

# Policies & Guidelines for Farmers Markets

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### Start with a Mission Statement

- Helps vendors and the public understand the market philosophy
- **Broad statement of the market goals, purpose or mission**
  - Who can be vendors
  - What can be sold
    - Processed food
    - Craft items
  - Why

### Farmers Market Rules & Regulations

- **Tool for implementing the goals expressed in the mission statement.**
- What can be sold?
  - Unprocessed farm products (vegetables, fruits, plants, etc.)
  - Processed food items (cider, jams/jellies, baked goods, cheese, candy, etc.)
  - Non-food items (wreaths, dried flower arrangements, “craft” items using farm products – yarn, cornhusk dolls, etc.)
- Philosophy of the market.
- Who can sell?
- Presence at the market required? Does the farmer have to be there themselves or can employees and other family members sell at the market?
- Can vendors sell products raised or produced by others?

### Function of Rules

- As farmers market managers, you must know your local rules and regulations before developing market rules.
- Work with your insurance agent to determine the rules based on you liability coverage. Don't go with the least expensive insurance carrier – you get what you pay for. Does your chamber of commerce cover your liability expenses and coverage – know what it is.
- **What rights do new vendors have vs. old vendors?**
- **Communicate market expectations.**
- **Clarify market purpose & responsibilities.**
- Vendors should know and comply with applicable federal, state & local regulations;
  - State and local licensing: meat processing, retail food establishment, mobile retailer, licensed food processing establishment, etc.
  - State and local rules and regulation: weights and measures, labeling, health codes, etc.
  - Federal, state, and local taxes: Income taxes, employment taxes, sales and use taxes.

### Factors to Consider When Developing Rules

- **Clarity**
  - Rules should be easy to read and interpret.
  - Use KISS principles when developing rules – keep it simple.
  - Look for specific, unambiguous language.
  - English may not be the first language for some vendors and you may have to have a translator to interpret into Hmong or other languages.
  - Share – Don't reinvent the wheel – Look at what other successful markets are doing.
- **Review rules before, during, and after the market season.**
- Before creating a new rule
  - Does an existing rule cover it?
  - Can an existing rule be modified to cover it?

- Are there rules that are being ignored or enforced sporadically?
  - Either enforce them or drop the rule.
- If a rule is needed, how is it developed?
  - Grower committee
  - Market manager
  - Market legal counsel
  - Market board
  - “Owner” of location
- Get rid of unnecessary rules.
  - Unnecessary rules that are not enforced give the impression that none of the rules will be enforced.

### **Be Prepared to Enforce the Rules**

- Communicate rules and penalties to vendors.
- Market roles should be clearly defined.
  - Who can initiate a complaint
  - Who investigated complaints
  - Who determines whether or not a violation has occurred and what the penalty is?
  - Who enforces penalties
- Use written forms to document violation of rules.
- Make sure penalties are reasonable.
- Enforce rules uniformly.
- Prioritize violations and assess penalties accordingly.
  - In some cases you may want to give a warning first before giving a violation.
- There will be vendors who will test the rules.

### **Liability Issues for Direct Marketing**

- Injury or property damage to another
- Negligence or specific circumstances where law allows recovery
  - Customers are invitees to whom vendors have a higher duty of care. Make sure there are no unsafe conditions within a display area.
- Express Warranty – example = Certified organic
- Implied Warranty – example = fruits and vegetables are expected to be of reasonable quality
- Strict Warranty – example = existence of a unreasonably dangerous condition such as pesticide contamination.

### **Protect Yourself from Liability**

- Cultivate safety consciousness.
  - Make sure displays don't invite accidents
  - Make sure vendors are following food safety rules
  - Make sure that the market area is safe
- Cultivate good will – if something happens be as helpful as possible.
- Consider requiring that vendors obtain liability insurance.
- Make sure the market itself has liability insurance protection.
- Know the law: labeling, licensing, food safety, etc.
- Have vendors document that they are in compliance as part of the application process.
  - Include room on application
  - Copies of other evidence
  - Need to verify every year

### **Charitable Donation of Farm & Garden Products**

- There may be tax advantages for vendors donating products
- Donations of unsold produce may be one way for vendors to not feel guilty about not selling out