

AMENDED IN ASSEMBLY AUGUST 12, 2019

AMENDED IN ASSEMBLY JUNE 27, 2019

AMENDED IN SENATE MAY 17, 2019

AMENDED IN SENATE MARCH 25, 2019

SENATE BILL

No. 153

Introduced by Senator Wilk

(Principal coauthor: Assembly Member Aguiar-Curry)

(Coauthors: Senators Caballero and Galgiani)

January 23, 2019

An act to amend Sections *81001*, *81002*, 81003, 81004, 81005, and 81006 of, to amend, repeal, and add Section 81000 of, and to add Sections 81012, 81013, 81014, and 81015 to, the Food and Agricultural Code, relating to industrial hemp, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 153, as amended, Wilk. Industrial hemp.

Existing federal law, the Agricultural Act of 2014, authorizes an institution of higher education, as defined, or a state department of agriculture, as defined, to grow or cultivate industrial hemp under an agricultural pilot program, as defined, under certain conditions. Existing federal law, the Agricultural Marketing Act of 1946, as amended by the Agriculture Improvement Act of 2018, requires a state or Indian tribe desiring to have primary regulatory authority over the production of industrial hemp in the state or territory of the Indian tribe to submit to the United States Secretary of Agriculture, through the state department of agriculture or the tribal government, as applicable, a plan, with specified contents, under which the state or Indian tribe monitors and regulates ~~that~~ *hemp* production.

Existing state law regulates the cultivation and testing of industrial hemp, ~~as defined.~~ *defined, and regulates the activities of seed breeders to develop seed cultivars through seed development plans, as defined. Existing law creates the Industrial Hemp Advisory Board.* Existing state law requires an entity that is either a grower of industrial hemp for commercial purposes or a seed breeder that develops varieties of industrial hemp for sale or research to register with the county agricultural commissioner of the county in which it intends to cultivate industrial hemp and to annually renew its registration. Existing state law exempts an established agricultural research institution, as defined, from these registration requirements. Existing state law requires the Department of Food and Agriculture to establish a registration fee and appropriate renewal fee to be paid by registrants. Under existing state law, these fees are deposited in the Department of Food and Agriculture Fund and continuously appropriated to the department for the administration and enforcement of this registration program and other provisions regulating the cultivation of industrial hemp. Existing state law requires a county agricultural commissioner to transmit information collected pursuant to these provisions to the department. Under existing state law, a violation of these provisions is a misdemeanor.

Under existing state law, these provisions are ~~only~~ operative *only* to the extent authorized by federal law, as set forth in an opinion of the Attorney General. Before enactment of the federal Agriculture Improvement Act of 2018, an opinion of the Attorney General issued pursuant to existing state law concluded that industrial hemp may only be grown pursuant to these provisions to the extent authorized by the federal Agricultural Act of 2014.

Existing law, the Control, Regulate and Tax Adult Use of Marijuana Act (AUMA), added by Proposition 64 at the November 8, 2016, statewide general election, revised provisions of state law regarding industrial hemp.

This bill would revise the provisions regulating the cultivation and testing of industrial hemp to conform with the requirements for a state plan under the federal Agricultural Marketing Act of 1946, as amended by the federal Agriculture Improvement Act of 2018, by, among other things, revising the definition of ~~industrial hemp,~~ *expanding “industrial hemp,” and replacing the terms “seed breeder,” “seed cultivar,” and “seed development plan” with the defined terms “hemp breeder,” “cultivar,” and “variety development plan,” respectively. The bill would expand and change the membership of the Industrial Hemp*

Advisory Board, as specified. The bill would apply the registration requirements to apply to growers of industrial hemp for noncommercial as well as commercial purposes, imposing impose new requirements on the department and county agricultural commissioners for the handling and transmittal of registration information, imposing impose new testing requirements, providing provide new enforcement procedures, procedures to be operative as of the effective date of an approved state plan, as defined, and imposing impose new conditions on eligibility to participate in the industrial hemp program, as defined. By expanding registration requirements, including payment of registration fees, to some growers of industrial hemp for nonecommercial agricultural or academic research purposes, the bill would establish a new source of revenue for a continuously appropriated fund, thus making an appropriation.

The

This bill would require the Secretary of Food and Agriculture, in consultation with the Governor and the Attorney General, to develop and submit a state plan to the United States Secretary of Agriculture, as provided, on or before ~~January 31~~, May 1, 2020.

By

This bill would specify consequences for a violation of its provisions according to the frequency of prior violations and whether the violation was negligent, grossly negligent, reckless, or intentional. By imposing new registration requirements on some growers of industrial hemp for nonecommercial agricultural or academic research purposes, the violation of which would be a misdemeanor, this bill would impose a state-mandated local program.

AUMA authorizes the Legislature to amend certain provisions of AUMA to further the purposes and intent of AUMA with a 2/3 vote of the membership of the Legislature.

This bill would amend AUMA by modifying the definition of ~~established~~ “*established* agricultural research ~~institution~~, *institution*,” as of the date on which a state plan for California is approved pursuant to the federal Agricultural Marketing Act of 1946, as amended by the federal Agricultural Improvement Act of 2018.

This bill would declare that certain of its provisions further the purposes and intent of AUMA.

By increasing the duties of county agricultural ~~commissioners~~, *commissioners who would enforce certain of these new provisions*, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for specified reasons.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.
 State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. It is the intent of the Legislature in enacting this
 2 act to neither limit nor prevent a city, county, or city and county
 3 from exercising its police power authority under Section 7 of
 4 Article XI of the California Constitution.
 5 SEC. 2. Section 81000 of the Food and Agricultural Code is
 6 amended to read:
 7 81000. Definitions.
 8 ~~For~~
 9 (a) For purposes of this division, the following terms have the
 10 following meanings:
 11 (a)
 12 (1) “Approved state plan” means a state plan for California that
 13 is approved pursuant to Section 297B of the federal Agricultural
 14 Marketing Act of 1946 (added by Section 10113 of the federal
 15 Agriculture Improvement Act of 2018 (Public Law 115-334)) and
 16 in effect.
 17 (b)
 18 (2) “Board” means the Industrial Hemp Advisory Board.
 19 (3) “Cultivar” means a variety of industrial hemp.
 20 (c)
 21 (4) “Established agricultural research institution” means an
 22 institution that is either of the following:
 23 (1)
 24 (A) A public or private institution or organization that maintains
 25 land or facilities for agricultural research, including colleges,
 26 universities, agricultural research centers, and conservation research
 27 centers.
 28 (2)
 29 (B) An institution of higher education, as defined in Section
 30 101 of the federal Higher Education Act of 1965 (20 U.S.C. Sec.

1 1001), that grows, cultivates, or manufactures industrial hemp for
2 purposes of research conducted under an agricultural pilot program
3 or other agricultural or academic research.

4 (5) *“Hemp breeder” means an individual or a public or private*
5 *institution or organization that is registered with the commissioner*
6 *to develop cultivars intended for sale or research.*

7 ~~(d)~~

8 (6) *“Industrial hemp” means an agricultural product, whether*
9 *growing or not, that is limited to types of the plant Cannabis sativa*
10 *L. and any part of that plant, including the seeds of the plant and*
11 *all derivatives, extracts, the resin extracted from any part of the*
12 *plant, cannabinoids, isomers, acids, salts, and salts of isomers,*
13 *with a delta-9 tetrahydrocannabinol concentration of no more than*
14 *0.3 percent on a dry weight basis.*

15 ~~(e)~~

16 (7) *“Industrial hemp program” means growth of industrial hemp*
17 *pursuant to this division and, if in effect, an approved state plan.*

18 ~~(f) “Seed breeder” means an individual or a public or private~~
19 ~~institution or organization that is registered with the commissioner~~
20 ~~to develop seed cultivars intended for sale or research.~~

21 ~~(g) “Seed cultivar” means a variety of industrial hemp.~~

22 ~~(h) “Seed development plan”~~

23 (8) *“Premises” has the same meaning as defined in subdivision*
24 *(ap) of Section 26001 of the Business and Professions Code.*

25 (9) *“THC” means delta-9 tetrahydrocannabinol.*

26 (10) *“Variety development plan” means a strategy devised by*
27 *a seed hemp breeder, or applicant seed hemp breeder, detailing*
28 *their planned approach to growing and developing a new seed*
29 *cultivar for industrial hemp.*

30 ~~(i)~~

31 (b) This section shall remain operative only until the date on
32 which a state plan for California is approved pursuant to Section
33 297B of the federal Agricultural Marketing Act of 1946 (added
34 by Section 10113 of the federal Agricultural Improvement Act of
35 2018 (Public Law 115-334)), and as of January 1 of the following
36 year is repealed.

37 SEC. 3. Section 81000 is added to the Food and Agricultural
38 Code, to read:

39 81000. Definitions.

40 ~~For~~

1 (a) For purposes of this division, the following terms have the
2 following meanings:

3 (a)

4 (1) “Approved state plan” means a state plan for California that
5 is approved pursuant to Section 297B of the federal Agricultural
6 Marketing Act of 1946 (added by Section 10113 of the federal
7 Agriculture Improvement Act of 2018 (Public Law 115-334)) and
8 in effect.

9 (b)

10 (2) “Board” means the Industrial Hemp Advisory Board.

11 (3) “Cultivar” means a variety of industrial hemp.

12 (c)

13 (4) “Established agricultural research institution” means an
14 institution of higher education, as defined in Section 101 of the
15 federal Higher Education Act of 1965 (20 U.S.C. Sec. 1001), that
16 grows, cultivates, or manufactures industrial hemp for purposes
17 of research conducted under an agricultural pilot program or other
18 agricultural or academic research in accordance with Section 7606
19 of the federal Agricultural Act of 2014 (7 U.S.C. Sec. 5940) or
20 otherwise approved by the secretary. *agricultural or academic*
21 *research.*

22 (5) “Hemp breeder” means an individual or a public or private
23 institution or organization that is registered with the commissioner
24 to develop cultivars intended for sale or research.

25 (d)

26 (6) “Industrial hemp” means an agricultural product, whether
27 growing or not, that is limited to types of the plant *Cannabis sativa*
28 L. and any part of that plant, including the seeds of the plant and
29 all derivatives, extracts, the resin extracted from any part of the
30 plant, cannabinoids, isomers, acids, salts, and salts of isomers,
31 with a delta-9 tetrahydrocannabinol concentration of no more than
32 0.3 percent on a dry weight basis.

33 (e)

34 (7) “Industrial hemp program” means growth of industrial hemp
35 pursuant to this division and, if in effect, an approved state plan.

36 (f) ~~“Seed breeder” means an individual or public or private~~
37 ~~institution or organization that is registered with the commissioner~~
38 ~~to develop seed cultivars intended for sale or research.~~

39 (g) ~~“Seed cultivar” means a variety of industrial hemp.~~

40 (h) ~~“Seed development plan”~~

1 (8) “Premises” has the same meaning as defined in subdivision
2 (ap) of Section 26001 of the Business and Professions Code.

3 (9) “THC” means delta-9 tetrahydrocannabinol.

4 (10) “Variety development plan” means a strategy devised by
5 a seed hemp breeder, or applicant seed hemp breeder, detailing
6 their planned approach to growing and developing a new seed
7 cultivar for industrial hemp.

8 (i)

9 (b) This section shall become operative as of the date on which
10 a state plan for California is approved pursuant to Section 297B
11 of the federal Agricultural Marketing Act of 1946 (added by
12 Section 10113 of the federal Agricultural Improvement Act of
13 2018 (Public Law 115-334)).

14 SEC. 4. Section 81001 of the Food and Agricultural Code is
15 amended to read:

16 81001. (a) There is in the department an Industrial Hemp
17 Advisory Board. The board shall consist of ~~11~~ 13 members,
18 appointed by the secretary as follows:

19 (1) ~~Three~~ Four of the board members shall be growers of
20 industrial hemp that are registered pursuant to the provisions of
21 this division. ~~In the case of forming the initial board, and if the~~
22 ~~registration program established pursuant to this division has not~~
23 ~~yet been implemented, these board members shall be those who~~
24 ~~intend to register as growers of industrial hemp. A member of the~~
25 ~~board who is a grower of industrial hemp, or who intends to register~~
26 ~~as a grower of industrial hemp, shall be a representative of at least~~
27 ~~one of the following functions:~~

28 (A) ~~Seed production.~~

29 (B) ~~Seed condition.~~

30 (C) ~~Marketing.~~

31 (D) ~~Seed utilization.~~

32 (2) Two of the board members shall be members of an
33 established agricultural research institution.

34 (3) One member of the board shall be a representative as
35 provided by the California State Sheriffs’ Association and approved
36 by the secretary.

37 (4) One member of the board shall be a county agricultural
38 commissioner.

39 (5) One member of the board shall be a representative of the
40 Hemp Industries Association or its successor industry association.

1 ~~(6) One member of the board shall be a representative of~~
 2 ~~industrial hemp product processors or manufacturers.~~

3 ~~(7) One member~~

4 (6) *Three members* of the board shall be ~~a representative~~
 5 *representatives* of businesses that sell industrial hemp products.

6 ~~(8)~~

7 (7) One member of the board shall be a member of the public.

8 (b) It is hereby declared, as a matter of legislative determination,
 9 that growers and representatives of industrial hemp product
 10 manufacturers and businesses appointed to the board pursuant to
 11 this division are intended to represent and further the interest of a
 12 particular agricultural industry, and that the representation and
 13 furtherance is intended to serve the public interest. Accordingly,
 14 the Legislature finds that persons who are appointed to the board
 15 shall be subject to the conflict-of-interest provisions described in
 16 ~~Section~~ *Sections 87100 and 87103* of the Government Code.

17 (c) The term of office for a member of the board is three years.
 18 If a vacancy exists, the secretary shall, consistent with the
 19 membership requirements described in subdivision (a), appoint a
 20 replacement member to the board for the duration of the term.

21 (d) A member of the board shall not receive a salary but may
 22 be reimbursed by the department for attendance at meetings and
 23 other board activities authorized by the board and approved by the
 24 secretary.

25 (e) The board shall advise the secretary and may make
 26 recommendations on all matters pertaining to this division,
 27 including, but not limited to, industrial hemp seed law and
 28 regulations, enforcement, annual budgets required to accomplish
 29 the purposes of this division, and the setting of an appropriate
 30 assessment rate necessary for the administration of this division.

31 (f) The board shall annually elect a chair from its membership
 32 and, from time to time, other officers as it deems necessary.

33 (g) The board shall meet at the call of its chair or the secretary,
 34 or at the request of any four members of the board. The board shall
 35 meet at least once a year to review budget proposals and fiscal
 36 matters related to the proposals.

37 *SEC. 5. Section 81002 of the Food and Agricultural Code is*
 38 *amended to read:*

39 81002. (a) Except when grown by an established agricultural
 40 research institution or by a ~~seed~~ *registered hemp* breeder

1 developing a new ~~California seed~~ cultivar, industrial hemp shall
2 ~~only~~ be grown *only* if it is on the list of approved ~~seed~~ cultivars,
3 or produced by clonal propagation of industrial hemp that is on
4 the list of approved ~~seed~~ cultivars and therefore genetically
5 identical to, and capable of exhibiting the same range of
6 characteristics as, the parent cultivar.

7 (b) The list of approved ~~seed~~ cultivars shall include all of the
8 following:

9 (1) Industrial hemp ~~seed~~ cultivars that have been certified by
10 member organizations of the Association of Official Seed
11 Certifying Agencies, including, but not limited to, the Canadian
12 Seed Growers' Association.

13 (2) Industrial hemp ~~seed~~ cultivars that have been certified by
14 the Organization of Economic Cooperation and Development.

15 (3) California varieties of industrial hemp ~~seed~~ cultivars that
16 have been certified by a seed-certifying agency pursuant to Article
17 6.5 (commencing with Section 52401) of Chapter 2 of Division
18 18.

19 (c) (1) Upon recommendation by the board or the department,
20 the secretary may update the list of approved ~~seed~~ cultivars by
21 adding, amending, or removing ~~seed~~ cultivars.

22 (2) The adoption, amendment, or repeal of the list of approved
23 ~~seed~~ cultivars, and the adoption of a methodology and procedure
24 to add, amend, or remove a ~~seed~~ cultivar from the list of approved
25 ~~seed~~ cultivars, pursuant to this section shall not be subject to the
26 requirements of the Administrative Procedure Act (Chapter 3.5
27 (commencing with Section 11340) of Part 1 of Division 3 of Title
28 2 of the Government Code).

29 (3) The department, in consultation with the board, shall hold
30 at least one public hearing with public comment to determine the
31 methodology and procedure by which a ~~seed~~ cultivar is added,
32 amended, or removed from the list of approved ~~seed~~ cultivars.

33 (4) The department shall finalize the methodology and procedure
34 to add, amend, or remove a ~~seed~~ cultivar from the list of approved
35 ~~seed~~ cultivars and send the methodology and procedure to the
36 Office of Administrative Law. The Office of Administrative Law
37 shall file the methodology and procedure promptly with the
38 Secretary of State without further review pursuant to Article 6
39 (commencing with Section 11349) of Chapter 3.5 of Part 1 of

1 Division 3 of Title 2 of the Government Code. The methodology
2 and procedure shall do all of the following:

3 (A) Indicate that the methodology and procedure are adopted
4 pursuant to this division.

5 (B) State that the methodology and procedure are being
6 transmitted for filing.

7 (C) Request that the Office of Administrative Law publish a
8 notice of the filing of the methodology and procedure and print an
9 appropriate reference in Title 3 of the California Code of
10 Regulations.

11 (d) The department, in consultation with the board, may
12 determine the manner in which the public is given notice of the
13 list of approved-~~seed~~ cultivars, and any addition, amendment, or
14 removal from that list.

15 ~~SEC. 4.~~

16 *SEC. 6.* Section 81003 of the Food and Agricultural Code is
17 amended to read:

18 81003. (a) (1) Except for an established agricultural research
19 institution or a-~~seed~~ *hemp* breeder subject to Section 81004, and
20 before cultivation, a grower of industrial hemp shall register with
21 the commissioner of the county in which the grower intends to
22 engage in industrial hemp cultivation.

23 (2) The application shall include all of the following:

24 (A) The name, physical address, and mailing address of the
25 applicant.

26 (B) The legal description, Global Positioning System
27 coordinates, and map of the land area on which the applicant plans
28 to engage in industrial hemp cultivation, storage, or both.

29 (C) The approved-~~seed~~ cultivar to be grown, including the state
30 or county of origin.

31 (3) ~~(A)~~ The application shall be accompanied by a registration
32 fee, as determined pursuant to Section 81005.

33 ~~(B)~~

34 (4) A registration issued pursuant to this section shall be valid
35 for one year, after which the registrant shall renew the registration
36 and pay an accompanying renewal fee, as determined pursuant to
37 Section 81005.

38 (b) If the commissioner determines that the requirements for
39 registration pursuant to this division are met and that the applicant
40 is eligible to participate in the industrial hemp program, *in*

1 *accordance with Sections 81012 to 81014, inclusive, the*
2 *commissioner shall issue a registration to the applicant.*

3 (c) A registrant that wishes to alter the land area on which the
4 registrant conducts industrial hemp cultivation, storage, or both,
5 shall, before altering the area, submit to the commissioner an
6 updated legal description, Global Positioning System coordinates,
7 and map specifying the proposed alteration. Once the commissioner
8 has received the change to the registration and the commissioner
9 determines that the requirements pursuant to this division are met,
10 the commissioner shall notify the registrant that it may cultivate
11 industrial hemp on the altered land area.

12 (d) A registrant that wishes to change the ~~seed~~ cultivar grown
13 shall submit to the commissioner the name of the new, approved
14 ~~seed~~ cultivar to be grown. Once the commissioner has received
15 the change to the registration and the commissioner determines
16 that the requirements pursuant to this division are met, the
17 commissioner shall notify the registrant that it may cultivate the
18 new ~~seed~~ cultivar.

19 (e) (1) The commissioner shall transmit information collected
20 under this section to the department.

21 (2) The following information shall be transmitted by the
22 commissioner to the department no more than ~~five~~ 10 business
23 days, and submitted by the department to the United States
24 Department of Agriculture no more than 30 business days, after
25 the date on which it is collected, or, in the case of subparagraph
26 (C), the date of a change in registration status:

27 (A) Contact information for each grower of industrial hemp.

28 (B) A legal description of the land on which the grower engages
29 in industrial hemp cultivation.

30 (C) Registration status of the grower of industrial hemp.

31 (f) The department and the commissioner shall retain
32 information collected under this section for at least three years
33 after collecting or receiving it.

34 ~~SEC. 5.~~

35 *SEC. 7.* Section 81004 of the Food and Agricultural Code is
36 amended to read:

37 81004. (a) (1) Except when grown by an established
38 agricultural research institution, and before cultivation, a ~~seed~~
39 *hemp* breeder shall register with the commissioner of the county

1 in which the ~~seed~~ *hemp* breeder intends to engage in industrial
 2 hemp cultivation.

3 (2) The application shall include all of the following:

4 (A) The name, physical address, and mailing address of the
 5 applicant.

6 (B) The legal description, Global Positioning System
 7 coordinates, and map of the land area on which the applicant plans
 8 to engage in industrial hemp cultivation, storage, or both.

9 ~~(C) The approved seed cultivar to be grown for seed production,
 10 including the state or county of origin.~~

11 ~~(D) If an applicant intends to develop a new California seed
 12 cultivar to be certified by a seed-certifying agency, the applicant~~
 13 *(C) A variety development plan, which shall include all of the*
 14 *following:*

15 ~~(i) The~~ *If a new cultivar is to be certified by a seed-certifying*
 16 *agency, the name of the seed-certifying agency that will be*
 17 *conducting the certification.*

18 ~~(ii) The industrial hemp varieties that will be used~~ *and, if*
 19 *applicable, how those varieties will be used in the development*
 20 ~~of the a new California seed cultivar.~~

21 ~~(iii) A seed development plan specifying how the listed~~
 22 ~~industrial hemp varieties will be used in the development of the~~
 23 ~~new seed cultivar, measures that will be taken to prevent the~~
 24 ~~unlawful use of industrial hemp or seed cultivars under this~~
 25 ~~division, and a procedure for the maintenance of records~~
 26 ~~documenting the development of the new seed cultivar.~~ *plan for*
 27 *testing all of the plants grown.*

28 ~~(iv) The measures that will be taken to destroy any plants with~~
 29 ~~THC concentrations that test above 0.3 percent.~~

30 ~~(v) The measures that will be taken to prevent the unlawful use~~
 31 ~~of industrial hemp under this division.~~

32 ~~(vi) A procedure for the maintenance of records documenting~~
 33 ~~the development of the new cultivar.~~

34 (3) ~~(A)~~ The application shall be accompanied by a registration
 35 fee, as determined pursuant to Section 81005.

36 ~~(B)~~

37 (4) A registration issued pursuant to this section shall be valid
 38 for one year, after which the registrant shall renew its registration
 39 and pay an accompanying renewal fee, as determined pursuant to
 40 Section 81005.

1 (b) If the commissioner determines that the requirements for
2 registration pursuant to this division are met and that the applicant
3 is eligible to participate in the industrial hemp program, *in*
4 *accordance with Sections 81012 to 81014, inclusive*, the
5 commissioner shall issue a ~~seed~~ *hemp* breeder registration to the
6 applicant.

7 (c) A registrant that wishes to alter the land area on which the
8 registrant conducts industrial hemp cultivation, storage, or both,
9 shall, before altering the area, submit to the commissioner an
10 updated legal description, Global Positioning System coordinates,
11 and map specifying the proposed alteration. Once the commissioner
12 has received the change to the registration and the commissioner
13 determines that the requirements pursuant to this division are met,
14 the commissioner shall notify the registrant that it may cultivate
15 industrial hemp on the altered land area.

16 (d) A registrant that wishes to change the ~~seed~~ cultivar grown
17 shall submit to the commissioner the name of the new, approved
18 ~~seed~~ cultivar to be grown. Once the commissioner has received
19 the change to the registration and the commissioner determines
20 that the requirements pursuant to this division are met, the
21 commissioner shall notify the registrant that it may cultivate the
22 new ~~seed~~ cultivar.

23 (e) A registrant developing a new ~~California seed~~ cultivar who
24 wishes to change any provision of the ~~seed~~ *variety* development
25 plan shall submit to the commissioner the revised ~~seed~~ *variety*
26 development plan. Once the commissioner has received the change
27 to the registration and the commissioner determines that the
28 requirements pursuant to this division are met, the commissioner
29 shall notify the registrant that the registrant may cultivate under
30 the revised ~~seed~~ *variety* development plan.

31 (f) All records pertaining to the ~~seed~~ *variety* development plan
32 shall be kept and maintained by the ~~seed~~ *hemp* breeder and be
33 available upon request by the commissioner, a law enforcement
34 agency, or a seed certifying agency.

35 (g) (1) The commissioner shall transmit information collected
36 under this section to the department.

37 (2) The following information shall be transmitted by the
38 commissioner to the department no more than ~~five~~ 10 business
39 days, and submitted by the department to the United States
40 Department of Agriculture no more than 30 business days, after

1 the date on which it is collected, or, in the case of subparagraph
2 (C), the date of a change in registration status:

3 (A) Contact information for each ~~seed~~ *hemp* breeder.

4 (B) A legal description of the land on which the ~~seed~~ *hemp*
5 breeder engages in industrial hemp cultivation.

6 (C) Registration status of the ~~seed~~ *hemp* breeder.

7 (h) The department and the commissioner shall retain
8 information collected under this section for at least three years
9 after collecting or receiving it.

10 ~~SEC. 6.~~

11 *SEC. 8.* Section 81005 of the Food and Agricultural Code is
12 amended to read:

13 81005. (a) The department shall establish a registration fee
14 and appropriate renewal fee to be paid by growers of industrial
15 hemp and ~~seed~~ *hemp* breeders, not including an established
16 agricultural research institution, to cover the actual costs of
17 implementing, administering, and enforcing the provisions of this
18 division.

19 (b) Fees established pursuant to subdivision (a) that are collected
20 by the commissioners upon registration or renewal pursuant to
21 Section 81003 or 81004, except for amounts retained pursuant to
22 this subdivision, shall be forwarded, according to procedures set
23 by the department, to the department for deposit into the
24 Department of Food and Agriculture Fund to be used for the
25 administration and enforcement of this division. A commissioner
26 or the county, as appropriate, may retain the amount of a fee
27 necessary to reimburse direct costs incurred by the commissioner
28 in the collection of the fee.

29 (c) The board of supervisors of a county may establish a
30 reasonable fee, in an amount necessary to cover the actual costs
31 of the commissioner and the county of implementing,
32 administering, and enforcing the provisions of this division, except
33 for costs that are otherwise reimbursed pursuant to subdivision
34 (b), to be charged and collected by the commissioner upon
35 registrations or renewals required pursuant to Section 81003 or
36 81004 and retained by the commissioner or the county, as
37 appropriate.

38 ~~SEC. 7.~~

39 *SEC. 9.* Section 81006 of the Food and Agricultural Code is
40 amended to read:

1 81006. Industrial Hemp Growth Limitations; Prohibitions;
2 Imports; Laboratory Testing.

3 (a) ~~(1)~~ Except when grown by an established agricultural
4 research institution or a seed *registered hemp* breeder, industrial
5 hemp shall be grown in acreages of not less than one-tenth of an
6 acre at the same time.

7 ~~(2)~~ Seed breeders, for purposes of seed production, shall only
8 grow industrial hemp in acreages of not less than one-tenth of an
9 acre at the same time.

10 ~~(3)~~ Seed breeders, for purposes of developing a new California
11 seed cultivar, shall grow industrial hemp in dedicated acreage of
12 not less than one-tenth of an acre and in accordance with the seed
13 development plan. The entire area of the dedicated acreage is not
14 required to be used for the cultivation of the particular seed cultivar.

15 (b) Clandestine cultivation of industrial hemp is prohibited. All
16 plots shall have adequate signage indicating they are industrial
17 hemp.

18 (c) *Industrial hemp shall not be cultivated on a premises licensed*
19 *by the department to cultivate or process cannabis. Industrial*
20 *hemp, regardless of its THC content, that is cultivated on a*
21 *premises licensed by the department for cannabis cultivation shall*
22 *be considered cannabis as defined in subdivision (f) of Section*
23 *26001 of the Business and Professions Code and subject to*
24 *licensing and regulatory requirements for cannabis pursuant to*
25 *Division 10 (commencing with Section 26000) of the Business and*
26 *Professions Code.*

27 ~~(e)~~

28 (d) Industrial hemp shall include products imported under the
29 Harmonized Tariff Schedule of the United States (2013) of the
30 United States International Trade Commission, including, but not
31 limited to, hemp seed, per subheading 1207.99.03, hemp oil, per
32 subheading 1515.90.80, oilcake, per subheading 2306.90.01, true
33 hemp, per heading 5302, true hemp yarn, per subheading
34 5308.20.00, and woven fabrics of true hemp fibers, per subheading
35 5311.00.40.

36 ~~(e)~~

37 (e) (1) Except when industrial hemp is grown by an established
38 agricultural research ~~institution~~, *institution or a registered hemp*
39 *breeder and tested in accordance with an approved variety*
40 *development plan*, a registrant that grows industrial hemp under

1 this section shall, before the harvest of each crop and as provided
2 below, obtain a laboratory test report indicating the THC levels of
3 a random sampling of the dried flowering tops of the industrial
4 hemp grown.

5 (2) Sampling shall occur no more than 30 days before harvest.

6 (3) The sample collected for THC testing shall be taken with
7 the grower or ~~seed~~ *hemp* breeder present. The department shall
8 establish, by regulation, the sampling procedures, including all of
9 the following:

10 (A) The number of plants to be sampled per field, and any
11 composting of samples.

12 (B) The portions of the plant to be sampled.

13 (C) The plant parts to be included in a sample.

14 (D) Additional procedures as necessary to ensure accuracy and
15 the sanitation of samples and fields.

16 (4) The sample collected for THC testing shall be accompanied
17 by the following documentation: *registrant's proof of registration.*

18 ~~(A) The registrant's proof of registration.~~

19 ~~(B) Seed certification documentation for the seed cultivar used.~~

20 ~~(C) The THC testing report for each certified seed cultivar used.~~

21 (5) The laboratory test report shall be issued by a laboratory
22 approved by the department, using a department-approved testing
23 method. The testing method shall use postdecarboxylation or
24 similarly reliable methods for determining THC concentration
25 levels. The laboratory test report shall indicate the percentage
26 concentration of THC on a dry-weight basis, indicate the date and
27 location of samples taken, and state the Global Positioning System
28 coordinates and total acreage of the crop. If the laboratory test
29 report indicates a percentage concentration of THC that is equal
30 to or less than 0.3 percent, the words "PASSED AS CALIFORNIA
31 INDUSTRIAL HEMP" shall appear at or near the top of the
32 laboratory test report. If the laboratory test report indicates a
33 percentage concentration of THC that is greater than 0.3 percent,
34 the words "FAILED AS CALIFORNIA INDUSTRIAL HEMP"
35 shall appear at or near the top of the laboratory test report.

36 (6) If the laboratory test report indicates a percentage
37 concentration of THC that is equal to or less than 0.3 percent, the
38 laboratory shall provide the person who requested the testing not
39 less than 10 original copies signed by an employee authorized by
40 the laboratory and shall retain one or more original copies of the

1 laboratory test report for a minimum of two years from its date of
2 sampling.

3 (7) If the laboratory test report indicates a percentage
4 concentration of THC that is greater than 0.3 percent and does not
5 exceed 1 percent, the registrant that grows industrial hemp shall
6 submit additional samples for testing of the industrial hemp grown.

7 (8) A registrant that grows industrial hemp shall destroy the
8 industrial hemp grown upon receipt of a first laboratory test report
9 indicating a percentage concentration of THC that exceeds 1
10 percent or a second laboratory test report pursuant to paragraph
11 (7) indicating a percentage concentration of THC that exceeds 0.3
12 percent but is less than 1 percent. If the percentage concentration
13 of THC exceeds 1 percent, the destruction shall begin within 48
14 hours, and be completed within seven days, after receipt of the
15 laboratory test report. If the percentage concentration of THC in
16 the second laboratory test report exceeds 0.3 percent but is less
17 than 1 percent, the destruction shall take place as soon as
18 practicable, but no later than 45 days after receipt of the second
19 test report.

20 (9) A registrant that intends to grow industrial hemp and who
21 complies with this section shall not be prosecuted for the cultivation
22 or possession of marijuana as a result of a laboratory test report
23 that indicates a percentage concentration of THC that is greater
24 than 0.3 percent but does not exceed 1 percent.

25 (10) ~~Established~~ *An established agricultural research institutions*
26 ~~shall be permitted~~ *institution or a registered hemp breeder shall*
27 *obtain laboratory results in accordance with its approved variety*
28 *development plan. The secretary may authorize a hemp breeder*
29 *to cultivate or possess industrial hemp with a laboratory test report*
30 *that indicates a percentage concentration of THC that is greater*
31 *than 0.3 percent in accordance with its approved variety*
32 *development plan* if that cultivation or possession contributes to
33 the development of types of industrial hemp that will comply with
34 the 0.3 percent THC limit established in this division.

35 (11) Except for an established agricultural research institution,
36 a registrant that grows industrial hemp shall retain an original
37 signed copy of the laboratory test report for two years from its date
38 of sampling, make an original signed copy of the laboratory test
39 report available to the department, the commissioner, or law
40 enforcement officials or their designees upon request, and shall

1 provide an original copy of the laboratory test report to each person
2 purchasing, transporting, or otherwise obtaining from the registrant
3 that grows industrial hemp the fiber, oil, cake, or seed, or any
4 component of the seed, of the plant.

5 ~~(e) If, in the Attorney General’s opinion issued pursuant to~~
6 ~~Section 8 of Chapter 398 of the Statutes of 2013, it is determined~~
7 ~~that the provisions of this section are not sufficient to comply with~~
8 ~~federal law, the department, in consultation with the board, shall~~
9 ~~establish procedures for this section that meet the requirements of~~
10 ~~federal law.~~

11 ~~SEC. 8.~~

12 ~~SEC. 10.~~ Section 81012 is added to the Food and Agricultural
13 Code, to read:

14 81012. (a) ~~A~~ *Enforcement of the approved state plan shall*
15 *comply with subdivision (e) of Section 297B of the federal*
16 *Agricultural Marketing Act of 1946 (added by Section 10113 of*
17 *the federal Agriculture Improvement Act of 2018 (Public Law*
18 *115-334)).*

19 (b) A grower of industrial hemp or ~~seed~~ *hemp* breeder that the
20 secretary determines has violated a provision of this division listed
21 in the approved state plan or an additional requirement listed
22 pursuant to subdivision (b) of Section 81015, including, but not
23 limited to, by failing to provide a legal description of the land on
24 which industrial hemp is grown, failing to register as required, or
25 exceeding the 0.3 percent THC limit established in this division,
26 shall be subject to the following consequences:

27 (1) For a negligent violation, as determined by the secretary,
28 ~~the sole consequences under state law, which shall occupy the field~~
29 ~~to the exclusion of all consequences that may otherwise be imposed~~
30 ~~by local ordinance or regulation, shall be as follows: laws for a~~
31 *violation of this division shall be as follows:*

32 (A) If the violation is not a repeat violation subject to ~~paragraph~~
33 ~~(2), subparagraph (B),~~ the grower of industrial hemp or ~~seed~~ *hemp*
34 breeder shall comply with a corrective action plan, to be established
35 by the secretary, that includes both of the following:

36 (i) A reasonable date by which the grower of industrial hemp
37 or ~~seed~~ *hemp* breeder shall correct the negligent violation.

38 (ii) A requirement that the grower of industrial hemp or ~~seed~~
39 *hemp* breeder shall periodically report to the secretary, for a period
40 of at least the next two calendar years, on the compliance of the

1 grower of industrial hemp or ~~seed~~ *hemp* breeder with this division
2 or the approved state plan.

3 (B) If a grower of industrial hemp or ~~seed~~ *hemp* breeder commits
4 a negligent violation three times in a five-year period, the grower
5 of industrial hemp or ~~seed~~ *hemp* breeder shall be ineligible to
6 participate in the industrial hemp program for a period of five years
7 beginning on the date of the *finding of the* third violation.

8 (2) For a violation committed *intentionally, or with a culpable*
9 ~~mental state greater than negligence, recklessness or gross~~
10 *negligence*, the secretary shall immediately report the grower of
11 industrial hemp or ~~seed~~ *hemp* breeder to the Attorney General of
12 the United States and the Attorney General of this state, as
13 applicable.

14 ~~(b)~~

15 (c) This section shall become operative as of the effective date
16 of an approved state plan.

17 ~~SEC. 9.~~

18 *SEC. 11.* Section 81013 is added to the Food and Agricultural
19 Code, to read:

20 81013. Any person convicted of a felony relating to a controlled
21 substance under state or federal law before, on, or after January
22 1, 2020, shall be ineligible, during the 10-year period following
23 the date of the conviction, to participate in the industrial hemp
24 program.

25 ~~SEC. 10.~~

26 *SEC. 12.* Section 81014 is added to the Food and Agricultural
27 Code, to read:

28 81014. A person that materially falsifies any information
29 contained in an application *or registration* under Section 81003
30 or 81004, or other application to participate in the industrial hemp
31 program, shall be ineligible to participate in the industrial hemp
32 program.

33 ~~SEC. 11.~~

34 *SEC. 13.* Section 81015 is added to the Food and Agricultural
35 Code, to read:

36 81015. (a) On or before ~~January 31, May 1, 2020~~, the secretary,
37 in consultation with the Governor and the Attorney General, shall
38 develop and submit to the United States Secretary of Agriculture
39 a state plan, consistent with this division, pursuant to Section 297B
40 of the federal Agricultural Marketing Act of 1946 (added by

1 Section 10113 of the federal Agriculture Improvement Act of 2018
2 (Public Law 115-334)), including a certification that the state has
3 the resources and personnel to carry out the practices and
4 procedures described in clauses (i) to (iv), inclusive, of
5 subparagraph (A) of paragraph (2) of subsection (a) of that section.

6 (b) In an annex to the state plan, the secretary shall list the
7 provisions of this division that are included in the state plan, and
8 any additional requirements in the state plan, that shall be subject
9 to enforcement pursuant to Section 81012.

10 ~~SEC. 12.~~

11 *SEC. 14.* The Legislature finds and declares that Section 3 of
12 this act, adding Section 81000 to the Food and Agricultural Code,
13 furthers the purposes and intent of the Control, Regulate and Tax
14 Adult Use of Marijuana Act by bringing state law into conformance
15 with federal law regarding state plans for production of industrial
16 hemp, allowing industrial hemp to be grown as an agricultural
17 product, and regulating industrial hemp separately from other
18 strains of cannabis.

19 ~~SEC. 13.~~

20 *SEC. 15.* No reimbursement is required by this act pursuant to
21 Section 6 of Article XIII B of the California Constitution because
22 a local agency or school district has the authority to levy service
23 charges, fees, or assessments sufficient to pay for the program or
24 level of service mandated by this act or because costs that may be
25 incurred by a local agency or school district will be incurred
26 because this act creates a new crime or infraction, eliminates a
27 crime or infraction, or changes the penalty for a crime or infraction,
28 within the meaning of Section 17556 of the Government Code, or
29 changes the definition of a crime within the meaning of Section 6
30 of Article XIII B of the California Constitution.

AMENDED IN SENATE JUNE 26, 2019

AMENDED IN SENATE JUNE 17, 2019

AMENDED IN SENATE JUNE 3, 2019

AMENDED IN ASSEMBLY MARCH 21, 2019

AMENDED IN ASSEMBLY MARCH 13, 2019

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

ASSEMBLY BILL

No. 228

Introduced by Assembly Member Aguiar-Curry
(Coauthor: Senator Wilk)

January 17, 2019

An act to add Section 26003 to the Business and Professions Code, and to add Sections 109950.5, 110382, 110407, 110469, 110611, and 111691 to, and to add Chapter 9 (commencing with Section 111920) to Part 5 of Division 104 of, the Health and Safety Code, relating to industrial hemp, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 228, as amended, Aguiar-Curry. Food, beverage, and cosmetic adulterants: industrial hemp products.

Existing state law, the Sherman Food, Drug, and Cosmetic Law, prohibits the manufacture, sale, delivery, holding, or offer for sale of adulterated foods, beverages, or cosmetics. Existing law prescribes when a food or beverage is adulterated, including if it bears or contains any poisonous or deleterious substance that may render it injurious to the health of a person or other animal that may consume it. Existing

law prescribes when a cosmetic is adulterated, including when it bears or contains a poisonous or deleterious substance that may render it injurious to users under the conditions of use prescribed in the labeling or advertisement of the cosmetic, under customary or usual conditions.

The Sherman Food, Drug, and Cosmetic Law, among other things, regulates the labeling of food, beverages, and cosmetics and makes it a crime to distribute in commerce any food, drug, device, or cosmetic if its packaging or labeling does not conform to these provisions. Existing law also makes it unlawful for a person to disseminate any false advertisement of any food, drug, device, or cosmetic.

Existing law makes a violation of the Sherman Food, Drug, and Cosmetic Law a misdemeanor.

Existing law, the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), provides for the licensing and regulation of commercial cannabis activity, including cultivation, manufacturing, distribution, and retail sale.

Existing law requires a grower of industrial hemp that is to be used for commercial purposes to register with the commissioner of the county in which the grower intends to engage in industrial hemp cultivation.

This bill would require a manufacturer of food that includes industrial hemp to be able to demonstrate that all parts of the plant used in their food come from a state or country that has an established and approved industrial hemp ~~program~~ *program, as defined*, that inspects or regulates hemp under a food safety program or equivalent criteria to ensure safety for human consumption and the industrial hemp cultivator or grower to be in good standing and compliance with the governing laws of the state or country of origin.

This bill would state that a food, beverage, or cosmetic is not adulterated by the inclusion of industrial hemp or cannabinoids, extracts, or derivatives from industrial hemp, and would prohibit restrictions on the sale of food, beverages, or cosmetics that include industrial hemp or cannabinoids, extracts, or derivatives from industrial hemp based solely on the inclusion of industrial hemp or cannabinoids, extracts, or derivatives from industrial hemp.

This bill would require the label of any package of a food, beverage, or cosmetic product containing cannabidiol derived from industrial hemp to include a specified statement. The bill would also prohibit a manufacturer, distributor, or seller of an industrial hemp product from including on the label, or publishing or disseminating in advertising or marketing, a health-related statement, as defined, that is untrue in any

particular manner or that tends to create a misleading impression as to the effects on health of consuming products containing industrial hemp or cannabinoids, extracts, or derivatives from industrial hemp. By creating a new crime, this bill would impose a state-mandated local program.

This bill would prohibit a raw hemp product, as defined, from being distributed or sold in this state without a certificate of analysis from an independent testing laboratory, as defined, that confirms specified information, including that the tested batch of industrial hemp does not contain contaminants that are unsafe for human consumption. By creating a new crime, this bill would impose a state-mandated local program.

This bill would state that an entity that is licensed to engage in commercial cannabis activity pursuant to MAUCRSA is not prohibited from manufacturing, distributing, or selling products that contain industrial hemp or cannabinoids, extracts, or derivatives from industrial hemp grown in compliance with the registration requirements for growers.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 26003 is added to the Business and
- 2 Professions Code, to read:
- 3 26003. This division does not prohibit an entity licensed
- 4 pursuant to its provisions from manufacturing, distributing, or
- 5 selling products that contain industrial hemp, as defined in Section
- 6 11018.5 of the Health and Safety Code, or cannabinoids, extracts,
- 7 or derivatives from industrial hemp grown in compliance with
- 8 Division 24 (commencing with Section 81000) of the Food and
- 9 Agricultural Code.

1 SEC. 2. Section 109950.5 is added to the Health and Safety
2 Code, to read:

3 109950.5. (a) “Industrial hemp” has the same meaning as in
4 Section 11018.5.

5 (b) (1) “Industrial hemp product” means a finished product
6 containing industrial hemp that meets all of the following
7 conditions:

8 (A) Is a cosmetic, food, food additive, dietary supplement, or
9 herb.

10 (B) Is for human or animal consumption.

11 (C) Contains any part of the hemp plant, including naturally
12 occurring cannabinoids, compounds, concentrates, extracts,
13 isolates, resins, or derivatives.

14 (D) Contains no more than 0.3 percent tetrahydrocannabinol.

15 (2) “Industrial hemp product” does not include industrial hemp
16 or a hemp product that is a drug that has been approved as a drug
17 by the United States Food and Drug Administration.

18 SEC. 3. Section 110382 is added to the Health and Safety Code,
19 to read:

20 110382. The label of any package of a food, beverage, or
21 cosmetic containing cannabidiol derived from industrial hemp
22 shall include the following statement:

23
24 “CANNABIDIOL USE WHILE PREGNANT OR
25 BREASTFEEDING MAY BE HARMFUL. KEEP OUT OF
26 REACH OF CHILDREN.”

27
28 SEC. 4. Section 110407 is added to the Health and Safety Code,
29 to read:

30 110407. (a) A manufacturer, distributor, or seller of an
31 industrial hemp product shall not include on the label of the
32 product, or publish or disseminate in advertising or marketing, any
33 health-related statement that is untrue in any particular manner or
34 that tends to create a misleading impression as to the health effects
35 of consuming products containing industrial hemp or cannabinoids,
36 extracts, or derivatives from industrial hemp.

37 (b) For purposes of this section, “health-related statement”
38 means a statement related to health, and includes a statement of a
39 curative or therapeutic nature that, expressly or impliedly, suggests

1 a relationship between the consumption of industrial hemp or
2 industrial hemp products and health benefits or effects on health.

3 SEC. 5. Section 110469 is added to the Health and Safety Code,
4 to read:

5 110469. (a) A wholesale food manufacturing facility that
6 manufactures products that contain industrial hemp shall be
7 registered in accordance with Section 110460.

8 (b) In order for industrial hemp to be used in food products, the
9 manufacturer shall be able to demonstrate both of the following:

10 (1) All parts of the hemp plant used in food shall come from a
11 state or country that has an established and approved industrial
12 hemp program that inspects or regulates hemp under a food safety
13 program or equivalent criteria to ensure safety for human
14 consumption.

15 (2) The industrial hemp cultivator or grower shall be in good
16 standing and in compliance with the governing laws of the state
17 or country of origin.

18 (c) (1) For purposes of this section, “manufacture” means to
19 compound, blend, extract, infuse, or otherwise make or prepare a
20 product.

21 (2) “Manufacture” does not include planting, growing,
22 harvesting, drying, curing, grading, or trimming a plant or part of
23 a plant.

24 (d) *For purposes of this section, “established and approved*
25 *industrial hemp program” means a program that meets all federal*
26 *requirements regarding the lawful and safe cultivation of industrial*
27 *hemp.*

28 SEC. 6. Section 110611 is added to the Health and Safety Code,
29 to read:

30 110611. Except as provided in Section 25621.5 of the Business
31 and Professions Code, a food or beverage is not adulterated by the
32 inclusion of industrial hemp, as defined in Section 11018.5, or
33 cannabinoids, extracts, or derivatives from industrial hemp. The
34 sale of food or beverages that include industrial hemp or
35 cannabinoids, extracts, or derivatives from industrial hemp shall
36 not be restricted or prohibited based solely on the inclusion of
37 industrial hemp or cannabinoids, extracts, or derivatives from
38 industrial hemp.

39 SEC. 7. Section 111691 is added to the Health and Safety Code,
40 to read:

1 111691. A cosmetic is not adulterated because it includes
 2 industrial hemp, as defined in Section 11018.5, or cannabinoids,
 3 extracts, or derivatives from industrial hemp. The sale of cosmetics
 4 that include industrial hemp or cannabinoids, extracts, or
 5 derivatives from industrial hemp shall not be restricted or
 6 prohibited based solely on the inclusion of industrial hemp or
 7 cannabinoids, extracts, or derivatives from industrial hemp.

8 SEC. 8. Chapter 9 (commencing with Section 111920) is added
 9 to Part 5 of Division 104 of the Health and Safety Code, to read:

10

11 CHAPTER 9. INDUSTRIAL HEMP PRODUCTS

12

13 111920. For purposes of this chapter, the following definitions
 14 apply:

15 (a) “Independent testing laboratory” means a laboratory that
 16 meets all of the following requirements:

17 (1) Does not have a direct or indirect interest in the entity for
 18 which testing is being done.

19 (2) Does not have a direct or indirect interest in a facility that
 20 cultivates, processes, distributes, dispenses, or sells raw hemp
 21 products in this state or in another jurisdiction.

22 (3) Does not have a license issued pursuant to Division 10
 23 (commencing with Section 26000) of the Business and Professions
 24 Code, other than as a licensed testing laboratory.

25 (4) Is either of the following:

26 (A) A testing laboratory licensed pursuant to Division 10
 27 (commencing with Section 26000) of the Business and Professions
 28 Code.

29 (B) Accredited by a third-party accrediting body as a competent
 30 testing laboratory pursuant to ISO/IEC 17025 of the International
 31 Organization for Standardization.

32 (b) “Raw hemp product” means a product that is derived from
 33 industrial hemp that is intended to either be used by a consumer
 34 or included in a food, beverage, or cosmetic.

35 111920.1. A raw hemp product shall not be distributed or sold
 36 in this state without a certificate of analysis from an independent
 37 testing laboratory that confirms all of the following:

38 (a) The raw hemp product is the product of a batch of industrial
 39 hemp that was tested by the independent testing laboratory.

1 (b) A tested random sample of the batch of industrial hemp
2 contained a total delta-9-tetrahydrocannabinol concentration that
3 did not exceed 0.3 percent on a dry-weight basis.

4 (c) The tested sample of the batch did not contain contaminants
5 that are unsafe for human consumption.

6 SEC. 9. No reimbursement is required by this act pursuant to
7 Section 6 of Article XIII B of the California Constitution because
8 the only costs that may be incurred by a local agency or school
9 district will be incurred because this act creates a new crime or
10 infraction, eliminates a crime or infraction, or changes the penalty
11 for a crime or infraction, within the meaning of Section 17556 of
12 the Government Code, or changes the definition of a crime within
13 the meaning of Section 6 of Article XIII B of the California
14 Constitution.

15 SEC. 10. This act is an urgency statute necessary for the
16 immediate preservation of the public peace, health, or safety within
17 the meaning of Article IV of the California Constitution and shall
18 go into immediate effect. The facts constituting the necessity are:

19 In order to protect a rapidly expanding industry relating to
20 derivatives from industrial hemp in California and to reduce
21 inconsistency in implementation of state and federal law, it is
22 necessary that this bill take effect immediately.

INDUSTRIAL HEMP PESTICIDE REQUIREMENTS

RACHEL KUBIAK

DEPARTMENT OF PESTICIDE REGULATION

AUGUST 28, 2019

1

TODAY'S TOPICS

- How Does DPR Regulate Pesticides on Industrial Hemp?
- Which Pesticides Can I Apply to Industrial Hemp?
- Does DPR Have a Website or Guidance on Industrial Hemp?
- Who Should I Call with Questions?

2

HOW DOES DPR REGULATE PESTICIDES ON INDUSTRIAL HEMP?

- DPR regulates industrial hemp like any other ag crop.
- The county agricultural commissioners (CAC) throughout the state enforce pesticide laws and regulations locally, not DPR.
- If you are applying pesticides, you need an operator ID number from the county you are growing in (does not include “25b” pesticides).
- Pesticide use reports must be submitted to the CAC each month.
- Workers must be trained to apply pesticides.

3

WHICH PESTICIDES CAN I APPLY TO INDUSTRIAL HEMP?

- Products registered in California on industrial hemp
- Products that are exempt from registration (25b)
- Other products where use of the product would not be considered use in conflict

4

DOES DPR HAVE A WEBSITE OR GUIDANCE ON INDUSTRIAL HEMP?

- DPR is currently working to get industrial hemp related information on its website.
- Guidance documents are also being discussed.

5

WHO SHOULD I CALL WITH QUESTIONS?

- Your local county agricultural commissioner's office - <https://www.cdfa.ca.gov/exec/county/countymap/>
- DPR – Rachel Kubiak

6

PESTICIDE LAW & REGULATIONS

- California Food and Agricultural Code (law), Division 6, sections 11401 - 12408
- California Food and Agricultural Code (law), Division 7, sections 12500-14155 and 15300-15340
- California Food and Agricultural Code (law - Bees), Division 13, sections 29000-29103
- Business and Professional Code (law - structural) Division 3, Chapters 14-14.5
- California Code of Regulations, Title 3, Division 6, sections 6000-6972
- California Code of Regulations, Title 16, Division 19, sections 1900-1999.5 (structural)



Feed, Fertilizer, and Livestock Drugs Regulatory Services Branch (FFLDRS) Division of Inspection Services

Hemp and Fertilizing Materials Labelling Requirements



Amadou Ba, Ph.D.
Environmental Program Manager II



Fertilizing Materials Inspection Program (FMIP)

- The FMIP is responsible for regulating the distribution and labeling of fertilizing materials in California, registration of fertilizing material labels, and assists in ensuring that fertilizing materials are safe, effective, and meets the licensee's claims and guarantees.

Categories:

1. Fertilizing Materials Specifically Used for Hemp

Product name containing hemp and product specifically designed/used for hemp.

2. Hemp as One of the Application Purposes of Fertilizing Materials

Hemp is mentioned on the label as one of the application purposes.

3. Hemp Product as a Nutrient Source in Fertilizing Materials


For example: hemp seed flour as a nutrient source.

Approved Fertilizing Materials Specific for Hemp

| Company Name | Product Name | Product type* | Related claims |
|-----------------------|---|---------------|--|
| ADVANCED NUTRIENTS | Hemp Formulation 20-7-23 | CF | Designed specifically for growers of high-CBD hemp strains |
| MONTY'S PLANT FOOD CO | Monty's Hemp Pro Starter 5-16-12 | CF | For Hemp Production |
| | Monty's Hemp Pro Late Vegetative 10-8-4 | CF | For Hemp Production |
| | Monty's Hemp Pro Early Vegetative 7-9-5 | CF | For Hemp Production |
| | Monty's Hemp Pro Bloom & Flower 3-15-16 | CF | For Hemp Production |
| GREEN GRO LLC | Green Gro Hemp Pods 4-1-1 | SF | Specially designed for industrial hemp planting |

* CF: Commercial Fertilizer; SF: Specialty Fertilizer

Example 1: Fertilizing Material Specifically Used for Hemp



HEMP FORMULATION

EXCLUSIVELY FOR LICENSED PRODUCERS

Advanced Nutrients HEMP FORMULATION contains the same research-grade nutrients developed and used in our laboratories globally.

- Designed specifically for growers of high-CBD hemp strains
- Generates additional income by boosting CBD-rich flower production on existing seed/fiber hemp crops
- Helps prevent nutritional deficiencies by providing the essential macro- and micronutrients not found in fertilizers meant for traditional row crops
- Gives you dramatically higher plant performance when compared to traditional ag-grade field fertilizers
- Improves yield-per-acre on approved hemp varieties, giving you the best efficiency of both land use and labor
- Field tested, grower approved
- 100% NO RISK Grower Guarantee

Put HEMP FORMULATION to work today to see the results in your very next harvest.

YOU RISK NOTHING — IT'S BACKED BY OUR WORLD-FAMOUS 100% GROWER GUARANTEE.

Net Weight: 10 kg / 22 lbs

Directions:
For outdoor applications in soil apply 50-60 grams per square meter (560kg/ha). Use one to three applications throughout the crop cycle depending on strain.

KEEP OUT OF REACH OF CHILDREN. DO NOT SWALLOW. WASH HANDS THOROUGHLY AFTER HANDLING.

Grower Support: 1-800-640-9605
www.AdvancedNutrients.com/GrowerSupport

Information regarding the contents and levels of metals in this product is available in the insert at <http://www.advnut.com/medals.html>

GROWER GUARANTEE
100% NO RISK


Because Advanced Nutrients was built by growers for growers, we know exactly how you would like to be treated. That's why we created **HEMP FORMULATION**. Feed and soil your products with our world-famous 100% Money Back Grower Guarantee.

Monty's Hemp is made of 100% natural ingredients. It is not absolutely identical to other hemp fertilizers, but it is absolutely different. Using with your original sales receipt, look to the place of purchase within six months, and ask for all your money back. It's that simple.


That's right, **HEMP FORMULATION** must live up to all your expectations, or you get every single penny of your money back. That's our custom promise to you, our fellow growers.

NO-RISK INFO: AdvancedNutrients.com/GrowerGuarantee

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HEMP FORMULATION

Finally: A Premium One-Part Base Nutrient Specifically Designed For Growers of Hemp and High-CBD Hemp Strains

If you grow large scale hemp or high-CBD hemp strains, then **HEMP FORMULATION** is for you. The **Advanced Nutrients HEMP FORMULATION** has been specifically designed for growers of high-CBD hemp strains. It provides the growth and yields of various varieties of hemp. Ideal for outdoor and high-wire indoor grows, **HEMP FORMULATION** will maximize growth potential and get the most satisfying yields using **HEMP FORMULATION**. More than a typical N-P-K, the exciting mixture of specialized micronutrients contained in this formula are effectively advanced to your crops, thanks to our patented **HEMP FORMULATION** technology. **HEMP FORMULATION** contains great amounts of acids and allows better nutrient uptake.

HEMP FORMULATION truly is a complete hemp growing system just one feed from seed to harvest. Put it to the test and see. And as always, if you're not absolutely satisfied with your results using **HEMP FORMULATION**, you get 100% of your money back. Search for our world famous **Money Back Guarantee**.

| HEMP FORMULATION | 20-7-23 |
|--|---------|
| GUARANTEED ANALYSIS: | |
| Total Nitrogen (N) | 20% |
| 0.5% Urea Nitrogen | |
| Available Phosphate (P ₂ O ₅) | 7% |
| Soluble Potash (K ₂ O) | 0.09% |
| Boron (B) | 0.5% |
| Iron (Fe) | 0.2% |
| 0.5% Chelated Iron (Fe) | |
| Manganese (Mn) | 0.05% |
| 0.2% Chelated Manganese (Mn) | |
| Zinc (Zn) | 0.05% |
| 0.05% Chelated Zinc (Zn) | |

Derived From: Boric acid, iron DTPA, iron EDDHA, iron EDTA, manganese EDTA, monopotassium phosphate, potassium nitrate, urea, zinc EDTA.

*100% of chelated iron EDDHA is ortho-ortho EDDHA.

For Grower Support Call: 1-800-640-9605
www.AdvancedNutrients.com/GrowerSupport

Advanced Nutrients

1109 - #109 - 31063
Whod Avenue,
Woodstock, NC,
Canada Y2T 6H1

Advanced Nutrients

11801 - #104 - 1625
Heritage Street,
Woodstock, VA,
98674, USA

Example 2: Fertilizing Material Specifically Used for Hemp



MONTY'S HEMP PRO STARTER

5-16-12

Net Contents - 2.5 US Gal (9.46 liters)
Net Weight - 28 lbs (12.9 kg)

HEMP PRO STARTER

FOR HEMP PRODUCTION

Monty's Hemp Pro Starter is a concentrated, liquid plant food used at planting or transplanting to enhance plant development from germination through emergence.

- Can be applied at planting in-furrow or 2x2.
- May be used with other nutrient products for additional response
- Low salt, pH balanced, safe and easy to apply. Will not burn and is non-corrosive
- Tank-mix flexible – can be applied with most herbicides, pesticides, and fungicides
- Designed utilizing orthophosphoric acid (phosphoric acid) for rapid availability

| 5-16-12 GUARANTEED ANALYSIS | |
|--|-------|
| Total Nitrogen (N) | 5% |
| 3.9% Ammoniacal Nitrogen | |
| 3.1% Urea Nitrogen | |
| Available Phosphate (P ₂ O ₅) | 16% |
| Soluble Potash (K ₂ O) | 12% |
| Iron (Fe) | 0.30% |
| 0.50 Chelated Iron | |
| Zinc (Zn) | 0.05% |
| 0.05% Chelated Zinc | |

Derived from Ammonium Hydroxide, Urea, Phosphoric Acid, Potassium Hydroxide, Iron EDTA, and Zinc EDTA

FOR COMMERCIAL USE ONLY

⚠️ **WARNING:** may cause irritation to skin, eyes, and respiratory tract.

Monty's Hemp Pro Starter is a liquid plant food that is recommended as a supplement to your current fertilizer program and is not recommended to replace the nutrients typically added to the soil. We suggest taking a soil test and have a qualified independent lab analyze the samples to determine nutrient levels in your soils and then follow recommended applications to ensure proper nutritional levels.

APPLICATION RATES
Use at transplant at 2-4 quarts per acre in the transplant water. Can also be used in greenhouse seed production at 16 to 32 ounces per 100 gallons of water. May be applied through overhead and drip irrigation systems.

STORAGE AND HANDLING
Keep container closed when not in use. This product contains organic materials which may settle and should be shaken or stirred if stored. Refer to the SDS for other safety and handling information. Once mixed or diluted, product should be used within 48 hours.

Information regarding the contents and levels of metals in this product is available on the Internet at: <http://www.advnut.com/medals.htm>

Example 3: Fertilizing Material Specifically Used for Hemp



GreenGro™
Biologicals

GreenGro Hemp Pods 4-1-1

About GreenGro Hemp Pod:
GreenGro Hemp Pod planter packets are an inexpensive and easy way to ensure your new plantings get a vigorous start. The dissolvable pouch allows for a simple and controlled application of fertilizer, humic acid, **biochar, and microbes directly to the root zone.** The packets are **specifically designed for industrial hemp plantings** but are equally effective with other **weed** crops.

Directions for use:
Drop one 30g packet into transplant hole before planting.

CAUTION:
Store product in cool dark conditions. Do not expose packets to water. Do not expose to direct sunlight for extended periods of time.

Statement of Claims:
GreenGro certifies that the product contains the micro-organism listed on the label at the spore propagule count as stated. The organism(s) are sensitive to environmental conditions and GreenGro advises that the product be stored in cool dark conditions.

Guaranteed Analysis

| | |
|---|------|
| Total Nitrogen (N)..... | 4.0% |
| 4.0% Water Insoluble Nitrogen | |
| Available Phosphate (P ₂ O ₅)..... | 1.0% |
| Soluble Potash (K ₂ O)..... | 1.0% |
| Calcium (Ca)..... | 3.0% |
| Magnesium (Mg)..... | 0.5% |

Derived From:
Feather Meal, bone meal, sulfate of potash, limestone, and kelp meal.

ALSO CONTAINS NON-PLANT FOOD INGREDIENTS
Contains the following species of vesicular arbuscular mycorrhizal fungi
Glomus intraradices.....60 propagules/gram
0.6% Humic Acids derived from Leonardite
1.0% Softwood Biochar

Guaranteed By:
GREENGRO, LLC
(866) 884-6803
P.O. Box 976, Windsor CA, 95492



Information regarding the contents and levels of metals in this product is available on the internet at <http://www.aapfco.org/metals.html>

Net Weight: 16.5 lbs / 7.5kg (250ea/30gram pods)

Expiration Date: 02/01/22



Examples of Approved Fertilizing Material Labels: Hemp as one of the Application Purposes

| Company Name | Product Name | Product type* | Related claims |
|------------------|---|---------------|--|
| FRONT-ROW AG LLC | Part A Water Soluble Fertilizer 14-0-8 | CF | Field, Greenhouse, indoor, Vegetable, Fruit and Nut Crops (Such as, alfalfa, hemp , lettuce...) |
| | Part B Water Soluble Fertilizer 3-13-17 | CF | Field, Greenhouse, indoor, Vegetable, Fruit and Nut Crops (Such as, alfalfa, hemp , lettuce...) |
| | Bloom Water Soluble Fertilizer 0-35-29 | CF | Field, Greenhouse, indoor, Vegetable, Fruit and Nut Crops (Such as, alfalfa, hemp , lettuce...) |

* CF: Commercial Fertilizer

Example: Hemp as One of the Application Purposes of Fertilizing Materials

Part A

Water Soluble Fertilizer 14-0-8

Guaranteed Analysis

| | |
|---|--------|
| Total Nitrogen (N) | 14.0% |
| 14.0% Nitrate nitrogen | |
| Soluble Potash (K ₂ O) | 8.0% |
| Calcium (Ca) | 14.0% |
| Boron(B) | 0.05% |
| Copper (Cu) | 0.05% |
| 0.05% Chelated copper | |
| Iron (Fe) | 0.35% |
| 0.35% Chelated iron | |
| Manganese (Mn) | 0.10% |
| 0.10% Chelated manganese | |
| Molybdenum (Mo) | 0.003% |
| Zinc (Zn) | 0.05% |
| 0.05% Chelated zinc | |

Derived from calcium nitrate, potassium nitrate, boric acid, copper EDTA, iron EDTA, iron DTPA, manganese EDTA, sodium molybdate, zinc EDTA F2681

General Information

Front-Row Ag's water soluble fertilizer program includes PART A, PART B, and BLOOM. These products are intended to be the main constituents of a plant nutrition program. Only by correctly using all three fertilizers on actively growing plants can the best results be achieved. Avoid foliar applications of this product when plants are suffering from moisture stress or during periods of high temperature and/or low humidity. If applying as foliar, apply the spray solution to a small test area to determine any undesirable phytotoxic effects.

Mixing and Handling Instructions

Compatibility: PART A may be applied separately or in conjunction with most pesticides and with other fertilizers. The addition of wetting

Concentrate Injection / Dilution: 8-22 mL per gallon.

Powder: 2-5 grams per gallon (for use directly into reservoirs and feed tanks without making concentrate; for operations without injection).

PART A is recommended for use on (but not limited to) the following crops. Rates other than those suggested below may be applied depending on crop conditions and cultural practices.

Field, Greenhouse, Indoor, Vegetable, Fruit and Nut Crops (such as artichoke, almonds, apples, apricots, avocados, beans, blackberry, carrots, cauliflower, cherries, citrus, corn, cotton, cucumbers, **hemp**, lettuce, nectarines, onions, peaches, pears, peas, pecans, peppers, plums, prunes, sorghum, sugar beets, tomatoes, walnuts and wheat): Apply 2-5 grams per gallon or 8-22 mL per concentrate for every gallon irrigation water and recommend greater than 0.3 gallons of water per sq ft when plants are flowering from inoculation till flushing.

Vine and Berry Crops (such as bushberries, caneberries, grapes, hops and strawberries): Apply 2-5 grams per gallon or 8-22 mL per concentrate for every gallon irrigation water in early spring or when deficiency symptoms first appear and repeat as needed.

ATTENTION: This product contains boron; use on any crops other than those recommended may result in serious injury to the crops. The application of fertilizing material containing molybdenum (Mo) may result in forage crops containing levels of molybdenum (Mo) which are toxic to ruminant animals.

Information regarding the contents and levels of metals in this product is available on the Internet at <http://www.aapfco.org/metals.html>



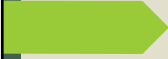
DANGER: Causes serious eye damage. Harmful in contact with skin. Harmful if swallowed. Suspected of damaging fertility or the unborn child.

Examples of Approved Fertilizing Materials: Hemp Product as one of the Nutrient Sources

| Company Name | Product Name | Product type* | Hemp related nutrient source |
|--------------------------|---|---------------|------------------------------|
| EMERALD HARVEST | KING KOLA 0.3-2-3 | SF | Hemp seed flour |
| 3G Green Garden Group | Mark's Mix Pumpkin Power 0.5-24-30 | SF | Hemp seed flour |
| GOOD GREEN EARTH COMPANY | MY GOOD GREEN BOKASHI PRO-GRO 2.57-2.5-1.7 | SF | Hemp seed protein powder |

* SF: Specialty Fertilizer

Example: Hemp Product as One of the Nutrient Sources





KING KOLA®
Powerful Bloom Booster

Get the most benefit from every flower in your garden with Emerald Harvest King Kola. A premium bloom booster designed to help build big blossoms, King Kola provides some of the essential elements your valuable crops need to burst forth in heavy buds and flowers. High in phosphorus and potassium, King Kola contains ingredients that help drive budding, including nitrogen derived from hemp seed flour.

Use King Kola throughout the flowering phase for guaranteed professional results.

Information regarding the contents and levels of metals in this product is available on the internet at <http://www.aapfco.org/metals.htm>

F002274

0.3-2-3
GUARANTEED ANALYSIS

| | |
|---|------|
| Total nitrogen (N)..... | 0.3% |
| 0.15% ammoniacal nitrogen | |
| 0.05% other water-soluble nitrogen | |
| 0.1% water-insoluble nitrogen | |
| Available phosphate (P ₂ O ₅)..... | 2.0% |
| Soluble potash (K ₂ O)..... | 3.0% |

Derived from potassium sulfate, monopotassium phosphate, monoammonium phosphate, hemp seed flour

WARNING: DO NOT SWALLOW. KEEP OUT OF REACH OF CHILDREN. SHAKE WELL BEFORE USING. STORE IN A COOL, DARK PLACE. PROTECT FROM FREEZING & DIRECT SUNLIGHT.



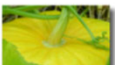
CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE

[CDFA Home](#) | [Inspection Home](#) | [Programs](#) | [Apply/Register](#) | [Laws & Regs](#) | [Meetings](#) | [Contact Us](#)

[Chem Lab](#) | [Feed, Fertilizer, L/S Drugs](#) | [Inspection & Compliance](#)

[CDFA Home](#) > [Inspection Services](#) > [FFLDRS](#) > [Fertilizer Materials Inspection Program](#)



FERTILIZING MATERIALS INSPECTION PROGRAM
1220 N Street, Sacramento, CA 95814 • 916-900-5022 • Fax: 916-900-5349 • fertilizer@cdfa.ca.gov

The Fertilizing Materials Inspection Program is an industry-funded program that ensures consumers receive fertilizing materials that are safe and effective and meet the quality and quantity guaranteed by the manufacturer. The program's three arms include registration, inspection and research.

SAVE THE DATE! The 2018 Fertilizing Materials Registration workshop is on November 7th and 8th at the Embassy Suites Hotel in La Jolla, California. See the registration link below for details and to register online

- **2018 FMIP Workshop Registration**
- 2018 FMIP Workshop Flyer
- Modified Registration Cycle Notice to Industry August 28 2017
- **Fertilizer Materials Registration (+/-)**
Learn how to register a fertilizer product, find helpful forms.

The fertilizer registration program ensures fertilizer products are in compliance with California Code of Regulations for fertilizer. Product labels are reviewed in the order they are submitted. It generally takes 60 to 90 days to complete a fertilizer registration. It is unlawful to sell an unregistered fertilizer product in California. To ensure your product fulfills registration, please begin the registration process 6 months in advance of planned date of first sale.

USE THE APPLICATION DATABASE

Sign up on our online database for ease of your fertilizer materials registration. Through the database, you can apply for and manage fertilizer licenses and registrations; calculate and pay your required mill and tonnage reports; and view correspondence from registration staff.

New to the database? Click: "Enroll New User" on the top of the sign-in screen.
Need a paper application? Use these forms to register:

GENERAL INFO

- Our Mission
- Laws & Regulations
- Search Staff Directory
- FFLDRS Database
- Organic Input Material (AB 856) Legislative Report

Use this form to communicate complaints about fertilizing materials

- File a Complaint



Fertilizing Materials Inspection Program: Inspector Territory Map

MORE RESOURCES

- Association of American Plant Food Control Officials
- CA Dept. Public Health
- CA Dept. of Pesticide Regulation
- U. S. Department of Agriculture
- U. S. Food and Drug Administration

<https://www.cdfa.ca.gov/is/ffldr/fertilizer.html>

LICENSING/REGISTRATION SUBMISSION



The screenshot shows the cdfa website interface. At the top left is the cdfa logo. Below it, the text reads "California Department of Food and Agriculture". Underneath, it says "To register as a new user, click [Enroll New User](#)". The "Enroll New User" link is circled in red. Below this is a "User Sign On" box containing two input fields: "User Id" and "Password", a "Sign On" button, and links for "Change Password" and "Forgot your User ID or Password?".

13

THANK YOU!

QUESTIONS?



Industrial Hemp Seed Certification Update 2019

Alexander Mkandawire, Ph.D.

The slide features a central photograph of a hemp plant with green serrated leaves and a developing seed head. To the right of the image is a dark grey rounded rectangle containing the title and author's name in white serif font. The background of the slide is light cream with faint, stylized blue and green leaf patterns.

Topics Covered:

- Introduction;
- Hemp Uses;
- AOSCA Hemp Update;
- New Hemp Cultivars;
- New AOSCA Standards;
- Summary



The slide contains a list of six topics covered in the presentation, each preceded by a blue right-pointing arrowhead. To the right of the list is a photograph of a hemp plant with a large, dense, light-colored seed head. The background is light cream with faint, stylized blue and green leaf patterns.



California Crop Improvement Association (CCIA)



California Crop Improvement Association (CCIA) is recognized by the California Seed Law as the official seed certifying agency for agronomic and vegetable seed in the State of California.



California Crop Improvement Association (CCIA)



The CCIA's objective is to ensure that California certified seed is of high quality. Quality characteristics of seed that are required for customer satisfaction include trueness to variety, varietal purity, freedom from noxious and problematic weeds, low inert matter, high germination and devoid of problematic seed-borne diseases.

Hemp Fields in California 2019



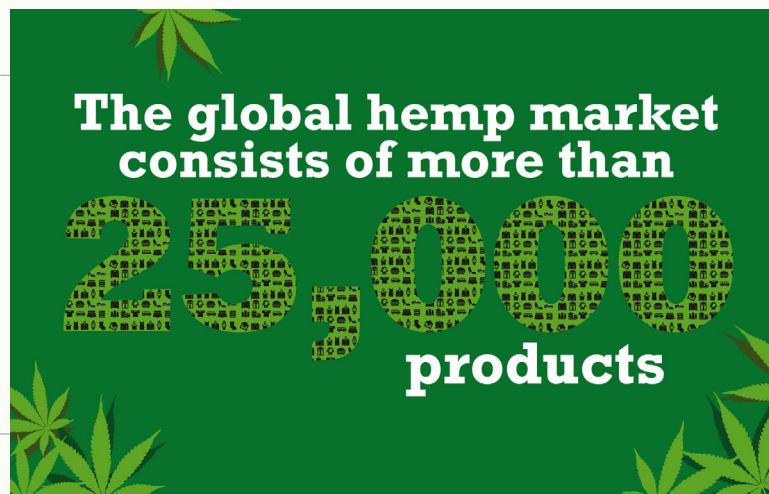
CCIA Board Director's field, Red Bluff, CA



Field grown under MOU in Arvin, CA

Hemp Uses

Hemp can be grown as a fiber, grain, or as a dual-purpose crop or as a phytocannabinoid (CBD) producing crop. Estimates are that the global market for hemp consists of more than 25,000 products.



Hemp for Fiber



Hemp for Fiber



Outermost bark, the bast fiber, can be spun and refined into a variety of commercial items, including textiles and clothing.

Hemp for Grain



Hemp for Grain

Grain contains 25-40 percent edible oils by weight, has high protein content that is highly digestible, is gluten-free and has an ideal ratio of omega-3 and omega-6 fatty acids.



Hemp for CBD



Trichomes (hair-like)

Clonal propagation and feminized seed production systems in greenhouses



CBD Infused Products



Hemp for CBD

CBD Oil



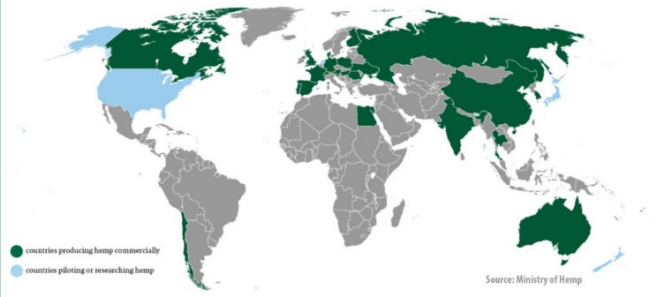
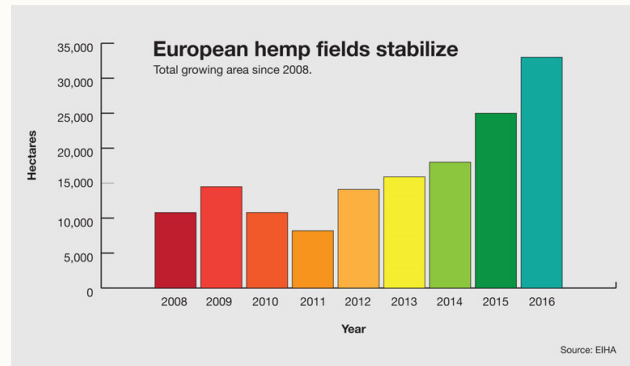
States allowing CBD: Alabama, California, Georgia, Indiana, Iowa, Kentucky, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Wisconsin, Wyoming.

Role in food additives, health and wellness

Hemp Imports

American Hemp Today

- Although American companies manufacture products with hemp they must import hemp from other countries;
- Fiber is mostly imported from China, Romania, Hungary, Italy, Canada and India;
- Hemp oil and seed are mostly imported from United Kingdom, Canada, Switzerland, and China.



List of Approved Cultivars



1. Industrial hemp cultivars or propagative materials Certified by AOSCA and OECD;
2. Industrial hemp cultivars or propagative materials from AOSCA Quality Assurance Programs;
3. Industrial hemp cultivars or propagative materials produced by an authorized participant in a state industrial hemp pilot program pursuant to Section 7606 of Farm Bill 2014;
4. Industrial hemp seed or tissue culture plants imported from outside the United States that meets federal importation requirements;
5. Industrial hemp seed or propagative materials produced in California in accordance with the provisions of Division 24 of the Food and Agricultural Code.

AOSCA National Meeting, Chicago, IL, 24-26 June 2019



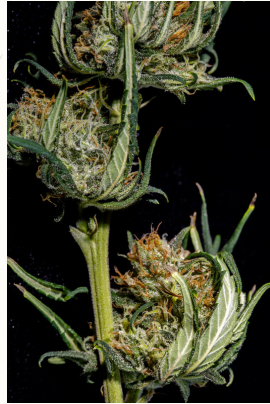
National Variety Review Board




1. AOSCA Northern Region;
2. AOSCA Southern Region;
3. AOSCA Eastern Region;
4. AOSCA Western Region;
5. Industry Representative [ASTA];
6. National Council of Commercial Plant Breeders;
7. University Breeder Representative [CSSA];
8. AOSCA Attorney;
9. USDA Agricultural Research Service;
10. USDA-AMS/PVPO.

Cultivars must be Distinct, Uniform, Stable

Certified Hemp Varieties



 CS-00000001

SAVE this form to your desktop or computer.
Enter required information and upon completion, return to www.aosca.org
by clicking on this link and attaching the application.

**ASSOCIATION OF OFFICIAL SEED CERTIFYING AGENCIES
VARIETY REVIEW BOARD
INDUSTRIAL HEMP APPLICATION - PART A**

This application - Part A - must be submitted along with Part B
Application materials, you will need to submit Part B applications for multiple Part B applications

Please email the completed application to:
seedcert@aosca.org
Association of Official Seed Certifying Agencies

The Association of Official Seed Certifying Agencies reserves the right to review. Prior to submitting a variety for review, the applicant must contact the AOSCA for a request for information and instructions for the proper method for processing. Payment must be received prior to variety review.

All inquiries or questions on this application will be reviewed in complete confidence by the Association of Official Seed Certifying Agencies (AOSCA), its staff, and the members of the Variety Review Board. You are hereby deemed to have authorized the AOSCA to be required to give a reference in the event of any application for review. You must clear all the review process, the review is for complete the review or do not all applications in case promoter. The copy of this application will be returned to the by the AOSCA office.

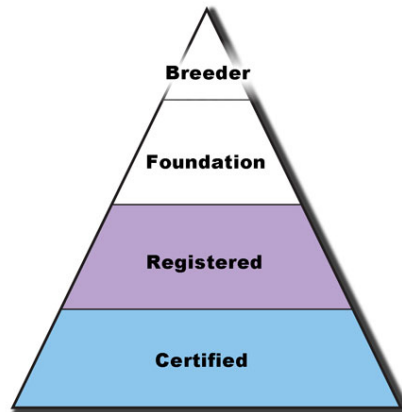
Date: _____

Applicant's Name: _____
Street Address: _____
City: _____ State: _____ Zip: _____
Telephone: _____ Fax: _____ E-Mail: _____
Sponsoring Institution (if other than Applicant): _____
State Address: _____
City: _____ State: _____ Zip: _____
Applicant's Name (if other than Applicant): _____
Street Address: _____
City: _____ State: _____ Zip: _____
Variety Name: _____
Experimental Designation

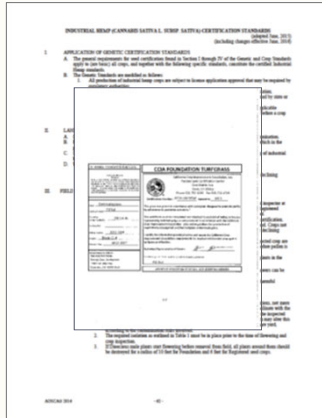
If submitting multiple applications, submit one Part A application, listing the Variety Name/Experimental Designation at the bottom of the Statement of Information/History.

Page 1 of 1 (Industrial Hemp Application - Part A, 7/17/17)

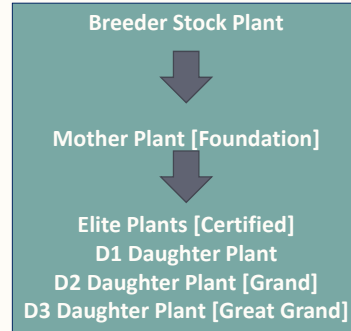
Seed Certification Field and Seed Standards



Seed Certification Clonal Standards



Clone Certification



AOSCA Clonal Hemp Certification Work Group First Meeting 23 Aug, 2019

Clonal Propagation



National Hemp Regulators, Louisville, KY 7-18-2017

Clonal Propagation



National Hemp Regulators, Louisville, KY 7-18-2017

Feminized Seed Production



Mother Plant



Feminized Seed Direct Seeded in Field

AOSCA Tour in Colorado, 26 July 2019



AOSCA Tour in Colorado, 26 July 2019



AOSCA Tour in Colorado, 26 July 2019



The only CBD Variety in the Trials 2019

Colorado New Certified Hemp Cultivars January 7, 2019



| Variety | Origin | Flowering | Company |
|-----------------|--------|------------|--|
| B11 | USA | Dioecious | Potent 2018 Ltd. |
| CRS-1 | Canada | Dioecious | Hemp Genetics International |
| Henola | Poland | Monoecious | Bija Hemp |
| Medicine Mother | USA | Dioecious | Mountain Flower Botanicals |
| Rajan | Poland | Monoecious | The Polish Institute of Natural Fibers |
| VC Star | USA | Dioecious | Grow Hemp Colorado |

The seed varieties were grown and tested in the Northeast, Arkansas Valley, Front Range, the San Luis Valley and on the Western Slope. These five locations with distinct differences in daytime and nighttime temperatures, in altitude, length of growing season, and soil types, provide the CDA with a broad representation of Colorado's growing conditions.

Henola Variety



Terry Moran [Terry@bijahemp.com], Director of Operations, Bija Hemp

Biolobrateskie Variety



Eric Singular, Director of Sales: eric@internationalhemp.com

California Hemp Location Trials



Dan Putnam, Extension Agronomist, UC Davis

CCIA Board of Directors



Approve Varieties and Standards

Application Submission and Review



[Edit](#)

App Num: App31341 Type: SD Cert Number: Initial Entry Date: 7/21/2015 Date Submitted: 7/21/2015

Warning Flag: Date Planted: 7/21/2015 Deadline: 9/15/2015 App L Over: Renewal: Original Year: 2015 Previous App Num: Status: Pending Final Submission

Applicant: 7000 CCIA Milling Co. Official Variety ID: 14938 M-105
 Grower: 7000 CCIA Milling Co.
 Crop: Rice Entered Variety: M-105 Class Produced: Certified Acres Applied: 40.00

Comments:
 Applicant Comments:
 Applicant Notes:
 maps: [VE Map](#)
 Historic Overlaps: [None found]

* For applications, this is a direct link. For isolation mapping, use the "Find pin by #" function.
 Certificate Tag:

| |
|--------------------------------------|
| Certificate/Tag Link |
| test |
| test |

Planting Stock Info

| Cert Num | Variety # | Plant | Class | Tag Issued | Grown | Purchased From |
|----------|-----------|---------|------------|------------|------------|----------------|
| test | M-105 | 3000.00 | Registered | California | California | |

Field Name: test
 Township: Range: Section:
 County: BUTTE

Field History

| | Year | Crop | Variety | Application # |
|----------------------|------|------|---------|---------------|
| Edit | 2014 | Rice | M-105 | test |

Package Complete?

- Date Planted/Submitted
- Variety
- Class Produced
- Acres Applied
- Map
- Planting Stock Tag/Breeder Letter
- Planting Stock Information
- Field Name
- County
- Field History
- THC Test Result
- Registration

Field Inspection



INDUSTRIAL HEMP (CANNABIS SATIVA L. SUBSP. SATIVA) CERTIFICATION STANDARDS (Revised June, 2015) (Including changes effective June, 2016)

I. APPLICATION OF GENETIC CERTIFICATION STANDARDS

A. The general requirements for seed certification found in Section 1 through IV of the Genetic and Crop Standards apply to (see here) all crops, and together with the following specific standards, constitute the certified Industrial Hemp standards.

B. The Genetic Standards are modified as follows:

- All production of industrial hemp crops are subject to license application approval that may be required by regulatory authorities.
- Only varieties of industrial hemp approved by regulatory authorities are eligible for certification.
- The identity and true origin of an industrial hemp variety in a production field may be determined by one or local agencies.
- Growers may be required by regulatory agencies to submit THC test results according to applicable regulations. Growers may be required to submit these results to the seed certifying agency before a crop certificate is issued.

II. LAND REQUIREMENTS

A. Crops should not be planted on land where volunteer growth from a previous crop may cause contamination.

B. Fields for Foundation and Registered classes of industrial hemp and seed not be planted on land which in the previous 3 years grew a crop of industrial hemp.

C. Crops for Certified and Seed not be grown on land which in the preceding 3 years produced a crop of industrial hemp.

D. Wash

E. Fields may be refused certification due to excessive weeds.

- The presence of Bromus sp. (Crabgrass) in an industrial hemp field may be cause for declining certified status.

III. FIELD STANDARDS

A. Crop Inspection

- It is the grower's responsibility to ensure that fields are inspected by an authorized inspector of test prior to marketing or harvesting, except in the case of Foundation and Registered intermediate type and registered female plants, in which 3 inspections are required.
- A field that is not certified or harvested prior to crop inspection is not eligible for certification.
- Fields must be inspected at a stage of growth when random plants in a test are identified. Crops are inspected at the proper stage for best determining random purity may be cause for declining certified status.

 - First inspection must be made before female (quadruple) flowers of the inspected crop are receptive and after the blossoms of male (contaminator) flowers, preferably before pollen is shed.
 - Second inspection must be made during the receptive stage of the female plants in the inspected field, usually within 7 weeks of first inspection.
 - If a third inspection is necessary, it must be made when all open female flowers can be identified.
 - Disturbance areas will be inspected for volunteer industrial hemp plants and harmful contamination on each inspection.

B. Isolation

- Isolation areas must be kept free of industrial hemp plants. Under optimum conditions, not more than 1 plant per 11 square feet of female contaminators (open field can cross pollinate with the inspected crop) are permitted within the required isolation distance(s) adjacent to the inspected crop. The number of each crop are assessed by the seed certifying agency which may vary due to conditions, usually by reducing the number of contaminator plants permitted per square foot, according to the contamination risk involved.
- The required isolation as outlined in Table 1 must be in place prior to the time of flowering and crop inspection.
- If Chinese date plants (not flowering) bordering insured hemp field, all plants around them should be determined to be free of Foundation and 1st and Registered and crops.

ALICAD 2014 -6-

Field Standards

FIELD ELIGIBILITY

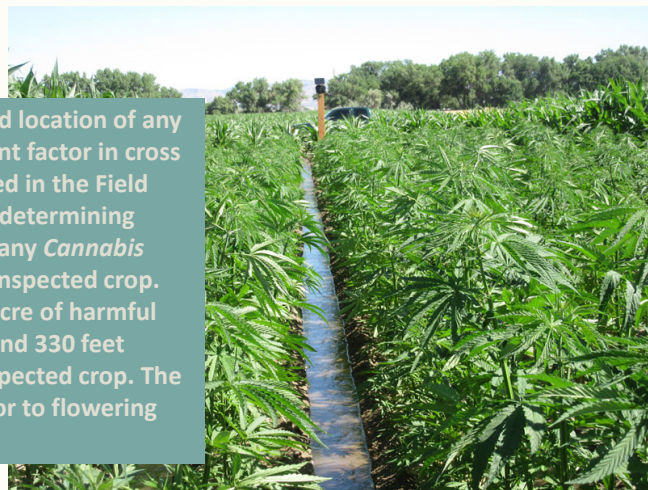
Crops should not be grown on land where remnant seed from a previous crop may germinate and produce volunteers that may cause contamination. Crops for Foundation and Registered classes of industrial hemp seed must not be grown on land that produced another crop of industrial hemp in the previous 3 years. Crops for Certified class seed must not be grown on land that had a certified hemp crop of the same variety in the preceding year or a different variety or a non-certified hemp crop in the preceding 2 years. The presence of Broomrape (*Orobanche* spp.) in an industrial hemp field may be cause for rejection.



Field Standards

ISOLATION

The area, density, stage of maturity and location of any *Cannabis sativa* L. plants is an important factor in cross pollination and therefore must be noted in the Field Inspection Report for consideration in determining certification status. There shall not be any *Cannabis sativa* L. plants within 330 feet of the inspected crop. However, not more than 4 plants per acre of harmful contaminants shall be permitted beyond 330 feet within the isolation distance of the inspected crop. The required isolation must be present prior to flowering and crop inspection.



ISOLATION

Field Standards

| Inspected Crop | Other Crops | Isolation Distance (feet) |
|------------------|--|---------------------------|
| Dioecious type | - Different varieties of Industrial Hemp - Non-certified crops of same kind | 15,748 |
| Foundation Class | - Lower certified class seed crop of same variety | 6,460 |
| | - Same class of certified seed of same variety | 10 |
| Dioecious type | - Different varieties of Industrial Hemp - Non-certified crops of same kind | 15,748 |
| Registered Class | - Seed crop of same variety that meets Certified standards for varietal purity | 5,249 |
| | - Seed crop of same variety that meets Registered standards for varietal purity | 3 |
| Dioecious type | - Different varieties of Industrial Hemp - Non-certified crops of same kind | 2,624 |
| Certified Class | - Planted with certified seed of the same variety that meets Certified standards for varietal purity | 656 |
| | - Seed crop of same variety that meets Certified standards for varietal purity | 3 |



| Inspected Crop | Other Crops | Isolation Distance (feet) |
|------------------|--|---------------------------|
| Monoecious type | Dioecious variety of Industrial Hemp Non certified crops of Industrial Hemp | 15,748 |
| Foundation Class | - Other monoecious varieties | 9,690 |
| | - Lower certified class seed crop of same variety | 16 |
| | - Same class of certified seed of same variety | 16 |
| Monoecious type | - Dioecious variety of Industrial Hemp - Non-certified crops of Industrial Hemp | 15,748 |
| Registered Class | - Different varieties of the same type of Industrial Hemp (Monoecious or Female Hybrid) | 6,460 |
| | - Seed crop of same variety that meets Certified standards for varietal purity | 3,230 |
| | - Seed crop of same variety that meets Registered standards for varietal purity | 3 |
| Monoecious type | - Dioecious variety of Industrial Hemp - Non-certified crop of Industrial Hemp | 3,230 |
| Certified Class | - Different varieties of the same type of Industrial Hemp (Monoecious or Female Hybrid) | 656 |
| | - Planted with certified seed of the same variety that meets Certified standards for varietal purity | 3 |
| | - Seed crop of same variety that meets Certified standards for varietal purity | 3 |

Field Standards



Field Inspection Report



App00000

Field Inspection Report
 California Crop Improvement Association
 Frank G. Parsons Seed Certification Center
 University of California
 One Shields Avenue
 Davis, California 95616-8541

Name: CALIFORNIA CROP IMPROVEMENT ASSOCIATION (Acct #) Date: 0/00/2000
 Address: One Shields Avenue
 Davis, CA 95616-9340

The certification numbers below, assigned for access passed, are to be used to identify the seed harvested and must be stenciled on all containers of seed from the corresponding fields. Field inspection is only a preliminary step in the process of certification which shall be determined by tests on officially drawn samples of seed. Before harvest, the county agricultural commissioner must be notified for supervision of harvesting, cleaning, and any intercounty movement of this seed.

Results below are for your 2016 Sunflower field located in YOLO county.

| | | |
|-------------|---|---------|
| Appl Number | Grower | Crop |
| App00000 | California Crop Improvement Association (Acct # 00) | Cubbage |

| | |
|----------------|---------|
| Class Produced | Variety |
| CertSeed | 00A.00 |

Use certification number 00CA-000-00000 for Certified production

| | |
|------------|----------|
| Field Name | Comments |
| Zanda | PASSED |

| | | | | | |
|-------|----------|----------|------|--------|---------|
| Acre: | Approved | Rejected | FIO | Growth | No Crop |
| | 100.00 | 0.00 | 0.00 | 0.00 | 0.00 |

John C. Palmer
 CCA Representative

cc. Ag. Commissioner
 Farm Advisor, YOLO county

Seed Standards

| Factor | Foundation | Registered | Certified |
|------------------------------|------------|------------|-----------|
| Pure seed (min) | 98.00% | 98.00% | 98.00% |
| Inert matter (max) | 2.00% | 2.00% | 2.00% |
| Weed seeds (max) | 0.10% | 0.10% | 0.10% |
| Total other crop seeds (max) | 0.01% | 0.03% | 0.08% |
| Other varieties (max) | 0.005% | 0.01% | 0.05% |
| Other kinds (max) | 0.01% | 0.03% | 0.07% |
| Germination (min) | 80.00% | 80.00% | 80.00% |



Seed Standards



Randy Crowl: Main issue in Colorado is Seed Dormancy [growers probably send in samples too early?]

Topics Covered:

- Introduction;
- Hemp Uses;
- AOSCA Hemp Update;
- New Hemp Cultivars;
- New AOSCA Standards;
- Summary



**Industrial Hemp Program
Registration Summary
As of August 26, 2019**

| County | Number of Registrants | | | Number of Registered Sites | | | Registered Acreage | | |
|-----------------|-----------------------|--------------|------------|----------------------------|--------------|------------|--------------------|--------------|-----------------|
| | Grower | Seed Breeder | Total | Grower | Seed Breeder | Total | Grower | Seed Breeder | Total |
| Alameda | 3 | 0 | 3 | 5 | 0 | 5 | 409.0 | 0.0 | 409.0 |
| Butte | 11 | 6 | 17 | 17 | 14 | 31 | 415.8 | 42.2 | 458.0 |
| Contra Costa | 4 | 0 | 4 | 5 | 0 | 5 | 39.5 | 0.0 | 39.5 |
| El Dorado | 1 | 0 | 1 | 1 | 0 | 1 | 17.1 | 0.0 | 17.1 |
| Fresno | 35 | 2 | 37 | 92 | 3 | 95 | 2,748.4 | 52.0 | 2,800.4 |
| Humboldt | 2 | 1 | 3 | 5 | 1 | 6 | 2.2 | 0.1 | 2.3 |
| Imperial | 6 | 0 | 6 | 16 | 0 | 16 | 1,125.6 | 0.0 | 1,125.6 |
| Kern | 23 | 3 | 26 | 61 | 9 | 70 | 6,462.4 | 402.8 | 6,865.2 |
| Kings | 10 | 0 | 10 | 13 | 0 | 13 | 679.5 | 0.0 | 679.5 |
| Lake | 29 | 8 | 37 | 51 | 37 | 88 | 466.3 | 88.9 | 555.1 |
| Los Angeles | 4 | 0 | 4 | 3 | 0 | 3 | 104.5 | 0.0 | 104.5 |
| Plumas | 7 | 1 | 8 | 7 | 0 | 7 | 101.1 | 0.0 | 101.1 |
| Riverside | 17 | 1 | 18 | 35 | 1 | 36 | 1,026.7 | 10.0 | 1,036.7 |
| San Benito | 8 | 0 | 8 | 15 | 0 | 15 | 131.8 | 0.0 | 131.8 |
| San Bernardino | 1 | 0 | 1 | 1 | 0 | 1 | 0.1 | 0.0 | 0.1 |
| San Diego | 33 | 6 | 39 | 61 | 8 | 69 | 1,079.9 | 27.7 | 1,107.6 |
| San Francisco | 1 | 0 | 1 | 1 | 0 | 1 | 0.1 | 0.0 | 0.1 |
| San Luis Obispo | 16 | 0 | 16 | 61 | 0 | 61 | 438.5 | 0.0 | 438.5 |
| Santa Cruz | 11 | 2 | 13 | 25 | 11 | 36 | 94.4 | 35.9 | 130.3 |
| Shasta | 2 | 0 | 2 | 3 | 0 | 3 | 156.0 | 0.0 | 156.0 |
| Stanislaus | 14 | 1 | 15 | 27 | 2 | 29 | 95.2 | 1.9 | 97.1 |
| Sutter | 9 | 0 | 9 | 17 | 0 | 17 | 810.0 | 0.0 | 810.0 |
| Ventura | 11 | 3 | 14 | 18 | 3 | 21 | 495.0 | 11.3 | 506.3 |
| Total | 258 | 34 | 292 | 540 | 89 | 629 | 16,899.2 | 672.7 | 17,571.9 |

| Month | Total CDFA Registration Fees Collected |
|--------------|--|
| May 2019 | \$ 73,800 |
| June 2019 | \$ 125,200 |
| July 2019 | \$ 134,125 |
| Total | \$ 333,125 |

Data Not Yet Available:

- Number of Acres Harvested
- Number of Acres Destroyed

Overview of Indirect Charges

Industrial Hemp Advisory Board – August 28, 2019

Interdepartmental Charges

Division – Indirect Costs

- Division Infrastructure – Director, Asst. Director, Permits & Regulations, etc.
- Data Management

Departmental Indirect Costs

Internal departmental indirect costs include such items as:

- Personal services costs of the department's administrative, supervisory, and executive staff incurred at the unit, bureau, or division level.
- Personal services costs of support units, including accounting, human resources, contracts, internal audits, legal, information technology, clerical support, etc.
- Operating expenses and equipment costs not incurred to directly support a specific cost objective.

Departmental indirect costs are accumulated and distributed through a cost allocation process to the various units (Programs) in the department.

Statewide Indirect Costs

There are more than 500 state agencies in California. Statewide indirect costs are non-reimbursed (General Fund) central service agency costs. Central service costs are those amounts expended by central service departments and the Legislature for **overall administration of state government and for providing centralized services to state departments**. These functions are necessary for state operations and are centralized to provide efficient and consistent statewide policy and services. Examples are:

- | | | |
|-------------------------------------|--|---|
| • Dept. of Finance (Finance) | • California Victim Compensation and Government Claims Board | • State Agencies Secretaries: |
| • Dept. of Information Technology | • Office of Administrative Law | – Health and Human Services |
| • Dept. of General Services for: | • California State Library | – Youth and Adult Correctional |
| • State Controller's Office | • Health Benefits for Retired Annuitants | – State and Consumer Services |
| • State Treasurer's Office | • Dept. of Justice | – Business, Transportation, and Housing |
| • State Personnel Board | • Bureau of State Audits | – Resources |
| • Dept. of Personnel Administration | • Legislature | |

SWCAP & Pro Rata

Central service agencies provide services benefiting all State departments. Statewide indirect costs may be charged as either Pro Rata or SWCAP. SWCAP costs are used for federal reimbursement purposes. Pro Rata costs are used for special funds and other reimbursements. Only continuously appropriated (CA) funded programs are charged Pro Rata.

CDFA is sent a Pro Rata charge, which is spread across programs based on factors and formulas that consider workload data, billable and non-billable fund categories, and budget data.

Pro Rata is a process that:

- recovers for the General Fund, costs incurred by central administrative service agencies that provided central administrative services to departments
- allocates the costs of each central administrative service agency to operating departments using the departments' workload
- allocates central administrative service agency's costs to a departments' funding sources (i.e., industry-funded programs that use those services)

What is the Ag Trust Fund?

FAC § 233. (a) The trust fund consists of moneys transferred by the director from the Department of Food and Agriculture Fund, including all income therefrom. The amount of funds, excluding interest earned thereon, contained in the trust fund shall be determined by the director, and shall be the same percentage for all agricultural programs, but shall not exceed 10 percent of the annual operating budgets of each agricultural program. Funds in excess of 10 percent of the annual operating budgets of each agricultural program that are in the trust fund, or such other lesser percentage as the director may determine, may be returned to the Department of Food and Agriculture Fund.

(b) The director shall establish separate accounts in the trust fund for the money transferred to the fund from each of the agricultural program accounts in the Department of Food and Agriculture Fund. The trust accounts shall be used by the Department of Food and Agriculture Fund for expenditure when necessary for the exclusive purpose of implementing and continuing any of the agriculture programs with money contained in the trust fund.

FAC § 240. The moneys in the trust fund shall be disbursed only to pay for costs arising from unanticipated occurrences associated with administering self-funded programs. These costs shall include, but are not limited to: attorney costs related to litigation; workers' compensation costs; unemployment costs; phaseout costs of existing programs; and temporary funding for programs that are implementing a fee increase. Any program using the moneys from the trust fund shall repay the trust fund based on a schedule approved by the director.

August 28, 2019

California Industrial Hemp Program Board Meeting
1220 N Street
Sacramento, CA 95814

Dear members of the Industrial Hemp Advisory Board and all interested stakeholders,

I am addressing you today to express concerns about California Senate Bill 153. Much of this bill is pro-hemp in wording, however there are many concerns related to hemp research limitations. As the SB-153 proposes, California hemp farmers will not have the ability to pursue research through private endeavors. They would only have the opportunity through academic institutions (e.g. University of California, etc.).

As it currently stands, California academic institutions have severely limited hemp research programs. The UCANR iHemp research consortium was cut one week before its launch, there are no large-scale research efforts, and most active research efforts are proxies via other hemp-producing states, primarily Colorado.

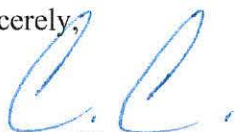
The California Hemp Foundation (CHF) was an original member of the UCANR iHemp Consortium, which was to be California's industrial hemp pilot program. The CHF was to be an integral component in the partnership between farmers and new research tools. The CHF works to create detailed reports that entail critical agronomic data to the benefit of the farmers. By incorporating inputs (irrigation & nutrients) along with phenotypic data (plant size & chemical content), the CHF is able to aid farmers in the development of their hemp crops. One of the immediate goals is the creation of a seed certification program that assists our partner farms with purchasing compliant seeds before planting. Additional goals include a digitized data collection tool and a drone-based disease, pest, and male identification system.

Without practical, active research in the state, there will be a scarcity of research competition causing a loss of knowledge growth. This inhibition will affect:

- 1.) Farmers
- 2.) Consumers
- 3.) Manufacturers
- 4.) Law Enforcement Officials
- 5.) Distributors/Warehouses
- 6.) Regulators

Without knowledge advancement within the state of California, the local industrial hemp economy has a strong chance of suffering consequences. Primarily, there will be slower progression in a rapidly expanding industry, placing the largest state economy behind.

Sincerely,



Christian Cizek
PhD Candidate, University of British Columbia
Visiting Scholar, UC-Berkeley
Scientific Adviser, California Hemp Foundation



August 20, 2019

VIA FACSIMILE
(916) 319-2181

California Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

Chair: Lorena Gonzalez, Vice-Chair: Richard Bloom, Rob Bonata, William P. Brough, Ian C. Calderon, Wendy Carrillo, Ed Chau, Tyler Diep, Susan Talamantes Eggman, Vince Fong, Jesse Gabriel, Eduardo Garcia, Brian Maienschein, Jay Obernolte, Cottie Petrie-Norris, Bill Quirk, Robert Rivas

SB 153 - Letter of Opposition

Dear Honorable Assembly People on the Committee on Appropriations,

We write to you today to express concern about Senate Bill 153, which seeks to limit the ability of California farmers to pursue industrial hemp research opportunities through private endeavors. This restriction on private research provides no additional benefit to California farmers and will have the effect of stifling innovation here within the state.

SB-153 has been promoted as pro-hemp legislation created to help the state's regulations come in-line with current federal law. The bill seeks in part to establish an "Approved state plan" for industrial hemp pursuant to the Agriculture Improvement Act of 2018. In furtherance of developing this "Approved state plan" the bill's creators have revised several defined terms within our current hemp regulations. These revisions include a narrowing of the scope of the definition of an "Established agricultural research institution".

The narrowing of the definition of an "Established agricultural research institution" will limit research opportunities for an industry which is in its

infancy and needs legitimate research to be conducted across all platforms, both public and private.

California is currently in its first year of true large-scale commercial cultivation of hemp and is far behind other states who have allowed for cultivation since 2014. California needs more industrial hemp research, not less.

California currently allows for research to be conducted by “A public or private institution or organization that maintains land or facilities for agricultural research, including colleges, universities, agricultural research centers, and conservation research centers.” SB 153 seeks to limit which organizations can conduct research for no apparent reason.

Any “Approved state plan” which is to be put forth by the State of California should certainly allow for research to be conducted by private agricultural research centers and conservation research centers. The restrictions which are being proposed will harm California farmers ability to research and develop new seed cultivars, which are desperately needed due to our state’s size and varying climates and regions.

California’s current regulations are unique in that they allow for a whole host of research opportunities which are not available in other states. Restricting California’s research capabilities will hinder the very industry the regulations are seeking to promote.

Based on all of the above, we respectfully ask you not to advance SB-153 or in the alternative allow for further amendments to the bill to ensure that the current definition of “Established agricultural research institution” is allowed to remain in effect.

Sincerely,

Wayne Richman
Executive Director, and on behalf of, the California Hemp Foundation and
California Hemp Association
Phone: 1-805-246-6692
Email: ExecDirector@calhemp.org
Web: www.CaliforniaHempAssociation.org,
www.CaliforniaHempFoundation.org

What and who is the California Hemp Foundation? - An "Established Agricultural Research Institution", legal under current state law. You will make this research group illegal under SB153 in its' current form.

Background:

Our organization (CHF) has fostered research into Hemp seed variety trials in several counties, to help farmers determine which Hemp seed varieties will grow best in our very large state with many differing climate and soil types.

Ventura, Monterey and Imperial Counties all have welcomed us in to partner with their local farmers for these research goals. We have had as many as 10 farms under our research MOU's. We have an MOU with the County of Imperial to help them develop a Hemp industry development plan.

The CHF is a voting member of the CCIA (California Crop Improvement Assoc.) attached to UC Davis, and is the only seed certifying agency for all crops in Calif. We are also a member of the California Seed Association.

We were one of the co-sponsors of the UC Davis Hemp Summit last Nov. 30, 2018.

We have scientists on our team from UC Berkley and CalPoly, one of which was formerly on the UC Davis iHemp Consortium Team.

UC Davis pulled support of the iHemp Consortium one week before it was to be announced on May 9,2019, at UC Riverside.

No UC or Cal State college has any plans to conduct Hemp research at this time due to fear of losing federal funds, due to THC/Marijuana still being Federally illegal.

We were on the USDA/CDEFA California Tour as a site to visit due to our seed breeding research. We are proud to have been the "show pony" for the CALIFORNIA and USDA Officials in attendance.

We are equal to the Salk Institute or Scripps Institute, both are well respected private research foundations.

UC Davis and the CDFA have never provided a pilot program for our farmers. All the other Hemp producing states have had pilot programs under the 2014 Farm Bill, and are at least 4 years ahead of California farmers.

Our farmers are facing outside interests that seek to slow down the Golden Bear (State of California) from standing up to take on this new multi-billion dollar market.

Our Farmers need your help! SB153 hurts them, in its' current form.

Otherwise we support other aspects of this bill such as the THC definition.

Please do not pass this bill without these vital tweaks, to insure our California farmers succeed, despite their late start and lack of UC or CalPoly support.

We recommend the EARI language be deleted as presented or carve out an exemption for the California Hemp Foundation. Alternatively, we would support an amendment that would allow for Hemp farms to "Divert, not Destroy" their Hemp crop if it goes above .03 percent THC. By law it then becomes MJ AND MUST BE DESTROYED UNDER CURRENT LAW. This must not happen in a state where adult use is legal. We need to allow farmers that inadvertently get a "hot" crop, to allow them entry to the BCC system for processing, rather than crop destruction and financial ruin.

The sunseting clause must extended for 1-4 more years, if not removed entirely, otherwise research farmers will lose their crop and monies invested.

As written, all research institutions such as CHF will be illegal Jan. 1 2020. This must not happen, or our farmers get financially hurt and disadvantaged.

Thank you for your consideration of information presented herein. Feel free to reach out to us if you have any questions, or concerns.

California Hemp Foundation

13351-D Riverside Drive, #444 Sherman Oaks, CA91423
Phone: (805) 246-6692, E-Mail: info@calhemporg.com



Special Notice! **CBA**

California Hemp Foundation
Hemp Research Farm # VC01-A

CCIA Member Org. ID: 8906

No Trespassing! - No THC in These Plants!

For information call: 1-805-246-6692

www.californiahempfoundation.org



This sign is hereby placed by the California Hemp Foundation. www.californiahempfoundation.org