



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Agricultural
Commissioner
Department No.: 051
For Agenda Of: September 10, 2024
Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Jose Chang, Commissioner, 681-5600
Director(s)
Contact Info: Matthew Maiten, Deputy Commissioner, 681-5600
SUBJECT: Industrial Hemp Cultivation Program Agreement 24-0431-000-SA with the
California Department of Food and Agriculture

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Risk Management Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve, ratify, and authorize the Chair of the Board of Supervisors to execute an agreement with the California Department of Food and Agriculture in an amount not to exceed \$6,070.87 to reimburse the County for the registration of Industrial Hemp growers and seed breeders and the enforcement of laws and regulations pertaining to industrial hemp for the period of July 1, 2024 through June 30, 2026; and
- b) Determine that the above action involves government funding mechanisms and/or fiscal activities and is not a project under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15378(b)(4).

Summary Text:

This item is on the agenda for the Board of Supervisors to approve, ratify, and authorize an agreement with the California Department of Food and Agriculture (CDFA) to receive reimbursement for the County's activities to perform regulatory work in the Industrial Hemp Cultivation Program. Through this agreement, the CDFA reimburses the Santa Barbara County Agricultural Commissioner's Office for the cost associated with the activities of registration of industrial hemp growers and seed breeders,

enforcement of laws and regulations pertaining to industrial hemp, and prevention of non-compliant plantings from entering the marketplace as industrial hemp.

Background:

On February 1, 2022, the Board of Supervisors adopted Ordinance No. 5149, regulating industrial hemp cultivation within the unincorporated area of the County. CDFA and county agricultural commissioners have different responsibilities with regard to the Industrial Hemp Cultivation Program, as delineated by the Food and Agricultural Code Division 24, its implementing regulations, and a 2019 Memorandum of Understanding between the State of California and California Agricultural Commissioners and Sealers Association.

One of CDFA's responsibilities is to allocate funds from the Department of Food and Agriculture Fund to county agricultural commissioner to cover the costs of hemp registration, investigation, and enforcement activities. To accomplish this, CDFA has entered this cooperative agreement with other California counties.

The agreement would reimburse the County in an amount not to exceed \$6,070.87, for the period of July 1, 2024 through June 30, 2026. The County would be reimbursed for collecting and transmitting registration and renewal fees, confirming registrant eligibility, and investigating and overseeing enforcement by non-registered cultivators. The effective date of the agreement was July 1, 2024. However, CDFA did not provide the agreement to the County until August 6, 2024, hence the recommended action for the agreement to be ratified.

Performance Measure:

The activities performed in this agreement are based on registered hemp growers. Currently, there is one registered hemp grower in Santa Barbara County.

Contract Renewals and Performance Outcomes:

N/A

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

| <u>Funding Sources</u> | <u>2024-25 FY Cost:</u> | <u>2025-26 FY Cost:</u> | <u>Total One-Time Project Cost</u> |
|-------------------------------|--------------------------------|--------------------------------|---|
| General Fund | | | |
| State | \$ 3,035.44 | \$ 3,035.43 | \$ 6,070.87 |
| Federal | | | |
| Fees | | | |
| Other: | | | |
| Total | \$ 3,035.44 | \$ 3,035.43 | \$ 6,070.87 |

Narrative: The recommended agreement will reimburse the Agricultural Commissioner's Office for activities invoiced to CDFA up to \$6,070.87.

Key Contract Risks:

If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the CDFA shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an Agreement amendment to the Contractor to reflect the reduced amount.

Staffing Impacts:

The work required under the Industrial Hemp Cultivation Program Agreement will continue to be completed by existing staff.

Special Instructions:

Please send a fully executed signature page for Standard Agreement 24-0431-000-SA and a minute order to the Agricultural Commissioner's Office.

Attachments:

Attachment A: Industrial Hemp Cultivation Program Agreement No. 24-0431-000-SA

Authored by:

Matthew Maiten