

2018 Legislative Ag Chairs Summit January 5-7 Kansas City, MO

Local Food Systems and State/Provinces' Efforts to Support Entrepreneurship

The session was opened by the moderator, Senator Carolyn McGinn (KS) who introduced herself. The topic is one that is of interest to the majority of legislators present. As was evidenced in the opening plenary on millennial consumer preferences, local is something that they look for when they look for when buying food.

Sen. McGinn then introduced her two panelists. The first was Winton Pitcoff, Executive Director of the Massachusetts Food System Cooperative, charged with the implementation of the MA Local Food Action Plan, and Dawn Thilmany, Professor of Agribusiness at Colorado State University, who has served on the Colorado Food Systems Advisory Council.

Massachusetts' Food System Plan

Winton opened with background of the Massachusetts experience, and what it means to have a state food system plan. Ten years ago, stakeholder organizations like the MA Farm Bureau and American Farmland Trust and others started talking about where their policy needs intersect, and the challenges of getting state officials understand the is to understand the issues. From these discussions the State Food Policy Council originated six or seven years ago, an opportunity for state agencies and legislators, as well as stakeholder organizations, to talk about the food system in a comprehensive and holistic way.

This started out as an informal caucus. Spurred by a request from an organization to support a project about siting supermarkets in food deserts, the council realized there was no context into which to put these discussions. The state had different agricultural and hunger policies, but hasn't looked at the issue comprehensively. What they needed was a State Food Systems Plan. The state appropriated money hire a group of planners to develop a comprehensive plan.

Goals of the Food Systems Plan

It was designed to be a rich engagement process. The goal was to look at what kind of policy interventions were needed towards four overarching goals –

- How do we produce more food in Massachusetts, and get more of that food into the mouths of the residents?
- How do we create jobs and economic opportunity in agriculture?
- How do we make sure that every opportunity is taken advantage of along the food chain to enhance natural resources and reduce food waste? and
- How do we reduce hunger?

This research resulted in about 600 recommendations, which is available online, which is available online. 'Sustainable' to them meant economically sustainable as well as environmentally sustainable.

Creation of the Massachusetts Food System Collaborative

The plan was completed at the end of 2014, and out of that was formed the <u>Massachusetts Food</u> <u>System Collaborative</u> working to promote, monitor and facilitate implementation of the plan. They

help legislators to see that there is a roadmap for food systems in the state, with templates to help make sure that everyone is working toward the same goals.

One of the best recommendations in the plan was bringing home economics back to the classroom, which can be looked at as an economic development issue. Teaching people to cook helps improve the public health and increase the access to fresh foods for consumers.

They work closely with the State Food Policy Council on issues like land access, edible food waste use, and acceptance of SNAP at farmers' markets. The need and interest in the plan is growing.

COOPERATIVE EXTENSION ASSISTANCE

Professor Dawn Thilmany addressed the attendees next. She has three big themes that she has worked on that might be helpful.

Local Foods are About Sense of Place

Sometimes it is great to have national markets where everything is standardized, but it's nice to step back and look at what kind of markets there are in the place you live. Legislators know that there are great things about their states that make it work differently than the national economy.

What is driving the markets? She showed a slide that pointed out that since the last census, direct sales have increased tremendously in coastal areas and Colorado.

Another driver is called the Creative Class. The millennial panel showed that they don't want the lives of their parents, but they want a different kind of life, a 'gig' economy. The rural areas in the U.S. who have had migrations of this Creative Class were highlighted in another slide. Other draws for the Creative Class is the amount a town or region spends on parks or arts. Local foods are an art in and of itself, and a cultural thing that people want to start spending a little more on. Craft brews is an example.

For every state, there is a category where something interesting is going on with economic development. She is now doing a project with the USDA Economic Research Service, looking at food sectors – bakeries, seafood processing, beverages.

Massachusetts had some of the first incubator kitchens in the country, and they have proven very successful. But at the same time they have had to try to discourage people from building new ones because the existing kitchens are not even working at capacity. A lot of this has to do with communication, with getting folks in this field to talk to each other more so you can have these relationships. A lot of it revolves around technology, which lead to things like the app called 'Spoiler Alert', which is for farms and food processors to put up the alert that they have food that is going to go bad, so all the food recovery organizations know that the food is available.

Similarly, scaled processing infrastructure is important for people who are on the raw materials end of the food system. Taking excess peaches and giving them to people who know how to make jam is better than sending the food to compost. A lot of it is not about building new rail lines, it's about building connectivity.

QUESTIONS

An attendee noted that there was building resentment between new and beginning small farmers and very large and existing farmers. He asked how this can be overcome. Ms. Thilmany noted that in Colorado this resentment has been seen. It's sad it became a polarized issue. Perhaps it is better framed as 'place based foods', because when you start calling it 'local', it does sound like it's an improvement. One should be diligent in not allowing conversations to go there. We need there to be a more diversified version of food systems in agriculture in the country. Whether there are trade disputes that happen, climatic things that happen, it is just going to be better to have more models that are resilient in different ways.

Advice that she gives to her students in her Marketing class is to go outside of their comfort zone and go to learn about the customers they want to attract. Read *Sunset Magazine* or *Food and Wine*. Understand their value systems.

Conflicts between types of agriculture

Mr. Pitcoff noted that we are too small an industry to have these kinds of squabbles. In Massachusetts the scale is very different. Their big dairies have 200 cows, and that's a hobbyist dairy here. Through a policy lens, the reality is Massachusetts has about 8,000 farms by the USDA's definition of 'farm'. The largest 10% of them comprise 75% of the agriculture economy in the state. So 90% of them have a louder voice, are talking to their representatives, but at the same time all of the farming is in about 25% of the legislative districts in the state, because the districts are all in the urban areas. So if we're not working together to get the attention of the urban legislators, we're never going to get anywhere. There is a lot of intersection in policy areas for the large and small farmers on issues like land access, access to markets, environmental regs and others.

There are organizations in the state who unfortunately stuck a flag in the ground and said 'We're working for this type of farmer', and they butt heads around organics, or they butt heads around conventional or GMOs. But if you drill down to the core issues that they're trying to work on, there's a huge amount of overlap. And so you have to make them recognize that. The local personal squabbles, that's just part of the world.

Sen. McGinn added when they started their Food & Farm Council, the first thing they did was they approached their local Farm Bureau to let them know what they were doing. Then they have a permanent seat on the Food Council, which helps tremendously.

A question was asked about tax deductions for food donations. Ms. Thilmany noted that right now there is a federal tax deduction for food if you donate. Her state also added a state tax deduction, including farmers. They try to make it tax beneficial bare minimum.

How much does a program cost initially?

Another question was how much did it cost to set up the program? CSU heavily subsidized and took on the program for about \$100,000. It turned out to be a 250 page document, and there were 18 listening sessions with travel costs and food expenses. The range would be \$20,000-100,000, if you have the subsidy of a land grant willing to partner with you.

In Massachusetts, they had \$200,000 from the state legislature, and \$100,000 from private donors. They contracted the work out through the State Department of Agriculture, and a Regional Planning Agency was the lead. Anyone who takes on a planning process, you have to look at it as more than a planning process. It's an education process and an organizing process. You want everyone involved to feel like they have a stake in it and they will be involved in making it happen.

Food Policy Councils

Another questioned the building of relationships with stakeholders who don't know each other. They might disagree with each other at the outset. Getting people together is a job that nobody wants to pay for. One of the things to look at is a Local Food Policy Council that can bring people together. He asked what the presenters' experiences were with getting local policy councils involved. Mr. Williams answered that in Massachusetts they have about a dozen Local Food Policy Councils. What's interesting is when you talk to them you find that their capacity is really varied. Some really don't do policy at all.

What is great about the Food Policy model is they're building on existing energy, and they're finding organizations that are focused on agriculture and already doing good work on public health, and helping to make those connections. They're not starting projects from scratch, because as we've seen that costs money. He thinks it is important at the state level to have someone who is making those connections. And the Food Policy Council does that to some extent in Massachusetts. But one of the items that the Plan recommended was actually having a state position of a Food Policy Coordinator to work among the different agencies to make sure they are aware of each other.

When the Plan is done, it is always too big and too daunting for some organization or even the state to say, 'We're going to take this and run with it.' But what you need is someone who is going to say, 'Everyone's got a stake in this.' He defines his job as being a Border Collie. He just keeps track of where everyone is, and when necessary he puts them together in clumps to get them to work together better. You don't want to duplicate good work that has been done, and you don't want to get into turf issues.

Ms. Thilmany said Colorado has about 18 Food Policy Councils. They're a very loose network. They reframed it in Extension and use the term 'facilitation'. They encourage their Extension Agents to be facilitators for these councils, and are trained to lead meetings. In her opinion Food Policy Councils are in a weird adolescence. They were fun when they were young, and now at this lanky stage nobody knows what to do with them. And mostly they're not mature enough to have staffing resources or identity to carry on. There is now sifting out of them. Try to help them, but don't force it. Now is a good time for states to figure out how they are going to support these councils, since federal help from the USDA may be modified.

Another issue that food councils need to deal with is the need to broaden their scope. They need to deal with issues like transportation and housing in addition to food.

Lack of cooking knowledge and what to do about it

Sen. McGinn brought up home economics, or Family Consumer Sciences. She sees two avenues – one is through the school systems, but we also have Extension that offers training. How would you approach trying to reintroduce this necessary skill to students of today.

In Massachusetts, there are a number of things. First, you have to figure out how to integrate it into the STEM curriculum, because it is related to science, it is related to mathematics. Secondly, you have to get the parents involved. If you get them to demand this at the local level, you will start to see action. Another thing is figuring out where there's room to do it outside of school hours, or connecting local businesses to get them involved in it. Another thing is to start on a really small scale.

Dawn thought it is getting harder to teach food science because more and more parents are not cooking anymore. 4-H can be a solution. People don't have to do the cooking themselves – they can

rely on local food restaurants to do the work. Home food delivery programs like Blue Apron are helping people unfamiliar with cooking learn skills that allow them to branch out on their own.

Another thing is if the new Amazon phenomenon with food sales will help or hurt. eCommerce might be a huge change, and it could be for the better.

Food Waste

The issues of food waste were discussed, and case histories from Hawaii's successes with food waste in schools were reported. There are problems with initially getting composting projects up and running, but it is an established movement.

FSMA training

It is not so much training for FSMA, it is about infrastructure for FSMA. If you're not tying new regulations to resources for the infrastructure to meet the higher requirements, it's doomed to fail. In an area where energy and land prices are so high like in Mr. Williams' Massachusetts, it's even tighter.

Ms. Thilmany thinks that the people who come needing training are the same ones to try to start a business without doing due diligence or having a good business plan. Have a plan, but to be taken seriously as a business, and to know your cost of production and know how to negotiate with people you're selling to, you have to have some plan.

Another thing about the exemptions that will prove to be a real problem, especially for the market growers, is the exemptions gives the big buyers all the control they need. It's a lot easier for the big grocery store chains to say they're only going to buy from people that meet all of the FSMA requirements, whether you're below the threshold or not. So telling farmers that they're exempt because of their size really cuts them off from a lot of markets.

Sen. McGinn thanked the speakers for their presentations.