

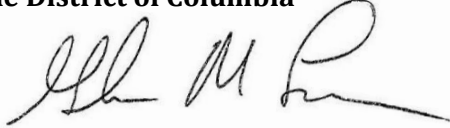
Government of the District of Columbia  
Office of the Chief Financial Officer



Glen Lee  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia

**FROM:** Glen Lee  
Chief Financial Officer 

**DATE:** May 9, 2025

**SUBJECT:** Fiscal Impact Statement – Farmers Market Support Amendment Act of 2025

**REFERENCE:** Bill 26-109, Draft Committee Print as provided to the Office of Revenue Analysis on May 5, 2025

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**Conclusion**

Funds are not sufficient in the fiscal year 2025 through fiscal year 2028 budget and financial plan to implement the bill. The bill costs \$668,800 in fiscal year 2026 and \$1.8 million over the financial plan to implement.

**Background**

The bill establishes a farmers market support program in the Department of Health (DC Health) to provide technical assistance to farmers markets, farm stands, and mobile markets operating in the District. DC Health, as part of the program, must:

- Provide assistance relating to permitting, licensure, and accepting federal and local benefits;
- Provide recommendations on how to improve the existing District licensing, permitting, and process for establishing and operating a farmers market, farm stand, or mobile market, including recommendations for implementing the farmers market application system;
- Convene and coordinate with District agencies involved in licensing, permitting and supporting farmers markets including the Office of Planning, the Department of Transportation (DDOT), the Department of Parks and Recreation (DPR), the Department of Small and Local Business Development, and the Department of Licensing and Consumer Protection (DLCP);
- Create and update annually a publicly available online map of farmers markets, farm stands, and mobile market locations;

- Conduct marketing and promotional activities;
- Administer the farmers market support grant; and
- Procure equipment and services to increase customer access to fresh produce.

DC Health may also:

- Evaluate the health and economic impacts of farmers markets, farm stands, and mobile markets on customers and nearby businesses;
- Apply for federal, state, or private grant programs or other funding opportunities that would support farmers markets, farm stands, or mobile markets in the District or the activities of the program;
- Assist farmers markets, farm stands, mobile markets, and participating vendors with accepting federal or local nutrition benefits;
- Assist farmers markets, farm stands, mobile markets, and participating vendors in obtaining technological equipment, software, or other e-commerce tools; and Offer direct support to customers, including ride-share benefits, home delivery services, and other programs, that would improve access to farmers markets, farm stands, or mobile markets.

The bill establishes a farmers market support grant program to provide \$250,000 annually in grant funding to support existing farmers markets, farm stands, and mobile markets located in low food access areas. The bill stipulates what grant funding can be used for, including:

- Materials to establish or expand a farmers market, farm stand, or mobile market, including tables, tents, signage, storage, and marketing materials;
- Financial assistance to an entity located in a low food access area for the purpose of hosting a farmers market, farm stand, or mobile market on its property;
- Operational and staffing costs;
- Extending operations for an existing farmers market, farm stand, or mobile market during cold weather months outside of its normal operating season;
- Public safety and post-market cleanup related services;
- Wholesale purchasing, buy-backs, or subscription-based purchasing from vendors at the farmers market, farm stand, or mobile market to provide predictable revenue streams; and
- Customer incentives, including matching programs for federal and local benefits and coupons.

The bill requires the Mayor to establish a centralized application system for the licensing and permitting of farmers markets. The system must serve as an online portal for markets to submit required documents to several agencies for review and track the status of applications. The system must be operational by January 1, 2028. The Mayor must publish, on a public-facing website, the standard requirements of license, permit, or authorization to operate a farmers market. The bill requires the Mayor to waive all licensing, permitting, or temporary parking restriction fees for a farmers market, farm stand, or mobile market located, or applying to locate, in a low food access area.

### **Financial Plan Impact**

Funds are not sufficient in the fiscal year 2025 through fiscal year 2028 budget and financial plan to implement the bill. The bill costs \$668,800 in fiscal year 2026 and \$1.8 million over the financial plan to implement.

Bill 26-109, Farmers Market Support Amendment Act of 2025 Total Costs					
	FY2025	FY2026	FY2027	FY2028	Total
DC Health	\$0	\$443,829	\$447,506	\$451,127	\$1,342,462
DLCP	\$0	\$225,000	\$250,000	\$0	\$475,000
<b>Total</b>	<b>\$0</b>	<b>\$668,829</b>	<b>\$697,506</b>	<b>\$451,127</b>	<b>\$1,817,462</b>

DC Health requires \$443,800 in fiscal year 2026 and \$1.34 million over the financial plan to implement the bill. DC Health will hire one additional public health analyst to administer the Farmers Market Support program. The salary and fringe benefits costs for this employee are \$143,800 in fiscal year 2026 and \$442,400 over the financial plan. The agency will also need recurring funding of \$250,000 to provide grants to existing farmers markets, mobile markets, and farm stands located in low food access areas. DC Health requires \$50,000 annually to conduct marketing and promotional activities as well as \$50,000 annually to purchase program supplies to increase customer access to fresh produce.

Bill 26-109, Farmers Market Support Amendment Act of 2025 Total DC Health Costs					
	FY2025	FY2026	FY2027	FY2028	Total
Salary <sup>(a)</sup>	\$0	\$117,029	\$119,487	\$121,876	\$358,392
Fringe <sup>(b)</sup>	\$0	\$26,800	\$28,019	\$29,251	\$84,070
Grants	\$0	\$250,000	\$250,000	\$250,000	\$750,000
Marketing	\$0	\$50,000	\$50,000	\$50,000	\$150,000
Program Supplies	\$0	\$50,000	\$50,000	\$50,000	\$150,000
<b>Total</b>	<b>\$0</b>	<b>\$443,829</b>	<b>\$447,506</b>	<b>\$451,127</b>	<b>\$1,342,462</b>

Table Notes:

(a) Assumes one Grade 13, Step 4 Public Health Analyst and salary growth of 2.1 percent in fiscal year 2027 and 2.0 percent in fiscal year 2028.

(b) Assumes fringe rate of 22.9 percent in fiscal year 2026 and a growth rate of 2.4 percent in fiscal year 2027 and 2.35 percent in fiscal year 2028.

The bill allows, but does not require, DC Health to offer direct support to market customers, including ride-share benefits, home delivery services, and other programs that would improve access to farmers markets, farm stands, or mobile markets. The cost of these services is not included in the bill's financial impact since they are not required at this time.

DLCP requires \$475,000 in additional funding over the financial plan to implement the bill. Establishing a centralized application system for licensing and permitting of farmers markets will require DLCP to modify its D.C. Business Portal system so that it integrates with other District agency systems, such as the DDOT's TOPS system and DPR's Rectrac system. The cost of this update is \$225,000 in fiscal year 2026 and \$250,000 in fiscal year 2027.

The Honorable Phil Mendelson

FIS: "Famers Market Support Amendment act of 2025," Bill 26-109, Draft Committee Print as provided to the Office of Revenue Analysis on May 5, 2025

Bill 26-109, Farmers Market Support Amendment Act of 2025 Total DLCP Costs					
	FY2025	FY2026	FY2027	FY2028	Total
<b>IT Update</b>	<b>\$0</b>	<b>\$225,000</b>	<b>\$250,000</b>	<b>\$0</b>	<b>\$475,000</b>

The Mayor can waive all licensing, permitting, or temporary parking restriction fees for a farmers market, farm stand, or mobile market located, or applying to locate, in a low food access area without additional resources. Most of the existing farmers markets in low food access areas already receive fee waivers. If there is a significant increase in the number of farmers markets, farm stands, or mobile markets located in a low food access area due to fee waivers, DLCP may require additional staff to handle an increase in workload. At this time, it is unlikely that the bill will significantly increase the number of licensing applications.