

Farmers' Market Policy – An Inventory of Federal, State, and Local Examples

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I. Executive Summary of Observations- The future is bright for America's farmers' markets. Strong demand for high quality fresh food, growing interest by farmers and market gardeners for higher value markets, desires by communities to create social connections and vibrant shopping experiences, and widespread concern over health and nutrition are just some of the forces fueling the growth and awareness of farmers' markets. Increasing consumer awareness of local foods, renewed appreciation for taste and seasonality in produce, coupled with a growing willingness by farmers to produce, process and market higher value food products are key ingredients to this trend. All across the nation locally driven initiatives are underway designed to promote local foods, connect consumers with farmers, and improve the opportunities in our food system and farmers' markets are an essential components of these efforts. While the future is bright there is still significant room to improve the role of farmers' markets in our nation's food and farming system. A critical element in this future concerns the impact of policy and law on markets. This summary is drawn from a 30-page report containing an inventory of current farmers' market policies in the U.S. The report is part of a comprehensive farmers' market initiative being administered by the Project for Public Spaces in cooperation with other organizations, including the Farmers' Market Coalition and the Northeast-Midwest Institute, with financial support from the W. K. Kellogg Foundation. The initiative includes the recently announced \$1 million grant program "Diversifying Public Markets and Farmers Markets" funded by the Kellogg Foundation and the Ford Foundation. This historic initiative illustrates how funding from foundations and the leadership of non-profit organizations can create opportunities for U.S. farmers' markets.

II. What We Mean by Policy - In simplest terms a policy is a decision or action by someone in authority influencing the opportunities and responsibilities of others. The decision by a city council to allow markets to operate on city streets or in public parks is a form of external policy creating opportunities and responsibilities for marketers. The decision by Congress to fund the farmers' market nutrition programs establishes a national policy, just as a state program to provide grants for market improvements is a state policy. In addition, private entities such as churches and businesses can adopt policies for farmers' markets, such as by sponsoring a market. For this study the actions of government officials operating in some formal capacity are of greatest interest because they establish the legal "policy" environment in which markets operate.

Observation #1 – *For the nation to develop the range of policies and programs most beneficial to promoting farmers' markets, and to obtain the political support for those*

policies, it is critical up-to-date information on the number of markets, the amount of sales and the income being received by farmers be collected and made available.

Observation #2 – *It is important to recognize farmers markets as one of the most accessible and visible expressions of our food system and as a significant test kitchen for new arrangements and opportunities in food production and marketing.*

The following is a distillation of issues analyzed in the full report along with the related policy observations. The Executive Summary concludes with a list of specific policy recommendations for public officials at the federal, state and local level.

A. National Policy Issues - The challenge is determining the appropriate role of the federal government in an inherently local form of food marketing, and one that has developed outside the focus of traditional “farm” programs. There is clearly an important role the federal government can play in creating the context for the developing and operating markets and in promoting their use by farmers and consumers. The opportunity to use markets as a component of national food policy is becoming more evident as attention to nutrition, obesity, and food security issues has increased.

1. Funding and administration of the federal farmers’ market nutrition programs

Observation #3 – *The farmers’ market nutrition programs are the most significant example of federal support for farmers markets and are a vital nutritional program. The historic funding for these programs is inadequate to provide full eligibility either for states or eligible citizens. Congress needs to identify and support stable and significantly larger appropriations if these programs are to be a major factor in farmers’ market operations or the nation’s nutrition and hunger assistance efforts.*

2. Funding USDA’s farmers’ market promotion program authorized in 2002 Farm Bill

Observation #4 - *Securing this funding is critical to developing a sound farmers’ market policy in the nation both for supporting markets and state marketing efforts and for USDA to seize leadership of farmers’ market promotion and policy development.*

3. Using federal programs, in USDA and other agencies, to support farmers markets.

Observation #5 – *To develop a more broad based and fully funded federal farmers’ markets initiative it will be critical to develop and promote programs in other federal agencies to recognize and utilize markets as tools for community development, nutrition assistance and economic improvement.*

4. Promoting equity in USDA programs for commodity farmers’ and market vendors.

Observation #6 – *In developing a farmers’ market promotion program USDA needs to consider its full range of programs and how they are applicable to the farmers utilizing farmers’ markets and to the communities and consumers who support these markets.*

5. Coordinating federal efforts on health and nutrition to integrate farmers’ markets.

Observation #7 - *There are many ways farmers’ markets can be supported either directly or indirectly by federal programs and by agencies involved in health, economic development, and building stronger communities. It is critical USDA provide leadership to identify and coordinate these opportunities and that all federal agencies with the potential to support markets be included in the discussions.*

B. State Policy Issues - The primary state policy issues relate to programs to expand the number and success of farmers markets and to utilize the markets to further other economic development goals, such as the marketing of state identified food.

1. Administering the federal seniors’ and WIC farmers’ market nutrition programs.

Observation #8 – States need to take full advantage of the farmers’ market nutrition programs but must identify state and local support to effectively promote markets.

2. Increasing state funding and coordination for promoting farmers’ markets.

Observation #9 – States interested in developing a comprehensive program to support farmers’ markets should consider enacting legislation such as New York’s to clarify the support and provide a funding mechanism for market development.

3. Administering programs to “certify” farmers’ markets programs.

Observation #10 –As farmers’ markets become significant sources of income for farmers and important forms of community development it will be necessary to protect their integrity and prevent others from unfairly diluting the benefits of farmers’ markets.

4. Developing food safety and food manufacturing rules to promote public health goals and allow for expanding opportunities for food marketing and processing.

Observation #11 – For farmers’ markets to facilitate expanding the range of foods sold, and for markets to incubate new community based food processors, efforts must be taken to insure food safety rules do not impose unnecessary costs and requirements.

5. Creating a vehicle to develop a comprehensive state food policy

Observation #12 – States such consider creating a state food policy council to develop a comprehensive policy to integrate farmers’ markets into the state’s food system plans, such as institutional purchasing, farm to school marketing, and buy local campaigns,

C. Local Policy Issues - Because any farmers’ market is ultimately a local activity it makes sense the majority of policy issues facing markets develop at the local level. The research indicates most of the policy issues relate to day-to-day market operation questions. While some cities have developed comprehensive policies to address the operation of farmers’ markets, it is clear most cities can do a better job considering how farmers’ markets can be integrated into community development goals.

1. Locating markets, securing space, determining market logistics such as timing, dates, signage, street closures, bus routes, parking and security.

Observation #13 –To make farmers’ markets part of the local economic and social structure cities need to establish helpful rules and procedures for market operation.

2. Establishing the legal authority of markets to operate, such as permits, zoning exceptions, approval of market ordinances, and conflicts with other merchants.

Observation #14 – If cities develop ordinances to regulate farmers’ markets it is important to obtain input of vendors, managers, and consumers to insure the regulations do not place unnecessary burdens on markets.

3. Funding management and promotion of markets, coordinating the operation and timing markets in a metro area, and expanding diversity of vendors and the products.

Observation #15 – Cities can take affirmative steps to support and promote the operation of farmers’ market and develop comprehensive measures to fund their operation.

4. Regulating food marketing, in particular issues of health and safety.

***Observation #16** – For farmers’ markets to operate in smooth and predictable manners communities need to clarify applicable health and safety rules and communicate them to vendors, and need to identify the licensing and inspection procedures to be followed.*

D. Private Policy Issues– Private institutions set policy relating to the programs and activities they support, such as expectations for employees, use of their property, and community investments. Recent developments demonstrate private entities will be an increasingly important source of support for farmers’ markets.

***Observation #17** - Parties in the private sector in all types of institutional settings are exploring how to utilize farmers’ markets to promote healthy eating, vibrant communities, strong local economies and a more diverse and sustainable farm sector.*

Conclusion: Farmers’ Market Policy – Possible Recommendations

The following ideas reflect a short but specific list of policy recommendations for public officials and others to consider for promoting farmers’ markets. The recommendations relate to the three main levels of government but collectively represent a comprehensive policy environment in which farmers’ markets can flourish and farmers who vend there, consumers who shop there, and communities supporting markets can reap the benefits.

Federal - Seven things to do at the federal level:

1. Increase the funding of the WIC FMNP program so markets and citizens in all states can participate and so funding levels are stable and predictable.
2. Fully fund the senior’s FMNP program, both as to the eligibility of all states and provide for complete geographic coverage in the state. Your ability to participate as a farmer or a senior shouldn’t depend on where you live. Both programs need to be enhanced to promote flexibility and innovation by the states.
3. Fund the farmers’ market promotion effort as authorized by the 2002 farm bill so USDA can develop a comprehensive initiative to promote and develop markets. The department needs to work broadly across its agencies and with other federal departments to identify and expand programs to assist markets and vendors, and to encourage private efforts to expand markets.
4. Assist in developing simple and affordable EBT technology to enable markets, citizen, and vendors to make full use of food stamps and other nutrition program.
5. Provide comprehensive availability of the AGR-lite revenue insurance coverage from RMA to assist small-scale horticultural producers address risk management.
6. Work within existing USDA farmer assistance programs to identify and develop programs tailored to the needs of direct market farmers, such as small scale lending programs, assistance forming marketing associations and funding for community based food processing ventures.
7. Work to identify how programs in other federal agencies can be used to benefit farmers’ markets and work to integrate markets into the health promotion, nutrition education, and wellness related initiatives of the federal government.

State - Five things to do at the state level:

1. Have the state department of agriculture develop a comprehensive program to support direct marketing and farmers’ markets, including promotion, identification, grant assistance, education and other issues.
2. Create a state food policy council responsible for helping develop a comprehensive state food policy to include initiatives integrating farmers’ markets into other efforts such as institutional purchasing, farm-to-school marketing, nutrition education, and state identity marketing.
3. Provide state administrative support for participation and delivery of the federal farmers’ market nutrition program for WIC and seniors and identify opportunities to expand on these programs possibly including state funding supplements.
4. Assist in the formation and operation of a state-wide association of farmers’ markets to help develop a comprehensive agenda of state and local initiatives and to provide for a coordinated promotion effort.
5. Identify opportunities for state officials to promote the expansion of markets, such as economic development support for local food processing and reduce obstacles to the expansion of the products and markets, such as the application of inspection and licensing requirements for small ventures.

Local - Five things to do at the local level:

1. Develop a citywide farmers’ market coordination and promotion initiative for the scheduling, administration and promotion of existing networks of markets.
2. Encourage various city officials, such as the planning staff, recreation, and streets, to cooperate with farmers’ market organizers in market planning and operation to expand market opportunities and reduce regulatory obstacles, and address common issues such as parking and street closures.
3. Work with school officials to integrate the existing markets with related education based initiatives such as farm-to-school institutional purchasing, nutrition education, and school gardens.
4. Where appropriate make available municipal property and facilities, such as libraries and public parking lots, for market operation, and work to integrate markets with existing local businesses to capture the economic synergies.
5. Develop public transportation programs designed to expand market utilization, such as “bus to the market” programs and free public parking.

Private – Three things to do at your business or institution:

1. Consider whether you can sponsor a farmers’ market on your property as a way to support the community and as a health benefit for employees.
2. Explore whether your business or foundation can provide financial support for a local farmers’ market association to support nutrition assistance and promotion.
3. Encourage your members and employees to shop at the local farmers’ markets.

Resources, web sites and organizations

- North America Farm Direct Marketing Association, www.nafdma.com
- Project for Public Spaces, administering the new farmers’ market grant program, www.pps.org/markets/regranting/rfp_2006

- Farmers’ Market Coalition (FMC), coordinated by NAFDMA, www.farmersmarketcoalition.com
- USDA Agricultural Marketing Service, www.ams.usda.gov/farmersmarkets
- Northeast-Midwest Institute, sponsors a web site on farmers’ market and conducts research on farmer’ market policy, see for example the July 2005 report by Andrea Matsuoka “Senior Farmers’ Market Nutrition Programs (SFMNP) Legislative History and the New USDA Proposed Rule,” www.nemw.org/SFMNP%20funding%20regs.pdf
- Community Food Security Coalition – works on farm-to-school marketing and other community food issues, www.foodsecurity.org
- Institute for Agriculture and Trade Policy (IATP), see, e.g. study “Healthy Foods, Healthy Hospitals, Healthy Communities” May 2005, www.iatp.org
- National Association of Farmers Market Nutrition Programs, coordinates state WIC and Seniors programs, lobbies for increased funding, www.nafmnp.org
- National Campaign for Sustainable Agriculture, advocates for small farm and sustainable policies, including funding farmers’ market promotion, www.SustainableAgriculture.net
- Pennsylvania Farmers Market Alliance, prepared comprehensive set of recommendations on the states food system for developing of markets, <http://www.thefoodtrust.org/php/programs/farmers.market.alliance.php>
- Portland Oregon Office of Sustainable Development, coordinates work of the Portland-Multnomah County Food Policy Council, including comprehensive recommendations on urban agriculture, to include farmers’ markets www.sustainableportland.org
- Kentucky Governor’s Office, operates competitive grant program for markets, see http://agpolicy.ky.gov/funds/award_programs_farmersmarkets.shtml
- SAGE – Sustainable Agriculture Education, “Farms’ Market Resource Kit,” June 2005, www.sagecenter.org
- Greenmarket Farmers’ Market, a project of the Council on the Environment of New York City, administers the Greenmarkets and activities such as the “New Farmers Development Program,” www.cenyc.org
- Center for Urban Education About Sustainable Agriculture (CUESA), conducts a comprehensive consumer education program and administers the Ferry Plaza Farmers’ Market in San Francisco, www.ferryplazafarmersmarket.org
- Drake University Agricultural Law Center, <http://www.law.drake.edu/centers/default.aspx?pageID=aboutAgCtr>

Reports and Articles

- “Farmers’ Markets: Rules, Regulations and Opportunities” 2003 study by Neil D. Hamilton, Drake University, analyzing farmers’ market rules and identifying common issues and policy questions, available at www.statefoodpolicy.org
- “Farmers’ Markets: The USDA role,” by Geoffrey S. Becker, Congressional Research Service (CRS) Report for Congress, October 29, 2003.
- Responses of Agricultural Marketing Service to questions presented by Rep. Marcy Kaptur, for hearing in May 2005, available from the NEMW web site.