agricultural Commissioner's and Sealer's Association (CACASA) have entered into a Memorandum of Understanding (MOU) to perform various activities associated with the state industrial hemp program. Industrial hemp is defined under the FAC Section 81000 and Health and Safety Code Section 11018.5 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. There are three types of entities allowed to grow industrial hemp in California: an Established Agricultural Research Institution, commercial growers of industrial hemp, and industrial hemp seed breeders. 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 and industrial hemp must be grown on a minimum of one-tenth of an acre (4,356 sq. ft.).

File #: 25-372

Under California law, Agricultural Commissioners are required to register growers and seed breeders of industrial hemp who meet state requirements for registration. Growers and seed breeders must submit a registration application to cultivate industrial hemp with a payment of \$900 to their local CAC. The payment and application are forwarded to CDFA for final review and processing. It is important to note that this is a county registration although CDFA provides statewide oversight, deposits the registration payment, and develops the various documents used by counties. Registration funds will be distributed to CACs through the mechanism of 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. Cooperative agreement No.24-0413-000-SA provides \$3,934.50 to enforce these laws and regulations in accordance with the Industrial Hemp Cultivation Program. Costs associated with sampling, testing and destruction of non-compliant crops are not covered by this agreement. Costs for those aspects of the regulations will be charged to the grower directly according to the CAC's schedule of fees for services (inclusive of staff time and mileage).

On Feb. 9, 2021, your Board adopted ordinance number 2667 prohibiting the cultivation of industrial hemp by any person or entity in unincorporated areas of the county. This agreement will reimburse the Agricultural Commissioner's Office for state-mandated activities related to industrial hemp cultivation in the incorporated areas of the county. There are currently no industrial hemp cultivation registrations anywhere within the county.

SOURCE OF FUNDING:

California Department of Food and Agriculture-(1100-261-518000)

FINANCIAL IMPACT:

Expenditures (1100, 261)	FY24-25
Budgeted Expenses	\$3,934.50
Additional Appropriation Requested	
Total Expenditures	\$3,934.50

^{*}Projected amounts are estimates and are subject to change.

Funding Sources (1100, 261)	FY24-25
State/Federal Funds	\$3,934.50
Total Funding Sources	\$3,934.50

^{*}Projected amounts are estimates and are subject to change.

Narrative Explanation of Financial Impact:

Approval of cooperative agreement No. 24-0413-000-SA will provide an additional \$3,934.50 to reimburse Humboldt County for performing mandated Industrial Hemp Program activities for the period from July 1, 2024, to June 30, 2026. Fees collected for new registrations and renewals are forwarded to the CDFA Industrial Hemp Program. These funds were included in the adopted budget for fiscal year (FY) 2024-25 revenue and expenditure accounts in Fund 1100, Budget Unit 261-Agricultural Commissioner. It is anticipated that all funds will be drawn down in FY 2024-25.

STAFFING IMPACT:

There is no impact on staffing.

OTHER AGENCY INVOLVEMENT:

N/A

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Your board may choose not to approve the agreement, however that is not recommended. The county would not be reimbursed for staff time dedicated to the Industrial Hemp Program.

ATTACHMENTS:

1. Cooperative Agreement 24-0413-000-SA

File #: 25-372

PREVIOUS ACTION/REFERRAL:

Meeting of: 2/9/2021

File No.: 21-81