REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS OF SAN BERNARDINO COUNTY AND RECORD OF ACTION

August 9, 2022

FROM

ANGELA GODWIN, Agricultural Commissioner/Sealer, Department of Agriculture/Weights & Measures

SUBJECT

Revenue Agreement with the California Department of Food and Agriculture for the Industrial Hemp Cultivation Program

RECOMMENDATION(S)

Approve revenue **Agreement No. 22-736** with the California Department of Food and Agriculture (State Agreement No. 22-0764-000-SA) for the enforcement, registration and renewal issuance activities related to the Industrial Hemp Cultivation Program retroactively from July 1, 2022 through June 30, 2024 for a maximum reimbursement of \$178,582. (Presenter: Angela Godwin, Agricultural Commissioner/Sealer, 387-2117)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.

FINANCIAL IMPACT

This item will not result in the use of additional Discretionary General Funding (Net County Cost). The revenue agreement specifies a term from July 1, 2022 through June 30, 2024, for a maximum reimbursement of \$178,582. Sufficient appropriation and revenue have been included in the Department of Agriculture/Weights & Measures (AWM) 2022-23 budget and will be included in the 2023-24 recommended budget.

BACKGROUND INFORMATION

This revenue agreement with the California Department of Food and Agriculture (CDFA) will reimburse AWM for performing enforcement, registration and renewal issuance activities related to the Industrial Hemp Cultivation Program for a maximum reimbursement of \$178,582 from July 1, 2022 to June 30, 2024.

AWM currently performs enforcement activities related to Industrial Hemp, such as issuing registration, renewal, and registration amendments, which includes confirming that applicants submit all supporting documents as required by the California Department of Food and Agriculture (CDFA) guidelines and the requirements outlined in Section 4920, in Title 3 of the California Code of Regulations (Code of Regulations); conducting pre-site inspections; pre-harvest inspections; sampling the Tetrahydrocannabinol (THC) level of registered plants before harvest to ensure that it falls below 0.3% THC, which is the California mandated maximum percentage for Industrial Hemp; reviewing pre-harvest, harvest, and destruction reports; and

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issuing notices of abatement when it is found the Industrial Hemp does not meet CDFA guidelines or the requirements outlined in the Code of Regulations.

When an abatement notice is issued, pursuant to Code of Regulations 4950, the non-compliant industrial hemp crop shall be destroyed as soon as practical, but no later than 45 calendar days after the cultivator's receipt of notification of abatement from the Agricultural Commissioner/Sealer. The cultivator will need to submit a destruction plan to the Agricultural Commissioner/Sealer within 48 hours of the abatement notice and at least 24 hours prior to the start of the destruction. In the event the non-compliant industrial hemp crop is not destroyed after the 45 calendar days provided, AWM can order the removal of the non-compliant industrial hemp crop by public employees, private contractors or other persons and the cost of the removal, plus any administrative costs, will be levied and assessed against the property owner as a special assessment or billed directly to the property owner.

On March 10, 2020 (Item No. 7), the Board of Supervisors (Board) approved the initial revenue agreement with CDFA to provide enforcement, registration and renewal issuance activities related to the cultivation of Industrial Hemp, throughout San Bernardino County, on the behalf of CDFA for the period of April 30, 2019 through June 30, 2020. On September 15, 2020 (Item No. 6), the Board approved the second revenue agreement between AWM and the CDFA for the period of July 1, 2020 to June 30, 2022.

On July 12, 2022, AWM received the State revenue agreement in the amount of \$178,582, for the period of July 1, 2022 through June 30, 2024. This item is being presented to the Board at this time, as this is the first date available for presentation following the required operational, fiscal and legal reviews. Approval at this time will have no impact on work performed for the Industrial Hemp Cultivation Program since July 1, 2022, as it will be reimbursed under this agreement.

This revenue agreement aligns with the County and Chief Executive's Officer's goals and objectives by working with other agencies with respect to performing enforcement activities for the Industrial Hemp Cultivation Program on the behalf of CDFA and receiving reimbursement for the work performed.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Daniel Pasek, Deputy County Counsel, 387-5455) on July 18, 2022; Finance (Elias Duenas, Administrative Analyst, 387-4052) on July 18, 2022 and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5453) July 19, 2022.

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Record of Action of the Board of Supervisors San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Dawn Rowe Seconded: Col. Paul Cook (Ret.)

Ayes: Col. Paul Cook (Ret.), Janice Rutherford, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY _

DATED: August 9, 2022



cc: A/W&M- Godwin w/agree for sign

Contractor- C/O A/W&M w/agree

File- w/agree

LA 08/11/2022