

Sustainable California Grown Cannabis Pilot Program



Informational Workshop

July 28, 2022



CALIFORNIA DEPARTMENT OF
FOOD AND AGRICULTURE

Background

The Sustainable California Grown Cannabis (SCGC) pilot study is a grant application process administered by the California Department of Food and Agriculture's (CDFA) Office of Environmental Farming and Innovation (OEFI), funded through the CA General Fund.

The grant will fund projects to develop best management practices for sustainable outdoor cannabis cultivation.



OEFI's Vision Statement

To be a trusted and valued resource for scientific analysis and support to stakeholders and state agencies in the development and implementation of economically viable agricultural practices that optimize environmental and public health.

Primary Objectives

- ✓ Develop Best Management Practices (BMPs) for sustainable outdoor cannabis agriculture
- ✓ Promote cultivator participation in the development of BMPs through data collection by providing financial incentives



Funding & Deliverables



- \$7.5 million available
- Project Grant Amounts: Not to exceed \$2,500,000
- Partnership with a minimum of 10 cultivators
- Project Duration: Not to exceed 36 months
- Demonstration projects & educational events
- Best Management Practices Manual
- Areas for future research

Key Changes to Draft RGA

DRAFT FOR PUBLIC COMMENT

Background and Purpose

One of the primary goals of regulating cannabis in California is to help address environmental benefits and concerns associated with its cultivation. For example, greenhouse gas emission (GHG) reduction potential, sustainable land use, soil health benefits, ecological health benefits, pesticide use, and water resource management, are some of the many environmental interests associated with ~~the cultivation of cannabis~~ agriculture.

Senate Bill 170 (Skinner, Budget Act of 2021, Chapter 240) included ~~de~~ \$9 million in funding to the California Department of Food and Agriculture (CDFA) to develop and administer ~~for~~ a Sustainable California Grown Cannabis (SCGC) pilot study. The program will provide funding research that develops environmentally sustainable best management practices (BMPs) in outdoor cannabis agriculture. Funding will also be provided to incentivize licensed legacy outdoor cannabis growers ~~from legacy cultivation areas~~ to participate in the collection of data to benchmark best management practices (BMPs) ~~to reduce the environmental impact of outdoor cannabis cultivation.~~ The study will focus on sustainable water and energy use; pest management and fertilizer practices; and ~~soil~~ overall ecological health. Applicants may focus on specific practices associated with one or more of these areas.

Program Objectives

The SCGC pilot study has two primary objectives. Applicants may apply for funding to engage in one or both objectives:

1. **Identify, test, and promote environmentally friendly BMPs to which encourage environmentally sustainable practices in ~~reduce the environmental impact of~~ outdoor cannabis cultivation.**
2. **Provide funding to incentivize licensed legacy outdoor cannabis growers to participate in the collection of data to develop the BMPs and participate in demonstration projects.**

Eligibility

The following entities are eligible to apply for ~~the a~~ SCGC grants:

- Resource Conservation Districts (RCDs)
- University of California, California Community Colleges, or California State Universities
- Non-profit organizations

- Project Schedule
- Outdoor Cultivator Eligibility
- Counties Eligible
- Legacy Grower Eligibility
- Advance Payments

*Redline version available on SCGC webpage: cdfa.ca.gov/oefi/scgc

Project Schedule

Activity	Tentative Dates
Application period begins	October 3, 2022
Applications due	December 2, 2022
Review of applications received	December 2022 – January 2023
Announcement of awards	January 2023
Execution of grant agreements	January - March 2023
Sustainable California Grown Cannabis Pilot Study Implementation	March 2023 - December 31, 2025



*Schedule subject to change

Outdoor Cultivator Eligibility

- Only license types eligible for cultivator participation are outdoor and mixed-light tier 1 licenses.
- Focus remains on determining sustainable outdoor cannabis cultivation practices and on the two license types which most represent the outdoor cultivation setting. Indoor grown cannabis practices could vary dramatically and are outside the scope of this study.



Counties Eligible

- Updated RGA to broaden the language regarding eligible counties.
- Cultivators from all parts of the state are eligible so long as they are licensed with an outdoor or mixed-light tier 1 license type.
- Focus remains on reaching a representative sample of cultivators across the state.

Legacy Grower Eligibility

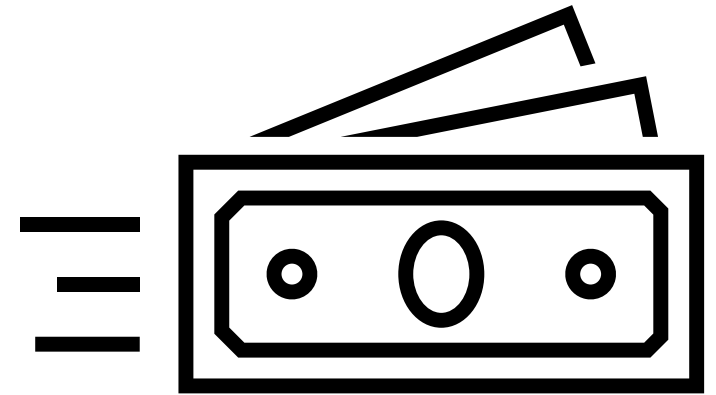
- Clarified the meaning of a legacy grower in the context of this study:

“For the purpose of this grant program, ‘licensed legacy outdoor cannabis growers’ are those who have operated a cannabis farm under California proposition 215, pre proposition 64, and are currently licensed with either an outdoor or mixed-light tier 1 cultivation license.”



Advance Payments

- ❑ Advanced payments may be provided with appropriate justification.
- ❑ Advance payment shall not exceed the amount necessary for project expenses for a three-month period.
- ❑ Advances exceeding the FDIC insured amount cannot be granted.



Budget Worksheet

Itemize all allowable costs related to project by category:

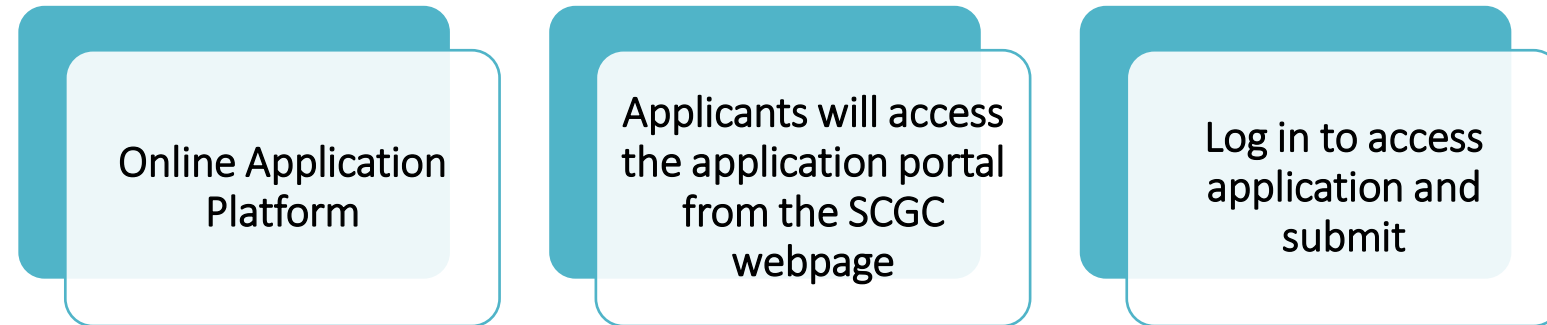
- Equipment/Supplies
- Travel Expense
- Labor
- Other

Must be consistent with project proposal.

See Request for Grant Applications for a list of allowable & unallowable costs.



How To Apply



Have questions during the application submittal window?

Email questions to: CannabisAg@cdfa.ca.gov

Questions Received By:	Responses Provided By:
October 7, 2022	October 14, 2022

Notification & Feedback

All applicants will be notified regarding the status of their grant applications

- Successful applicants will receive specific instructions regarding the award process.
- Applicants not selected for funding will receive feedback within 60 days after receiving notification.



**CDFA will post an updated list of awarded projects on SCGC webpage*



Q&A +
Comments