

## Changing the Approach to Regulation of Local Food Systems in Minnesota

### Summary/Key Takeaways

Accommodating innovation and new business models in the local foods sector in Minnesota is important for increasing local communities' access to a diversified, culturally appropriate food supply. Many startup food entrepreneurs have difficulty navigating complex, and sometimes contradictory, rules and regulations related to starting and growing a food business in Minnesota. Moreover, regulators are equally frustrated by the difficulties they face trying to explain complex regulations, the inconsistencies of interpretation between agencies, and systemic restraints that limit their ability to be effective educators.

### Vision Statement

Minnesota promotes food safety and economic development through a user-friendly food business regulatory system that is coordinated, reliable and efficient. (See **Appendix A** for vision statement process development.)

- **Entrepreneurs** of small and large food businesses successfully navigate Minnesota's easy-to-understand, transparent and streamlined system. Operators obtain the appropriate licenses and certifications and produce safe food for consumers.
- **Regulators** from agencies across Minnesota (MDH, MDA, and delegated local agencies) freely share knowledge and work a timely manner with entrepreneurs of food businesses and with each other. Regulatory agencies are accountable and consistent and support education, outreach and the production and service of safe food to Minnesotans.

### Why is Action Needed?

For decades the local food community in Minnesota was small, and regulators could address unique circumstances in local food businesses by handling licensure and inspection on a case-by-case basis. However, with the increase in small business growth, many innovative businesses have struggled to fit within existing food safety and regulatory requirements. Various piecemeal fixes have been created over the years, but the resulting system is cumbersome. One former regulator stated, "The current system cannot be explained to the average person. That needs to change."

To address these issues, the Bush Grant Advisory Committee (BGAC), a team of about 20 professionals who represent government agencies, community nonprofits, the University of Minnesota, and individual businesses have been overseeing the work of a Bush Community Innovation Grant Project. BGAC members have examined potential regulatory and nonregulatory approaches to achieving the vision of a Minnesota system that promotes food safety and economic development through a user-friendly food business regulatory system which is coordinated, reliable and efficient. They have developed consensus on structures or processes that may achieve the project goals, and have developed strategies to change the environment around regulation in Minnesota.

### **What Are the Goals?**

In order to reach the vision statement listed above, the following were identified as key goals:

- Creating an improved climate for farmers and local food entrepreneurs to understand and comply with food regulations
- Fostering an increased focus on food safety by both regulators and the regulated community
- Decreasing complexity and increasing efficiency and transparency in licensing and inspection activities
- Improving and increasing systematic support for regulators from their agencies and from the regulated community to do education and outreach work.

### **What Has Research Found?**

Farmer and food entrepreneurs may fear and resist the regulatory system because they do not want to jeopardize their businesses (Local Food Advisory Committee, 2015). This is may not for a lack of interest in food safety, but rather, a fear of not understanding the regulations and rules that must be followed, incorrectly operating, and being consequently shut down by regulators (Lanthier and Van Dyke, 2016). These food business owners want to create safe food, have access to information and resources, and be an ally with their inspectors, while continuing to make a living.

Regulators and inspectors are focused on food safety and eliminating hazards to public health while completing their job duties outlined by the State of Minnesota or delegated agencies (Lanthier and Van Dyke, 2016). Differing priorities and motivations between regulators/inspectors and farmers/food entrepreneurs can contribute to struggles within the current regulatory system..

Looking beyond Minnesota, European literature repeatedly affirms the critical role of innovation in enabling success of entrepreneurs (Bhaskaran, 2005; Lordkipanidze, 2005; Avermaete, 2003; Avermaete, 2004). Research shows that when food safety educators understand how farmers develop mental models, these educators can design learning programs and services that better enable the farmers' success in implementation (Eckert, 2006).

### **What are Next Step Options?**

The BGAC developed a number short, medium, and long-term "next steps" that could be taken to improve the regulatory environment in Minnesota through an iterative research and reflection model. Eight of these were developed more extensively into program logic models:

1. Implementing Workshops/Education Opportunities for Food Entrepreneurs
  - Ask: Regulatory experts, food entrepreneurs, and organizations representing food entrepreneurs commit to attending workshops; MDA/MDH and community organizations form an advisory committee to plan workshops.
2. Simple, Visual Representation(s) of Regulatory Concepts (flow chart/idea tree)

- Ask: A work-group made up of MDA/MDH/Delegated agency staff and food entrepreneurs is formed and tasked with creating the document(s); hire project manager and business flow consultant; document created and circulated among local foods community.
- 3. Joint Educational and Problem Solving Forums 2x Per Year in 8 Locations in MN
  - Ask: MDA facilitates meeting attendance by food inspectors operating in the regions and facilitates attendance by state-level meat inspections staff; MDH opens the Food Safety Partnership meeting structure to this regional in-person meeting 2x/year and facilitates regional meeting attendance by MDH staff based in the region. Delegated agencies facilitate attendance of their staff.
- 4. In-Depth Feasibility Modeling Research of Minneapolis 311 System
  - Ask: MDA/MDH or the University of MN hires a researcher to conduct a feasibility study about the implementation of the Minneapolis 311 System on a statewide level; MDA/MDH/Delegated agencies participate with this research.
- 5. Regional Food Safety Experts
  - Ask: Five new full-time Extension staff people operating out regional offices are hired; MDA, MDH and delegated agencies include these new educators in the existing educational structures so that they stay up-to-date on regulatory information.
- 6. Second Opinion Campaign
  - Ask: Agencies create and implement campaign that encourages food entrepreneurs to ask for a second opinion about licensing and regulatory rules; agency-level infrastructure created to handle second-opinion requests.
- 7. Implementing Statewide 311 System
  - Ask: MDA, MDH, and Delegated Agencies determine if and how to implement a statewide version of the Minneapolis 311 system based on the results of the systematic study
- 8. Statutory Changes
  - Ask: MDA/MDH lead the research of beneficial statutory changes and other stakeholders assist in the pursuit of these changes

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## Appendix A

### **FIRST DRAFT Vision Statement:**

The licensing and regulatory system for food businesses in Minnesota is a coordinated, reliable, and efficient system that is user friendly, has clear and rational entry points, focuses on food safety, and supports food business growth in Minnesota. Startup food entrepreneurs are successful in navigating the easy-to-understand, transparent, and streamlined licensing and regulatory systems. Regulators are able to explain these regulations in a timely manner; provide education and outreach (internal or external); extend resources; track and consult food entrepreneurs throughout their business endeavors; and act as accountable, consistent, and supportive regulators to both food businesses and across the agencies (MDH and MDA).

### **Development Process for Vision Statement:**

Problem Statement: Too many startup food entrepreneurs have difficulty navigating complex, and sometimes contradictory, rules and regulations that oversee starting a food business in Minnesota. Moreover, regulators are equally frustrated by the difficulties they face trying to explain complex regulations, the inconsistencies of interpretation between agencies, and systemic restraints that limit their ability to be effective educators of their licensees.

Rephrased into positive vision statements:  
Startup food entrepreneurs are successful in navigating the easy-to-understand rules and regulations that govern food businesses in Minnesota. Regulators are able to explain these regulations in a timely manner, provide extra information, education (internal or external) and consult to food entrepreneurs to help them be successful, and are consistent across the agencies (MDH and MDA) when advising food entrepreneurs and offering information.



### **Final Vision Statement**

Minnesota promotes food safety and economic development through a user-friendly food business regulatory system that is coordinated, reliable and efficient.

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- **Regulators** from agencies across Minnesota (MDH, MDA, and delegated local agencies) freely share knowledge and work a timely manner with entrepreneurs of food businesses and with each other. Regulatory agencies are accountable and consistent and support education, outreach and the production and service of safe food to Minnesotans.