H-3585.1				

## SUBSTITUTE HOUSE BILL 1135

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State of Washington 63rd Legislature 2014 Regular Session

By House Agriculture & Natural Resources (originally sponsored by Representatives Overstreet, Moeller, Taylor, Shea, Condotta, Buys, Dahlquist, Hargrove, and Warnick)

READ FIRST TIME 01/27/14.

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- AN ACT Relating to the annual gross sales limits for cottage food operations; and amending RCW 69.22.050.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 69.22.050 and 2011 c 281 s 5 are each amended to read 5 as follows:
  - (1) The gross sales of cottage food products may not exceed an annual amount set by the department. The determination of the maximum annual gross sales must be computed on the basis of the amount of gross sales within or at a particular domestic residence and may not be computed on a per person basis within or at an individual domestic residence.
- 12 (2) If gross sales exceed the maximum annual gross sales amount, 13 the cottage food operation must either obtain a food processing plant 14 license under chapter 69.07 RCW or cease operations.
- 15 (3) A cottage food operation exceeding the maximum annual gross 16 sales amount is not entitled to a full or partial refund of any fees 17 paid under RCW 69.22.030 or 69.22.040.
- 18 (4) <u>Unless otherwise increased by the department by rule, the</u>
  19 maximum annual gross sales amount ((must be established in rule by the

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department consistent with this subsection. The amount must be set at fifteen thousand dollars until December 31, 2012. Beginning January 1, 2013, the department must increase the fifteen thousand dollar annual gross sales limit biennially to reflect inflation. The department may determine inflation-based increases in any matter it deems most efficient)) is twenty-five thousand dollars.

(5) The director may request in writing documentation to verify the annual gross sales figure.

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