



Agricultural Commissioner COUNTY OF TULARE AGENDA ITEM

District One
PETE VANDER POEL
District Two
AMY SHUKLIAN
District Three

District Four
DENNIS TOWNSEND
District Five

AGENDA DATE: February 26, 2019

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SUBJECT:

Receive a presentation from the Agricultural Commissioner/Sealer regarding a proposed moratorium on Industrial Hemp cultivation within the County

REQUEST(S):

That the Board of Supervisors:

- 1. Receive a presentation by the Agricultural Commissioner/Sealer regarding concerns about industrial hemp cultivation in the unincorporated areas of the County of Tulare.
- 2. Provide direction to the Agricultural Commissioner/Sealer regarding a potential moratorium (interim, urgency ordinance) on of Industrial Hemp cultivation within the County.

SUMMARY:

The purpose of this presentation is to update the Board of Supervisors on recent changes to the laws regulating industrial hemp; to outline potential issues that may arise if industrial hemp cultivation becomes established in Tulare County before staff has had an opportunity to propose appropriate local regulations; and to request direction regarding a potential moratorium (in the form of an interim ordinance pursuant to Government Code section 65858) on the cultivation of industrial hemp, either for commercial purposes, or by "Established Agricultural Research Institutions," as defined by California Food and Agricultural Code Section 81000.

On December 20, 2018, President Trump signed into law H.R. 2, the "Agriculture Improvement Act of 2018" (also known as the 2018 Farm Bill). The 2018 Farm Bill removed hemp from the list of drugs classified as Schedule 1 under the Controlled

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Substances Act, thereby essentially legalizing hemp cultivation, pursuant to certain federal and state regulatory control. The 2018 Farm Bill allows the transfer of hemp-derived products across state lines for commercial or other purposes. It also puts no restrictions on the sale, transport, or possession of hemp-derived products, so long as those items are produced in a manner consistent with the law.

Although decriminalized by Proposition 64, until industrial hemp regulations and enforcement mechanisms, including those regulating the registration process and fees, are adopted by the Industrial Hemp Advisory Board (established pursuant to Proposition 64), prospective growers are de facto prohibited from cultivating industrial hemp for commercial purposes. The Industrial Hemp Advisory Board released a few regulations related to registration in November 2018, and after incorporating the feedback received during the public comment period, it is expected that these regulations will take effect in mid 2019. It is anticipated that once those registration regulations are in place, anyone interested in growing industrial hemp for commercial purposes may become eligible to do so by registering with the county agricultural commissioner prior to cultivation.

Furthermore, although a prospective commercial grower is not yet able to pursue cultivation of industrial hemp for commercial purposes, state law exempts cultivation by an "Established Agricultural Research Institution" from some of the regulatory requirements, including the requirement to register with a County Agricultural Commissioner. Furthermore, the definition of an "Established Agricultural Research Institution" is vague, and neither the Legislature nor the Industrial Hemp Advisory Board have provided guidelines on how the County can establish whether a cultivator should fall under the exception for an "Established Agricultural Research Institution," or whether the cultivation would otherwise constitute "agricultural or academic research."

As a result of this exemption for "Established Agricultural Research Institutions", the cultivation or manufacturing of industrial hemp by an "Established Agricultural Research Institution" is not contingent upon the development of a regulatory framework addressing hemp seed, cultivation or any other provision set forth by the Industrial Hemp Advisory Board. It is foreseeable that individuals or organizations may attempt to exploit the exemptions afforded to "Established Agricultural Research Institutions" in an effort to prematurely cultivate industrial hemp for commercial purposes, or to cultivate cannabis under the disguise of "agricultural or academic research". Due to the fact that industrial hemp and cannabis are derivatives of the same plant, Cannabis sativa L., the appearance of industrial hemp and cannabis are indistinguishable. Absent a laboratory-performed chemical analysis for tetrahydrocannabinol (THC) content, the two plants cannot be easily distinguished. The inability to distinguish the plants could also be exploited by the "Established Agricultural Research Institution" or a commercial grower once the state regulations are in place allowing cultivation of industrial hemp for commercial purposes.

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Because the County has not yet established any land use regulations regarding the cultivation of industrial hemp, and there is a potential for growers to abuse or exploit loopholes to avoid regulation of industrial hemp or cannabis activities, the County may wish to consider establishing certain land use regulations before industrial hemp becomes an established use in the County.

For the reasons set above, the Agricultural Commissioner's office is requesting input and direction from the Board of Supervisor's regarding the County's current position on Industrial Hemp cultivation within the County, and whether to bring an interim, urgency ordinance (pursuant to the County's police powers and/or Government Code section 65858) to temporarily prohibit industrial hemp cultivation, until the County has an opportunity to study the potential impacts and difficulties with regulating industrial hemp.

FISCAL IMPACT/FINANCING:

There is no financial impact to the county at this time.

LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

The County's five-year strategic plan includes the <u>Economic Well-Being Initiative</u> to promote economic development opportunities, effective growth management and a quality standard of living. This request to inform the Board of Supervisors directly implicates the economic well-being of the County.

ADMINISTRATIVE SIGN-OFF:

Marilyn Wright

Agricultural Commissioner/Sealer

CC:

County Administrative Office

Attachment(s)

BEFORE THE BOARD OF SUPERVISORS COUNTY OF TULARE, STATE OF CALIFORNIA

IN THE MATTER OF RECEIVE A PRESENTATION FROM AGRICULTURAL COMMISSIONER/SI REGARDING A PROPOSEDMORATO INDUSTRIAL HEMP CULTIVATION I COUNTY	RIUM) Agreement No.
UPON MOTION OF SUPERVIS	OR, SECONDED BY
	_, THE FOLLOWING WAS ADOPTED BY THE
BOARD OF SUPERVISORS, AT AN O	FFICIAL MEETING HELD
, BY THE FOLLOWING VOTE:	
AYES: NOES: ABSTAIN: ABSENT:	
ATTEST:	JASON T. BRITT COUNTY ADMINISTRATIVE OFFICER/ CLERK, BOARD OF SUPERVISORS
BY:	
	Deputy Clerk
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