



Board Agenda Item 35

DATE: September 22, 2020

TO: Board of Supervisors

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

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

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute State Agreement No. 20-0322-000-SA with the California Department of Food and Agriculture for the Industrial Hemp Cultivation Program with Registration, effective July 1, 2020 through June 30, 2022, with a total reimbursement amount of \$158,875.

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 July 1, 2020. The department received the agreement from the CDFA on July 24, 2020.

FISCAL IMPACT:

There is no increase in net County cost associated with this recommended action. Fresno County will receive approximately \$158,875 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 2020-21 Budget and 2021-2022 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 the 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 registration, renewal, and enforcement of non-registered cultivators.

This is a two-year agreement with the CDFA expiring June 30, 2022.

REFERENCE MATERIAL:

BAI #31 April 28, 2020
BAI #33 October 8, 2019

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement # 20-0322-000-SA

CAO ANALYST:

Raul Guerra