



CALIFORNIA DEPARTMENT OF  
FOOD & AGRICULTURE  
Karen Ross, Secretary

**Certified Farmers' Market Technical Planning Committee  
Program Proposal**

**Requirements and Design v 0.5  
Certified Farmers' Market Program  
Inspection Services**

**March 10, 2011**

## Document History (Version Control)

Version	Date	Author	Modification
0.1	11/30/2010	Natalie Krout-Greenberg	Created and incorporated feedback from Technical Planning Committee meeting on 11/15/2010
0.2	12/13/2010	Natalie Krout-Greenberg	Incorporated feedback CFM Program at CDFA
0.3	1/6/2011	Natalie Krout-Greenberg	Incorporated feedback from CFM TPC on 12/15/2010
0.4	1/28/2011	Natalie Krout-Greenberg	Incorporated feedback from CFM TPC on 1/10/2011
0.5	2/16/2011	Susan Shelton	Incorporated feedback from CFM TPC on 1/31/2011 and motions of all meetings

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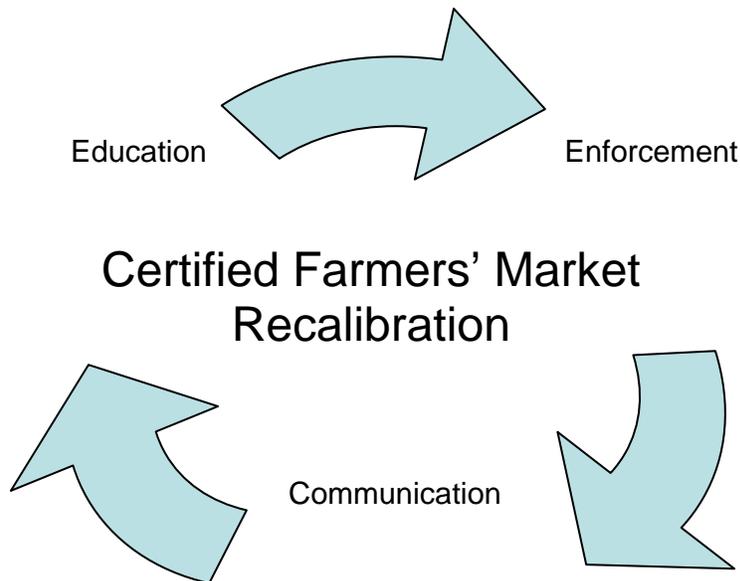
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## PROJECT BACKGROUND

The California Department of Food and Agriculture (CDFA) Certified Farmers' Market (CFM) Program was tasked with evaluating the program functionality and requested to enhance the program structure.

Four Listening Sessions designed to solicit input for improving the Certified Farmers' Market Program were held from October 27, 2010 until November 8, 2010 in Sacramento, Santa Monica, Fresno, and Berkeley. The demographics of each Listening Session varied significantly, with some sessions composed mainly of producers while others were composed mainly of market managers and consumers. Several common themes were echoed throughout the sessions, specifically, that the Department, county agricultural commissioners, and market managers should enhance enforcement, communication, and education. The following is a composite of the themes and significant issues raised at the Listening Sessions.



The general consensus throughout each of the listening sessions was that the Department should enhance enforcement by building on specific compliance activities. Many comments, while broad and not specific, reflected the general sentiment of the participants. These were statements regarding an urgency to ensure the integrity of the markets, return to common sense, and to "do the right thing". The common themes for accomplishing effective enforcement were education, communication, appropriate state and county funding, and technology. These themes were applied to all stakeholders in the certified farmers' market industry and are reflected in their comments.

## PURPOSE OF DOCUMENT

The purpose of this document is to specify the Requirements and Design specific to developing the Certified Farmer' Market program which shall include:

- Enforcement
- Inspections
- Education
- Communication
- Technology
- Funding

## **ASSUMPTIONS AND CONSTRAINTS**

1. The scope of the program may develop beyond what was commented on during the listening sessions.
2. Some comments made during the listening sessions may not be specifically addressed in this document, but will be incorporated based on the development of the criteria specified above.

## **Requirements – Enforcement**

### **FIELD**

ID #: Design Number (unique number for each item).  
 Action: Type of Action or Event  
 Committee Proposal: Idea put forth by committee members  
 Add'l Requirements: Action items to carry out Committee Proposal  
 Comment: Comment or reference to supporting documentation or provides additional detail.

ID #	Action (Who/What)	Committee Proposal (How)	Add'l Requirements (including Funding if appropriate)	Comment
1	Market Operators	<ul style="list-style-type: none"> <li>• Will have ultimate accountability</li> <li>• Shall assume responsibility of fines</li> <li>• Must acknowledge understanding of laws and regulations</li> <li>• Keep records of onsite managers ensuring current certification</li> </ul>		Regulatory change holds operator responsible that managers get training
2	Market Managers (MM)	<ul style="list-style-type: none"> <li>• Must be certified by law using a state template</li> <li>• Have extensive training (to be defined under Education)</li> <li>• Increased responsibility for enforcing regulations</li> </ul>	Regulations will: <ol style="list-style-type: none"> <li>1) Define MM</li> <li>2) Require MM certification</li> <li>3) Ensure each market has present a certified MM onsite during operating hours</li> <li>4) Ensure that organic regulations and certification is posted. Validation of organic claims and posting of certificate</li> </ol>	These actions do not preclude an operator to be a MM  Timeline for certification process
3	State	<ul style="list-style-type: none"> <li>• State to take a role in enforcement activities</li> </ul>	Legislation will: <ol style="list-style-type: none"> <li>1) Task the CDFA with enforcement activities to include the committee proposals</li> </ol>	Enforcement levels to be discussed/decided

ID #	Action (Who/What)	Committee Proposal (How)	Add'l Requirements (including Funding if appropriate)	Comment
4	County	<ul style="list-style-type: none"> <li>• Certification and inspections as they relate to the FAC sections 47020(a), 47020(b) &amp; 47020(c) should continue.</li> </ul>		
5	Tools <ul style="list-style-type: none"> <li>• Inspections</li> <li>• Education</li> <li>• Communication</li> <li>• Technology</li> <li>• Funding</li> </ul>	- SEE BELOW -		

**November 22, 2010**

**MOTION 1:** Mr. Etheridge moved that the committee accept the concept of market operators being ultimately responsible, all fines are issued to the operator; the operator must acknowledge that they understand the laws and regulations, the operator shall maintain records concerning certification of their market managers; market managers must be certified using a state template or standard, extensive market manager training will be conducted. The following items need to be addressed through regulations: the term market manager needs to be defined, market managers shall be certified, and each market shall have a certified market manager on-site during operating hours. This does not preclude a market operator from being a market manager. Mr. Ellrott seconded. The motion passed unanimously.

**December 15, 2010**

**MOTION 2:** Mr. Fred Ellrott moved for market managers to increase responsibility for enforcing regulations. Mr. Gene Etheridge seconded. The motion passed unanimously.

**MOTION 3:** Mr. Kurt Floren moved for the Technical Planning Committee to recommend that legislation be considered to task the California Department of Food and Agriculture with enforcement activities. Ms. Cynthia Ojeda seconded. The motion passed unanimously.

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**Requirements – Inspections**

**FIELD**

- ID #: Design Number (unique number for each item).
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- Committee Proposal: Idea put forth by committee members
- Add'l Requirements: Action items to carry out Committee Proposal

Certified Farmers' Market Technical Planning Committee  
Requirements and Design Document

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Comment: Comment or reference to supporting documentation or provides additional detail.

ID #	Action (Who/What)	Committee Proposal (How)	Add'l Requirements (including Funding if appropriate)	Comment
1	State	<ul style="list-style-type: none"> <li>• See Appendix A-2 and A-3</li> <li>• Increase quarterly sweeps</li> <li>• Create designated inspection areas throughout CA and staff accordingly</li> <li>• Create a model under training tools that detail how joint inspections (county/state) will be performed</li> <li>• Create under technology tools the ability to handle complaints and communicate with stakeholders internally on an as needed basis</li> </ul>		
2	County	<ul style="list-style-type: none"> <li>• See Appendix A-1</li> <li>• Continue to issue certificates</li> <li>• Verification process will include flexibility</li> <li>• The first verification does not require an onsite inspection; however, additional parameters need to be followed such as looking at the location, number of planted commodities, whether there are hot houses or storage facilities.</li> <li>• A component of verification should include a production site inspection that is tied to harvest.</li> <li>• A market inspection will occur for each six months of operation with the appropriate funding allocated.</li> <li>• On an as needed basis contracts will be established with the state for additional inspection/investigations.</li> </ul>		

**December 15, 2010**

**MOTION 4:** Mr. Gene Etheridge moved that certification and inspections as they related to Food and Agricultural Code Sections 47020(a), 47020(b), and 47020(c) should continue. Ms. Cynthia Ojeda seconded. The motion passed unanimously.

**January 10, 2011**

**MOTION 5:** Mr. Gene Etheridge moved that the state will increase quarterly sweeps, that the state will create designated areas throughout the state and staff according to those areas, that the state will create a model under training tools that details how joint inspections will be performed, and that the state will create, under technology tools, the ability to handle complaints and communicate with stakeholders internally, on an as-needed basis. Ms. Cynthia Ojeda seconded. The motion passes unanimously.

**MOTION 6:** Ms. Cynthia Ojeda moved that the county will continue to issue certificates; that there will be a verification process with flexibility, which means that the first verification does not require an onsite inspection; however, additional parameters need to be followed such as looking at the location, the number of planted commodities, and whether or not they have hot houses or storage facilities; and the third component of verifying a production site inspection that is tied to harvest. In addition, under "Markets," there will continue to be a minimum of two inspections with the appropriate funding allocated for those inspections, and on an as-needed basis, contacts established with the state for additional inspections. Mr. Gene Etheridge seconded. The motion passed with the exception of Mr. Kurt Floren opposing and Ms. Mary Pfeiffer abstaining.

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**Requirements – Education**

**FIELD**

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- Committee Proposal: Idea put forth by committee members
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- Comment: Comment or reference to supporting documentation or provides additional detail.

ID #	Action (Who/What)	Committee Proposal (How)	Add'l Requirements (including Funding if appropriate)	Comment
1	State	<ul style="list-style-type: none"> <li>• State should provide the lead in developing and conducting training for MM and all enforcement entities.</li> <li>• State to provide county training and conduct joint inspections for purposes of uniformity.</li> </ul> <p>See Appendix A-4</p>		<p>Develop MM certification module.</p> <p>Develop a model for joint inspection training between county and state staff.</p>

See MOTION 1

**December 15, 2010**

MOTION 7: Mr. Miguel Loureiro moved that training should be increased as a general notion. Mr. Gene Etheridge seconded. The motion passed unanimously.

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**Requirements – Communication**

**FIELD**

- ID #: Design Number (unique number for each item).
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- Committee Proposal: Idea put forth by committee members
- Add'l Requirements: Action items to carry out Committee Proposal

ID #	Action (Who/What)	Committee Proposal (How)	Add'l Requirements (including Funding if appropriate)	Comment
1	State	<ul style="list-style-type: none"> <li>State to develop, disseminate and provide outreach and education materials to certified farmers' market managers, producers, and the consuming public.</li> <li>State should have a role facilitating a partnership with the counties in regards to the complaint process.</li> <li>See Appendix A-6</li> </ul>		

See MOTION 5

**December 15, 2010**

MOTION 8: Mr. Gene Etheridge moved for the state to develop, disseminate, and provide outreach and education material to certified farmers' market managers and the consuming public. Ms. Leah Smith seconded. The motion passed unanimously.

MOTION 9: Ms. Leah Smith moved that the state should take a role to facilitate a partnership with counties in regard to the complaint process. Ms. Cynthia Ojeda seconded. The motion was approved unanimously.

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## **Requirements – Technology**

### **FIELD**

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 Committee Proposal: Idea put forth by committee members  
 Add'l Requirements: Action items to carry out Committee Proposal  
 Comment: Comment or reference to supporting documentation or provides additional detail.

ID #	Action (Who/What)	Committee Proposal (How)	Add'l Requirements (including Funding if appropriate)	Comment
1	State	<ul style="list-style-type: none"> <li>See Appendix A-5</li> </ul>	New database in development stages at CDFA	Development complaint management tool

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## **Requirements – Funding**

### **FIELD**

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 Action: Type of Action or Event  
 Committee Proposal: Idea put forth by committee members  
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 Comment: Comment or reference to supporting documentation or provides additional detail.

ID #	Action (Who/What)	Committee Proposal (How)	Add'l Requirements (including Funding if appropriate)	Comment
1	State/County	<ul style="list-style-type: none"> <li>See Appendix A-7</li> </ul>	Requires legislative change	

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### **January 31, 2011**

**MOTION 10:** Mr. Gene Etheridge moved to support the model presented to the CFM Technical Planning Committee and support the viability of the model in the future with an appropriate level of funding. Mr. Kurt Floren amended Mr. Gene Etheridge's motion to include that full cost recovery for county inspections shall be legislatively mandated in an appropriate section of the Food and Agricultural Code. Mr. Miguel Loureiro seconded. The motion passed with Mr. Kyle Reynolds opposing and Ms. Leah Smith abstaining.

*Note: The model presented to the CFM Technical Planning Committee is Appendix A-2 through A-7.*

**MOTION 11:** Ms. Leah Smith moved to support a long-term solution that would involve legislative and regulatory changes that are deemed necessary to carry out the Certified Farmers' Market/Direct Marketing Program. Ms. Deborah Yashar seconded. The motion passed with Mr. Kyle Reynolds abstaining.

## **APPENDIX A – REFERENCED DOCUMENTS**

The documents identified below are source documents to support proposals listed in the Requirements section.

<b>Number</b>	<b>Document</b>	<b>Control No.</b>	<b>Comment</b>
A-1	Food and Ag Code (FAC)	47020 (a – c)	Current County responsibilities
A-1	FAC	47021 (a) 1-9	Current State responsibilities
A-2	Inspection/Investigation	Version 0.1	Provided 1/31/11
A-3	Inspection Territories	Version 0.1	Provided 1/31/11
A-4	Education – MM Training & Brochures	Version 0.2	Provided 3/10/11
A-5	Technology – Proposed Database	Version 0.2	Provided 3/10/11
A-6	Communication	Version 0.2	Provided 3/10/11
A-7	Funding	Version 0.1	Provided 3/10/11

## **FOOD AND AGRICULTURAL CODE**

### **Section 47020(a-c) Current County Responsibilities**

47020. (a) A certified farmers' market certificate issued by a county agricultural commissioner shall be valid for 12 months from the date of issue. The county agricultural commissioner shall inspect every certified farmers' market within his or her jurisdiction at least once, in every six months of operation. The county agricultural commissioner may charge a certification and inspection fee up to a maximum rate of sixty dollars (\$60) per hour, unless the county board of supervisors elects not to charge inspection and certificate costs. Inspections shall be required notwithstanding a county board of supervisors' election not to charge certificate and inspection fees. If a fee is charged for conducting the certification and inspection, it shall include either the itemized actual costs, or the weighted average hourly rate, as determined on an annual basis by the county, which shall be provided to the certified farmers' market manager prior to the payment of the fee.

(b) A certified producer's certificate issued by a county agricultural commissioner may be valid for up to 12 months from the date of issue. The county agricultural commissioner in each county shall perform at least one annual onsite inspection of the property or properties listed on every certified producer's certificate issued in their county to verify production of the commodities listed on the certificate or the existence in storage of the harvested production, or both. If the certificate is issued for a period of seven months or more, the county agricultural commissioner in each county shall perform at least one additional onsite inspection or other equally appropriate measure to verify production or storage, or both. The county agricultural commissioner may charge a certificate and inspection fee up to a maximum rate of sixty dollars (\$60) per hour, unless the county board of supervisors elects not to charge inspection and certificate costs. Inspections shall be required notwithstanding a county board of supervisors' election not to charge certificate and inspection fees. If a fee is charged for conducting the certification and inspection, it shall include either the itemized actual costs, or the weighted average hourly rate, as determined on an annual basis by the county, which shall be provided to the producer prior to the payment of the fee.

(c) Renewal of a certified farmers' market certificate or certified producer's certificate may be denied by either the department or a county agricultural commissioner if a certified farmers' market or a certified producer is delinquent in the payment of the required state fee or any county certification and inspection fee or administrative civil penalty authorized under this chapter. The certificate shall be eligible for renewal when all outstanding balances and associated penalties or administrative fines have been paid to the department or the respective county or counties.

### **Section 47021(a)(1-9) Current State Responsibilities**

47021. (a) Every operator of a certified farmers' market shall remit to the department, within 30 days after the end of each quarter, a fee equal to the number of certified producer certificates and other agricultural producers participating on each market day

for the entire previous quarter. The fee shall be established by January 1 of each year by the department upon the receipt of a budget recommendation from the advisory committee. The fee shall not exceed sixty cents (\$0.60) for each certified producer certificate and other agricultural producers participating on each market day. A certified farmers' market may directly recover all or part of the fee from the participating certified and other agricultural producers.

(b) Any operator of a certified farmers' market who fails to pay the required fee within 30 days after the end of the quarter in which it is due, shall pay to the department a monthly interest charge on the unpaid balance and a late penalty charge, to be determined by the department and not to exceed the maximum amount permitted by law.

(c) All fees collected pursuant to this section shall be deposited in the Department of Food and Agriculture Fund. The money generated by the imposition of the fees shall be used, upon appropriation by the Legislature, by the department, to carry out this chapter, including all of the following actions undertaken by the department:

- (1) The coordination of the advisory committee.
- (2) The evaluation of county enforcement actions and assistance with regard to multiple county enforcement problems.
- (3) The adoption of regulations to carry out this chapter.
- (4) Hearing appeals from actions taken by county agricultural commissioners to enforce this chapter.
- (5) The review of rules or procedures established by a certified farmers' market and the issuance of advisory opinions and the provision of informal hearings pursuant to Section 47004.1 as to whether the rules or procedures are consistent with this chapter and implementing regulations.
- (6) The maintenance of a current statewide listing of certified farmers' markets with schedules of operations and locations.
- (7) The maintenance of a current statewide listing of certified producers.
- (8) The dissemination to all certified farmers' markets information regarding the suspension or revocation of any producer's certificate and the imposition of administrative penalties.
- (9) Other actions, including the maintenance of special fund reserves, that are recommended by the advisory committee and approved by the department for the purpose of carrying out this chapter.

## **INSPECTION/INVESTIGATION**

### **CDFA**

Three fulltime Special Investigators (SI) would be hired to work year-around for the Certified Farmers' Market Program. Each SI would have a designated area of the state – Northern, Central, and Southern.

Duties would include, but not be limited to:

- Market to Farm inspections and investigations
- Complaint investigation
- Help with county cross-jurisdictional issues
- County training
- Regular joint inspections with counties to ensure uniformity
- Issuing of non-compliances and notices of proposed action

An Assistant Special Investigator would be hired in Sacramento to help with such things as:

- Track, update, and post non-compliance list
- Track, update, and post Suspension and Violation list
- Help with database entry and analysis
- Prepare Notices of Proposed Action
- Help in the field with investigations and inspections

### **County**

Concerning Certified Producer Certificates:

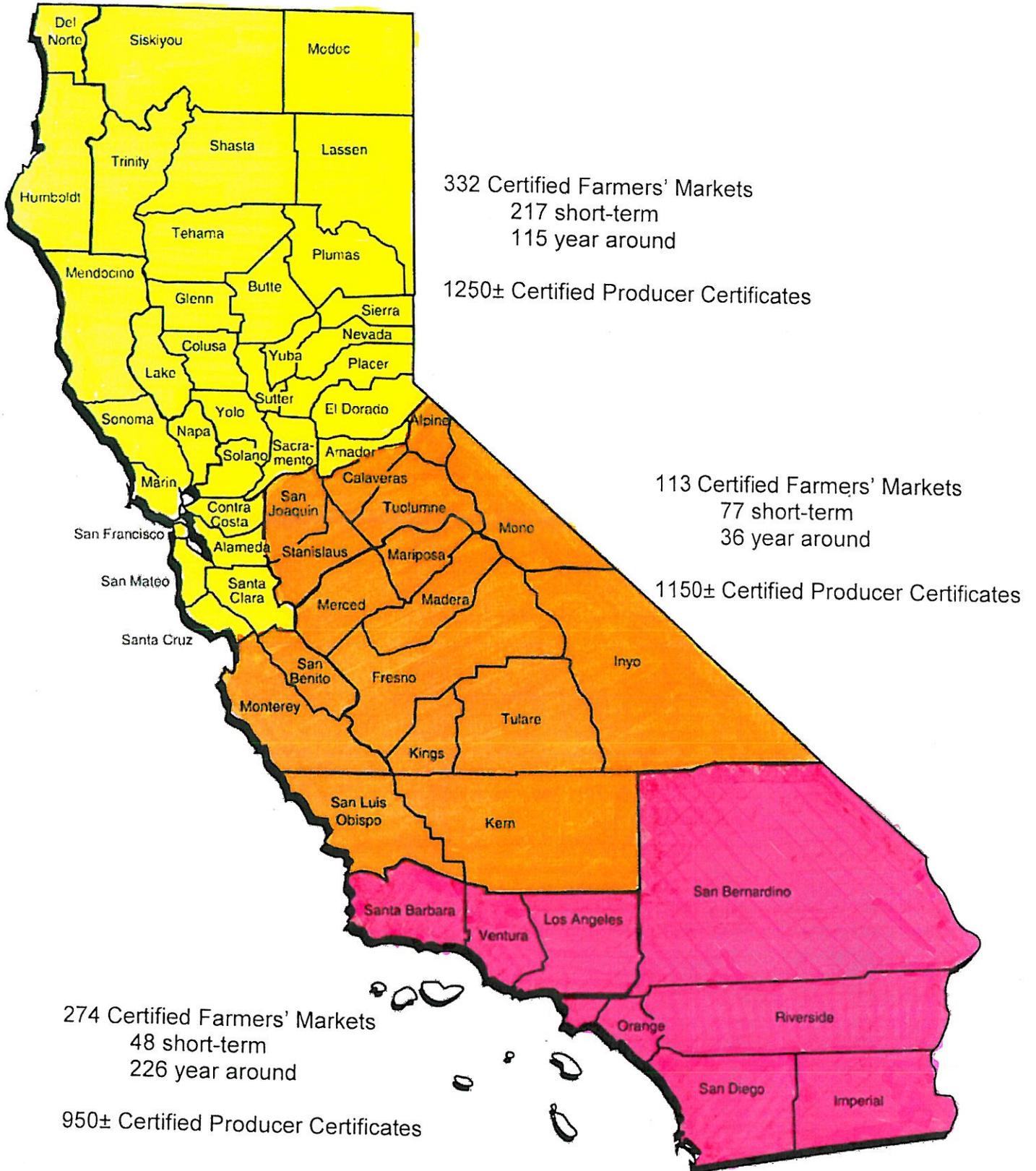
- Perform a verification of information at time of issuance with the flexibility to determine how this is done. Verification of location, storage, method of growing (i.e. hothouses, etc.) number and type of commodities planted, etc
- Perform one point in time harvest inspection each year to verify harvest type, quality, quantity, etc

Concerning Certified Farmers Market Certificates:

- No changes to current – one market inspection for every six months of operation

Contract with CDFA to perform additional:

- Inspection work (at both production and market)
- Investigatory work (i.e. complaint, market follow-up)
- Database entry



## **EDUCATION**

### **Proposed Market Manager Training**

Training would be mandatory for all market managers. CDFA would develop and teach a 1-day curriculum covering topics such as:

- What does it mean to be a Market Manager
- CDFA laws and regulations pertaining to Certified Farmers' Markets (CFM)
- Market Rules
- Methods to identify suspect producers
- Farm inspection
- CDFA/County complaint process and responsibilities
- CDFA database use
- Consumer education/considerations
- EBT/WIC
- Permits/Licenses/Certificates required for market sellers
  - i.e. milk & dairy, shell egg, animal health, FDA, etc.
- Health Department requirements

Other potential and/or future topics could be:

- CFMs from a Producer's Perspective
- Enforcement Scenarios
- Vendor Recruitment
- Local law considerations/contact lists
- Marketing/promotion
- Market crisis management
- Measuring market performance

Develop and disseminate a market manager manual

Develop on-line system for initial testing after classroom training, and for yearly recertification.

Recertification would be refresher of classroom as well as new laws and regulations, and other CFM related developments from previous year.

CDFA would conduct approximately 10 – 12 classes the initial year to cover all current market managers. In subsequent years there would be approximately four classes given throughout the state.

After the initial year of implementation, new managers would be required to take a shortened on-line certification tutorial to get an initial certificate, but would then be required to attend the next scheduled training held by CDFA.

### **Brochures**

Brochure for consumers to be available at markets – How to be an Informed Consumer

One-Pager for Certified Producers (to be developed in different languages) – Certified Producer Responsibilities and Penalty Matrix. To include producer rights, complaint/appeal process, and information regarding market rules.

**Consumer Other**

Develop regulations to clearly delineate the boundaries of the certified section of the market, including market naming protocols and identity.

## TECHNOLOGY

### Proposed Database

CDFA plans to develop a database that can be accessed and used by producers, market managers, county personnel, and CDFA staff. The following items may be incorporated into an online system:

#### Producers

Certified Producer Certificates (CPC) application, updates, and renewals  
Complaint form

#### Market Managers/Operators

Certified Farmers' Market application, updates, and renewals  
Standardized load list submittal  
Billing and payment  
Yearly market manager recertification  
Complaint form

#### Counties/State

Review and process CPC applications, updates, and renewals  
Inspection information  
Complaint notification and follow-up  
Investigation information  
Notices of Non-Compliances  
Notices of Proposed Action and final action  
Market Manager Certification  
Contract tracking, submittal, and payment

Depending on granted access, all information associated with a specific producer and/or market can be accessed by searching by a keyword such as certificate number, name, address, county, etc.

To complete load list a market manager can use certificate number to pull CPC information, allowing for some information to be prefilled, and just add amount sold, etc.

Counties and state can have one clearing house to share information and research activities for any producer or market. Will endeavor to include import and export capabilities.

Information and profiles will be in real-time updates as database is used effectively.

Activities can be tracked, followed-up on, and shared with appropriate parties allowing an effective and efficient enforcement program.

## COMMUNICATION

The proposed Certified Farmers' Market communication plan will include:

- Feedback Loop with County
  - Quarterly conference calls with all counties
- Posting of County and State Actions on the Website
  - County to copy State on all Non-Compliances, Notice of Proposed Action (NOPA) and final actions
  - Monthly update list of all Non-Compliances issued (pending public record clarification and approval)
  - Real-time updates of Fine and Suspension List as final actions are received by counties and/or finalized by State
- Complaints
  - State will use technology to log and track complaints brought to their attention
- Database
  - State, county, and market managers will use database to input information which can be shared by all appropriate parties (See Technology plan)
- County Training
  - Develop training curriculum and joint investigations to ensure uniformity between all counties

**FUNDING**

**CDFA**

Expenditures

	Salary <sup>(high)</sup>	Benefits (based on 42% of salary)	# of PYs	Total Cost
Branch Chief I	\$88,532.00	\$35,083.44	0.3	\$35,584.63
Sup Special Investigator I	\$77,736.00	\$32,649.12	0.5	\$55,192.56
Special Investigator	\$70,788.00	\$29,730.96	1	\$100,518.96
Special Investigator	\$70,788.00	\$29,730.96	1	\$100,518.96
Special Investigator	\$70,788.00	\$29,730.96	1	\$100,518.96
Special Investigator Assistant	\$40,740.00	\$17,110.80	1	\$57,850.80
Office Technician	\$39,168.00	\$16,450.56	<u>0.5</u>	<u>\$27,809.28</u>
			5.3	\$477,994.15

Personnel	\$477,994.15	
General Expenses	6,000.00	(supplies, misc.)
Printing	6,500.00	
Communications	8,700.00	\$100/mo. x 5 cells; \$75 office/mo x 3
Postage	6,000.00	
Travel	100,000.00	
Training	3,000.00	mandatory CDFA staff training
Facilities	23,400.00	\$500/mo x 3 rent; \$150/mo utilities
County Contracts	500,000.00	
Attorney General	70,000.00	
Dept/Div/Branch Overhead	304,977.60	
Pro Rata	<u>34,580.36</u>	
	<b>\$1,541,152.11</b>	

This budget will cover all aspects of the program both new and old, except:

New database – will use existing funds \$200,000

- Plans to acquire a new database were already in effect prior to the formation of the CFM Technical Planning Committee.

Market Manager Training: \$0 - \$100,000 additional

- CDFA has applied for a Specialty Crop grant from USDA in the amount of \$259,100. If the grant is not awarded, CDFA would have to create a simpler training model with an estimated cost not to exceed an additional \$100,000 to the final budget proposal.

Revenue

\$0.60	\$230,000.00	\$5.00	\$1,916,667.00
\$3.00	\$1,150,000.00	\$6.00	\$2,300,000.00
\$4.00	\$1,553,333.00	\$7.00	\$2,683,333.00

**County**

Full cost recovery for county responsibilities should be legislatively mandated.