



Board Agenda Item 31

DATE: April 28, 2020

TO: Board of Supervisors

SUBMITTED BY: Melissa Cregan, Agricultural Commissioner/Sealer of Weights and Measures

SUBJECT: Retroactive Cooperative Agreement for the Industrial Hemp Cultivation Program with Registration

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute First Amendment to State Agreement No. 18-0683-000-SA-1 with the California Department of Food and Agriculture for the Industrial Hemp Cultivation Program with Registration, effective upon execution with no change to the term of April 30, 2019, through June 30, 2020, and increasing the maximum reimbursement by \$252,577 to a total of \$254,577.

Approval of the recommended action will allow the County to enter into an agreement with the California Department of Food and Agriculture to reimburse the Department's costs for the Industrial Hemp Cultivation Program with Registration.

This item is countywide.

ALTERNATIVE ACTION(S):

Should your Board not approve the recommended action, the department will not receive funding from the California Department of Food and Agriculture (CDFA) for the Industrial Hemp Cultivation Program.

RETROACTIVE AGREEMENT:

This revenue agreement is retroactive to April 30, 2019. The Department received the amended agreement from the CDFA on March 13, 2020.

FISCAL IMPACT:

There is no increase in net County cost associated with this recommended action. Fresno County will receive approximately \$254,577 in revenues from the CDFA to fund this mandated program. The estimated revenues and appropriations to fund the full cost of the program are included in the FY 2019-20 Adopted Budget for the Department of Agriculture Fund 0001/ Org.40101018/Subclass/10000/Account 3545.

DISCUSSION:

The California Industrial Hemp Farming Act (Senate Bill 566, Chapter 398, Statutes of 2013) was signed into law to authorize the commercial production of industrial hemp in California effective on January 1, 2017. As directed by this Act, the California Department of Food and Agriculture (CDFA) is developing a program to administer this new law. To date CDFA, with assistance from the Hemp Advisory Board, has developed

regulations guiding the registration process, fee structure, sampling procedures, and other administrative details as necessary to provide for the commercial production of industrial hemp in accordance with the Act.

California Food and Agriculture Code (FAC) Sections 81003 and 81004 require industrial hemp growers and hemp breeders to register with the local county agriculture commissioner prior to cultivation. This Agreement reimburses the Agriculture Department for costs associated with the registration, renewal, enforcement of non-registered cultivators, public outreach, and training of county staff.

REFERENCE MATERIAL:

BAI #33 October 8, 2019

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement #18-0683-000-SA-1

CAO ANALYST:

Raul Guerra