

# Licensing Farmers' Market Aggregation

- 1 license is needed, per entity AND per physical location.
- 51% Rule: The license type depends on which activity accounts for the majority of the annual income.
  - Exception to 51% Rule: Food Broker licensing excludes other types of activity. If activities include Food Broker at any percentage less than 100%, the license will not be Food Broker.
  - Facility requirements don't follow the 51% Rule. If some activities require a commercial kitchen, that is required even if the majority of activities don't require it.
- No license is needed for activities that do not involve ownership of food, food handling, or invoicing.

4 possible license types:

License type	Activity	\$ license fee/year
Wholesale Food Handler	Sell: <ul style="list-style-type: none"> <li>• whole, raw produce</li> <li>• packaged product of the farm</li> <li>• packaged food produced under a license</li> </ul> Sell to: <ul style="list-style-type: none"> <li>• Grocery stores</li> <li>• Restaurants</li> <li>• Schools</li> <li>• Health care facilities</li> </ul>	\$57
Retail Food Vehicle, Portable Structure or Cart  (This applies to markets setting up temporary structures for collecting, packing, and holding produce)	Sell: <ul style="list-style-type: none"> <li>• whole, raw produce</li> <li>• packaged product of the farm</li> <li>• packaged food produced under a license</li> </ul> Sell to: <ul style="list-style-type: none"> <li>• Individual end consumers</li> </ul>	\$77
Retail Food Handler  (This applies to markets that have a permanent physical facility such as a kitchen or indoor packing area)	Sell: <ul style="list-style-type: none"> <li>• whole, raw produce</li> <li>• packaged product of the farm</li> <li>• packaged food produced under a license</li> <li>• meal kits that include pre-measured oils, spices, etc. in addition to farmers' products</li> </ul> Sell to: <ul style="list-style-type: none"> <li>• Individual end consumers</li> </ul>	\$77

License type	Activity	\$ license fee/year
Food Broker	Sell: Any product except Cottage Food, but the Food Broker never physically handles the product.	\$150

**Example:** A farmers' market organization operates the aggregation activities at two locations in town, commingling produce and making deliveries to buyers. Each location needs a separate wholesale food handler license.

**Example:** A farmers' market sells market share boxes to individual end consumers (retail) and also sells large orders to the local school and hospital (wholesale). Market share boxes bring in the majority of the income, so the market gets a retail license.

**Example: Food Broker**

Orchard	Farmers' Market (food broker)	School
grows apples	Buys apples & re-sells to school without taking physical possession of apples	Orders apples from farmers' market online catalog
Delivers product of the farm (apples) as directed by farmers' market	Directs the farmer to deliver apples to the school	Pays the farmers' market for apples
	Pays the farmer for apples	

**Example:** The market manager makes introductions between farmers and buyers, but never handles ordering or billing. The market does not take possession of product or make deliveries. No license is needed.

**Example:** The market produces meal kits once per month that include farmers' products but also the pre-measured oils, salt, pepper, other spices, and sauces needed to prepare the meal. The market needs an approved indoor facility to create these meal boxes, but they account for less than half of the market's total sales. Most of the market's sales are wholesale, so the market gets a wholesale food handler license.