SUBSTITUTE HOUSE BILL 1500

State of Washington 68th Legislature 2023 Regular Session

By House Agriculture and Natural Resources (originally sponsored by Representatives Eslick, Chapman, Jacobsen, Ramel, Leavitt, Walen, Peterson, Couture, Paul, Doglio, and Macri)

READ FIRST TIME 02/07/23.

- 1 AN ACT Relating to increasing the cap on gross sales for cottage
- 2 food operations; amending RCW 69.22.050 and 69.22.030; and adding a
- 3 new section to chapter 69.22 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 69.22.050 and 2015 c 196 s 1 are each amended to 6 read as follows:
 - (1) ((The)) (a) Except as provided in (b) of this subsection, the annual gross sales of cottage food products may not exceed ((twenty-five thousand dollars)) \$50,000. 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.
- 14 (b) Every four years, the department shall review the cap on
- 15 <u>annual gross sales established in (a) of this subsection and increase</u>
- 16 the cap by expedited rule making, in accordance with RCW 34.05.353,
- 17 <u>based on that year's average consumer price index for the Seattle,</u>
- 18 Washington area for urban wage earners and clerical workers, all
- 19 items, compiled by the bureau of labor statistics, United States
- 20 <u>department of labor</u>.

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(2) If gross sales exceed the maximum allowable annual gross sales amount <u>established under subsection</u> (1) of this section, the cottage food operation must either obtain a food processing plant license under chapter 69.07 RCW or cease operations.

- 5 (3) A cottage food operation exceeding the maximum allowable 6 annual gross sales amount <u>established under subsection (1) of this</u> 7 <u>section</u> is not entitled to a full or partial refund of any fees paid 8 under RCW 69.22.030 or 69.22.040.
- 9 (4) The director may request in writing documentation to verify 10 the annual gross sales figure.
- **Sec. 2.** RCW 69.22.030 and 2011 c 281 s 3 are each amended to 12 read as follows:
 - (1) All cottage food operations must be permitted ((annually)) every two years by the department on forms developed by the department. All permits and permit renewals must be made on forms developed by the director and be accompanied by an inspection fee as provided in RCW 69.22.040, a ((seventy-five dollar)) \$75 public health review fee, and a ((thirty dollar)) \$30 processing fee. All fees must be deposited into the food processing inspection account created in RCW 69.07.120.
 - (2) In addition to the provision of any information required by the director on forms developed under subsection (1) of this section and the payment of all fees, an applicant for a permit or a permit renewal as a cottage food operation must also provide documentation that all individuals to be involved in the preparation of cottage ((foods [cottage food products])) food products have secured a food and beverage service worker's permit under chapter 69.06 RCW.
 - (3) All cottage food operations permitted under this section must include a signed document attesting, by opting to become permitted, that the permitted cottage food operation expressly grants to the director the right to enter the domestic residence housing the cottage food operation during normal business hours, or at other reasonable times, for the purposes of inspections under this chapter.
- NEW SECTION. Sec. 3. A new section is added to chapter 69.22 RCW to read as follows:
- The department shall maintain sufficient full-time equivalent staff to ensure timely processing of permits required under this

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- 1 chapter and provide improved service levels to cottage food
- 2 operations.

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