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**Rural Development, Agriculture, &  
Natural Resources Committee**

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**HB 2218**

**Brief Description:** Increasing the cap on gross sales for cottage food operations.

**Sponsors:** Representatives Eslick, Leavitt, Chambers, Callan, Dent, Walsh, Corry, Jenkin and Van Werven.

**Brief Summary of Bill**

- Increases the cap on gross sales for cottage food products.

**Hearing Date:** 1/17/20

**Staff:** Rebecca Lewis (786-7339).

**Background:**

Under the state cottage food program, a person may produce certain food products that are not potentially hazardous in a home kitchen for direct sale to a consumer. Examples of cottage food products are baked goods, jams, jellies, fruit butters, and preserves. In order to operate a cottage food business, a person must obtain a cottage food permit from the Washington State Department of Agriculture (WSDA). Annual gross sales for a cottage food business is capped at \$25,000. If the gross sales of a cottage food business exceeds \$25,000, the business must either acquire a food processor's license from the WSDA, or cease operations.

Any person operating a food processing plant, or processing foods for retail sale must obtain a food processor's permit from the WSDA. License fees are set in statute and based on gross annual sales. Certain establishments licensed under other WSDA programs, including licensed cottage food operations, are exempt from the food processor's permit requirement.

**Summary of Bill:**

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*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.*

The cap on annual gross sales for cottage food products is increased from \$25,000, to \$50,000.

**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.