



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

**October 23, 2013 Meeting Minutes
2800 Gateway Oaks Drive
Sacramento, CA 95833**

MEMBERS PRESENT

Ben Feldman
Carol Arnold
Dale Whitney
Diana Rodgers
Jeffrey Pylman
Karen Wetzel Schott
Leah Smith
Mark Anderson
Michael Broadhurst
Ronald Phillips
Silvia Prevedelli
William Lewis

MEMBERS ABSENT

Deborah Yashar
Jacquelyne Byers
Jennifer McColm
Kurt Floren

INTERESTED PARTIES

Gail Hayden, CA Farmers' Market Assoc.
Kayla Hayden, CA Farmers' Market Assoc.

CDFA

Rick Jensen
Steve Patton
John Pedigo
Sarah Cardoni

ITEM 1: ROLL CALL

The meeting was called to order at 10:05 a.m. by Ms. Karen Wetzel Schott, Chairperson. Roll was called, introductions were made, and a quorum was established.

ITEM 2: PUBLIC COMMENTS

This item was discussed at the end of the meeting.

ITEM 3: APPROVAL OF MEETING MINUTES

MOTION: Ms. Leah Smith moved to approve the March 12, 2013 Meeting Minutes as submitted. Mr. William Lewis seconded the motion. The motion passed unanimously.

MOTION: Mr. Ben Feldman moved to approve the April 10, 2013 Meeting Minutes as submitted. Mr. Ronald Phillips seconded the motion. The motion passed unanimously.

MOTION: Mr. Phillips moved to approve the April 17, 2013 Meeting Minutes as submitted. Mr. Jeffrey Pylman seconded the motion. The motion passed unanimously.

ITEM 4: CDFA REPORTS

a. Vacancies and Member Terms

Ms. Sarah Cardoni provided an update on vacancies and member terms. Vacancies include: two certified producers; eight alternate certified producers; one certified farmers' market (CFM) manager; two alternate CFM managers; and two alternate major

CFM representatives. Members whose terms will end on January 22, 2014, and are eligible for reappointment are: Mr. William Lewis; Mr. Ronald Phillips; Mr. Mark Anderson; and Mr. Dale Whitney. Ms. Jennifer McColm, certified producer member, will term out.

b. Fund Condition

Mr. Steve Patton discussed the Fiscal Year (FY) 2012/13 Fund Condition. He stated that expenditures are down because there has been no designated staff in the CFM Program. The Branch has moved forward with advertising to fill an agriculture program supervisor position solely for the Program. FY 2013/14 expenditures will include database expenditures and a half of a personnel year for Mr. John Pedigo who handles the notices of proposed actions, non-compliances, and the Cross County Enforcement Coordination Pilot Project.

c. CFM Program Database

Mr. Patton provided an update on the CFM Program database. The development phase of the CFM Program database will begin subsequent to the Standardization Program's database being implemented. There will be different components to the database and will be modeled after the State Organic Program (SOP) and Standardization Program databases. The County Agricultural Commissioners (CAC) will have access at a different level than the public. Certified Producer Certificates (CPC) and load lists will be standardized so that CACs have access to those electronically. The Committee will be asked to provide input as the database gets further developed. Some ideas beyond enforcement and compliance information are marketing tools for industry, e.g. whether a producer is organic or if they have a farm stand, they will be able to include that information on their CPC so that public can view that information online.

Mr. Rick Jensen stated that the Department is trying to relieve the registration burden for producers who participate in multiple Department programs. The goal is to have producers register one time and that information would relate to multiple programs within the Department for registration purposes, rather than registering with each individual program.

d. Legislative Update

Mr. Patton provided a legislative update. Assembly Bill (AB) 996 did not move forward. However, AB 654 did pass extending the program sunset until January 1, 2018. CDFA funding was left at the \$0.60 fee level to be used for the administration of the Program. AB 224 passed and the Department will now be responsible for a Community-Supported Agriculture (CSA) registration program. Lastly, AB 38, the farm-to-fork bill, did not pass.

ITEM 5: CROSS COUNTY ENFORCEMENT COORDINATION PILOT PROJECT

Mr. Pedigo provided an update on the Cross County Enforcement Coordination Pilot Project. The scope of work has been expanded to include nine counties, which are: Fresno; Los Angeles; Riverside; San Bernardino; San Louis Obispo; Kern; Tulare; Ventura; and San Diego. The project will begin mid April and run through June 2014 in order to capture the commodities outlined in the project parameters.

ITEM 6: NEW BUSINESS

Ms. Smith stated that the Agricultural Institute of Marin has a farm audit service that will be available to organizations. She stated that the audit program has removed five out of 200 producers from their markets.

Mr. Feldman stated that the California Alliance of Farmers Markets received funding for a steering committee to help develop their organization. Market managers and certified producers who are interested in participating are urged to apply.

ITEM 7: COMMITTEE POLICY II 2.8

Mr. Patton provided the Committee Policy II 2.8 Report. This CFMAC policy states that if a member were to be absent for three meetings unexcused, the CFMAC has the right to recommend the removal of that member. All members are in good standing.

ITEM 8: NEXT MEETING/AGENDA ITEMS

The next meeting will be held in March 2013. Agenda items will include the FY 2014/15 budget.

ITEM 2: PUBLIC COMMENTS

Ms. Gail Hayden stated that there is discussion regarding farms that are selling and that farms are challenging the rules based on who actually owns the stall in the sense of selling it. Farmers are valuing their stalls in the price of their farm when they sell it. It is made clear to them that they do not have property rights because it is a yearly renewal process. Farmers are earning their seniority as a certified producer, yet the land is being farmed by a corporation. She stated that there is confusion regarding how the rights to these markets are being passed down. She asked if this issue was something that the Committee could look at; more specifically, if the definition of the relationships of certified producers could be clarified.

Mr. Patton stated that there is nothing in the statutes or regulations in regard to the relationship between the certified producer and the market, with the exception of the market rules and suggested that her concerns be addressed in market rules.

Ms. Hayden stated that they are claiming rights because the Department is certifying in the name of a certified producer as an individual even though a corporation is farming their property. The certified producer is merely an employee of the corporation. She

stated that it is confusing over who is earning the seniority on these CPCs. Producers are saying that there are inconsistencies between CACs in how the CPCs are being written and that they are not being written to who is the actual lease holder because the law says that the CPC has to be written in an individual's name. So the corporation is certifying in a producer's name but is actually the entity farming the property.

Mr. Patton stated that this was considered "doing business as". An individual, the certified producer, is doing business as the corporation and the CPC would be in the corporation's name. The CACs are certifying that they have a legal right to that ground and farming that ground. The certified producer is merely the person coming in on behalf of the corporation. This topic will be discussed with CACs in an upcoming county training.

Ms. Hayden stated that one example of this issue was a blueberry farm that was recently sold. The seniority was built on the certified producer's name and so they could not sell their stall, the blueberry farm, in these markets. In some of these markets they are making \$120,000 with two stalls and that is what they valued their business at when selling it.

Mr. Patton questioned what her market rules said about the earning of seniority. Ms. Hayden stated that it goes by the law, which is whose name is on the CPC that the CAC issued.

Mr. Jensen stated that the issue is ensuring that the CPCs are being written properly relative to the laws surrounding farmers markets.

Ms. Hayden stated that the definition of a certified producer needed to be an agenda item at the next meeting and that the definition is not clear for CACs.

Mr. Patton stated that there are rules about the transferring of ownership and the selling of land. There is a period of time that the new property owner has to wait and there are specific conditions outlined in regulation that determines when a producer is eligible to participate in CFMs. There are a number of conditions that must be met. For example, they must have entered into the agreement prior to the planting of annual and biannual crops, within 30 days after preparing perennial field crops, or prior to bloom for tree or vine crops. There is no transfer of product as the product is tied to the property. This will also be addressed in the upcoming training the Department is providing to CACs. The regulation that outlines these conditions is Section 1392.9.1. Direct Marketing. Requirements for Partnerships, Sharecropping Agreements, and Similar Contractual Agreements. Furthermore, Section 1392.5(c) states that any producer shall provide, upon request by an enforcing officer or market manager, certificates, documentation, information, or any other identification that may be reasonably required to show that the conditions of the direct marketing article are being met.

ITEM 9: ADJOURNMENT

MOTION: The meeting was adjourned at 11:45 a.m. by Ms. Wetzel Schott, Chairperson.

Respectfully submitted by:



Steve Patton, Branch Chief
Inspection and Compliance Branch
Inspection Services