

Sharp, Ryan

From: Bonnie Carroll <bonnyrose@arcatanet.com>
Sent: Tuesday, February 9, 2021 3:35 AM
To: COB
Subject: Public Comment submission for item: H. Department Reports, 1. Public hearings, 2. Industrial hemp land use ordinance.

Public Comment submission for H. Department Reports, 1. Public hearings, 2. Industrial hemp land use ordinance.
Submitted by Bonnie Carroll

Hi -my name is Bonnie Carroll. I live and work in Humboldt. I want to share my thoughts about your proposed ban on growing industrial hemp in Humboldt County.

This ban is shocking to me. Honestly, I'm surprised you're proposing to ban growing medicinal CBD strains of cannabis.

Many of our medicinal strains of cannabis have less than 3% THC and that makes them hemp. I believe the way your ordinance is written; it will include the industrial cultivation of medicinal hemp. That's a problem for me.

I have a number of chronic pain conditions and many of the leading pain and autoimmune experts, in addition to all of my doctors, recommend medicinal hemp.

They also recommended that I include THC, and I sometimes do.

But I don't like to get high so I take as little as possible.

When I have good medicinal hemp, I feel better and have less pain.

I think we need to explore the possibilities that medicinal hemp can open up for us.

If you place a ban on growing hemp in Humboldt, you're banning the medicinal strains as well.

So I'm confused. I can't imagine that you really mean to do that.

I hope that you will reconsider this ban and keep it legal to grow medicinal hemp strains.

Since cannabis became legal, it is difficult for people to find good medicinal hemp strains at an affordable price. It's either not good quality or it's cost prohibitive.

Farmers like Mark Switzer grow medicinal hemp and donate some of their harvest to folks who have chronic illnesses.

I have been the recipient of his generous donations. I do my best to pay it back by volunteering on his farm.

He grows cannatonic which is an amazing strain of medicinal hemp.

It treats epilepsy and is fantastic for my fibromyalgia and insomnia, not to mention the wonderful topical applications.

If you ban him from growing his medicine for our community, it's going to have an adverse effect on a lot of people. And I think this is a horrible precedent.

If you're concerned about male hemp plants pollinating the females, then ban the outdoor growing of male hemp plants. I don't think they have the same medicinal properties anyway.

I know there's a lot of bad stuff going on in the world, but in my little corner, I'm worried that people with a chronic health/pain conditions struggle to get good medicinal CBD flower or extract, and this proposed ban will make the situation worse.

Thank you for considering my thoughts.

Sharp, Ryan

From: Michael Kraft <michael.kraft@papaandbarkley.com>
Sent: Monday, February 8, 2021 2:06 PM
To: COB
Subject: Proposed industrial hemp ordinance

Hello:

I am writing to lend support for a permanent moratorium on hemp cultivation. The cannabis genetics of Humboldt County are a treasure and one that would be threatened by growing hemp. We have seen too many cases in other regions of cross-pollination, even when safeguards like the use of feminized seed are taken. Access to the amazing cannabis strains and those who farm them is one of the top reasons Papa & Barkley chose to locate in Eureka. Growing hemp here is just too risky.

While we support a moratorium on hemp cultivation, we would not support a moratorium that extended to manufacturing. Value-added activities using hemp/CBD grown elsewhere do not pose the risks cited above. Currently, Papa & Barkley has a manufacturing/co-packing arrangement with a company in Colorado to produce our nationally sold line of CBD/hemp products. While current state laws and the continuing clunky rollout of the farm bill from a couple of years ago keep us from producing our CBD products in Eureka now, we may well be able to do that in the future. We would hate to have local laws that would keep us from moving those operations and the associated jobs home.

Thank you for your kind attention.

Warm regards,

Michael Kraft

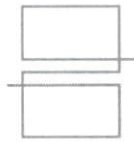
Michael Kraft
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HUMBOLDT COUNTY GROWERS ALLIANCE

September 30, 2019

Dear Humboldt County Planning Commissioners,

Please accept the following letter on behalf of the Humboldt County Growers Alliance. We are the voice of Humboldt County's legal cannabis industry advancing the interests of more than 230+ responsible plant-touching cannabis businesses in Humboldt County. Built on a foundation of fifty years of experience and innovation, HCGA members are statewide leaders for environmentally and ethically produced cannabis, who are working together to preserve, protect, and enhance Humboldt County's world-renowned cannabis industry.

In May 2019, the Humboldt County Board of Supervisors voted to place a moratorium on hemp cultivation in the County while directing staff to develop possible alternatives for the regulation of hemp.

On September 23, 2019, County staff published a proposed draft ordinance that would authorize the cultivation of hemp in several designated areas. The proposed ordinance would allow unlimited-scale hemp cultivation with minimal regulation in the AE-zoned "Industrial Hemp Management Zone" (IMHZ), and also provide alternative routes to compliance for small (less than 5,000 square foot) hemp farms on RA-zoned parcels, as well as farms that have qualified for cannabis permits under the County's cannabis land use ordinance (CCLUO).

In May, HCGA supported a moratorium on hemp cultivation due to concerns regarding pollen drift, land use, and environmental impact. At the time, HCGA strongly opposed any allowance for "pollinating hemp" that would risk the pollination of feminized cannabis farms, but remained open to the cultivation of feminized CBD-hemp pending further consideration and research.

Over the past four months, new information on the emerging hemp industry has come to light, and HCGA has had the opportunity to conduct additional research and discussions with stakeholders. After reviewing the proposed hemp ordinance with these considerations in mind, HCGA has identified several reasons for concern:

- **Hemp cultivation in Humboldt County, particularly on large commercial scales, poses substantial risks to the Humboldt County cannabis industry via pollen drift, pesticide drift, pests, and watershed resource usage.** Based on new information from the emerging hemp industry regarding the genetic instability of hemp cultivars, we believe the risks of pollination are significant even if hemp cultivation is limited to feminized strains intended for CBD production only.

- **By contrast, hemp cultivation offers little potential economic benefit for Humboldt County, whether conducted on a large commercial or small craft scale.** Hemp is vastly overproduced on a nationwide scale, leading to plummeting prices, and Humboldt County lacks the geography or climate to compete in a national and international hemp market.
- **An industrial hemp program is a poor use of Humboldt County public resources.** Significant regulation would be required to mitigate potential impacts of hemp cultivation, requiring additional County resources. Additionally, it is unclear whether a County hemp ordinance could be tiered to the existing cannabis EIR, potentially requiring additional expenditure of resources for CEQA compliance.
- **Current hemp law, regulation, and industry is immature, and existing hemp law contains major gaps.** Federal and state hemp regulation remain very early in their respective development processes, with USDA, FDA, and California state regulations likely to remain under development for the next 12-18 months.

Considering these conclusions, HCGA respectfully submits the following positions on hemp cultivation in Humboldt County:

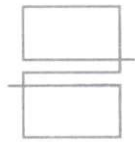
- HCGA opposes the cultivation of hemp on unlimited scale in the IMHZ.
- HCGA is neutral on the craft cultivation of hemp as an “accessory use” under 5,000 square feet, and on the cultivation of hemp under a CCLUO permit. However, we question whether cultivation of hemp on such small scales is commercially viable, and believe that incentivizing cottage cannabis cultivation would be more likely to offer viable opportunities for small farmers.

The reasoning behind each of these positions is discussed in more detail below.

Cross-Pollination from CBD-Hemp Is a Significant Risk Despite Feminized Seed

When the County last considered hemp regulations in May 2019, there was strong opposition to industrial hemp produced for seed or fiber due to the release of pollen by male hemp plants. Male hemp plants utilized in seed and fiber farms release pollen, which is widely distributed by wind, seeding feminized cannabis crops that are often located many miles away. In order to produce significant THC, these feminized cannabis crops cannot be pollinated and seeded; if pollination occurs, they lose their cannabinoid potency and are essentially unmarketable. Even more concerning, pollination risks the loss of Humboldt County's world-leading and irreplaceable cannabis genetics, which are the keystone of farmers' ability to compete as craft cultivators in an increasingly commoditized cannabis marketplace.

During discussions in May, HCGA remained open to the possible cultivation of flowering CBD-hemp in the County, under the theory that feminized CBD-hemp does not pose risks of pollination. Based on new information over the last several months, however, we have new concerns about the potential for even “feminized” CBD-hemp to pollinate cannabis crops, particularly when grown on larger commercial scales.



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It has now been widely reported that high-CBD hemp cultivars typically suffer from unstable genetics due to their relatively short history of cultivation, and that stable genetics are unlikely to be developed for several years. These unstable genetics - in addition to creating a substantial risk that "hemp" strains will ultimately test high in THC - increase the likelihood of rogue male or hermaphrodite plants. Hemp seeds that are theoretically "feminized" are producing, at the very high end, 98% female plants, and often substantially less.

On small scales, it may be possible for a motivated farmer to closely monitor their cultivation area and eliminate rogue male plants. On larger scales, however, the cost and difficulty of removing large numbers of males increases substantially, resulting in a major risk of pollen release. These risks increase for inexperienced hemp farmers who lack a history with commercial cannabis cultivation and who may not possess the knowledge or experience to prioritize removal of males. Due to hemp's federal legal status, hemp cultivation has attracted large numbers of such inexperienced farmers.

Is the IMHZ Close Enough to Cannabis Production to Risk Pollen Drift?

The primary hemp cultivation zone identified in the proposed ordinance, the IMHZ, appears at first glance to be relatively distant from major cannabis cultivation areas in Southern Humboldt. However, on closer view, it seems that certain cultivation areas are close enough to the IMHZ - and the potential radius of hemp pollen dispersal is large enough - that IMHZ hemp would pose a significant risk of pollinating cannabis farms.

There is little scientific study of hemp pollen, and it's not possible to say with certainty how far hemp pollen travels. The scientific literature that does exist, however, suggests a cautionary approach. A 2003 study in the *Journal of Industrial Hemp* reaches several conclusions:

- There is no consensus on the extent of hemp pollen drift.
- Hemp is a wind-pollinated plant and prevailing winds exert a strong influence on how far pollen travels. Depending on winds, pollen drift distance can vary by five times or more.
- Male hemp plants release relatively large quantities of pollen.
- Studies have found that wind-pollinated plants are capable of distributing pollen at extreme distances: up to 1,000km according several studies cited in the journal article.

In practice, there is wide variation in practical suggestions for hemp pollen buffer zone, underlining the extent to which scientific consensus is lacking. One publication suggests the risk of pollination "should be negligible" beyond 10 miles. Other publications suggest a safe buffer distance of up to 30 miles. In Pueblo, Colorado, 12-18% of cannabis crops were seeded by hemp, despite an attempted four-mile buffer zone has now been determined to be inadequate.

These estimates place cannabis farms well within the zone potentially affected by the IMHZ. The eastern edge of the IMHZ is located approximately six miles from Carlotta, where a number of cannabis farms are located. Carlotta marks the western edge Highway 36, which contains a high density of cannabis farms. Prevailing winds in August blow from the northwest to the southeast, carrying pollen directly from northwestern IMHZ regions to southeastern cannabis cultivating regions on Highway 36, the Mattole Valley, and the Eel River. Given that hemp is a wind-pollinated plant, these prevailing winds pose the worst-case scenario for cannabis farms anywhere in the vicinity of the IMHZ and would pose unacceptable risks to the County's cannabis industry.

Hemp Poses Other Risks for the Humboldt Cannabis Industry

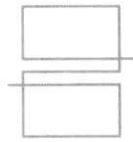
Beyond pollen, hemp cultivation - including cultivation of feminized CBD hemp - poses other risks to Humboldt's cannabis industry.

- **Pests** - additional hemp cultivation, particularly when conducted on large monoculture hemp farms, provides additional opportunity for pest infestations which can then be transferred to cannabis crops.
- **Pesticide drift** - all California cannabis products are tested to strict standards, but state law currently contains no requirement to test hemp products for pesticides or other contaminants. Although the state formally prohibits many pesticides for use on hemp, the lack of final testing creates a potential lack of accountability for hemp farmers as compared with cannabis farmers. If pesticides are used on hemp farms, pesticide drift risks contamination of cannabis crops and the state-mandated destruction of cannabis batches that fail testing.
- **Watershed caps** - the proposed hemp ordinance would count hemp farms towards the County's cap on cannabis permits in each watershed. Given questions regarding the market viability of Humboldt hemp production, which are discussed below, it is important to consider whether hemp cultivation can be considered the highest and best use of Humboldt's limited watershed resources.

Hemp Is Unlikely to Offer Economic Opportunity in Humboldt

Given the risks that hemp production poses to Humboldt's cannabis economy, it should be considered whether hemp cultivation would offer parallel benefits to Humboldt farmers. Hemp is sometimes portrayed as a highly lucrative crop that offers comparable opportunity to cannabis without regulatory burden or federal legal restrictions associated with cannabis. With the benefit of post-Farm Bill data on hemp cultivation, however - and considering Humboldt County's geography and climate - hemp does not seem likely to offer economic benefit to the county.

Hemp production occurs on vastly larger scales than cannabis production. According to CDFA data, in July 2019, there were 624 acres of cannabis production licensed in California. By contrast, there are currently 7,000 acres of hemp production registered in Kern County alone, 60,000 acres of hemp in Oregon, and half a million acres nationwide. This year's market price for CBD-hemp is predicted to fall to as low as \$10-\$20/pound, and supply is estimated at eight times demand.



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In the context of an oversupplied national commodity market, Humboldt hemp production is unlikely to be commercially viable. Even in the flat agricultural areas included in the IHMZ, there is insufficient land to produce at adequate scale compared with the Central Valley or Midwest, and any plausible scale could only be achieved through massive consolidation of land holdings. The coastal climate in IMHZ areas is also less than ideal for hemp production and carries a high risk of mold and mildew.

These practical concerns are even more applicable to small hemp farms of less than 5,000 square feet, as contemplated under the “accessory use” designation in the proposed ordinance. We strongly support measures to decrease barriers to entry and provide economic opportunity to small and cottage farmers, but we do not see hemp cultivation as a plausible solution. At current estimated prices of \$18,000/acre, a 5,000 square foot farm could expect total yearly revenue of just \$2,000. While craft hemp produced by a skilled farmer would potentially sell at a premium, an \$18,000/acre baseline leaves little room for commercially viable production on such a small scale. Additionally, while the prospect of non-commercial hemp cultivation for medicinal purposes has been raised, it should be noted that state law requires hemp to be cultivated on at least one-tenth of an acre, or 4,356 square feet. Hemp cultivation on plots this large would be difficult to justify under fully non-commercial goals. Given these challenges, we believe that ongoing conversations regarding reducing barriers to cottage cannabis cultivation - rather than opening up new small-scale hemp cultivation - are more likely to be successful in providing opportunity for small farmers.

Regulation of Hemp Is Not a Good Use of Humboldt County Resources

Any mitigation of the hemp industry's potential impacts would require expenditure of public resources which are difficult to justify given the challenges associated with growing hemp in Humboldt County.

Most notably, it is questionable whether the County's hemp ordinance would survive CEQA challenge, and there is a strong possibility that additional resources would be required to ensure CEQA compliance.

Additionally, any measures taken to mitigate the risks identified above would require significant resources to enforce. These would include rules related to enforcement of feminized seed, pollen drift, pesticide use, water use, THC content, and cultivation method requirements.

Federal and State Hemp Regulation are Immature

At the federal level, a first wave of proposed draft hemp regulations has yet to be developed by either the USDA (for cultivation) or FDA (for products meant for human consumption). On the state level, California has yet to submit its state hemp cultivation plan to federal regulators, technically a prerequisite to legal hemp cultivation under the 2018 Farm Bill. Additionally, California state law and regulation remain at an early stage of development. Notably, state legislation to authorize the inclusion of CBD in products for human consumption - AB 228 - did not pass in 2019 and remains under development.

As state and federal law continue to develop, and as the hemp industry begins to mature, substantial new issues are likely to become apparent. The hemp industry's legal and market turbulence is nearly a match for the cannabis industry, with both industries moving from illegality to billion-dollar markets in a matter of months, and would raise an entirely separate but equally complex set of potential issues for the County.

Hemp-related developments likely to emerge over the next 12-18 months include:

- USDA cultivation regulations.
- Federal transportation regulations.
- State and federal regulation regarding THC testing.
- California state legislation on the inclusion of CBD in consumable products.
- FDA regulation on the inclusion of CBD in consumable products.
- Submission of a California state hemp cultivation plan to the federal government, with potential approval, rejection, or request for modification.
- Consideration of testing requirements for pesticides, microbials, and other contaminants, including whether CBD products should be tested to identical standards as cannabis products.
- Continued instability in hemp markets.

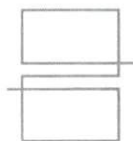
Policy Recommendations

Based on the identified risks and the lack of potential benefit to hemp cultivation in the County, **HCGA strongly opposes the largely unregulated hemp cultivation on unlimited scale proposed in the IMHZ**, which poses the greatest risk of pollen contamination, pesticide drift, pests, and watershed impact.

We are less concerned about the potential impacts of small hemp farms in RA-zoned properties, and would consider supporting this proposal if we believed it would achieve its intended effect to provide legitimate economic opportunities to displaced legacy cannabis farmers. However, we urge a serious accounting as to whether craft hemp production at less than 5,000 square feet is commercially viable given the current state of the hemp market, and encourage consideration of alternative policies that would incentivize viable cottage cannabis cultivation.

Similarly, we are less concerned about the relatively small-scale hemp production under the CCLUO, but question the reasoning for cultivating hemp rather than cannabis once a local cannabis land use permit has already been obtained.

More than anything, we urge a precautionary approach to hemp cultivation in Humboldt County. Since staff and the Board of Supervisors last considered a hemp ordinance four months ago, much more information on the hemp industry has come to light, including reporting on widely unstable hemp genetics and a ten-fold increase in the area of U.S. hemp cultivation. We expect that additional information will continue to come to light in the coming months and years. Given these risks and uncertainties, we urge the County to tread carefully on policy decisions that may not be possible to reverse once set in motion,

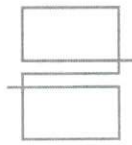


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and to take a precautionary approach to a crop that poses many risks and few likely benefits to our county's economic future.

Sincerely,

Terra Carver
Executive Director
Humboldt County Growers Alliance
Hcga.co
@hcga_humboldt



HUMBOLDT COUNTY GROWERS ALLIANCE

November, 15 2019

Dear Humboldt County Supervisors,

Please accept the following letter on behalf of the Humboldt County Growers Alliance, representing more than 250+ licensed, tax-paying cannabis businesses in Humboldt County who collectively adhere to some of the strongest environmental, public safety, and public health laws of any industry.

Large-Scale Hemp Production in Humboldt County

HCGA remains strongly opposed to large-scale commercial cultivation of hemp in Humboldt County, such as the 28,000 acres of unlimited-scale cultivation proposed originally by staff, due to substantial risks to our county's cannabis industry. Experience in Southern Oregon, Washington, Colorado, and elsewhere has shown that, once the Pandora's Box of large-scale hemp cultivation is opened alongside an existing cannabis industry, litigation and conflict over pollen drift, pesticide drift, and pests will quickly escalate. Permitholders and the County have invested too many resources into the regulation, growth, and support of the cannabis industry to risk the same outcomes here. To substantiate this point, we encourage your Board to review the articles linked below regarding large-scale hemp cultivation elsewhere in the U.S.

"Cross-pollination drives growing disputes between marijuana, hemp farmers" - Hemp Industry Daily article from November 14 on cross-pollination in Washington and Oregon. An Oregon cannabis farmer estimates that 8% of the state's crop has been lost to pollination due to increases in hemp cultivation.
<https://hempindustrydaily.com/cross-pollination-drives-growing-disputes-between-marijuana-hemp-farmers/>

"Shortage of CBD seeds, clones will leave some farmers out of hemp game this year" - Hemp Industry Daily Article discussing the unreliability of "feminized" CBD-hemp genetics, and the high proportion of male plants.
<https://hempindustrydaily.com/shortage-of-cbd-seeds-clones-will-leave-some-farmers-out-of-hemp-game-this-year/>

"Hemp boom spurs cross-pollination disputes" - Capital Press article documenting pollination by hemp plants in Southern Oregon, including hemp plants grown with what was claimed to be "feminized" seed
https://www.capitalpress.com/state/oregon/hemp-boom-spurs-cross-pollination-disputes/article_e4d1e99c-c903-11e9-8bdd-73e58f5946b5.html

"Pollen Drift: The Cannabis Industry's Ticking Time Bomb" - Dope Magazine article discussing the seeding of cannabis crops by hemp crops in Pueblo, Colorado. <https://dopemagazine.com/pollen-drift-cannabis-industrys-ticking-time-bomb/>

"10 million pot plants worth \$1 billion destroyed in Kern County" - Los Angeles Times article discussing enforcement against hundreds of acres of cannabis grown under the guise of "hemp" in Kern County. <https://www.latimes.com/california/story/2019-11-04/authorities-destroy-10-million-plants-marijuana-hemp>

Our concerns regarding large-scale hemp cultivation are discussed in more detail in the attached letter, originally submitted by HCGA to the Planning Commission on September 3, 2019 and available on our website.

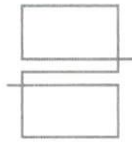
Small-Scale Hemp Production in Humboldt County

Considerations related to small-scale hemp cultivation are distinct. When conducted on very small scales, HCGA does not have major concerns about pollen drift from CBD-hemp, given that farmers will be able to more easily check their crops for males. As originally communicated in our September 30 letter to the Planning Commission, HCGA remains neutral on small-scale hemp cultivation - such as the 5,000 square foot cultivation allowance originally proposed by staff that included environmental and land use conditions - but with several important caveats:

1. Commercial Viability

There is reason to be skeptical that hemp production will be commercially viable in Humboldt County. The bottom has fallen out of the hemp CBD market this year, with over 500,000 acres of hemp planted nationally, and biomass prices dropping substantially to below \$35/lb. Hemp is being produced nationwide as a commodity product on industrial scales, such as the more than 7,000 acres of hemp currently registered in Kern County alone. The below articles are just a small sample of the widespread reporting over the past several months on the collapse of the hemp market.

Projections: Hemp Supply Increase Threatens Future Margins - Cannabis Business Times article from November 11 assessing current CBD biomass prices at \$2.72 per pound per percentage point of CBD (or, \$27.20/pound of 10% CBD biomass) <https://www.cannabisbusinesstimes.com/article/projections-hemp-supply-increase-threatens-future-margins/>



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"Flood of hemp harvest hitting the market could sink price, profits for farmers" - Philadelphia Inquirer article on the collapsing market for hemp CBD due to overproduction.
<https://www.inquirer.com/business/weed/hemp-farming-glut-no-guarantees-supply-us-20190916.html>

The potential for a specialty craft market for hemp flower, particularly for high-CBD smokable flower, is more difficult to project. We are concerned that the existing market for hemp flower is largely due to a short-lived grey area in federal law, the "total THC" loophole, which some have interpreted to allow hemp to contain large quantities of THCa. THCa is a cannabinoid which decarboxylates to THC when smoked, producing the same effects as delta-9 THC in cannabis (i.e. it gets you high). Proposed USDA regulations, once finalized, would clearly close the total THC loophole by incorporating THCa into the definition of hemp, with unclear effects on the market for smokable hemp.

Proposed THC Testing for Hemp Sparks Industry Backlash - Hemp Industry Daily Article discussing the "total THC" issue, proposed USDA rules to close the loophole, and potential effects on the hemp flower market
<https://hempindustrydaily.com/they-just-suffocated-the-farmers-proposed-thc-testing-for-hemp-sparks-industry-backlash/>

Ultimately, we see two possibilities. Either the craft hemp market will not be commercially viable; or, the market will resemble the 'value added' craft THC market, with smokable hemp flower cultivated, processed, and sold in the same manner as cannabis flower, and at comparable prices. In Humboldt County, this means that the future viability of craft hemp production is inextricably tied to Project Trellis marketing efforts funded by Measure S taxes. If this turns out to be the case, and craft smokable hemp flower is commercially viable, it raises significant concerns about parity with cannabis cultivation, land use, taxation and consumer safety, which we outline below.

2.Parity

As has been noted many times, high-THC cannabis and low-THC "hemp" are the same plant: *cannabis sativa*, with different genetics expressing different cannabinoid profiles, but the same growing methods, environmental impact, smell, and quality assurance considerations. However, the difference between the regulation of cannabis and hemp is vast. Your Board has put five years of work into the land use and environmental regulation of cannabis in Humboldt County, mirroring a similar investment of resources at the state level. **By contrast, hemp - the same plant, with identical environmental and land use impact - is almost entirely unregulated at the state level.**

Therefore, if your Board chooses to move forward with allowing small-scale hemp cultivation, **it is essential that there is parity between hemp and cannabis**. We recommend parity includes the following:

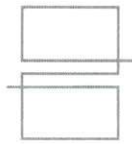
- **Parity in environmental regulation**: including impacts related to water, roads, forests, wildlife, and pesticide use.
- **Parity in land use regulation**: including considerations related to smell, light, and noise, cultural considerations, and community sensitive areas.
- **Parity in local taxation**: If small-scale hemp cultivation is permitted in the county, any economic viability would largely be tied to the development of a value-added marketplace in part built off the efforts of Project Trellis's forthcoming marketing program. Currently, Measure S taxes are only paid by cannabis farmers, enabling prospective hemp farmers to receive the same marketing benefits, for the same plant, without the same commitment to paying into the system.
- **Parity in testing**: While cannabis products are held to strict testing standards for pesticides, solvents, mycotoxins, and heavy metals, there is no comparable final product testing for hemp-derived products. Contaminants in cannabis and hemp products pose identical risks to consumer health, and are particularly important given the frequency with which CBD products are marketed as health products and the increasing prevalence of smokable hemp. Required final product testing is also the only point of accountability to ensure that hemp cultivators do not use prohibited pesticides that risk impact to the environment.

While staff's original proposal for small-scale hemp cultivation included some of these considerations, we strongly suggest more work done to understand who would regulate and enforce these conditions. We recommend developing plans for environmental regulation and enforcement absent state resources, an assessment of the County's ability to collect taxes on hemp cultivation sites under Measure S, and accountability for final product contaminant testing without state oversight.

3. Evolving Policy Climate

Prospective regulations should also consider rapidly-evolving state and federal hemp regulations, which are unfinished and will remain uncertain for the next 12-18 months. Considerations include:

- The total THC loophole, discussed above.
- Hemp-derived consumable products, such as edibles, beverages, tinctures, and dietary supplements, are currently prohibited by both state CDPH regulation and federal FDA regulation. While this may change in the future, it is unclear when and how.



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- Hemp can only be distinguished from cannabis via sophisticated testing. The recent law enforcement action against 600 acres of “hemp” in Kern County, which tested at 7% THC, underlines the difficulty of enforcement in this context.
- Recently proposed USDA hemp rules would require THC testing to be performed by DEA-registered labs. **HCGA strongly opposes DEA-registered labs in Humboldt County.**
- Other proposed USDA hemp regulations with the potential to substantially impact the hemp market, including required THC testing fifteen days before harvest and required testing from the tops of buds.
- It is unclear whether hemp can be regulated on a local level without triggering a CEQA review process.

Importance of Community Participation in Public Process

Finally, we think it’s important to put the Planning Commission’s proposed ban on hemp cultivation into its proper context. When staff originally proposed a detailed ordinance regulating hemp cultivation in September - including proposing separate regulatory structures for large-scale and small-scale hemp cultivation - several public meetings were held over the course of a month to solicit public input, including two Planning Commission meetings and two scoping meetings held in Redway and Eureka. HCGA membership and staff participated in each of these meetings and communicated our concerns regarding pollen drift, pesticide drift, pests, equitable land use and environmental regulation, and the collapsing market for CBD.

There was no comparable participation by prospective hemp farmers. As a result, the Planning Commission felt that the expenditure of resources to effectively regulate hemp could not be justified by the lack of stated public support for hemp cultivation, and by the risks that unregulated and large-scale hemp cultivation pose to Humboldt County’s environment and cannabis industry. Rather than modify staff’s proposed regulatory framework to account for the many concerns around hemp cultivation, then, the Planning Commission - in the absence of participation by hemp farmers - chose to recommend the ban that is now before you.

While we believe it may be theoretically possible for the County to develop a hemp regulatory framework that accounts for the land use, environmental, regulatory, and

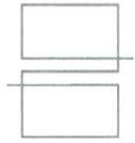
cannabis parity concerns detailed above, we share the Planning Commission's practical skepticism that developing such a regulatory framework is worth a major investment of staff time and public resources. This skepticism was reinforced by the lack of public participation by prospective hemp farmers over the past two months.

If the Board determines that this investment of resources can be justified, and chooses to send the ordinance back to the Planning Commission for further development, HCGA looks forward to working with stakeholders to develop an equitable ordinance that is protective of public health, public safety and the environment and that addresses our stated concerns. However, we hope any conversation of this magnitude and scale would be based on an assessment that hemp cultivation offers a real economic opportunity to our county's small farmers at large, and not based on a gold rush mentality which has already been shown to be a mirage for thousands of hemp farmers across the country.

Thank you for your consideration on this very complicated issue.

Sincerely,

Terra Carver
Executive Director
Humboldt County Growers Alliance
Hcga.co



HUMBOLDT COUNTY GROWERS ALLIANCE

February 8, 2021

Dear Humboldt County Supervisors,

Please accept the following letter on behalf of the Humboldt County Growers Alliance on Item I2 regarding industrial hemp in Humboldt.

HCGA is the voice of Humboldt County's legal cannabis industry, representing more than 250 responsible plant-touching cannabis businesses in Humboldt County. Built on a foundation of fifty years of experience and innovation, HCGA members are statewide leaders for environmentally and ethically produced cannabis who are working together to preserve, protect, and enhance Humboldt County's world-renowned cannabis industry.

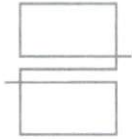
HCGA supports staff's recommendation to place a permanent moratorium on hemp in the county, and believes the staff report has accurately captured many of the key reasons for the importance of this moratorium, including concerns regarding the cross-pollination of cannabis crops and the introduction of novel pests and pathogens.

We would like to thank staff, the Planning Commission, and the Board for over two years of extensive analysis, town hall public discussion, and deliberation on the potential impacts of hemp in Humboldt County. This extensive process reflects the rapidly-evolving complexities associated with hemp policy, science, and economics at the local, state, and federal level, and the importance of this policy for the future of Humboldt County, including Humboldt's cannabis industry and the health of our environment.

For a more detailed review of these issues, we have attached HCGA's 2019 letters to the Planning Commission and Board of Supervisors regarding the hemp ordinance proposed at that time. While there have been some additional developments over the past year and a half, the issues outlined in these letters remain substantially the same.

For example, these letters rebut the frequent claim that industrial hemp poses no risk of cross-pollination so long as hemp is required to be feminized. To the contrary, the documented instability of hemp genetics as well as the typically industrial scale of hemp cultivation has led to catastrophic cross-pollination in Oregon, Washington, Colorado, and elsewhere despite claims of "feminized seeds" and even the imposition of required buffer zones between hemp and cannabis.

Considering the significant risks that hemp poses to the regulated cannabis industry, we agree with staff that the strongest rationale for allowing hemp in Humboldt County has been the



HUMBOLDT COUNTY GROWERS ALLIANCE

potential to provide economic opportunity for small legacy farmers who have not entered the regulated cannabis framework. We also agree with staff that the recently-adopted 2,000 square foot ordinance, which provides reduced barriers to entry for cottage farms seeking to enter the cannabis market, constitutes a more effective approach to establishing an economically viable pathway forward for small farms.

In our view, industrial hemp is unlikely to offer significant economic opportunity for small Humboldt farmers for several reasons which are outlined in greater detail in the attached 2019 letters. These include requirements in state law that hemp cultivation must take place on at least one-tenth of an acre; the collapsing market for hemp CBD in light of mass overproduction; uncertainty associated with the legality and regulation of CBD hemp products at the state and federal level; and the difficulty of effectively regulating hemp from an environmental perspective without access to the state laws that govern pesticides, water, and land use impact in cannabis.

Hemp and cannabis are fundamentally the same plant, and Humboldt County has already established a robust ordinance, based on years of public discussion, to regulate this plant. Discussions about how to improve this framework and reduce barriers to entry should take place within this cannabis ordinance, and not within a framework that artificially separates out hemp based on the presence or absence of THC.

We appreciate the Board's attention to this important issue.

Thank you,
Ross Gordon
Policy Director
Humboldt County Growers Alliance