



**SUMMARY**

The California Department of Food and Agriculture (CDFA) currently administers the Direct Marketing Program, which regulates Certified Farmers Markets, Farm Stands, and Community Supported Agriculture.

AB 768 will make this authority for CDFA to implement the Direct Marketing Program permanent, so that certified farmers markets and farm stands have the ability to sell their local products to the public with the proper oversight and regulation.

**BACKGROUND**

The California Department of Food and Agriculture’s (CDFA) Direct Marketing Program has been in place since 1977. The Program allows farmers to sell their products directly to customers without adhering to the standard packing, sizing, and labeling requirements that are required for sales of products in other locations, such as grocery stores.

Prior to the Direct Marketing Program, state regulation required farmers to adhere to packing, sizing, and labeling requirements in order to sell in markets anywhere other than the farm site. This placed a burden on farmers’ abilities to participate in farmers markets.

With approximately 700 Certified Farmers Markets and 2,200 certified producers, California has a robust direct marketing economy. According to data from the Census, California has the largest number of direct sales to consumers in the United States, totaling over \$169 million in sales in 2012 alone. This includes many of the sales supported through the CDFA’s Direct Marketing Program.

Direct marketing programs help to support local agricultural communities and the economy. A study by University of California Davis in 2016 found that farmers in the Sacramento region who participated in direct marketing to consumers generated twice the economic impact of conventional farmers, per dollar of sales.

Additionally, the CDFA’s Direct Marketing Program creates consumer confidence in products purchased. Without oversight, products could be bought from out of state or from wholesale stores, such as Costco, and sold

at a premium price at certified farmers markets under the guise of being locally-grown produce.

The Program also connects community members, including low income individuals and families, to their local agriculture. Certified Farmers Markets accepting CalFresh EBT cards and Supplemental Nutritional Assistance Program (SNAP) benefits offer opportunities for low-income community members to purchase fresh produce. A report by the Ecology Center shows that use of CalFresh benefits at California’s Farmers Markets has increased, with over \$2 million worth of EBT sales in 2011.

In the 1990s, the funding for the CDFA’s Direct Marketing Program was eliminated from the state’s general fund. Since then, the program has operated from registration fees of certified producers and civil penalties for violators.

**THIS BILL**

AB 768 will continue the CDFA’s support of local community agriculture and residents’ access to fresh produce by making permanent their authority to implement the Direct Marketing Program. This will allow the CDFA to continue programs, funding, and regulation under the Direct Marketing Program.

**SUPPORT**

- California Department of Food and Agriculture (Sponsor)
- California Agricultural Commissioners and Sealers Association
- University of California’s Small Farm Program
- California Farm Bureau Federation

**OPPOSITION**

None

**CONTACT**

Kimberly Kollwitz  
(916) 319-2004  
Kimberly.Kollwitz@asm.ca.gov