

**California Department of Food and Agriculture (CDFA)
Minutes**

of the Meeting/Video Conferencing
of the Industrial Hemp Advisory Board (IHAB)
Held on Tuesday, January 31, 2023
1220 N Street Auditorium
Sacramento, CA 95814

INDUSTRIAL HEMP ADVISORY BOARD MEMBERS

Members Present: Emma Aronson, Kadie Britt, Justin Eve, Will Kleidon, Diwan Munger, Jack Norton, Rob Porcella, Andrew Smith, Richard Soria, Lucas Wilson

Members Absent: Michael Fisher, Shannon Hattan

OTHER ATTENDEES*

Lisa B, Jon Bixler, Chris Boucher, Scott Bowden, Kortney Chrisman, Joanna Cedar, Rick Duchin, Shareef El Sissi, Pamela Epstein, Danny Fieldberg, Gurmin Gill, Mario Gutierrez, Lisa Herbert, JE, Joshua Kress, Brenda Lanini, Corrie Larsen, Mark A. McLoughlin, Becky Mendonza, Montanioc, Ryan Palmquest, Loc Phan, Wayne Richman, Helena Roberts, Margo Sanchez, Josh Schneider, Terpene Belt Processing, Edgar Winters, Monica Winters

*As self-reported in the Zoom application or sign-in sheet

CALL TO ORDER AND ROLL CALL

Jack Norton, Chair, called the meeting to order at 09:14 a.m. and conducted roll call. A quorum was present for the Board.

WELCOME AND OPENING REMARKS

Norton welcomed everyone and reviewed the topics of discussion.

REVIEW AND APPROVAL OF PRIOR MEETING MINUTES

Norton directed the Board to review the draft minutes prepared by program staff for the October 20, 2022, meeting. A copy of the draft minutes had been distributed to the Board members and posted on the Department's website prior to the meeting. No changes or corrections were suggested.

Board Motion #1

The Board approved the minutes for October 20, 2022, as presented.

Motion: Richard Soria
Second: Luke Wilson

Details of Board Vote

In Favor: Emma Aronson, Kadie Britt, Justin Eve, Will Kleidon, Diwan Munger, Jack Norton, Rob Porcella, Richard Soria, Lucas Wilson

Against: None

Abstain: Andrew Smith

Absent: Michael Fisher, Shannon Hattan

BRIEF PROGRAM ACTIVITIES UPDATE

Brenda Lanini, acting Environmental Program Manager for CDFA's Nursery, Seed, Cotton, and Hemp Program, reported that all required cultivation data had been submitted the United States Department of Agriculture (USDA) in accordance with federal law and regulations.

There were no Board discussion or public comments related to this agenda item.

REGISTRATION FEES TASK FORCE UPDATE

Justin Eve reported that the Registration Fees Task Force was looking into the following:

- How to support the hemp industry with supplemental funding outside of registration fees from growers and breeders
- Funding sources for hemp programs in other states
- Gathering feedback from county agriculture commissioners

The Board discussed additional ideas for the Registration Fees Task Force to consider, including:

- A site fee assessment partitioning adjacent fields and the ability to assess them as separate sites with different varieties
- Counties establishing local registration fees on top of CDFA fees to better support local county costs
- Analyzing anonymized data regarding acreage and cultivars

Norton asked for an update on the recommendation to the Secretary made by the Board on October 26, 2022, regarding setting a cap to registration fees. Lanini replied that the Program was gathering data to analyze whether the proposed fee structure with the Board's recommendation would cover program costs, and that additional information would be available by the next Board meeting.

The Board discussed the possibility of the program being funded via fees collected by other programs that work with hemp. Joshua Kress, Chief of CDFA's Pest Exclusion Branch, noted that the California Food and Agriculture Code clearly defines how CDFA can use revenue from each fee established or authorized in the law. Kress also noted that the Board does not have authority to make recommendations to the Secretary regarding other CDFA programs, but added that private industry

representatives and others can advocate for changes to other programs in the appropriate venues.

Public comments included support for the task force's investigation of a possible hybrid approach to the fee structure and research of other states.

RULES AND REGULATIONS TASK FORCE UPDATES

Norton reported that the definition of "harvest" that had been recommended by the Board on May 5, 2022, had been submitted to USDA for review for compliance with federal law and regulations. USDA had requested adjustments/clarification from CDFA and the Board regarding testing, cloning, and research and development (R&D).

Norton presented a new proposed definition of "harvest" to try to address the concerns from USDA. The proposed change excluded vegetative growth, and did not include material removed from the plant for:

- Testing
- Research and development (R&D)
- Thinning
- Cloning of vegetative growth
- Tissue propagation of vegetative growth
- Male culling
- Disposal
- Transplants from one lot to another

The Board further discussed the proposed definition, including:

- How to define whether a plant is in a vegetative state
- Adding considerations for photoperiodic dependent and auto-flower varieties
- Further define testing, such as tissue or sap analysis to better understand the fertility of the plant
- Focusing on vegetative growth by defining the difference between flowering and non-flowering growth
- The maintenance of stock to include thinning, male culling, disposal, and accounting for a dead plant

Public comments included:

- Statement that the regulatory structure of federal and state programs is based on the regulation of flowering material
- Suggestion that the inclusion of performance-based sampling language could make the definition more broadly acceptable to the USDA
- Suggestion that the definition of "harvest" could be based on visuals and other minor attributes for determination.

Norton moved for the Board to recommend amending the definition of “harvest” in regulation, as presented. Diwan Munger seconded.

Board Motion #2

The Board recommended amending California Code of Regulations (CCR), Title 3, Section 4890(a)(13) as follows:

- (13)(A) “Harvest” means the collection of any portion of an industrial hemp plant at the termination of the cultivation process for the purpose of processing, distribution, storage, or sale.
- (B) "Harvest" excludes vegetative growth and does not include material removed from the plant for:

1. Testing, that is not followed by the processing of the material for the purposes in (a)(13)(1)
2. Research and development, that is not followed by the processing of the material for the purposes in (a)(13)(1)
3. Thinning
4. Cloning of vegetative growth
 - a. Only cloning of vegetative material is authorized without harvest reporting
5. Tissue propagation of vegetative growth
 - a. Only tissue propagation of vegetative material is authorized without harvest reporting
6. Male culling
7. Disposal
8. Transplants from one lot to another lot if both lots are within the same permit holder's control

Motion: Jack Norton

Second: Diwan Munger

Details of Board Vote

In Favor: Emma Aronson, Kadie Britt, Justin Eve, Will Kleidon, Diwan Munger, Jack Norton, Rob Porcella, Andrew Smith, Richard Soria, Lucas Wilson

Against: None

Abstain: None

Absent: Michael Fisher, Shannon Hattan

Norton noted that the task force had no recommendations to present to the Board regarding remediation. The Board discussed support for options to remediate non-compliant products and prevent destruction of the entire crop.

Additional public comments regarding this agenda item included the impacts of regulations on hemp fiber and grain production, concerns regarding Assembly Bill (AB) 45 implementation and the ability to sell raw hemp flower, requesting support for hemp fiber and grain production in the upcoming federal Farm Bill, and comments regarding remediation and the regulation of cannabinoids.

2023 INDUSTRIAL HEMP ADVISORY BOARD PRIORITIES

Eve led a discussion with the Board Members regarding their priorities for the Board for the upcoming year. Priorities from Board Members related to the CDFA Industrial Hemp Program included:

- Consistent application of standards or regulations throughout the state
- Clarifying the difference between psychoactive cannabis and hemp
- Streamlining testing, and testing exemptions
- Work with the Legislative task force to investigate statutory changes
- Continue work on the definition of harvest and remediation

Public comments included agreement to the priorities stated by the Board and suggestion to explore replacing the existing CDFA/county registration program with licensing by the USDA's U.S. Domestic Hemp Production Program.

PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Comments included an inquiry on the advantages of the USDA's hemp program, and a suggestion to augment hemp processing capability in the state.

NEXT MEETING/AGENDA ITEMS

Suggested agenda items for the next Board meeting included:

- Regulation language pertaining to remediation
- Discussion of performance-based sampling in different situations
- Communication with county agricultural commissioners

ADJOURNMENT

The meeting was adjourned at 2:17 p.m.

Respectfully submitted by:

Kortney Chrisman, Associate Governmental Program Analyst
Industrial Hemp Program
California Department of Food & Agriculture