



County of San Diego

Agricultural Fee Adjustments

Pending Board of Supervisors' Approval

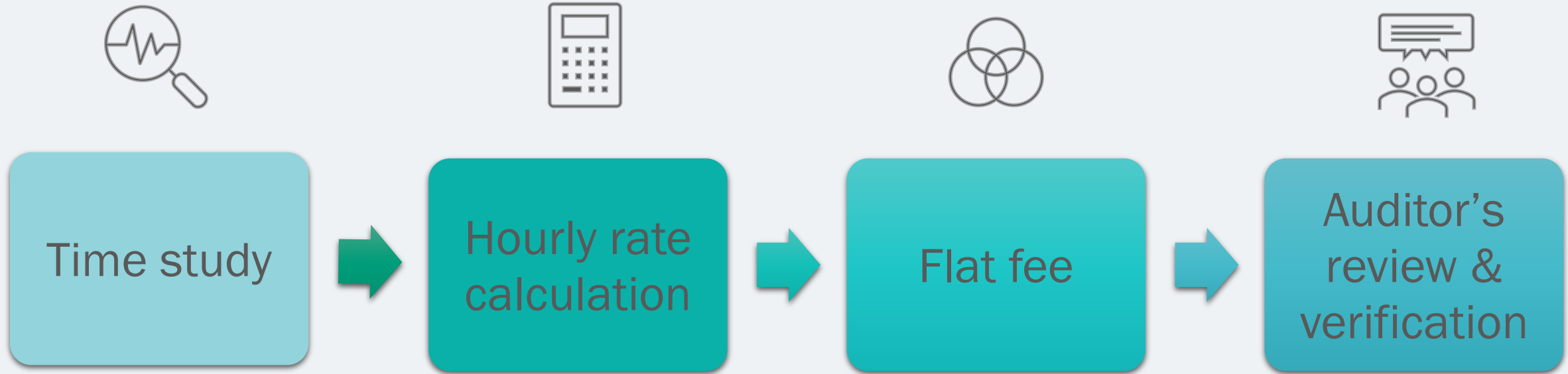
Agriculture, Weights and Measures

Stakeholder Presentation

Need for Proposal

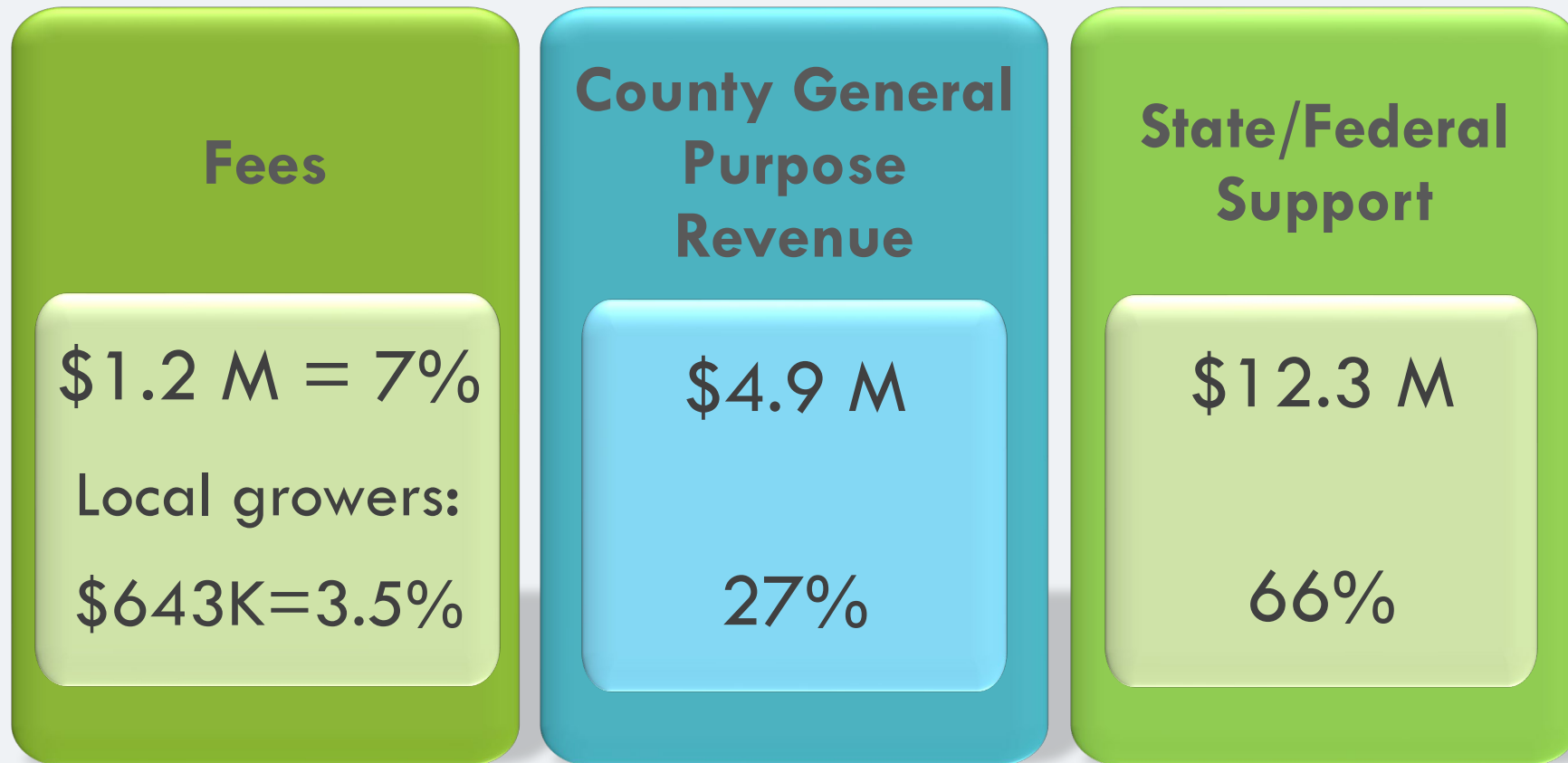
- Compliance with County Board of Supervisors' Policy B-29
- Commitment to the Board and stakeholders to return yearly
- County labor contract
- State and Federal regulatory changes
- Last cost recovery package was in FY 2019-20

Fee Development Process



Reviewed Fees	No Change	Adjusted Fees	New Fee
32	15	17	1

Agricultural Programs \$18.4 M



Agriculture, Weights and Measures



Export Certification



Direct Marketing



Industrial Hemp Cultivation



Hazardous Material Inventory



Export Certification Proposed Fees

Fee Types	Current FY20-21	Proposed FY21-22	Change	
			\$	%
International Certificate	\$96	\$101	\$5	5%
International Certificate (counter)	\$75	\$78	\$3	4%
State Certificate	\$41	\$43	\$2	5%
State Certificate (Counter)	\$34	\$35	\$1	3%
Hourly Rate	\$130	\$140	\$10	8%

Proposed State and County support: \$285,000

Export Certification Cost Containment

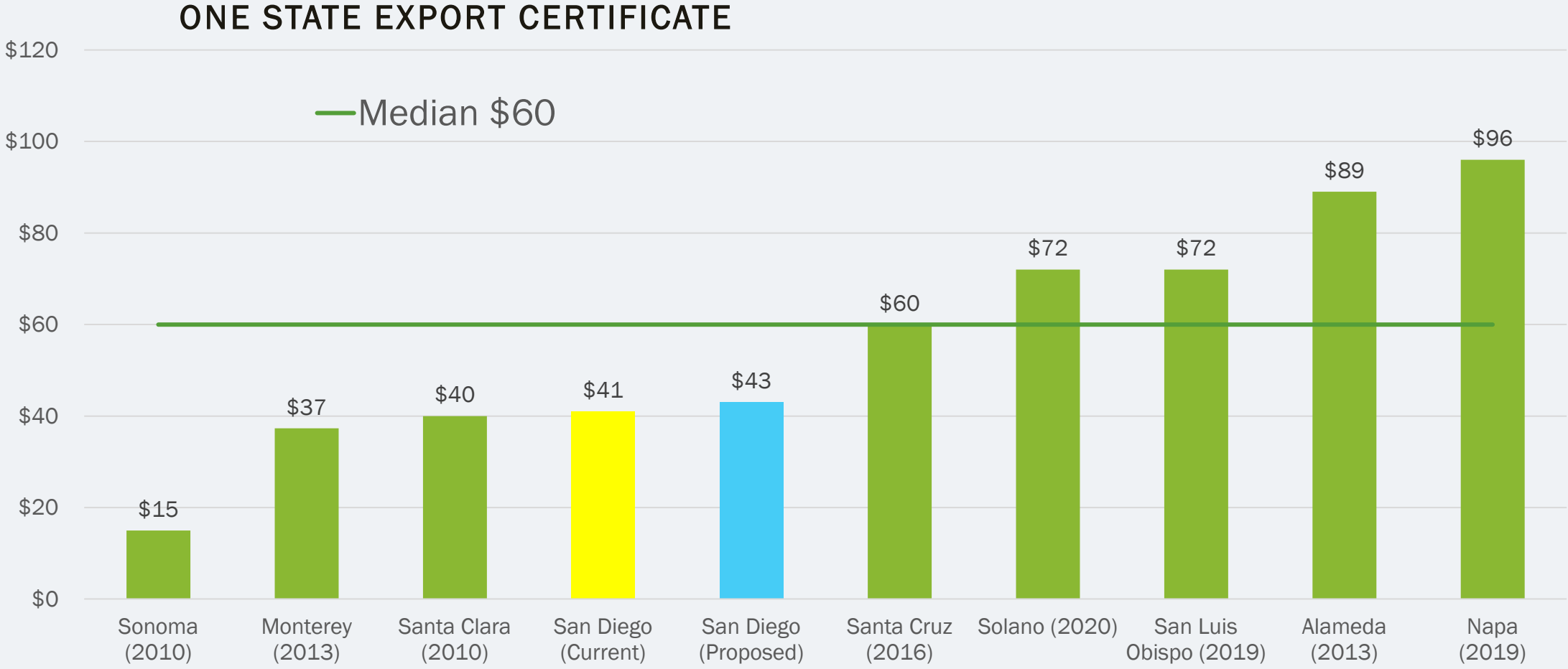
Innovations

- Master permits
 - Reduced need for travel
 - Coupled inspection for twice annual Brown Garden Snail Survey
- Improved routing and scheduling process

Cost Savings

- Annual savings of \$155,000

Export Certification Benchmarking



Direct Marketing Proposed Fees

Direct Marketing	Current	Proposed	Change	
			\$	%
Certified Farmers' Market	\$185	\$190	\$5	3%
Certified Producer	\$54	\$56	\$2	4%
CP Certificate Amendments	\$11	\$12	\$1	9%
CP Additional Counties	\$11	\$12	\$1	9%
Hourly Rate	\$161	\$166	\$5	3%

Proposed County and State support: \$273,000

Direct Marketing Cost Containment

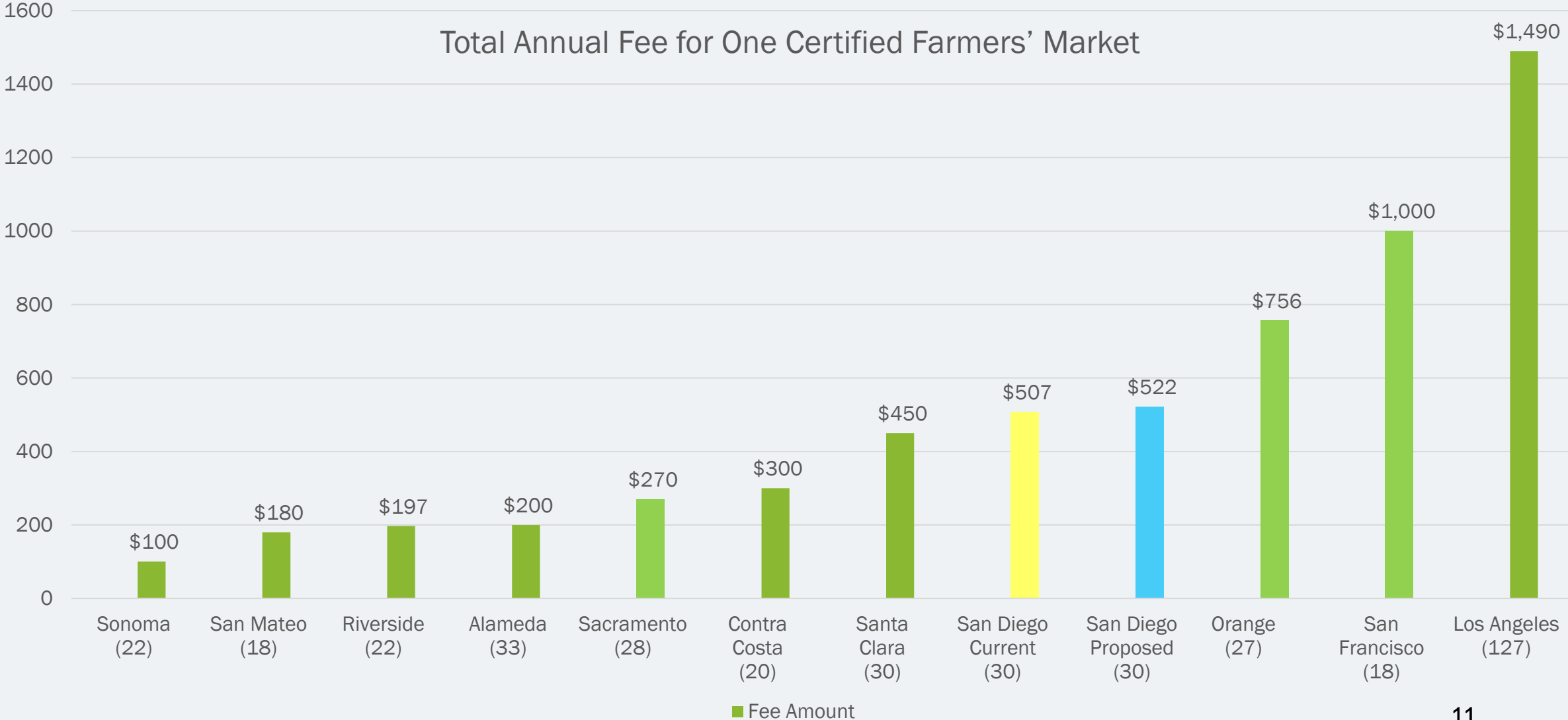
Innovations

- Leveraging technology to streamline operations
 - Farmers' market inspection app
 - Video inspection for certified producers
 - Online payment tool

Cost Savings

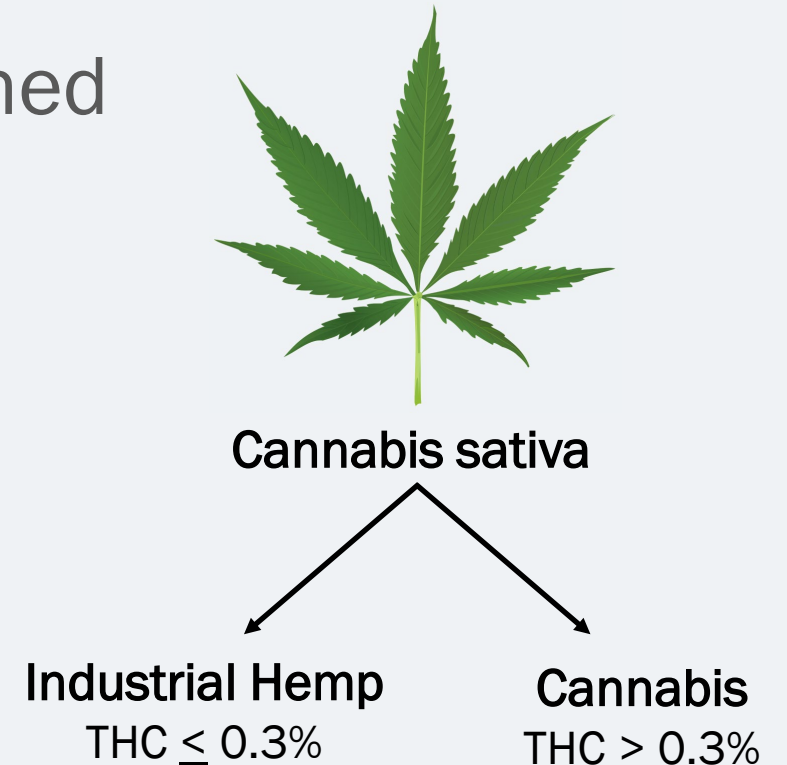
- Annual savings of \$32,000

Direct Marketing Benchmarking



Industrial Hemp Cultivation Background

- 2018 Farm Bill legalized industrial hemp
- 2019 California's Program established
- Evolving regulations



Industrial Hemp Cultivation Cost Drivers

- Highly regulated commodity
- Continuing regulatory changes
- State contract changes

Industrial Hemp Cultivation Proposed Hourly Rate

Hourly Rate	Current	Proposed	Change Since FY 2019-20	
			\$	%
Hourly Rate	\$126	\$136	\$10 (\$5/FY)	8% (4%/FY)

Proposed County and State Supplemental Funding: \$8,600

Industrial Hemp Cultivation Hourly Rate and License Fee

Program Cost

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graph TD; PC[Program Cost] --> HR[Hourly Rate]; PC --> LF[License Fee];
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Hourly Rate

Services for individual growers:

- Harvest verification, sample collection, crop removal, site inspections, investigating validated non-compliances

License Fee

Services that benefit all growers:

- Compliance, outreach, enforcement, investigation, complaint response, and program monitoring

Industrial Hemp Cultivation Proposed New License Fee

Annual License Fee	Current	Proposed
Option 1: Full Cost Recovery	\$0	\$1,502
Option 2: Partial Offset	\$0	\$200

Option 2: Proposed County and State Supplemental Funding: \$96,000

Industrial Hemp Cultivation Cost Containment

Innovations

- Leveraging technology
 - Automatic e-mails
 - Online payment tool
- Streamlining processes
 - Consolidate activities with dedicated staff
 - Coupling site inspections
 - Reduced need for 1-on-1 outreach

Cost Savings

- Annual savings of \$48,000

Hazardous Materials Inventory Fees

Registration Fees	FY20-21 Fees	FY21-22 Fees	Change	
			\$	%
Base	\$498	\$498	\$0	0%
Inventory Item	\$106	\$106	\$0	0%

Cost Containment: Alignment of staff classification with program activities / \$40,000

Next Steps

April 7 &
May 5, 2021

- Board of Supervisors Hearings

July 1, 2021

- Effective date for FY 21 - 22

Contact Information

- AWM Website:
 - www.sdcawm.org
- Export Certification:
 - Deputy Agricultural Commissioner Travis Elder by phone at (760) 752-4700 or by email at Travis.Elder@sdcounty.ca.gov.
- Direct Marketing or Industrial Hemp Cultivation:
 - Deputy Director Garrett Cooper by phone at (858) 614-7702 or by email at Garrett.Cooper@sdcounty.ca.gov.
- Hazardous Materials Inventory:
 - Assistant Agricultural Commissioner Mēgan Moore by phone at (858)-614-7701 or email at Megan.Moore@sdcounty.ca.gov.