



**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
CERTIFIED FARMERS' MARKET ADVISORY COMMITTEE (CFMAC)**

**January 22, 2024, Meeting Minutes
Hybrid Teleconference**

2399 Gateway Oaks Drive, Suite 200, Sacramento, CA 95833

MEMBERS PRESENT

Kurt Floren

**REMOTE MEMBERS
PRESENT**

James Murez
Phillip Rhodes
Ed Williams
Portia Bramble – Vice Chair
Cynthia Ojeda
Cameron Crisman
Nick Schuller

MEMBERS ABSENT

Chrisandra Flores
Oscar De Leon

INTERESTED PARTIES

Nina Zlatkov, Los Angeles Co.
Kimberly Richartz, Los Angeles Co.
Keri Brumfield, Contra Costa Co.
Daniella Reagan, Solano Co.
Eddy Greynolds, Kern Co.
Misael Martinez, Riverside Co.
Monica Winters, San Diego Co.
Omar Luna, San Joaquin Co.
Doug Hayden, California Farmers'
Market Assoc.

CDFA

Natalie Krout-Greenberg
Carla Sanchez
Jennifer Leidolf
Steve Patton
Marcee Yount
Jasmine Toledo
Sarah Cardoni

ITEM 1: CALL TO ORDER-INTRODUCTIONS/ROLL CALL

The meeting was called to order at 10:05 a.m. by Portia Bramble, Vice Chairperson, and introductions were made. Roll was called by Sarah Cardoni and a quorum was not present. Kurt Floren arrived at 11:02 a.m. and the quorum was established.

ITEM 2: PUBLIC COMMENTS

James Murez shared a producer's sentiment that CDFA is not doing enough to spread awareness of the various conditions that exist in Riverside County and other counties where there is serious outbreaks of diseases and pests. Market managers should be made aware immediately as it is easy for producers to bring products from quarantined areas to the market.

Phillip Rhodes added that there needs to be a better understanding of the quarantine for Asian Citrus Psyllid, as some citrus producers in the quarantined areas are bringing stems and leaves into markets. Market managers are unaware of why stems and leaves on citrus is not allowed and it should be better relayed to market managers because of its importance.

Vice Chair Bramble encouraged that these comments be carried forward to those with the ability to notice pests and other types of quarantines.

ITEM 3: REVIEW OF SEPTEMBER 18, 2023 MEETING MINUTES

Vice Chair Bramble asked for a motion to approve the September 18, 2023, Meeting Minutes, as presented.

MOTION: James Murez moved to approve the September 18, 2023, Meeting Minutes as presented. Vice Chair Portia Bramble seconded the motion. A vote by roll call was taken. The motion passed unanimously, with no abstentions.

ITEM 4: DIRECT MARKETING PROGRAM UPDATES

Cardoni provided the Vacancies and Terms Report. Current vacancies include: three certified producer members; six certified producer alternates; one certified farmers' market (CFM) operator; and six CFM operator alternates. Members who will be eligible for reappointment as of January 22, 2025, are Vice Chair Portia Bramble, Cameron Crisman, Chrisandra Flores, and Ed Williams. Members whose term will end and are not eligible for reappointment are James Murez and Oscar De Leon.

ITEM 5: PROPRIETARY INFORMATION ON CERTIFICATE

Jennifer Leidolf, Direct Marketing Program Supervisor, reported on proprietary information on the Certified Producer's Certificate (CPC). The initial concern came about in the early stages of database development when the database was going in a direction that brought into question proprietary information on the CPC. It was decided not to go in that direction and has since been determined that all information on the CPC is public information.

Steve Patton, Retired Annuitant and preceding Branch Chief of the Inspection and Compliance Branch, specified that it was deferred to the CDFA Legal Office to determine if information on the CPC was proprietary. The decision was that because there is a requirement in the law for the CPC to be publicly posted that all information on the CPC would not be considered proprietary. During initial discussions for the database, there were ideas to collect more information to assist with enforcement that was considered proprietary. No further information was collected for the database and as such, all information is considered nonproprietary.

Murez stated that many conversations have occurred in the past about having a system to track load sheets and have them be based on information on the CPC. Market managers cannot trust the validity of the CPC unless received directly by CDFA or the County Agricultural Commissioner (CAC). Vice Chair Bramble replied that the legal responsibility is on the producer and market manager to have the most current copy of the CPC. Additionally, the Database Subcommittee can carry forward the discussion of how the database can better serve the industry.

ITEM 6: AUTHORIZED REPRESENTATIVE

Leidolf provided background on authorized representatives. An authorized representative is a person selected by the certified producer to sell at a CFM.

Previously, this person was required to be an employee or family member. The regulation currently defines it as someone the producer selects. This differs from "authorized to sell for" which is when two certified producers establish a business agreement to sell each other's product. In this instance, both CPCs are posted, and items are separated in the vendor booth. Leidolf explained that the regulation further defines that a list of authorized representatives for certified producers must be provided to the production county and that the list is to be submitted as often as necessary as names change so that enforcing officers can use it for verification purposes.

Rhodes expressed that an honest discussion needs to occur about the problem with authorized representatives as this has become a widespread issue throughout the industry. Authorized representatives that are not farmers selling for other farmers, family members, or employees of the farmer, are misleading to customers and is unfair to actual farmers. Any person can purchase products and sell at a CFM, including those not connected in any way to the production of what they are selling. These types of authorized representatives who are essentially buying and reselling should be separated from certified producers and their employees and placed in the non-certified section of the CFM.

Murez asked if the list of authorized representatives will be included in the database and if a California Public Records Act request can be made by market operators to production counties to obtain that list. Leidolf replied that the list will not be included in the database and was intentionally not part of the CPC as names change frequently and would require an amendment of the CPC for each instance. Market rules can require the list be kept up to date with market managers.

Patton provided more historical context and addressed the reasons why the definition of authorized representatives was changed. The previous regulation allowed for employees and family members, and further specified family members had to live with the producer. The CDFA Legal Office questioned how family relations and living arrangements could be verified and enforced. Documentation such as birth certificates and employee records that include wage information may be needed for verification. Ultimately, it is a business arrangement and as such, the certified producer is responsible for everything that occurs with their CPC.

Patton further shared that the law was created to allow certified producers to sell to restaurants. The legislation and regulations previously stated that certified producers could only sell to consumers defined as an end user. Restaurants were essentially reselling the product and therefore could not purchase product at CFMs. The change in law allowed anyone to purchase products at a CFM and resell it anywhere except a CFM and receive the same exemptions from Standardization Program packaging laws that the certified producer received.

Rhodes expressed that it is difficult for small producers to compete with large producers who pay others to sell on their behalf and supplement if needed to offer a broader selection of products and dominate markets. This is typical of the larger markets found in bigger cities. It is unfair competition and should be stopped at the association level.

Ed Williams stated that in his experience as an enforcing agent, he witnessed authorized representatives carrying binders with dozens of CPCs to represent any certified producer for the products they wish to purchase and resell for that day. Williams questioned the number of certified producers an authorized representative is allowed to represent at any given time. Leidolf responded that the regulation defines that an authorized representative can only represent one certified producer per market, per day. Vice Chair Bramble considered strengthening the regulation to include a maximum number of certified producers one authorized representative can represent in one year.

Cynthia Ojeda agreed, stating that CFMs are to support the small farmer and market managers and associations must ensure integrity in their markets. Nick Schuller suggested spreading the word that market integrity matters at upcoming conferences, within members' respective market associations, or at future California Small Farm Conferences. Vice Chair Bramble offered to assist with more frequent and stronger messaging and will bring this to the California Alliance of Farmers' Markets Steering Committee in which she is a member.

ITEM 7: 2010 TECHNICAL PLANNING COMMITTEE

Leidolf presented on the CFM Technical Planning Committee. The Technical Planning Committee was formed in 2010 for the purposes of reviewing and evaluating various functions of the Direct Marketing Program such as registration, enforcement, and administration. There have been reoccurring themes throughout recent discussions of this committee which presents an opportunity for a more detailed review and next steps.

Patton stated that the intent of Direct Marketing laws is to provide opportunities for producers to market their products directly to consumers with exemptions from Standardization Program regulations for minimum size, labeling, standard pack, and container requirements. These exemptions allow farmers to sell their agricultural products directly to the consumer without the added expense of commercial preparation.

Prior to 2000, CDFA issued CPCs for a fee of twenty-five dollars (\$25.00). In 2000, Assembly Bill (AB) 593 allowed CDFA to collect sixty cents (\$0.60) per vendor per market day and permitted that the CAC may charge a certification and inspection fee of up to sixty dollars (\$60) per hour, at the discretion of its county board of supervisors. In some cases, boards would not agree to charge the full amount for certification and inspection fees and thus created inconsistent enforcement due to the funding restrictions being placed on some counties.

In 2010, a news report highlighted instances of cheating at CFMs and was the impetus for the CFM Technical Planning Committee. Recommendations that came forward were to create three special investigator positions at CDFA to assist counties with cross-jurisdictional enforcement, mandate full cost recovery for county inspections, and set a fee not to exceed four dollars (\$4.00) for each vendor per market day. At that time, a

survey of CACs determined that a seven-dollar (\$7.00) fee per vendor, per market day was necessary for adequate enforcement.

The Direct Marketing Ad-Hoc Committee was subsequently formed to tackle other surfacing issues. It was brought to light that county health officials were using the CPC as an approval process of food safety verification for the California Department of Public Health (CDPH) approved source designation. The Community Supported Agriculture (CSA) model of direct marketing was also growing at that time and CSAs were not able to sell their product as they were not considered an approved source by CDPH. Furthermore, health officials were not allowing for meat and dairy products to be sold at CFMs as there was no verification process established at the county level.

As a result of both committees' work, AB 1871 in 2015 brought many changes to the Direct Marketing Program. It changed the fee to two dollars (\$2.00) for each vendor, per market day and added the requirement for vendors in the non-certified and ancillary sections to pay the fee to help cover the increased enforcement parameters for CACs and CDFA. A list was established for certified and non-certified agricultural products for enforcing agencies to use when making determinations for what products can be sold at the CFM.

Over the years, value added products have increased as producers expand their product line, and the question presenting itself today is to what extent should CDFA and CACs be responsible for ensuring that product was grown or processed by the producer. Patton communicated that next steps are to evaluate mechanisms to appropriately fund, support, and enforce the CFM Program, and to determine appropriate regulatory and statutory action to expand the availability of affordable and locally grown produce by allowing producers to create and sell value added products at CFMs.

Cameron Crisman questioned if other funding sources have been considered to fund the regulatory framework at the state level. If truly wanting to support small farmers, other funding mechanisms such as the Farm Bill should be explored as raising fees will only hurt the small producers who are already at a disadvantage when competing against very large producers and organizations. Raising fees will only make markets less competitive. Instead, resources should be targeted to small producers so that they can create social networks in their communities with a much shorter supply chain from producer to consumer.

Williams shared that the original funding source was the General Fund and that counties have historically used other funding sources to support the CFM Program. In 1989, the governor stopped supporting the Standardization Program, which included the CFM Program, and alternative funding sources were necessary to continue.

ITEM 8: NEXT MEETING/AGENDA ITEMS

Natalie Krout-Greenberg, Director of the Inspection Services Division, encouraged the CFMAC to construct a formal document that clearly identifies values, old challenges that

may have not been adequately addressed in prior decades, as well as the new challenges that have resulted from the evolution of the direct marketing model. Themes surfacing are the structure of the markets, the potential for buying and reselling, and the outpacing of small producers. A real understanding of what CDFA, CACs, market managers, and industry needs is essential, as well as an understanding of what the associated real costs are such as what the fees currently bring in and how they are allocated. This can be used to better understand how the laws and regulations currently govern the industry, how they need to evolve, and how they reach back to address industry values and challenges. If the fee structure is adjusted, it will be communicated how it addresses the challenges brought forward and how it will enhance the values that the industry already holds.

Vice Chair Bramble asked for direction on how to create the action plan and added that it should include a prioritization of what is needed at the state level, how to balance the state's responsibility with county responsibilities, and to identify the differences in workload and costs for each county. Moreover, analysis of county costs would be beneficial as there are different scales of county level budgets and needs.

Vice Chair Bramble outlined the top three priorities. The highest priority is the database, as the CFMAC continues to voice it will not support fee changes unless concerns with the database are addressed. The second priority is adopting the legislative change to address fees and allow the industry to make fee changes in a more nimble way and give control to the CFMAC with the support of CDFA to make those adjustments as needed. A timeline to draft legislation is needed. Priority three is regulatory changes to address issues around value added, authorized representatives, and proprietary language on CPCs.

Ojeda would like to prioritize education and training to market managers and associations. Vice Chair Bramble said that training was previously brought up as a critical point and CDFA responded by creating the CFM Manager Manual in which many iterations of market manager training have since been conducted. Also, agrees that training requirements should be strengthened.

Floren cautioned probing current county spending as it correlates with current level of enforcement that is inconsistent and often subject to the level of funding authorized by county boards of supervisors. The question should be framed as what is needed to have consistent enforcement. Second, there is a necessity for an automated load list although it was not included in the scope of the database project as due to proprietary concerns. Floren would like to examine this in the next steps and questioned if statutory language can be included to allow this information to be included in the database as it is integral to the industry.

Ojeda explored a bicentric market model with small producers at the heart of the market receiving the desired center and focus with larger growers located in the outer circle. Small producers would receive priority and scaled fees would be assessed. Another focus should be on the promotion of CFMs and its origin story to raise awareness of what farmers do for their communities.

Krout-Greenberg addressed where the database project currently stands and expressed the importance of strengthening key aspects of the CFM Program by gaining efficiency with the database and finding ways to better utilize data. Unforeseeable challenges have clouded the project, and it is understood that the current database needs to be the scoped minimum viable product. Since 2016, five different agency information officers have overseen the Department's information technology (IT) functions. Furthermore, CDFA must adhere to the rules of the California Department of Technology. At the onset of the project, off-the-shelf purchases were prohibited, and a custom build product was required. This rule has changed and is beneficial to the project as efficiencies with licensing costs, procurement costs, and ongoing maintenance can be gained. The lofty goals voiced by the CFMAC of taking data and looking across counties and incorporating load list to be used as a tool for enforcement feeds nicely into what CDFA wants to accomplish with an enterprise-wide solution.

Krout-Greenberg urged that when discussing next steps, to be mindful of balancing database priorities and the baseline costs to fund the laws and regulations that must be upheld for the purposes of enforcement. Conversations have occurred with the CDFA Secretary about identifying funds such as grants to help infuse dollars into the CFM Program and propel the industry forward into where it wants to be. Addressing the database as it currently stands is crucial to stay forward moving and looking. Next steps consist of successful procurement while meeting associated constraints, as well as meeting IT security requirements as only certain software solutions are allowed to be secured.

Crisman asked for the original scope, timeline, and budget of the database project and it was agreed that information would be provided so that it can be used to identify and address concerns.

The next meeting is scheduled for March 4, 2024, and will be held via Zoom. Agenda items for discussion are the Farmers Market Nutrition Program eWIC update, mushrooms, education, and training for new market operators, the bicentric market model, feedback from CDFA on legal considerations for including load sheets in the database, CFMAC goals and priorities, and reports from subcommittees.

ITEM 9: ADJOURNMENT

The meeting was adjourned at 2:00 p.m. by Vice Chair Bramble.

Respectfully submitted by:

Jennifer Leidolf, Program Supervisor
Direct Marketing Program