Generally Accepted Agricultural and Management Practices for Farm Markets

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Michigan Commission of Agriculture & Rural Development
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Lansing, MI 48909

PH: (877) 632-1783
www.michigan.gov/mdard
In the event of an agricultural pollution emergency such as a chemical/fertilizer spill, manure lagoon breach, etc., the Michigan Department of Agriculture & Rural Development and/or the Michigan Department of Environmental Quality should be contacted at the following emergency telephone numbers:

Michigan Department of Agriculture & Rural Development: (800) 405-0101
Michigan Department of Environmental Quality: (800) 292-4706

If there is not an emergency, but you have questions on the Michigan Right to Farm Act or items concerning a farm operation, please contact the:

Michigan Department of Agriculture & Rural Development (MDARD)
Right to Farm Program (RTF)
P.O. Box 30017
Lansing, Michigan 48909
(517) 284-5619
(517) 335-3329 FAX
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PREFACE

The Michigan legislature passed into law the Michigan Right to Farm Act, (Act 93 of 1981, as amended), which requires the establishment of Generally Accepted Agricultural and Management Practices (GAAMPs). These practices are written to provide uniform, statewide standards and acceptable management practices based on sound science. These practices can serve producers in the various sectors of the industry to compare or improve their own managerial routines. New scientific discoveries and changing economic conditions may require revision of the practices. The GAAMPs are reviewed annually and revised as considered necessary.

The GAAMPs that have been developed are as follows:

1) 1988 - Manure Management and Utilization
2) 1991 - Pesticide Utilization and Pest Control
3) 1993 - Nutrient Utilization
4) 1995 - Care of Farm Animals
5) 1996 - Cranberry Production
6) 2000 - Site Selection and Odor Control for New and Expanding Livestock Facilities
7) 2003 - Irrigation Water Use
8) 2010 - Farm Markets

These practices were developed with industry, university and multi-governmental agency input. As agricultural operations continue to change, new practices may be developed to address the concerns of the neighboring community. Agricultural producers who voluntarily follow these practices are provided protection from public or private nuisance litigation under the Right to Farm Act.

This GAAMP does not apply in municipalities with a population of 100,000 or more in which a zoning ordinance has been enacted to allow for agriculture provided that the ordinance designates existing agricultural operations present prior to the ordinance’s adoption as legal non-conforming uses as identified by the Right to Farm Act for purposes of scale and type of agricultural use.

The website for the GAAMPs is http://www.michigan.gov/gaamps.
INTRODUCTION

Over the past 20 years farmers have increasingly developed value-added products as a means to maintain or increase profits. One aspect of this trend has been direct marketing of farm products to consumers resulting in an expansion in agricultural tourism (agritourism), including farm markets. As farm operations engage in more on-site retail activity, conflicts have arisen regarding oversight of these emerging on-farm businesses.

Since the mid-20th century, farmers sold commodities in bulk to wholesale buyers. As farming returns declined, some farms were not situated to continue operations selling exclusively into wholesale markets. Many farmers sought a means to capture more value from their production through activities that included providing transportation to deliver their commodities to wholesale buyers, installing packing operations to provide more retail-ready produce to wholesale buyers, etc. Some farmers recognized the financial opportunities of selling directly to consumers. In doing so, they were able to maintain their farming operations and the benefits of those operations to local communities, including economic activity, provision of jobs, open space, carbon sequestration, water filtration, fresh produce, plants, etc. As the consumer trend toward buying locally produced products continues, so does the importance of direct marketing to local communities. Farm markets and roadside stands are an important component of direct marketing, adding value by offering customers a visit to the farm and the opportunity to purchase products from the people who grew them.

The Michigan Right to Farm (RTF) Act defines a “farm operation” as meaning the operation and management of a farm or a condition or activity that occurs at any time as necessary on a farm in connection with the commercial production, harvesting, and storage of farm products. This definition includes, but is not limited to, marketing produce at roadside stands or farm markets.

Although the RTF Act includes farm markets in the definition of a farm operation, this definition does not define a farm market or describe specific marketing activities. These GAAMPs for Farm Markets were developed to provide guidance as to what constitutes an on-farm market and farm market activities.
Definitions

Farm Market - A “farm market” is a place or an area where transactions between a farm market operator and customers take place. This includes roadside stands. It does not necessarily mean a physical structure such as a building and is considered part of a farm operation. At least 50 percent of the products marketed and offered for sale at a farm market (measured as an average over the farm market’s marketing season or up to a five-year timeframe) must be produced on and by the affiliated farm. Farm products may be processed more extensively into a form that adds value and makes them more marketable for direct customer sales in accordance with Michigan laws, and then sold at the affiliated farm market, as long as allowed by local, state and federal regulations. A farm market may operate seasonally or year-round. Farm markets may include marketing activities and services to attract and entertain customers and facilitate retail trade business transactions, when allowed by applicable local, state, and federal regulations.

50 Percent of the Products Marketed - For purposes of determining the percentage of products being marketed, the primary measure will be 50 percent of the retail space used to display products offered for retail sale during the affiliated farm’s marketing season. If measurement of retail space during the marketing season is not feasible, then the percent of the gross sales dollars of the farm market will be used.

At least 50 percent of the gross sales dollars of products sold at the farm market need to be from products produced on and by the affiliated farm. For processed products, at least 50 percent of the products’ main ‘namesake’ ingredient must be produced on and by the affiliated farm. For example, the apples used in apple pie, maple sap in maple syrup, strawberries in strawberry jam, etc.

Affiliated – “Affiliated” means a farm under the same ownership or control (e.g. leased) as the farm market whether or not the farm market is located on the property where production occurs. However, the market must be located on land where local land use zoning allows for agriculture and its related activities.

Processed – A farm product or commodity may be processed, in accordance with state and federal laws, to convert it into a value-added product that is more marketable for direct sales. Processing may include packing, washing, cleaning, grading, sorting, pitting, pressing, fermenting, distilling, packaging, cooling, storage, canning, drying, freezing, or otherwise preparing the product for sale. These activities can be used to extend a farm market’s marketing season beyond its production season.

Farm - A “farm” means the land, plants, animals, buildings, structures, (including ponds used for agricultural or aquacultural activities), machinery, equipment, and other appurtenances used in the commercial production of farm products.

Farm Product - A “farm product” means those plants and animals useful to humans produced by agriculture and includes, but is not limited to, forages and sod crops, grains and feed crops, field crops, dairy and dairy products, poultry and poultry products,
cervidae, livestock (including breeding and grazing), equine, fish and other aquacultural products, bees and bee products, berries, herbs, fruits, vegetables, flowers, seeds, grasses, nursery stock, trees and tree products, mushrooms and other similar products, or any other product which incorporates the use of food, feed, fiber, or fur as determined by the Michigan Commission of Agriculture & Rural Development.

**Community Supported Agriculture or CSA** – A CSA is a marketing strategy in which a farm produces farm products for a group of farm members or subscribers who pay in advance for their share of the harvest. Typically the farm members receive their share once a week, sometimes coming to the farm to pick up their share; other farms deliver to a central point.

**U-Pick Operation** – A U-pick operation is a farm that provides the opportunity for customers to harvest their own farm products directly from the plant. Also known as pick your own or PYO, these are forms of marketing farm products to customers who go to the farm and pick the products they wish to buy.

**Physical Characteristics of a Farm Market**

*Use of space*
A farm market may be a physical structure such as a building or tent, or simply an area where a transaction between a customer and a farmer is made. The farm market must be located on property owned or controlled (e.g. leased) by the producer of the products offered for sale at the market. The property on which the farm market is located does not have to be the land on which the products offered for sale are produced. For example, a farmer with a farm located far from normal traffic patterns may acquire control of land near a more heavily travelled road on which to locate the market. However, the market must be located on property where local land use zoning allows for agriculture and its related activities.

*Buildings*
If the farm market is housed in a physical structure such as a building or structure as defined and regulated by the Stille-Derossett-Hale Single State Construction Code Act (Act 230 of 1972), the structure must comply with the Stille-Derosset-Hale Single State Construction Code Act (Act 230 of 1972). The placement of the structure must comply with local zoning ordinances, including set-backs from property lines and road right-of-way areas.

*Parking and Driveways*
Parking and driveway surfaces may be vegetative, ground, pavement, or other suitable material. However, other parking and driveway requirements must comply with all applicable local, state, and federal regulations.

*Vehicle Access and Egress*
If access and egress to the parking areas is from roads that are under the jurisdiction of the Michigan Department of Transportation (MDOT), a permit from MDOT must be obtained. Examples of these roadways include U.S. Routes (US 127, US 10, etc.),
State of Michigan routes (M-57, M-66, etc.), or interstate business connections (BR I-94, BR US 31, etc.). Information about permits can be obtained from any one of the many MDOT Transportation Service Centers. Likewise, farm markets located adjacent to county or local roads must comply with the access and egress requirements for the appropriate governmental agency.

MDOT issues an "Individual Application and Permit For Use of State Trunkline Right of Way", Form 2205. Further information regarding the general driveway permit process can be found at the following website:
http://www.michigan.gov/mdot/0,1607,7-151-9623_26662_26679_27267_48606-182161--,00.htm

Signage
The operator of the farm market is responsible for contacting the Michigan Department of Transportation (MDOT), county, and/or township government regulatory authority to determine applicable sign regulations and must comply with all applicable local, state and federal regulations for signs.

Marketing Characteristics of a Farm Market
At least 50 percent of the products offered for sale at a farm market must be produced by the farm that is owned or controlled by the person who owns and controls the farm market. The sale of non-farm products at a farm market may be regulated by other governmental bodies. This means that 50 percent or more of the retail space during the marketing season must be devoted to products produced on and by the farm. If measurement of retail space during the marketing season is not feasible, then the determination will be based on 50 percent of the gross sales of products at the farm market. The farm market operator is responsible for collecting and maintaining documentation of products produced on and by his/her farm operation, and the percentage of the retail space used to display products offered for retail sale within their farm market; and when applicable, maintain records of gross sales for products sold at their market.

The determination of retail space used to display products offered for retail sale and/or gross sales of products should be made during the usual marketing season for the farming operation. The marketing season is typically during the production season, and may be extended by the sale of farm processed products.

Farm markets may utilize CSA’s and U-pick operations as a marketing strategy.
The operators of farm markets often conduct other activities and services designed to attract and entertain customers while they are at the farm market, and broaden goods and services offered for sale to the public. The activities in the table below are beyond the scope of these management practices, and may be regulated by other governmental bodies.

Farmers who plan to conduct these activities are responsible for obtaining and maintaining regulatory approval from appropriate government agencies. This is not considered an all inclusive list.

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<th>On Farm Activity</th>
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REFERENCES

Abbreviations used in this document:

MDARD Michigan Department of Agriculture & Rural Development
RTF or RTFA Right to Farm Act (Act 93 of 1981, as amended)
DNR Michigan Department of Natural Resources
ATTB Alcohol and Tobacco Tax and Trade Bureau
MLC Michigan Liquor Control Commission
DLRA Department of Licensing and Regulatory Affairs


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