
**Agriculture & Natural Resources
Committee**

HB 2551

Brief Description: Concerning the annual gross sales limits for cottage food operations.

Sponsors: Representatives Overstreet, Buys, Johnson, Fitzgibbon and Shea.

Brief Summary of Bill

- Removes the annual gross income cap for permitted cottage food operations.

Hearing Date: 1/27/12

Staff: Jason Callahan (786-7117).

Background:

The Washington State Department of Agriculture (WSDA) is authorized to adopt rules that allow for cottage food operations. Permitted cottage food operations are exempt from the state's commercial food service regulations and from licensing by public health jurisdictions. A cottage food operation is defined as a person who produces, in the kitchen of their domestic residence, a food that is not potentially hazardous. Examples of cottage food are jams, jellies, fruit butters, and preserves. Potentially hazardous foods that are not allowed to be produced by a cottage food operator are those that require temperature control and are capable of supporting the rapid growth of pathogenic or toxigenic microorganisms.

To qualify as a cottage food product, the product must be produced in the kitchen of a single-family dwelling, or an area with a rental unit where a single person or family actually resides, from which no more than a total gross annual sales of \$15,000 is generated. The WSDA must increase the \$15,000 annual gross sales limit biennially to adjust for inflation. The kitchen may not be located in a group or communal residential setting or be located in an outbuilding, shed, or barn. In addition, a cottage food product must be stored only in its originating domestic kitchen

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

and may only be sold directly to the consumer from the producer. Interstate mail order and internet sales are not allowed for cottage food products.

Cottage foods are still required to be packaged and properly labeled. To be properly labeled, the package must contain certain information. This information includes the name and ingredients of the product, the product's net weight or volume, and any federally required allergen and nutritional information identification. In addition, the label must include a disclosure that the product was made in a home kitchen.

Cottage food operations must pay annually to the WSDA a \$30 application processing fee and a \$75 public health review fee. In addition, all cottage food operations must be inspected annually for basic hygiene. The WSDA must charge a \$125 inspection fee. The WSDA may contract with local health jurisdictions to conduct the inspections.

Summary of Bill:

The annual gross income cap for permitted cottage food operations is removed.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.