

## FSMA Produce Safety Rule

# Quick Guide to the Qualified Exemption

Produce farms with average annual produce sales greater than \$25,000 and food sales below \$500,000 with a majority of food sales sold to Qualified End Users may be eligible for the Qualified Exemption from the Food Safety Modernization Act (FSMA) Produce Safety Rule.

The Produce Safety Rule establishes minimum food safety standards for the safe growing, harvesting, packing, and holding of produce grown for human consumption.

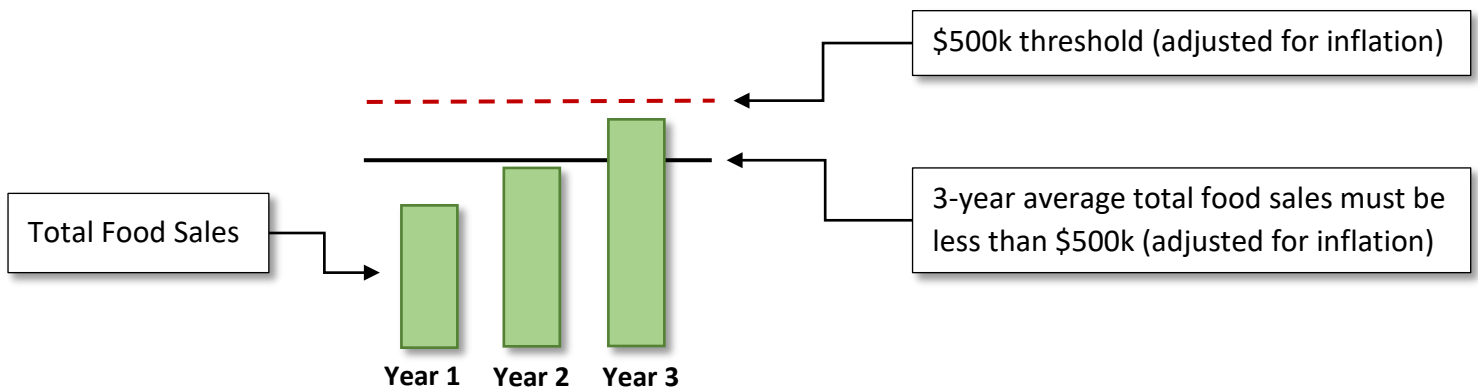
This guide explains the Qualified Exemption criteria, requirements qualified exempt farms must follow, and how to confirm your farm's exemption with the Produce Program.

### ELIGIBILITY

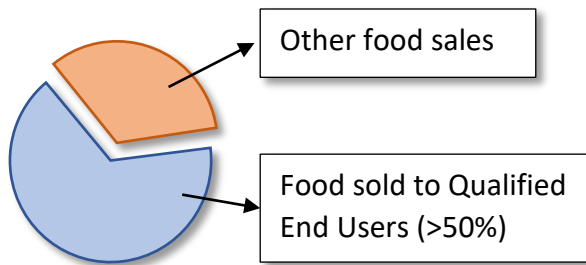
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To qualify, a farm must meet BOTH criteria:

- 1) The farm's average annual food sales during the previous 3-year period must be less than \$500,000 (adjusted for inflation).
  - Food sales include all human and animal food sold by the farm, including any food or drink resold by the farm.
  - The \$500,000 threshold is adjusted for inflation using 2011 as a baseline. Inflation adjusted numbers are updated annually at <https://www.fda.gov/food/food-safety-modernization-act-fsma/fsma-inflation-adjusted-cut-offs>.



**Example 1:** This chart shows a farm's total food sales over a three-year period. The farm's three-year average total food sales are represented by the solid black line which is below the \$500,000 inflation adjusted threshold represented by the dotted red line. This farm therefore meets the first criteria for the Qualified Exemption.



**Example 2:** This chart shows the percentage of the farm’s average annual food sales sold to Qualified End Users in blue and all other food sales in red. The farm sells more than 50% of total food sales to Qualified End Users and therefore meets the second criteria for the Qualified Exemption.

- 2) A majority of the farm’s average annual food sales during the previous 3-year period must be to Qualified End Users.
  - Qualified End Users are the consumers of the food or a restaurant or retail food establishment located in Vermont or within 275 miles of the farm.

## REQUIREMENTS

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Farms eligible for the Qualified Exemption are not required to undergo routine produce safety inspections but must follow these modified requirements:

- 1) Perform an annual review to verify your farm’s eligibility, document the annual review, and keep sales records from the previous three-year period as proof of eligibility.
  - You may use the Qualified Exemption Annual Review Worksheet to document the review.
- 2) Follow labeling requirements:
  - Labels on food packaging must prominently display the name and complete business address of the farm where the produce was grown. When a label is not required, such as for unpackaged produce, the name and complete business address of the farm where the produce was grown must be prominently displayed at the point of purchase such as on a label, sign, or placard, or in an electronic notice when sold online. The complete business address must include the street address or P.O. box, city, state, and zip code.

## CONFIRM ELIGIBILITY

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Farms are encouraged to confirm eligibility with the Produce Program annually by June 1<sup>st</sup>.

Email or call the Produce Program at [AGR.FSMA@vermont.gov](mailto:AGR.FSMA@vermont.gov) or (802) 828-2433 and be prepared to share details of your completed worksheet.

- Confirmation is voluntary, but farms that don’t confirm eligibility annually before June 1<sup>st</sup> may be asked to provide proof of eligibility to avoid a routine produce safety inspection.
- Confirmation of a farm’s eligibility is provisional and does not limit the Agency’s ability to enforce the Produce Safety Rule or take action to address public health hazards or food safety issues on produce farms when needed.