

WISCONSIN LOCAL FOOD MARKETING GUIDE



A Producer's Guide to Marketing Locally Grown Food

Second Edition

-- Chapter 4 Excerpt --

Rules, Regulations, Licensing and Liability

CHAPTER 4

Rules, Regulations, Licensing and Liability

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CHAPTER 4

Rules, Regulations, Licensing and Liability

When planning to raise farm products for sale, you need to know and understand a variety of issues. Some relate to how food products are handled from harvest to sale and others relate to how your products are positioned in the marketplace. Food safety is of paramount importance. It starts on the farm and is a consideration from post-harvest handling to processing, packaging and distribution. Rules and regulations, including licensing and labeling standards, are designed to help you present safe food products for public consumption.

REGULATIONS

State Regulations

The State of Wisconsin has developed food regulations for farmers wishing to market to consumers and to grocery stores, restaurants, and institutions. Contact DATCP's Division of Food Safety at 608-224-4700 or email DATCPFoood@wisconsin.gov for more information. Read the following pages for a summary of state requirements by product and market.

Local Regulations

Counties, townships and cities are local government units that may have regulations that apply to your business. Some typical kinds of regulations include:

- Limits on size or location of advertising signs
- Permits required for excavating or new building construction
- Local health codes regarding food preparation and sale
- Zoning regulations on types of enterprises that can be conducted in certain areas
- Requirements for size and placement of parking areas
- Requirements for bathroom and hand washing facilities (especially for agritourism enterprises)

Overview of Food

Marketing Regulations

DATCP's Division of Food Safety has regulatory authority over food sold in Wisconsin. Generally, the more food products are processed, the more they are regulated.

Less Regulation	More Regulation
Raw, unprocessed foods	Processed foods
Single-ingredient foods	Multiple ingredients foods
Shelf-stable foods	Sold at a location off the farm
Sold to the end consumer	Sold to a retailer for sale to consumer
Small sales volume	Large sales volume

Local government officials and farmers who have started new enterprises agree that it is far better to work together early to avoid problems, rather than trying to fix things that were not properly done or permitted. County and city governments divide responsibilities among departments, and the department names can vary from place to place. Rural townships may have their own planning and zoning guidelines. It is best to check with both county and township officials before proceeding on any farm business expansion.

To find out the name(s) of local officials:

- Check your county's website
- Call the county courthouse administrative office
- Check the Wisconsin Towns Association website www.wisctowns.com/town_sites.html

LICENSING AND LABELING

State requirements that affect local food marketers may include inspection of processing facilities, review of labels on packaged food products, inspection of scales and collection of food samples to be analyzed for contaminants or composition requirements. Department of Agriculture, Trade and Consumer Protection (DATCP) inspectors typically visit local food marketing operations if warranted by consumer complaints.

Processed Food Business Licensing

Starting a processed food business will require state and, possibly, federal licensing depending on the products involved. If you plan to primarily sell your products directly to consumers, you will need a retail food establishment license. Internet sales are considered retail sales. If you plan to sell primarily through wholesale distribution, you will need a food processing plant license.

Key requirements for license include:

- The facility must be an approved (commercial grade) kitchen. Using your personal home kitchen is not allowed. If you plan to start the business in your home you will need to construct a separate kitchen room dedicated to this food business. The dedicated kitchen will need to have washable floors, walls and ceilings. The lighting will need to be adequate for commercial purposes, and the room must be properly ventilated. A three-compartment sink or NSF-approved dishwasher will be needed for washing your equipment and utensils. A separate hand sink is also required. Some starting operators rent time in an area restaurant, school or church kitchen to satisfy the separate commercial kitchen requirement without having to invest in a new, separate kitchen of their own.
- Equipment such as stoves, sinks and mixers must be of approved design, be easily cleaned, and in good repair. If the equipment bears the NSF certification, you can feel certain that it will meet these design requirements.
- Other utensils like pans, bowls and spoons must be smooth, non-porous and easily cleaned. Almost all utensils currently manufactured meet this requirement.

For more information about NSF go to www.nsf.org/regulatory

For exact legal requirements for commercially processing food in Wisconsin go to www.legis.state.wi.us/rsb/code/atcp/atcp070.pdf

Processed Food Labeling

Accurate information on processed food labels helps consumers make informed choices about food. Labels provide weight and content information to help consumers choose the best value for their money. The ingredient list identifies products consumers may need to avoid due to potential allergic reactions or other health concerns. Your packaged products must be properly labeled with:

- The name of the product
- A listing of the ingredients in decreasing order of predominance by weight
- A net weight or volume statement
- The name and address of the manufacturer, packer, or distributor
- Nutrition information, unless exempt

Contact state or local food inspectors for specific questions regarding labeling. DATCP does not require label approval prior to a food product's manufacture or distribution. DATCP's Division of Food Safety does not 'approve' labels but its staff will answer questions and provide assistance. The responsibility to comply with current food labeling requirements rests solely on the manufacturer or distributor of the food products. For specific information about processed food labeling go to <http://datcp.wisconsin.gov/Food/Labeling> or contact the Division of Food Safety at 608-224-4700 or email DATCPFood@wisconsin.gov

Resources for Food Labeling

A Food Labeling Guide

U. S. Food and Drug Administration (FDA)
www.cfsan.fda.gov/~dms/2lg-toc.html
94 pages that includes information on basic food labeling as well as information on nutrition facts, trans fat and allergen labeling.

Division of Food Safety Labeling Information WI DATCP

<http://datcp.wisconsin.gov/Food/Labeling>
DATCP's Division of Food Safety website provides general information. However, go to the FDA website for the most up-to-date and comprehensive information available.

Food Label Sources

WI DATCP

<http://datcp.wisconsin.gov/Food/Labeling>

A list of Wisconsin sources for design and printing of food labels.

Frequent Food Label Questions

WI DATCP

<http://datcp.wisconsin.gov/Food/Labeling>

An 8-page publication covering the most basic information on food labeling.

Meat Business Licensing and Labeling

New processors must meet several standards to obtain a license for a meat business. State of Wisconsin meat plants must meet the same standards as USDA-inspected meat plants and must implement a food safety system called Hazard Analysis Critical Control Point (HACCP). A licensed meat establishment is required to implement HACCP plans and have a Sanitation Standard Operating Procedure (SSOP) in place. The HACCP is a risk-based approach to manufacturing food products that identifies the critical step(s) in the manufacturing process and performs a monitored, quantifiable function in those places where there is a danger of causing or promoting microbiological, physical or chemical contamination. The SSOP is a written plan that outlines the monitored procedures followed to maintain overall plant sanitation, including daily cleaning, regularly scheduled maintenance, food handling practices and employee hygiene.

Labeling meat products differs from other processed foods due to the greater risks and requirements that meat processing involves. The State of Wisconsin meat inspection program and meat establishments work together to ensure that meat products produced and sold comply with required standards for safety, identity and wholesomeness set by the state and federal governments.

It is illegal to feed garbage or food scraps containing animal parts or meat juices to swine, unless it is from your own home. Swine producers cannot buy or accept garbage or food scraps from restaurants, even if meat is removed from it, because meat juices are likely present. Stale bakery, waste from apple cider presses and other food waste that has no

animal parts or meat juices may be fed to swine. The devastating outbreak of foot-and-mouth disease in the United Kingdom in 2001 was traced to garbage feeding. Other diseases may also be transmitted in food waste, including trichinosis, which also can infect humans.

For references to specific aspects of meat labeling, see Chapter 55 of the Wisconsin Administrative Code: www.legis.state.wi.us/rsb/code/atcp/atcp055.pdf It explains labeling requirements, including weight, inspection, safe handling instructions, and other pertinent information. See the resources below for a summary of the Bureau of Meat Safety & Inspection's labeling guidelines.

Resources for Meat Business Licensing and Labeling

Direct Marketing Meat

UW Extension

www.uwex.edu/ces/agmarkets/publications/documents/A3811-15.pdf

Direct marketing meat fact sheet.

Direct Marketing Meat Guide Book

UW Extension and WI DATCP

www.uwex.edu/ces/agmarkets/publications/documents/A3809.pdf

A comprehensive guide for Wisconsin meat producers.

Meat Product Formulation and Labeling

WI DATCP

http://datcp.wisconsin.gov/Food/Meat_Safety

Before a meat or custom/not-for-sale product can be marketed in Wisconsin, its formula must be approved by the Division of Food Safety. In addition to meat, this could include water, spices, cures, flavoring, binders or extenders.

Wisconsin's State Meat Inspection Program

WI DATCP

http://datcp.wisconsin.gov/Food/Meat_Safety

Standards of safety and purity.

Weights and Measures

The same weights and measures laws apply to direct marketers of farm produce as to all other retailers. Scales must meet standards for commercial scales set by the National Institute of Standards and Technology (NIST). They must be “legal for trade”, National Type Evaluation Program (NTEP) approved (if put into service after January 1, 1997), and be able to be calibrated. Scales do not need to be registered, but are subject to inspection by a state or local representative of weights and measures.

If a commodity is weighed at the time of sale, the scale’s indicator must be visible to the consumer. By law, liquid commodities shall be sold by liquid measure and non-liquid commodities shall be sold by weight. The law permits other methods of sale only where the method is in general use and does not deceive the consumer. One exception is eggs. They are sold by both count and size. Closed containers of apples must comply with the USDA grade standards, which must be stated on the container.

Chapter 91 of the Wisconsin Administrative Code provides rules for selling fresh fruits and vegetables. Some, like apples, corn and cantaloupe can be sold by weight or count, while others, like asparagus, beans and potatoes must be sold only by weight.

If an item is packaged before sale, it must be labeled according to the requirements of Chapter 90 of the Wisconsin Administrative Code. The label must list the name of the food, any ingredients other than the raw product, net weight, liquid measure or count as required - metric translations are optional but may be helpful in targeting certain ethnic markets - name and address of the processor, packer or distributor, a declaration of quantity and any other information required by law, such as grade and sizes for eggs. No quantity declaration is required for packages weighed at the time of sale and for clear packages of six or fewer fruits or vegetables, if the fruit or vegetable is sold by count. If all packages are of uniform weight or measure, an accompanying placard can furnish the required label information.

When a local food producer advertises any pre-packaged food product and includes the retail price in the advertisement, the ad must list the package contents by weight or volume or state the price per whole measurement unit. (For example, \$1.25 per pound.)

WISCONSIN ADMINISTRATIVE CODE

The rules of a state agency have the effect of law and are issued by an agency to implement, interpret or make specific legislation enforced or administered by the agency, or govern the organization or procedure of the agency. “Wisconsin Administrative Code” means such rules as they may be amended from time to time. See the chapters for Agriculture, Trade and Consumer Protection (ATCP) at www.legis.state.wi.us/rsb/code.html.

State Requirements by Market for Products of Non-Animal Origin

APPLE CIDER	
Type of Sale	Regulations
Producer Selling from Farm	No license required Cider must be pressed by the producer/seller Cider must be fully labeled including approved warning statement
Producer Selling Door-to-Door or at Farmers' Market	No license required Cider must be pressed and bottled by the producer/seller Local ordinance may apply Cider must be fully labeled including approved warning statement
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	Finished product must come from a licensed food processing plant Must comply with juice HACCP 21CFR120 Finished product must be fully labeled
BAKERY ITEMS	
Type of Sale	Regulations
Producer Selling from Farm	Retail food establishment license required Processed in commercial kitchen
Producer Selling Door-to-Door or at Farmers' Market	Finished product must come from a licensed retail food establishment or food processing plant Mobile retail food establishment license required for bakery products that are unpackaged or that require refrigeration for safety
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	Finished product must come from a licensed retail food establishment or food processing plant
BAKERY ITEMS (FRUIT-BASED)	
Type of Sale	Regulations
Producer Selling from Farm	Retail food establishment license required Processed in commercial kitchen
Producer Selling Door-to-Door or at Farmers' Market	Finished product must come from a licensed retail food establishment or food processing plant Mobile retail food establishment license required for bakery products that are unpackaged or that require refrigeration for safety Local ordinance may apply
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	Finished product must come from a licensed retail food establishment or food processing plant Finished product must be fully labeled

State Requirements by Market for Products of Non-Animal Origin

CANNED FOOD PRODUCTS (low acid)—Small Scale Processing	
Type of Sale	Regulations
Producer Selling from Farm	Home or farm-based processing not generally feasible for meats or low acid canned foods such as beans, corn, peas, etc. Inadequate processing during the canning of low-acid foods may cause these foods to become unsafe. Small-scale processing is generally impractical because the equipment needed to produce consistently safe food is highly technical and expensive.
Producer Selling Door-to-Door or at Farmers' Market	Not applicable
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	Not applicable
DRY FOOD MIXES AND BLENDS	
Type of Sale	Regulations
Producer Selling from Farm	Retail food establishment license required Processed in commercial kitchen
Producer Selling Door-to-Door or at Farmers' Market	Finished product must come from a licensed retail food establishment or food processing plant Mobile retail food establishment license required for unpackaged product sales
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	Finished product must come from a licensed retail food establishment or food processing plant Finished product must be fully labeled.
FRUIT—Cut	
Type of Sale	Regulations
Producer Selling from Farm	Retail food establishment license required Processed in commercial kitchen
Producer Selling Door-to-Door or at Farmers' Market	Finished product must come from a licensed retail food establishment or food processing plant Local ordinance may apply Additional license depends on cut fruit being sold
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	Finished product must come from a licensed retail food establishment or food processing plant Finished product must be fully labeled

State Requirements by Market for Products of Non-Animal Origin

FRUIT—Frozen	
Type of Sale	Regulations
Producer Selling from Farm	Retail food establishment license required Processed in commercial kitchen
Producer Selling Door-to-Door or at Farmers' Market	Finished product must come from a licensed retail food establishment or food processing plant Additional license depends on type of fruit being sold Local ordinance may apply Frozen fruit must be maintained frozen Finished product must be fully labeled
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	Finished product must come from licensed retail food establishment or food processing plant Finished product must be fully labeled
FRUIT—Raw	
Type of Sale	Regulations
Producer Selling from Farm	No license required
Producer Selling Door-to-Door or at Farmers' Market	No license required
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	No license required
HERBAL AND FLAVORED VINEGAR	
Type of Sale	Regulations
Producer Selling from Farm	Retail food establishment license required Processed in commercial kitchen
Producer Selling Door-to-Door or at Farmers' Market	No license required Finished product must come from a licensed retail food establishment or food processing plant Finished product must be fully labeled
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	Finished product must come from licensed retail food establishment or food processing plant Finished product must be fully labeled
HONEY	
Type of Sale	Regulations
Producer Selling from Farm, Door-to Door or at Farmers' Market or Distributing to Grocery Store, Restaurant or Institution	No license required for honey sold as beekeeper's own that has no added color, flavors or ingredients Honey must be handled in a way that assures food safety Honey must be fully labeled including Graded or labeled "Ungraded"

State Requirements by Market for Products of Non-Animal Origin

JAMS AND JELLIES	
Type of Sale	Regulations
Producer Selling from Farm, Roadside Farmstand, Farmers' Market or a Community Event	An individual may process in a home kitchen without a food processing plant license within parameters of s. 97.29 (2)(b)2 and s. 97.29(6). Producer must also meet the requirements of the Emergency Rule to create ATCP 70.03 (7)(e)(f) and (note). Please be aware these rule requirements may be subject to change. Product must be fully labeled
Producer Selling Door-to-Door or at Farmers' Market	Product must come from a licensed retail food establishment or food processing plant Local ordinance may apply Finished product must be fully labeled
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	Finished product must come from a licensed retail food establishment or food processing plant Finished product must be fully labeled
MAPLE SYRUP	
Type of Sale	Regulations
Producer Selling from Farm,	No license required
Door-to Door or at Farmers' Market	Food must be handled in a way that assures food safety Maple syrup must be fully labeled
Producer Distributing to Grocery Store, Restaurant or Institution	Food processing plant license required Maple syrup must be processed in a commercial facility Maple syrup must be fully labeled
VEGETABLES—Cut	
Type of Sale	Regulations
Producer Selling from Farm	Retail food establishment license required Processed in commercial kitchen
Producer Selling Door-to-Door or at Farmers' Market	Finished product must come from a licensed retail food establishment, food processing plant, or mobile retail food establishment Additional license depends on type of cut vegetable sold Local ordinance may apply Finished product must be fully labeled
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	Finished product must come from producer's licensed retail food establishment or food processing plant Finished product must be fully labeled

State Requirements by Product and Market of Non-Animal Origin

VEGETABLES—Frozen	
Type of Sale	Regulations
Producer Selling from Farm	Retail food establishment license required Processed in commercial kitchen
Producer Selling Door-to-Door or at Farmers' Market	Finished product must come from a licensed retail food establishment or food processing plant Additional license depends on type of vegetable being sold Local ordinance may apply Frozen vegetables must be kept frozen Finished product must be fully labeled
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	Finished product must come from producer's licensed retail food establishment or food processing plant Finished product must be fully labeled
VEGETABLES—Pickled (acidified)	
Type of Sale	Regulations
Producer Selling from Farm, Roadside Farmstand, Farmers' Market or Community Event	An individual may process in a home kitchen without a food processing plant license within parameters of s. 97.29 (2) (b)2 and s. 97.29(6). Producer must also meet the requirements of the Emergency Rule to create ATCP 70.03 (7) (e) (f) and (note). Please be aware these rule requirements may be subject to change. Successfully complete an Acidified Food Training Course or utilize a scheduled recipe approved by a process authority or from Ball or Kerr Blue Book Finished product must be fully labeled
Producer Selling Door-to-Door	Finished product must come from a licensed food processing plant Local ordinance may apply Finished product must be fully labeled
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	Finished product must come from a licensed food processing plant Finished product must be fully labeled
VEGETABLES—Raw	
Type of Sale	Regulations
Producer Selling from Farm	No license required
Producer Selling Door-to-Door or at Farmers' Market	No license required
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	No license required

State Requirements by Market for Products of Animal Origin

ANIMALS/CAPTIVE GAME/EXOTICS—Pheasants, Deer & Bison	
Type of Sale	Regulations
Producer Selling from Farm	<ul style="list-style-type: none"> Retail food establishment license required Livestock must be processed at a state or federally inspected facility Meat may be weighed on-farm with approved scale or weighed by package at processor Product storage areas must be located in a clean, neat area (house or shed allowed) Product storage must be used exclusively to store meat sold to customers Frozen meat must be maintained frozen Unfrozen meat products must be maintained at internal temperature of 41°F or below Meat must be fully labeled
Producer Sells Live Animals and Consumer Arranges for Processing	<ul style="list-style-type: none"> No license required
Producer Selling Door-to-Door or at Farmers' Market	<ul style="list-style-type: none"> Mobile retail food establishment license required Local ordinance may apply Livestock must be processed at a state or federally inspected facility Product storage must be used exclusively to store meat sold to customers Product storage must be located in a clean, neat area (house or shed allowed) Frozen meat must be maintained frozen Unfrozen meat products must be maintained and delivered at internal temperature of 41°F or below using any effective method (freezer, dry ice, cooler, etc.) Meat must be fully labeled
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	<ul style="list-style-type: none"> Warehouse license required Registration as meat distributor required Livestock must be processed at a state or federally inspected facility Warehouse freezer and producer's vehicle must be inspected to ensure it is sanitary and that frozen meat will be maintained in a frozen state Unfrozen meat products must be maintained and delivered at an internal temperature of 41°F or below using any effective method (freezer, dry ice, cooler, etc.) Meat must be fully labeled

State Requirements by Market for Products of Animal Origin

AQUACULTURE—Farmed Fish & Seafood	
Type of Sale	Regulations
Producer Selling from Farm	Retail food establishment or food processing plant license required Packaged fish must be fully labeled
Fee Fishing	Fish eviscerated and filleted as a service to paying fee fishing customers is not licensed by Division of Food Safety
Producer Selling Door-to-Door or at Farmers' Market	Mobile retail food establishment license required Frozen fish must be maintained frozen Unfrozen fish products must be maintained and delivered at an internal temperature of 38°F or below using any effective method (freezer, dry ice, cooler, etc.) Packaged fish must be fully labeled
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	Fish must come from a licensed retail food establishment or food processing plant that meet the requirements of 21CFR123 Frozen fish must be maintained frozen Unfrozen fish products must be maintained and delivered at an internal temperature of 38°F or below using any effective method (freezer, dry ice, cooler, etc.) Fish must be fully labeled
DAIRY—Butter, Cream & Fluid Milk	
Type of Sale	Regulations
Producer Selling from Farm (Farmstead Dairy Plant)	Dairy Farm license required for persons or businesses to operate a dairy farm Dairy Plant license required to process all dairy products Buttermakers license required for persons to be in charge of or supervise the making of butter that will be sold Dairy products must be maintained at internal temperature of 45°F or below Dairy products must be fully labeled
Producer Selling Door-to-Door or at Farmers' Market	Mobile retail food establishment license required Dairy products must be maintained and delivered at internal temperature of 41°F or below using any effective method (freezer, dry ice, cooler, etc.) Dairy products must be fully labeled
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	No additional license required when dairy products come from producer's licensed dairy plant Dairy products must be maintained and delivered at internal temperature of 45°F or below using any effective method (freezer, dry ice, cooler, etc.) Dairy products must be fully labeled

State Requirements by Market for Products of Animal Origin

DAIRY—Cheese Made from Pasteurized Milk	
Type of Sale	Regulations
Producer Selling from Farm (Farmstead Dairy Plant)	<p>Dairy Farm license required for persons or businesses to operate a dairy farm</p> <p>Dairy Plant license required to process all dairy products</p> <p>License required for persons to be in charge of or supervise the making of cheese that will be sold</p> <p>Dairy products must be maintained at internal temperature of 45°F or below</p> <p>Dairy products must be fully labeled</p>
Producer Selling Door-to-Door or at Farmers' Market	<p>Mobile retail food establishment license required</p> <p>Dairy products must be maintained and delivered at internal temperature of 41°F or below using any effective method (freezer, dry ice, cooler, etc.)</p> <p>Dairy products must be fully labeled</p>
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	<p>No additional license required when dairy products come from producer's licensed dairy plant</p> <p>Dairy products must be maintained and delivered at internal temperature of 45°F or below using any effective method (freezer, dry ice, cooler, etc.)</p> <p>Dairy products must be fully labeled</p>
DAIRY—Cheese Made from Raw Milk - Raw Milk Cheese	
Type of Sale	Regulations
Producer Selling from Farm (Farmstead Dairy Plant)	<p>Dairy Farm license required for persons or businesses to operate a dairy farm</p> <p>Dairy Plant license required to process all dairy products</p> <p>Dairy products must be maintained at internal temperature of 45°F or below</p> <p>License required for persons to be in charge of or supervise the making of cheese that will be sold</p> <p>Raw milk cheese must be aged a minimum of 60 days prior to sale</p> <p>Dairy products must be fully labeled</p>
Producer Selling Door-to-Door or at Farmers' Market	<p>Mobile retail food establishment license required</p> <p>Dairy products must be maintained and delivered at internal temperature of 41°F or below using any effective method (freezer, dry ice, cooler, etc.)</p> <p>Dairy products must be fully labeled and aged for 60 days</p>
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	<p>No additional license required when dairy products come from producer's licensed dairy plant</p> <p>Dairy products must be maintained and delivered at internal temperature of 45°F or below using any effective method (freezer, dry ice, cooler, etc.)</p> <p>Dairy products must be fully labeled and aged for 60 days</p>

State Requirements by Market for Products of Animal Origin

DAIRY—Flavored Milk, Ice Cream, Kefir, Sour Cream & Yogurt	
Type of Sale	Regulations
Producer Selling from Farm (Farmstead Dairy Plant)	Dairy Farm license required for persons or businesses to operate a dairy farm Dairy Plant license required to process all dairy products Dairy products must be maintained at internal temperature of 45°F or below once culture is complete Dairy products must be fully labeled
Producer Selling Door-to-Door or at Farmers' Market	Mobile retail food establishment license required Dairy products must be maintained and delivered at internal temperature of 41°F or below using any effective method (freezer, dry ice, cooler, etc.) Dairy products must be fully labeled
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	No additional license required when dairy products come from producer's licensed dairy plant Dairy products must be maintained and delivered at internal temperature of 45°F or below using any effective method (freezer, dry ice, cooler, etc.)
EGGS	
Type of Sale	Regulations
Producer Selling from Farm	No license required Eggs must be sold directly to consumer Must be handled in a way to assure food safety including storage at 45°F or below Used carton labels can't be misleading (remove original labeling when re-using cartons)
Producer Selling Door-to-Door or at Farmers' Market	Mobile retail food establishment license required Food processing plant license required Eggs must be stored at 41°F during storage and transportation Eggs must be fully labeled including a Grade statement or "Ungraded"
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	Food processing plant license required Eggs must be fully labeled Eggs must be stored at 41°F during storage and transportation

State Requirements by Market for Products of Animal Origin

LIVESTOCK—Cattle, Swine, Sheep, Goats & Ratites	
Type of Sale	Regulations
Producer Selling from Farm	<p>Retail food establishment license required</p> <p>Livestock must be processed at a state or federally inspected facility</p> <p>Meat may be weighed on-farm with approved scale or weighed by package at processor</p> <p>Product storage must be clean and located in a clean, neat area (house or shed allowed)</p> <p>Product storage must be used exclusively to store meat sold to customers</p> <p>Frozen meat must be maintained frozen</p> <p>Unfrozen meat products must be maintained at internal temperature of 41°F or below</p> <p>Meat must be fully labeled</p>
Producer Sells Live Animals and Consumer Arranges for Processing	No license required
Producer Selling Door-to-Door or at Farmers' Market	<p>Mobile retail food establishment license required</p> <p>Local ordinance may apply</p> <p>Livestock must be processed at a state or federally inspected facility</p> <p>Meat may be weighed on-farm with approved scale or weighed by package at processor</p> <p>Product storage must be used exclusively to store meat sold to customers</p> <p>Product storage must be located in a clean, neat area (house or shed allowed)</p> <p>Unfrozen meat products must be maintained and delivered at internal temperature of 41°F or below using any effective method (freezer, dry ice, cooler, etc.)</p> <p>Meat must be fully labeled</p>
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	<p>Warehouse license required</p> <p>Livestock must be processed at a state or federally inspected facility</p> <p>Registration as meat distributor required</p> <p>Warehouse freezer and producer's vehicle must be inspected to ensure it is sanitary and that frozen meat will be maintained frozen</p> <p>Unfrozen meat products must be maintained and delivered at an internal temperature of 41°F or below using any effective method (freezer, dry ice, cooler, etc.)</p> <p>Meat must be fully labeled</p>

State Requirements by Market for Products of Animal Origin

POULTRY—Farm-Raised Chickens, Ducks, Geese, Guinea Hens, Squab & Turkeys Less than 1,000 birds per year

Type of Sale	Regulations
Producer Selling from Farm	<p>No license or inspection required for home slaughter and sale</p> <p>Birds must be healthy and come from producer's own flock</p> <p>Poultry can only be sold directly to consumer</p> <p>Producer maintains custody of birds until sold</p> <p>Processed poultry must be handled in a way that assures food safety</p> <p>Frozen poultry must be maintained frozen</p> <p>Unfrozen poultry must be maintained at internal temperature of 41°F or below</p> <p>Poultry must be fully labeled including "Not inspected"</p>
Producer Selling Door-to-Door or at Farmers' Market	<p>Mobile retail food establishment license required</p> <p>Local ordinance may apply</p> <p>Poultry must be processed at a state or federally inspected facility</p> <p>Frozen poultry must be maintained frozen</p> <p>Unfrozen poultry products must be maintained and delivered at internal temperature of 41°F or below using any effective method (freezer, dry ice, cooler, etc.)</p> <p>Poultry must be fully labeled</p>
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	<p>Warehouse license required</p> <p>Registration as meat distributor required</p> <p>Poultry must be processed at a state or federally inspected facility</p> <p>Warehouse freezer and producer's vehicle must be inspected to ensure it is sanitary and that frozen meat will be maintained frozen</p> <p>Unfrozen poultry products must be maintained and delivered at internal temperature of 41°F or below using any effective method (freezer, dry ice, cooler, etc.)</p> <p>Poultry must be fully labeled</p>

State Requirements by Market for Products of Animal Origin

POULTRY—Farm-Raised Chickens, Ducks, Geese, Guinea Hens, Squab & Turkeys	
More than 1,000 birds per year	
Type of Sale	Regulations
<p>Producer Selling from Farm</p>	<p>Retail food establishment or meat plant license required Poultry must be processed at a state or federally inspected facility Product storage must be used exclusively to store poultry products sold to customers Product storage must be located in a clean, neat area (house or shed allowed) Frozen poultry must be maintained frozen Unfrozen poultry products must be maintained at internal temperature of 41°F or below Poultry must be fully labeled</p>
<p>Producer Selling Door-to-Door or at Farmers' Market</p>	<p>Mobile retail food establishment license required and a warehouse license if food is stored more than 24 hours Local ordinance may apply Poultry must be processed at a state or federally inspected facility Product storage must be used exclusively to store poultry products sold to customers Product storage must be located in a clean, neat area (house or shed allowed) Frozen poultry must be maintained frozen Unfrozen poultry products must be maintained and delivered at internal temperature of 41°F or below using any effective method (freezer, dry ice, cooler, etc.) Poultry must be fully labeled</p>
<p>Producer Distributing from Farm to Grocery Store, Restaurant or Institution</p>	<p>Warehouse license required Registration as meat distributor required Poultry must be processed at a state or federally inspected facility Warehouse freezer and producer's vehicle must be inspected to ensure it is sanitary and that frozen meat will be maintained frozen Unfrozen poultry products must be maintained and delivered at internal temperature of 41°F or below using any effective method (freezer, dry ice, cooler, etc.) Poultry must be fully labeled</p>

State Requirements by Market for Products of Animal Origin

RABBITS	
Type of Sale	Regulations
Producer Selling from Farm	<ul style="list-style-type: none"> No license or inspection required for home slaughter or sale Producer maintains custody of meat until sold Meat can only be sold directly to consumer Meat must be handled in a way that assures food safety Frozen meat must be maintained frozen Unfrozen meat products must be maintained at internal temperature of 41°F or below Meat must be fully labeled including “Not inspected”
Producer Selling Door-to-Door or at Farmers’ Market	<ul style="list-style-type: none"> Mobile retail food establishment license required Local ordinance may apply Rabbit must be processed at a licensed food or meat processing plant Frozen meat must be maintained frozen Unfrozen meat products must be maintained and delivered at internal temperature of 41°F or below using any effective method (freezer, dry ice, cooler, etc.) Meat must be fully labeled including “Not inspected”
Producer Distributing from Farm to Grocery Store, Restaurant or Institution	<ul style="list-style-type: none"> Finished product must come from a licensed food processing-plant Frozen meat must be maintained frozen Unfrozen meat products must be maintained and delivered at internal temperature of 41°F or below using any effective method (freezer, dry ice, cooler, etc.) Meat must be fully labeled including “Not inspected”

FOOD SAFETY, LIABILITY AND FARM INSURANCE

Marketing Fresh, Raw Fruits and Vegetables

Farmers in Wisconsin are considered an “approved source” for fruits and vegetables they raise themselves. They can sell any quantity, to any person or business, without a food license. Even though no licensing is required, farmers still have to take reasonable care to avoid contamination of their produce with disease organisms. Food safety starts in the field and continues through the process of harvesting, washing, packaging, storing and transporting fruits and vegetables.

Marketing Eggs

Farmers can sell shell eggs produced by their own laying flock on their farm. No license is required if selling on their farm, but farmers are required to be licensed if they are selling off their property such as to grocery stores, restaurants or food services. Farmers are considered an “approved source” for shell eggs if they are licensed, follow the safe handling guidelines for shell eggs and properly label the eggs as defined in Chapter 88.08 of the Wisconsin Administrative Code. Eggs are a perishable product, and must be handled properly to ensure food safety. See page 115 for state requirements.

Marketing Meat or Poultry

Farmers can sell meat and poultry products that have been processed at licensed and inspected processing facilities. The rules vary depending on the type and quantity of meat you are selling and to whom you are selling it. For more information on rules and regulations for meat and poultry, go to pages 105.

Marketing Dairy Products

Dairy products can be produced, processed and sold directly from the farm with appropriate licensing and in a facility that meets state and federal standards. Training and certifications are required for making cheese and butter. For more information on requirements associated with marketing dairy products, go to page 113-115.

For a link to the Agriculture, Trade and Consumer Protection (ATCP) chapters of the Wisconsin Administrative Code, see page 106.

Food marketers must be familiar with and comply with state and federal food laws. In Wisconsin, the Department of Agriculture, Trade and Consumer Protection (DATCP) is responsible for administering laws concerning weights and measures, packaging and labeling, food advertising and trade practices, and food production and protection (food safety).

Contact DATCP’s Division of Food Safety regional office as your first step to obtain food safety information as it relates to food marketing or food processing. Call either the Madison office at 608-224-4700 or the Eau Claire office at 715-839-3844.

Food Safety Guidelines

Wisconsin’s Food Law states only safe and wholesome food can be offered for sale. It is illegal to manufacture, prepare for sale, store, or sell food unless the food is protected from dust, insects, and any other unclean, unhealthy, or unsanitary condition. To prevent contamination, equipment must be suitable for the type of product being sold.

Marketing Processed or Prepared Foods

Wisconsin Act 101 allows small-scale producers to sell canned fruits and vegetables that are naturally acidic or have been acidified by pickling or fermenting. These products include salsas, sauerkraut, jams and jellies, and pickled fruits and vegetables. Several restrictions apply to these sales. Search <http://datcp.wisconsin.gov> for more information on selling home-canned foods under this bill.

Other products, like canned carrots, fish, meat or pickled eggs, may only be sold by licensed vendors. Obtaining a license requires an approved kitchen separate from a home kitchen. Those selling a canned pickled product are encouraged to take a training course in safe canning procedures. The training courses also teach how to conduct pH testing of your product. For more information, call the Division of Food Safety at 608-224-4700 or email DATCPFood@wisconsin.gov.

Learning about safe food handling is good business for any farmer who wants to market a food product. When you sell a food product to the public, even if you are not required to have a license, you still need to follow safe food handling practices. Handling food safely can protect your customers from illness and you from liability. Some of the best practices for handling food are common sense, but some practices are not obvious. Restaurant and food service personnel are well-trained in food safety. If you are bringing food products to sell to them, they need to see you are handling products correctly or they may refuse to accept a shipment from you.

It is helpful to learn the guidelines the food industry follows. Hazard Analysis and Critical Control Points (HACCP) is an internationally accepted protocol for ensuring food safety. The HACCP procedures are useful information not only for farmers, but for anyone who is processing or preparing a food for sale to the public. For more information go to <http://sop.nfsmi.org/HACCPBasedSOPs.php>.

Food Safety Concerns

Cross-Contamination

Cross contamination occurs when disease-causing organisms move from one type of food to another, or from the food handling environment onto food. Some examples include:

- Using a knife and cutting board to cut up a chicken. The knife or cutting board is not cleaned and hands are not thoroughly washed before cutting up lettuce for a salad. The lettuce can pick up salmonella or other bacteria from the chicken residue left on the knife, cutting board or hands.
- Using a utensil to place pieces of raw meat in a pan for cooking. The same utensil is not cleaned before it is used to remove the cooked meat from the pan, moving the germs from the uncooked meat onto the cooked pieces.

Food Contamination on the Farm

Food contamination can happen in the field during the growing season, harvest and packaging or transport, all before the products get to point-of-sale. Contamination can be caused by fecal material coming in contact with vegetables or water-borne bacteria. Some

examples include:

- A field worker fails to wash hands thoroughly after using the bathroom and returns to picking vegetables.
- Rain water flows across a barnyard and past a nearby packing shed. The water splashes on a crate of lettuce being hauled to the shed, thus contaminating the lettuce with barnyard germs.

Preventing Food Contamination in the Field

Ways to prevent contamination include:

- Keep pets and livestock out of areas where food is grown, processed, packaged, transported or otherwise handled.
- Be aware of wildlife in your fields, remove or cover wild animal feces if possible. Avoid picking fruits or vegetables from areas right next to wild animal feces.
- Pay attention to the routes you take on your farm. Avoid tracking soil or mud from livestock areas into vegetable or fruit areas.
- Direct rain run-off from livestock areas away from vegetable or fruit areas.
- If manure is used for fertilizer, allow plenty of time for it to break down between spreading and harvest of a crop. The USDA Organic program rules require that manure must be tilled into the soil at least 120 days prior to harvest of a crop that has direct contact with the soil (such as lettuce), and at least 90 days prior to harvest of a crop that does not have direct contact with the soil (such as sweet corn).
- If you irrigate, look for ways to avoid contamination of irrigation water.

Preventing Food Contamination During Packing, Storing and Transport

Ways to prevent contamination include:

- Wash hands again, and again and again.
- Keep watch for anything that could cause cross-contamination.
- Make sure water used for washing fruits and vegetables is from a clean source and is not contaminated on its way to the wash area.
- When washing fruits and vegetables, it is generally best to wash them under running water that can drain away rapidly. Soaking a batch of vegetables in a tub of water can cause cross-contamination if one of the vegetables is contaminated.
- Keep clean, washed, ready-to-eat vegetables and fruits separate from raw vegetables and fruits.

What is GAP/GHP?

There is an increasing focus in the marketplace on good agricultural practices to verify farms are producing fruits and vegetables in the safest manner possible. Third-party audits are being used by the retail and food services industry to verify their suppliers conform to specific agricultural practices. *Good Agricultural Practices* (GAP) include on-farm production and post-production processes resulting in safe and quality food products. *Good Handling Practices* (GHP) include those used in handling and packing operations that minimize microbial contamination of fresh fruits, vegetables and tree nuts.

The U.S. Department of Agriculture (USDA) Agricultural Marketing Service, in partnership with state departments of agriculture, offers a voluntary, audit-based program to verify agricultural practices. GAP/GHP audits verify the implementation of a basic food safety program on the farm. This includes examining the farm practices and handling/packing procedures focusing on packing facilities, storage facilities and wholesale distribution centers. These audits are based on the U.S. Food and Drug Administration's Guidelines to Minimize Microbial Contamination for Fresh Fruits and Vegetables and are a fee-based service.

USDA-trained and -licensed auditors provide GAP/GHP certification. GAP certification audits are conducted during harvest when harvest crews are at work. GHP audits are performed when the packing operation is running and workers are present. This federal/state audit program does not cover processed fruits and vegetables. (Inspection of food processors is provided by DATCP's Division of Food Safety.)

The GAP certification process covers three sections of the USDA Federal/State Audit Checklist for farm operations that do not pack their own products:

1. General questions
2. Farm review
3. Field harvest and field packing

The GHP certification process is an add-on for farm operations that conduct packing of fresh fruits and vegetables. The process includes three additional sections in the audit checklist:

4. Packing house review
5. Storage and transportation (optional)
6. Traceback (optional)

Every operation must compile a food safety program that outlines the standard operating procedures and policies that are in practice for the requirements in each section of the audit. In certain circumstances, documentation must also be provided to substantiate practices or analyses of possible contamination.

Go to www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5050869 to view the full USDA Audit Verification Checklist. General questions and parts 1–5 apply to GAP/GHP farm operation audits.

Contact Tim Leege at 715-345-5212 or via email at tim.leege@wisconsin.gov

- Keep packaging areas clean. Clean packing tables with a disinfectant solution in between batches of fruits or vegetables.
- Do not stack dirty things on top of clean things. Keep meat, poultry, and egg products physically separated from fruit and vegetable products.
- When transporting, do not load produce with non-produce items.

Prevent Food Contamination During Processing and Preparation

Ways to prevent contamination include:

- Wash hands again, and again and again.
- Watch for anything that could cause cross-contamination.
- Clean and sanitize all utensils, cutting boards, countertops or other surfaces in between batches of food.
- Wash all vegetables and fruits prior to processing and keep separate from unwashed vegetables and fruits.
- Keep meat, poultry and egg products physically separated from fruit and vegetable products. In a refrigerator, store raw meats that might drip juices in a container that will not leak.
- Follow safe canning procedures.

Produce from Flooded Areas

Generally speaking, state and federal food safety regulations do not cover flooding situations. Regulations governing manure and pesticides also do not address flooding. However, produce that has come in contact with flood water is considered adulterated and cannot be sold for human or animal consumption. For more information go to www.uwex.edu/ces/ag/issues/ExtensionResponds-Flood.html for resources on flood issues regarding homes, agricultural production and frequently asked questions. More resources are listed at the end of this section.

On-Farm Food Safety

Regardless of the size of your farm business or the products grown, all farmers selling food products for public consumption must be aware of food safety and the tips they can observe to minimize contamination.

Public concern about food safety has increased in recent years and farmers should be aware that proper steps need to be taken with their products to eliminate possible avenues of contamination. Safe produce begins with the production and handling practices on the farm. Products grown and sold with little biological contamination are less likely to result in health hazards caused by poor handling during later preparation stages. Farmers and their employees have the critical job of minimizing product contamination by learning about potential sources of contamination and by using Good Agricultural Practices (GAPs).

GAPs are a set of recommendations that can improve the quality and safety of the food products grown. These general guidelines can be incorporated into or adapted by any production system. GAPs focus on four primary components of production and processing: soils, water, hygiene and surfaces.

Soils

Manure is a good form of fertilizer but contains pathogens which may be harmful if there has been insufficient time for bacteria to break down volatile components. You can minimize the risk of manure contamination by using the following steps:

- Allow a minimum of 120 days between manure application and fruit and vegetable harvest
- Incorporate manure into soil or use a cover mulch after application to reduce risk of product contamination from rain or irrigation splash
- Use aerobic composting of manure which destroys microbes
- Apply manure in fall to allow competing bacteria to neutralize volatile components



Food safety starts on the farm and is a consideration from post-harvest handling through sale to the consumer. Proper handling techniques prevent contamination of food during packing, storing and transport.

Water

Water used for irrigation, cooling, processing or cleaning equipment and facilities should be free of microbial contaminants. Avoid using surface water for post-harvest handling procedures. Regularly test your water supply for bacteria contamination. Additionally, water sanitation products are available for produce washing water.

Hygiene

Proper hygiene and health, clean clothes and shoes, and safe practices can assure safe food. Provide clean and appropriately stocked restroom and hand washing facilities for field and processing employees to decrease the risk of product contamination.

Surfaces

Produce comes in contact with surfaces during harvest and processing. These include containers, transport bins, knives, and other utensils, sorting and packaging tables, and storage areas. Basic GAPs to help ensure clean surfaces include:

- Keep potential contaminants such as soil and manure out of the processing area or facility
- Remove spoiled produce in the field
- Clean and sanitize equipment and facilities daily
- Control animal contamination

Source: On-farm Food Safety: Guide to Good Agricultural Practices (GAPs), Iowa State University Extension PM 1947a. This publication has several references and resources for more information about general produce food safety, GAPs, and food safety plans with websites listed. www.extension.iastate.edu/Publications/PM1974A.pdf

Resources for On-Farm Food Safety

Dairy Food Safety Study Guides

Wisconsin Dairy Artisan Network
www.wisconsinairyartisan.com/food_safety_study_guides.html

Link to food safety study guides for state dairy licensing.

Food Code Fact Sheet

WIDATCP
http://datcp.wisconsin.gov/Food/Food_Code_Fact_Sheets

A comprehensive list of guides to Wisconsin Food Code.

Food Safety Begins on the Farm

Cornell University
www.gaps.cornell.edu
Good Agricultural Practices Network for Education and Training

Food Safety Risk Management Guide

Kansas State University
www.ksre.ksu.edu/library/fntr2/foodasyst/foodasys.pdf
Includes an overall checklist for food safety risks during production and marketing of beef, poultry and produce.

Good Agricultural and Handling Practices

USDA
<http://agriculture.sc.gov/UserFiles/file/GAPGHP%20Brochure.pdf>
A program brochure that includes answers to frequently asked questions.

Guide to Minimize Microbial Food Safety Hazards for Fresh Fruits and Vegetables

U.S. Food and Drug Administration
<http://www.fda.gov> (Search “Guide to Minimize Microbial Food Safety Hazards”)
This comprehensive, 49-page guide offers tips and procedures for keeping produce safe.

Produce from flooded areas

WIDATCP
<http://datcp.wisconsin.gov> (Search Vegetable Flood Guidelines)
Considerations for growers, packing houses and processors

Sample Farm Safety Manual

Oregon Department of Agriculture
www.oregon.gov/ODA/ADMD/docs/pdf/gap_safety_program.pdf
Sample Food Safety Program that can be modified to fit a farm operation.



Photo courtesy of Tara Kindtschi

Eggs are a perishable product and must be handled properly to ensure food safety.

Processed Food Safety

Fruits, vegetables and other food products can be processed on a small scale if safe and sanitary methods of processing and handling are followed. These processed foods include jams and jellies, pickled or acidified fruits and vegetables, herbal or flavored vinegars and even baked goods.

Farm-based processing is generally not feasible for meats or low-acid canned foods such as beans, corn and peas. Inadequate processing during the canning of low-acid foods may cause these foods to be unsafe. Small scale processing of these foods is generally impractical because the equipment needed to produce consistently safe food is highly technical and expensive.

Certain kinds of foods are “potentially hazardous.” This term applies to food that may become unsafe if not held at appropriate temperature of 41°F or below or 135°F or above, depending on the product. Potentially hazardous foods of animal origin include products such as milk, milk products, eggs, meat, poultry and fish. Foods of plant origin that are potentially hazardous include plant foods that are heat-treated, raw sprouted seeds (such as alfalfa sprouts), cut melons and garlic-in-oil mixtures. Potentially hazardous foods must be handled with appropriate temperature control to ensure food safety.

If you start a small-scale business processing foods such as pickled products, herbal vinegars, dressings or any food sold in air-tight containers (canned food), state and federal regulations require you use an approved written process, or recipe. You must submit your scheduled process (recipe) to DATCP’s Division of Food Safety (DFS) prior to licensing. DFS does not approve processes, but will review and evaluate the process based on available scientific data resources. You must submit the process, or recipe, to a “competent process authority” for evaluation. A process authority would either provide you with a written statement that your process is safe, or may recommend you do further testing before the process can be approved.

If you intend to sell your product outside of Wisconsin, or use ingredients originating from outside Wisconsin, you must file your process

with the U.S. Food and Drug Administration (FDA). Since almost all processes use an ingredient from an out-of-state source, you will invariably have to file your process with the FDA if you thermally process low-acid or acidified food products. Operating under a Hazard Analysis and Critical Control Points (HACCP) plan requires filing your process with the FDA and is not necessary for acid foods. Retailing an acidified food requires an approved process, applying for a variance, and passing better processing school.

For more information on obtaining an approved written process prior to licensing, call the Division of Food Safety at 608-224-4700 or email DATCPFood@wisconsin.gov.

For HACCP guidelines through FDA, go to www.cfsan.fda.gov/~brd/haccp.html.

Liability Concerns

Most farms and farm businesses, and certainly farms with direct and intermediate marketing enterprises, have complex mixtures of potential personal and business liabilities. Insurers nationwide are gaining experience with alternative farm enterprises. Because farm insurance needs are complex, you should work directly with an insurance agent to identify your particular needs and to obtain the kinds of coverage necessary.

Farmers who market products need to regularly review their insurance needs with an insurance agent and attorney. Liability questions are more challenging than those raised by simple physical property coverage. Insurance companies offer a diverse range of coverage. Individual policies are available for physical loss of property, liability and workers' compensation, as well as coverage for other specific needs. The alternative most local food marketers select is a package policy that combines all types of coverage in one policy.

Farm Insurance

Farmers are exposed to liability for their enterprises, whether conducted on the premises or away from them, such as while selling at a farmers' market. You are also exposed as a result of injuries to you or one of your employees. If your product causes harm to the buyer, you may be held liable. Liability insurance is



Photo courtesy of Department of Tourism

Besides assessing rules and regulations for your business, you must determine the risk involved in your enterprise. Whether selling on-farm or through various markets, farmers need to regularly review insurance needs for their business.

essential to pay for sums you may become legally obligated to pay.

The main areas of insurance needed typically include liability for products sold, for visitors to the farm, for farm workers, as well as coverage for the value of crops grown and property and equipment owned.

Product Liability

Liability for the food that you sell is called "product liability." This is handled differently depending on where and how much product you sell. On-farm sales may be covered through your regular property insurance package, but don't assume that is the case. Ask your insurance agent if you are covered if someone gets sick from food that you sold. If you are selling to grocery stores or food services, they may require you to carry separate product liability coverage. Some farmers' markets require each vendor to carry their own liability coverage. If you are selling product through a distributor, you probably will be required to carry product liability coverage. Following safe food handling and food processing practices are necessary

to limit your liability exposure and to guard against people becoming ill from your products. Some buyers may refuse your product if they realize you failed to follow safe food handling practices.

Premises Liability

Liability for people who visit your farm is called “premises liability.” If your farm enterprises involve having visitors to the farm, ask your insurance agent if your policy covers all liability exposures. For example, a policy may cover visitors who are guests, but not customers of a farm-based business.

When you have a farm enterprise that invites customers to the farm, such as a Pick Your Own farm, a petting zoo, or a corn maze, there are safety measures you can take to minimize risk to your customers such as:

- Make sure the areas that customers visit are free of debris
- Get rid of wasp and hornet nests near areas visited by customers
- Eradicate harmful weeds such as poison ivy, stinging nettles, and ragweed
- Strictly follow re-entry times for any pesticides
- Lock up farm chemicals, if used
- Keep farm equipment away from customer areas
- Post signs to warn of any dangers you are not able to remove
- Have a well-marked and large enough parking area



Farmers are liable for the food they sell. Some farmers' markets require each vendor carry their own liability coverage.

Not only do such measures protect your customers, they give you some protection against claims of negligence should an injury occur at your farm.

Workers' Compensation and Employers' Liability Insurance Coverage

You have liability for any farm worker you hire. Most employers - including family farmers - are required to carry workers' compensation insurance for employees. Under Wisconsin law, a person engaged in farming is required to obtain a workers' compensation policy when that person employs six or more employees for 20 consecutive or nonconsecutive days during a calendar year. Employees injured on the job receive medical and wage benefits. If workers' compensation doesn't apply, the injured party can still receive compensation from the employer for monetary loss and possibly pain and suffering.

As with product and premises liability, you need to talk to an insurance agent to discuss insurance coverage needs relating to your employees. If you are exempt from carrying workers' compensation, you still need to make sure you have adequate farm worker coverage on your regular farm property insurance package. Also, farmers who are exempt may still choose to purchase workers' compensation coverage as a benefit to their employees.

As a farm employer, you have liability not only for injuries to your employees, but for injuries or losses they may cause to others. To lessen this risk, post clear guidelines and written job descriptions for your employees and discuss this liability concern with your insurance agent.

Property Insurance Coverage

Farm property includes buildings, vehicles, equipment, and inventory. A clear explanation in the policy is essential so you know what the policy provides.

Farm property insurance includes coverage for different types of farm structures, vehicles, machinery, equipment, inventory, livestock and crops. Coverage options may vary depending on the type and cause of loss. Losses may include damage to or loss of physical items that are owned, leased or contracted by your business.

You must know the value of the property or equipment you wish to cover and today's replacement value of these items. You'll also want to evaluate what type of losses will impair your farm operation and for how long.

Read your farm property insurance policy carefully to know the risks covered and any conditions, restrictions, or exclusions that may limit insurance coverage. Review your insurance coverage annually and make any needed adjustments.

Crop Insurance and Livestock Price Insurance

The Risk Management Agency (RMA) of the USDA underwrites crop insurance for farmers. The RMA provides insurance for a wide variety of crops, including many fruits and vegetables. For a list of crops covered, go to www.rma.usda.gov and search "Crops Covered." Then choose the list of crops covered for the most recent year.

RMA's Adjusted Gross Revenue (AGR) product provides protection against low revenue due to unavoidable natural disasters and market fluctuations that occur during the insurance year. Covered farm revenue consists of income from agricultural commodities, including incidental amounts of income from animals and animal products and aquaculture reared in a controlled environment. For more information go to www.rma.usda.gov/policies/agr.html.

AGR-Lite insurance is available through underwriting by the RMA. This whole-farm income insurance policy is based on a farm's five-year history of revenue, plus the current year's farm plan. This type of plan may be attractive to diversified enterprises since coverage is not tied to one specific crop or mix of crops.

For producers to qualify for disaster programs administered by the USDA's Farm Service Agency, such as the Livestock Forage Program, Emergency Assistance for Livestock, Honey Bees, and Farm Raised Fish, and the Tree Assistance Program, farmers must have their own baseline crop insurance.

Noninsured Crop Disaster Assistance Program (NAP)

USDA's Farm Service Agency's (FSA) program provides financial assistance to producers of noninsurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters. For more information go to www.fsa.usda.gov and search NAP or go to your local FSA office.

Supplemental Revenue Assistance Program (SURE)

This program, while not an insurance, is available to eligible producers on farms in disaster counties that have incurred crop production or quality losses and whose economically significant crops are covered by crop insurance or NAP. For more information go to www.card.iastate.edu/iowa_ag_review/summer_08/article3.aspx

Resources for Risk Management and Insurance

Agent Locator

USDA-RMA

www.rma.usda.gov/tools/agents/companies/RMA
RMA's online agent locator lists crop insurance and livestock price insurance agents.

Risk, Liability and Insurance for Direct Marketers

UW Extension

www.uwex.edu/ces/agmarkets/publications/documents/A3811-7.pdf
A brief introduction to liability and insurance for direct marketers.

Risk Management Agency (RMA)

USDA

www.rma.usda.gov/pubs/rme/fctsht.html
Online publications and crop fact sheets.