

Carolyn Purdy

From: Avela Carretero
Sent: Monday, May 13, 2019 10:46 AM
To: Carolyn Purdy
Cc: Steven Hajik
Subject: The Agricultural Commissioner's report on Lake County Industrial Hemp

Carolyn,

Per your request here is the report from the Ag commissioner on Industrial Hemp,

The Agricultural Commissioner's office has been accepting state hemp registrations since May 6, 2019. So far, there are five (5) registrations and none have been approved yet because they are incomplete. There are still no state regulations except for the registration process. We were told by the state (CDFA) that there will be proposed regulations in a few months. However it is still uncertain if the proposed (not adopted) regulations are enforceable, if a hemp crop needs to be destroyed due to an elevated THC level. It generally takes several months for regulations to be officially adopted. In fact, adopted regulations usually are changed during the approval process.

Our main concern at this time is the potential financial impact on the county if crop destruction is required. This is required if the THC level exceeds .3 of 1%. This department does not have the staffing or equipment to do crop destruction. In order for this to be possible in a timely, effective manner (48 hours from test results), a third party must be used. This would require the county to have a standing agreement with a qualified private business to be available on short notice to do this work. This is not inexpensive and preliminary estimates are around \$5,000 to start the process and at least \$500 per hour to do this work.

There are (3) three options to cover the cost of crop destructions. The preferable one in my opinion is a surety bond. Requiring a grower to obtain a financially sufficient surety bond would prevent the county from bearing the financial burden. The question is, "Is it legal?" At the request of the CAO's office, we have e-mailed County Counsel concerning this matter. Another options is to require a crop destruction fee when hemp growers register with the county. This could be several thousands of dollars depending on the size of the growing grounds. The downside of this proposal is that it would require a large amount of funding upfront and if there is no THC problem, is reimbursement possible. The last option would be for the county to do the work themselves, to absorb the crop destruction cost and put in a lien on the property if the county wasn't reimbursed in a timely manner.

On another topic, the Agricultural Commissioner's office is opposed to a Ten (10) mile buffer zone to protect the cannabis growers from pollen originating from hemp production. This would severely restrict hemp production, a legal agricultural commodity, unlike cannabis. If the county adopts the proposed ordinance from Community Development, how will this impact the hemp growers that have already submitted their, state hemp registrations now and in the near future (prior to official adoption)?

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