

# The County of Yuba



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**TO:** Board of Supervisors

**FROM:** Stephen M. Scheer, Agricultural Commissioner

**SUBJECT:** Amendment to Chapter 7.42 of the Yuba County Ordinance Code

**DATE:** May 9, 2023

**NUMBER:** 213/2023

## Recommendation:

Adopt the attached Ordinance amending Yuba County Ordinance Code relating to Industrial Hemp Cultivation.

## Background

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). Senate Bill 1409 was signed into law on September 30, 2018. This Bill redefines the way Industrial Hemp will be regulated with the changes taking effect on January 1, 2019. Senate Bill 153, Industrial Hemp, was chaptered on October 12, 2019 and further refines the regulation of Industrial Hemp in California. Subsequently, the 2018 Farm Bill legalizes hemp and defines it as an agricultural commodity removing it from the federally controlled substances list. The Final Federal Rule was published on January 19, 2021 and the California Approved Plan took effect on March 22, 2021.

## Discussion

With the passage of the 2018 Farm Bill there was increasing interest in Industrial Hemp production in Yuba County. Since the initial legalization in 2017, interest in producing Industrial Hemp in Yuba County has decreased and the Agricultural Commissioner has received few calls. Senate Bill 153 further defines how Industrial Hemp will be regulated as of January 1, 2020 and designates the County Agricultural Commissioner as the local regulating authority.

The regulations for Industrial Hemp are now fully developed and adopted. The Industrial Hemp program is inadequately funded and during the first Fiscal Year 19/20 California counties that allowed production spent \$2.3 Million dollars of general fund money to administer the program. Participating counties unfunded expenditures to administer the program continue as no further funding mechanisms have been enacted. Yuba County's moratorium on hemp production ended on August 31, 2022. In the past two years, the Agricultural commissioner has received one inquiry regarding Industrial Hemp production in the county. Additionally, many jurisdictions allowing Industrial Hemp production continue to experience theft, nuisance complaints, public safety issues and widespread violations of the regulations by registered Industrial Hemp producers.

#### Committee Action

This item did not go to committee due to time constraints.

#### Fiscal Impact

The recommended action would result in decreasing future impacts on the General Fund related to staff time and resources from the various departments involved in regulating cultivation of industrial hemp and the development of reasonable regulations, if any, to mitigate any identified adverse effects. At this time, there is no additional General Fund impact.

#### Attachments

213/2023 - Industrial Hemp Ordinance