



# Board Agenda Item 33

DATE: October 8, 2019

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):

- 1. Approve and authorize the Fresno County Agricultural Commissioner/Sealer of Weights and Measures to execute a retroactive Cooperative Agreement with the California Department of Food and Agriculture for the Industrial Hemp Cultivation Program with Registration, effective April 30, 2019 through June 30, 2020, with a total reimbursement amount of \$2,000.**
- 2. Authorize the Fresno County Agriculture Commissioner/Sealer to approve, and execute on behalf of the County of Fresno, amendments to this revenue agreement on behalf of the County of Fresno, which may increase or decrease this agreements maximum by an amount not to exceed the greater of 15% of the agreement maximum, or \$10,000, subject to Approval as to legal form by County Counsel, and approval as to accounting form by the Auditor-Controller/Treasurer-Tax Collector.**

The first recommended action will authorize the Fresno County Agricultural Commissioner/Sealer of Weights and Measures to approve and execute this revenue agreement on behalf of the County of Fresno for Fiscal Year 2019-20. Due to programmatic changes made during the year, the Agricultural Commissioner/Sealer may also need to amend this revenue agreement. The second recommended action will allow the Agricultural Commissioner/Sealer to approve and execute, on behalf of the County of Fresno, amendments to this revenue agreement that may increase or decrease the agreement maximum by an amount not to exceed the greater of 15% of the agreement maximum, or \$10,000, subject to approval as to legal form by the County Counsel, and approval as to accounting form by the Auditor-Controller/Treasurer-Tax Collector.

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 with Registration.

RETROACTIVE AGREEMENT:

This revenue agreement is retroactive to April 30, 2019. The Department received the agreement from the CDFA on August 5, 2019.

FISCAL IMPACT:

There is no increase in net County cost associated with the recommended action. Fresno County will receive approximately \$2,000 in revenue from 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 recommended Budget for Department of Agriculture Org. 40101018.

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. The Act became effective on January 1, 2017, due to a provision in the Adult Use of marijuana Act (Proposition 64, November 2016).

As directed by this Act, the California Department of Food and Agriculture (CDFA) is developing a program to administer this new law. The first step of this process is establish an Industrial Hemp Advisory Board. With assistance from the Board, CDFA will further develop the registration process, fee structure, regulations, and other administrative details as necessary to provide for the commercial production of industrial hemp in accordance with the Act.

In the interest of efficiency, approval of the recommended action will authorize the Fresno County Agricultural Commissioner/Sealer of Weights and Measures to approve and execute, on behalf of the County of Fresno, this revenue agreement. In turn, this will decrease CAO and Department staff dedicated to process this agreement for consideration by your Board.

California Food and Agricultural Code (FAC) Section 81003 and 81004 require industrial hemp growers for commercial purposes and seed breeders to register with the local county agricultural commissioner prior to cultivation. The registration fee is outlined in Section 4900 in the Title 3 of California Code of Regulations.

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement

CAO ANALYST:

Raul Guerra