

# Grower Agreement WIC Farmers Market Nutrition Program (WIC FMNP) & Senior Farmers Market Nutrition Program (SFMNP) 2022

The purpose of the United States Department of Agriculture Food and Nutrition Service (USDA-FNS) Farmers Market Nutrition Programs is to "provide resources in the form of fresh, nutritious, unprepared, locally grown fruits, vegetables and herbs from farmers markets and farm stores to women and children who are nutritionally at risk and who are participating in the Special Supplemental Nutrition Program for Women, Infants and Children (WIC FMNP), as well as qualified low-income seniors through the Senior Farmers Market Nutrition Program (Senior FMNP)". The purpose is also to expand the awareness, use of WIC FMNP and Senior FMNP benefits at farmers markets and farm stores.

The Department of Health (DOH), here after known as (Department) administers the WIC FMNP. The Revised Code of Washington (RCW) 43.70.700, authorizes the DOH to participate in WIC FMNP in compliance with 7CFR § 248. The Department of Social and Health Services (DSHS) administers Senior FMNP. The general authority of the DSHS to serve senior adults and administer the Senior FMNP in compliance with 7 CFR § 249.

Under an Interagency Agreement, the Department conducts the contracting, monitoring, and training activities for markets and growers for both programs. DSHS retains responsibility for distribution and reimbursement of Senior FMNP benefits. DSHS coordinates with the Department if DSHS discovers a Senior FMNP violation or requires anything from a grower or market for the purposes of the Senior FMNP program. The Department and DSHS affirm that the Department is fully responsible for the administration of authorized market and authorized grower agreements for both WIC FMNP and Senior FMNP. The Department will administer all grower or market violations and appeals, regardless of whether the violation arises under WIC FMNP or Senior FMNP.

- 1. **DEFINITIONS:** Any term not defined in the following has the meaning defined by 7 CFR § 246, 12 § 248, 7 § 249 or Chapter 246-780 WAC. If not specifically defined, the term has its ordinary meaning.
  - **"Agreement"** means a written legal document binding the grower and the Department to designated terms and conditions.
  - "Authorized," or "authorization," means an applicant has met the selection criteria and has been issued a signed agreement the Department allowing participation in the FMNP.
  - "Authorized Farmers Market" means an assembly of five or more authorized growers at a defined location who have the purpose of selling their produce directly to consumers.
  - "Authorized Farm Store" means a location at the site of agricultural production which is owned, leased, rented or sharecropped, and operated by a grower, where the grower sells produce directly to consumers.
  - "Authorized Grower" means an individual who grows a portion of the produce that he/she sells at a farmers market or farm store.
  - "CFR" means the Code of Federal Regulations.

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- "Cut herbs" means fresh herbs with no medicinal value that are not potted.
- "Department" or "DOH" means the Washington State Department of Health.
- "Disqualification" means terminating the agreement of an authorized grower or farm store for noncompliance with FMNP requirements.
- "DSHS" means the Department of Social and Health Services.
- "Eligible foods" mean locally grown, unprocessed (except for washing), fresh, nutritious fruits, vegetables, and cut herbs. Under 7 CFR §§ 248.2 and 249.2, provided that locally produced honey is an eligible food only for SFMNP customers.
- **"Employee"** means any person who operates under the direction of Grower, regardless of whether the person receives compensation.
- **"FMNP"** means the Farmers Market Nutrition Program. It is a collective term to mean both the WIC FMNP and the SFMNP. This Agreement will use WIC FMNP or SFMNP to indicate where a provision applies to only one of the programs.
- **"FMNP customer"** is a collective term meaning any person who is eligible for and has been issued an FMNP check under either the WIC FMNP or the SFMNP. This Agreement will use WIC FMNP customer or SFMNP customer to indicate where a provision applies to only one of the programs.
- "Grower" means an individual who grows a portion of the produce that he/she sells at a farmers market or farm store that entered into this Agreement.
- "Grower Application" means the Grower Application incorporated in this Agreement.
- "Locally grown" means Washington grown or grown in an adjacent county of Idaho or Oregon.
- "Market" means any farmers market where the Grower conducts sales.
- **"Market manager"** means an individual designated by farmers market management, or board members, who is responsible for overseeing the market and authorized growers' participation in the FMNP.
- **"SFMNP"** means the Senior Farmers Market Nutrition Program administered by the Department of Social and Health Services.
- "Split Tender Transaction" means any grower must allow the FMNP customer to pay the difference when a FMNP transaction exceeds the value of the FMNP check.
- "Suspension" means the immediate stoppage of FMNP payments to a grower or market as a result of ongoing compliance activities or lack of federal funding.
- **"Validating"** means stamping FMNP checks (benefits) in the designated box with appropriate identification numbers. Validating the FMNP check (benefits) means the checks are:
  - Redeemed by an FMNP customer during the valid dates printed on the face of the check;
  - Accepted by an authorized grower;
  - Stamped by the grower or market manager with the identification number assigned by the Department;
  - Deposited or cashed by the grower in a bank or other financial institution by the date identified on the check.

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**"Vendors"** means the association, organization, or individual that has been authorized by the Department to enter into this Agreement.

"WAC" means the Washington Administrative Code.

**"WIC"** means the federally funded Special Supplemental Nutrition Program for Women, Infants, and Children.

**"WIC FMNP"** means the WIC Farmers Market Nutrition Program administered by the Department of Health.

**"WIC & SFMNP Benefits"** means a negotiable financial instrument issued by the FMNP to participants to purchase eligible foods. Also known as "WIC & SFMNP checks"

- 2. **PROGRAM REQUIREMENTS** The Grower shall comply fully, and ensure the farm store, if any, complies fully, throughout the agreement period, with the following program requirements:
  - a. All agreement provisions contained in this document and future amendments to it;
  - b. The Department's Market Manager and Grower Information and Training Manual explaining Program Requirements; Materials include, but are not limited to:
    - i. List of foods that are authorized for purchase with FMNP Benefits
    - ii. FMNP check redemption and validating procedures
    - iii. Civil rights requirements
    - iv. Complaint process instructions
  - c. 7 CFR § 248 (WIC FMNP federal regulations);
  - d. 7 CFR § 249 (SFMNP federal regulations);
  - e. Washington Administrative Code (WAC) 246-780; and
  - f. All federal and state laws, policies and procedures.

#### 3. THE GROWER SHALL:

- a. Grow a portion of the FMNP eligible foods sold to FMNP customers.
- b. Assure that Grower's operations and Farm Store, if any, meets the expectation of an authorized Grower or an authorized Farm Store described in WAC 246-780-028.
- c. Assure that Grower's operations and Farm Store, if any, meets the requirements of 7 CFR §§ 248.10, 249.10 and 246.12 including but not limited to:
  - i. Displaying the "WIC & Senior Farmers Market Benefits Welcome Here" sign in a place clearly visible to the FMNP customer as required under WAC 246-780-028(1); as provided by the Department whenever selling at a Market or the Farm Store, if any.
  - ii. Providing the Department with information necessary to track the impact of the FMNP on the Farmers Market and Farm Store, if any.
  - iii. Providing such information as the Department may require for periodic reports to USDA-FNS (U.S. Department of Agriculture Food and Nutrition Services).
  - iv. Accepting WIC FMNP benefits only for FMNP eligible foods; accepting SFMNP benefits for same eligible food plus honey.
  - v. Providing eligible foods to the FMNP customers at the current price or less than the current price charged to other customers.
  - vi. Accepting FMNP benefits only from June 1st through October 31st of each season under agreement period.
  - vii. Properly depositing or cashing FMNP benefits by November 15<sup>th</sup> of each season under agreement period.
  - viii. Validating all FMNP benefits.
  - ix. Participating in training or accepting technical assistance on FMNP procedures when offered by a Market Manager or Department staff.
  - x. Providing training on FMNP procedures to all employees with FMNP responsibilities.

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- xi. Agreeing to be monitored for compliance with FMNP requirements and cooperate with Department during monitoring.
- xii. Being accountable for your employees or volunteers while providing FMNP food, services, and related activities.
- xiii. Paying back the Department for any FMNP checks transacted in violation of this agreement, and paying any associated civil penalties.
- xiv. Giving FMNP customers the same courtesies as other customers.
  - 1. Assuring compliance with the nondiscrimination provision of 7 CFR §§ 248.7, CFR §§ 249.7, and the Washington State Civil Rights Act chapter 46.90 RCW.
  - 2. Notifying the Department if going out of business prior to the end of the Agreement Period.
  - 3. Not attempting to collect money from FMNP customers for FMNP benefits not paid by the Department or DSHS.
  - 4. Not giving cash as change back to FMNP customers when an FMNP transaction is for less that the value of the check. Growers should encourage customers to take more produce if the transaction is for less than the value of the check.
  - 5. Allowing the participant to pay the difference when the FMNP transaction exceeds the value of the FMNP check (also known as a split tender transaction).
  - 6. Ensuring no sales tax is collected on FMNP purchases
- d. Cooperate with the Market Manager at authorized Farmers Market; share FMNP identification number and provide evidence of FMNP authorization when requested by the Market Manager.
- Not use FMNP benefits to buy foods from others or pay market fees or other business costs.

#### 4. THE DEPARTMENT SHALL:

- a. Operate the FMNP in accordance with the requirements and procedures in federal regulations 7 CFR § 248, 7 CFR § 249, and state regulations WAC 246-780 and this agreement.
- b. Cooperate with the DSHS in the administration of the SFMNP. DSHS retains responsibility for distribution of SFMNP benefits.
- c. Contract with local agencies to distribute WIC FMNP benefits to WIC customers.
- d. Assign identification numbers to authorized Farmers Markets, Farm Stores, and Growers
- e. Provide Market Managers with access to training and resources on FMNP procedures and requirements.
- f. Provide in-person training on FMNP procedures and requirements during market monitoring visits.
- g. Provide toll free technical assistance as needed to Growers at 1-800-841-1410.
- h. Ensure prompt payment of valid FMNP Benefits that are properly stamped and redeemed.
- i. Monitor authorized Growers, and Farm Stores to assure they follow FMNP rules.
- j. Sanction and/or disqualify Growers for violating FMNP requirements, at the Department's discretion or as otherwise required by law.
- k. Bill for and receive repayment of miss handled FMNP benefits, including civil penalties if appropriate.

## 5. NONCOMPLIANCE, ENFORCEMENT AND SANCTIONS

- a. The Department may sanction Growers for violations of FMNP requirements in accordance in with the Sanction Table below. A violation occurs when a Grower does not comply with FMNP requirements during the course of a single transaction involving one or more FMNP checks. Sanctions may include vendor disqualification, monetary penalties, or both.
- b. The Department has no obligation to reinstate Grower's authorization after disqualification. The Grower must reapply to participate in the FMNP.

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c. The Department shall notify the Grower in writing of any adverse action in conformance with WAC 246-780-040(5). A Grower who commits fraud or abuse of the FMNP is additionally liable for prosecution under applicable Federal, State and local laws.

Sanction Table	
Class 1 Violation	Actions
1. Failure to properly display the authorized grower identification sign.	The Department shall give a verbal warning and provide technical assistance.
Failure to clearly post produce prices during market or farm store hours.	The Department shall give a verbal warning and provide technical assistance.
3. Conducting FMNP transaction in a market where the Grower is not authorized to transact FMNP Benefits.	The Department shall give a verbal warning and provide technical assistance.
4. Failure to contact the FMNP office before accepts FMNP benefits at other authorized markets that were not listed on the original application.	The Department shall give a verbal warning and provide technical assistance.
Class 2 Violation	Sanction
Reporting sales from a market where Grower was never a vendor	The Department shall issue a written notice of noncompliance for Class 2 violations and provide technical assistance.
2. Failure to correct or a second incidence of a Class 1 violation.	The Department shall issue a written notice of noncompliance for Class 2 violations and provide technical assistance.
Accepting FMNP Benefits outside valid dates.	The Department shall issue a written notice of noncompliance for Class 2 violations and provide technical assistance.
4. Not operating as represented on the Grower Application.	The Department shall issue a written notice of noncompliance for Class 2 violations and provide technical assistance.
5. Any noncompliance with the Program Requirements not specifically identified as a Class 1 or 3 violations.	The Department shall issue a written notice of noncompliance for Class 2 violations and provide technical assistance.
Class 3 Violation	Sanction
A second failure to correct or a third incidence of a Class 1 violation.	The Department may suspend or terminate this Agreement and may additionally disqualify the Grower from participation in FMNP.
2. Failure to correct or a second incidence of a Class 2 violation.	The Department may suspend or terminate this Agreement and may additionally disqualify the Grower from participation in FMNP.
Accepting FMNP Benefits for anything other than eligible foods.	The Department may suspend or terminate this Agreement and may additionally disqualify the Grower from participation in FMNP.
4. Exchanging FMNP Benefits for cash; also known as trafficking.	The Department may suspend or terminate this Agreement and may additionally disqualify the Grower from participation in FMNP.
5. Refusal to accept a valid FMNP Check for eligible products.	The Department shall issue a written notice of noncompliance for Class 2 violations and provide technical assistance.
6. Discriminating against a FMNP customer on the basis of race, color, national origin, age, gender, or disability.	The Department may suspend or terminate this Agreement and may additionally disqualify the Grower from participation in FMNP.

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7. Abusive or hostile treatment of an FMNP customer.	The Department may suspend or terminate this Agreement and may additionally disqualify the Grower from participation in FMNP.
8. Cashing a FMNP Check for a grower who is not authorized; or otherwise bartering for any FMNP Benefits the non-authorized grower has accepted.	The Department may suspend or terminate this Agreement and may additionally disqualify the Grower from participation in FMNP.
9. Failing to allow, comply with, or cooperate in the Department's inspections and monitoring.	The Department may suspend or terminate this Agreement and may additionally disqualify the Grower from participation in FMNP.
10. Failing to provide documentation requested by the Department.	The Department may suspend or terminate this Agreement and may additionally disqualify the Grower from participation in FMNP.
11. Selling only produce grown by other than the authorized growers during the Agreement year.	The Department may suspend or terminate this Agreement and may additionally disqualify the Grower from participation in FMNP.
12. Operating the authorized farm store, if any, on the self-service or honor system, i.e., not staffing the farm store.	The Department shall issue a written notice of noncompliance for Class 2 violations and provide technical assistance.
13. Providing false information on the Grower Application about the location and operation of the Grower's farm store.	The Department may suspend or terminate this Agreement and may additionally disqualify the Grower from participation in FMNP.
14. Charging an FMNP customer an amount greater than the Grower charges other customers.	The Department may suspend or terminate this Agreement and may additionally disqualify the Grower from participation in FMNP.
15. Charging an FMNP customer for items the FMNP customer does not receive.	The Department may suspend or terminate this Agreement and may additionally disqualify the Grower from participation in FMNP.
16. Continuing to participate in FMNP during a period of suspension or disqualification, which participation may include, but is not limited to, accepting FMNP Benefits, continuing to display the FMNP signs, or other evidence of intent to accept FMNP Benefits.	The Department may suspend or terminate this Agreement and may additionally disqualify the Grower from participation in FMNP.
17. Selling unauthorized food, nonfood items, drugs, alcohol or other items to FMNP customers in lieu of or in addition to eligible foods.	The Department may suspend or terminate this Agreement and may additionally disqualify the Grower from participation in FMNP.
18. Seeking restitution from FMNP customers for FMNP benefits not paid by the Department.	The Department may suspend or terminate this Agreement and may additionally disqualify the Grower from participation in FMNP.

#### 6. **APPEALS**

- a. Grower may administratively appeal any Department actions that are subject to appeal in conformance with WAC 246-780-060. A request for appeal must conform to WAC 246-780-060(5) and be signed by the protesting party or authorizing agent.
- b. The request must be made mailed in conformance with WAC 246-780-060(6) and be postmarked within twenty-eight (28) days of the date the grower received the Department's notice.
- c. The following actions are not subject to administrative appeal:
  - i. Validity or appropriateness of selection criteria or limiting criteria;
  - ii. Validity or appropriateness of FMNP customer access determinations;
  - iii. Duration or expiration of the Agreement,
- d. The Department's Adjudicative Service Unit will give the Grower adequate notice of the scheduled time and location for the hearing.

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- e. When the action being appealed is suspension or disqualification, the Grower and Farm Store, if any, shall stop accepting and validating FMNP checks in accordance with WAC 246-780-040(3). The Department is not liable for payment of any FMNP benefits submitted by a grower for payment during a period of suspension or disqualification.
- 7. **TERMINATION.** Either Party may terminate the Agreement for cause or at will upon thirty (30) days' notice. Grower shall send the termination notice to the FMNP Coordinator, by postal service or email.
- 8. **ORDER OF PRECEDENCE.** In the event of an inconsistency in this agreement, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order:
  - a. Applicable federal and state statutes and regulations
  - b. This Agreement
  - c. Any other provisions of the Agreement whether incorporated by reference or otherwise.
- ALL WRITINGS CONTAINED IN THIS AGREEMENT. This agreement contains all the terms and
  conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the
  subject matter of this agreement shall be deemed to exist or to bind any of the parties hereto.
- 10. **CONFLICT OF INTEREST**. If the Department determines a violation of Chapter 42.52 RCW, the Ethics in Public Service Act, or any similar statute, concerning this Agreement, the Department may terminate this Agreement and pursue any other remedies available to it at law or under this Agreement.

# By signing the WIC Farmers Market Nutrition Program (WIC FMNP) & Senior Farmers Market Nutrition Program (SFMNP) Grower Application:

- I understand, if I'm authorized, I must accept FMNP benefits from both WIC and Senior FMNP customers.
- 2) I understand, if I'm a honey producer only, I can only accept Senior FMNP benefits.
- 3) I understand that I can't accept FMNP benefits before I have received a signed agreement from the WIC Farmers Market Nutrition Program.
- 4) I understand, if I am authorized, I will only accept WIC and Senior FMNP benefits at authorized Farmers Markets, or authorized Farm Store, if any, and within the current season dates. (Refer to "First and Last Use Dates" boxes on the check).
- 5) I understand that it is my responsibility to contact the Farmers Market Nutrition Program if I accept WIC or Senior benefits at other authorized markets that were not listed on my original application. If I don't contact the program, my FMNP checks may be rejected.
- 6) I understand this agreement is for two years, or one year if I'm authorized mid-agreement year, and it is my responsibility to reapply when it expires.
- 7) If funding for the FMNP from any source are withdrawn, reduced, or limited in any way during the term of this agreement, the Department may suspend performance of the agreement as an alternative to termination by giving notice of suspension, and its effective date to vendor.
- 8) During the period of suspension, vendor shall not accept FMNP benefits. If the Department determines funding is sufficient to resume the agreement, Department shall provide notice to vendor that the suspension has ended. The vendor shall resume FMNP transactions in conformance with the agreement. The period of suspension does not change the expiration date of the agreement.

After reading the document "Grower Agreement WIC/Senior Farmers Market Nutrition Program 2022", please go back to your Grower application and sign it.

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#### Washington WIC doesn't discriminate.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the <u>USDA Program Discrimination Complaint Form</u>, (AD-3027) found online at: <u>How to File a Complaint</u> and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

Mail: U.S. Department of Agriculture

Office of the Assistant Secretary for Civil Rights

1400 Independence Avenue, SW Washington, D.C. 20250-9410;

Email: program.intake@usda.gov

Fax: (202) 690-7442

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