COTTAGE FOOD OPERATION IN FLORIDA: HOW TO IMPROVE ECONOMIC BENEFIT AND FOOD SAFETY AT THE SAME TIME

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OUTLINE

• General background
• Benefits of cottage food operation
• Cottage food laws in the US
• Economic benefits vs Food Safety
BACKGROUND

Increasing small-scale food production in the US
BACKGROUND

“One-size-fits-all” food regulations
COTTAGE FOOD LAW

Definition: Law that allows *small-time producers* to use appliances *at home* to manufacture/process *low-risk* foods for direct sale to consumers

Primary Intent: Help small-time producers/processors to start a food business with minimal regulatory requirement and/or licenses
BENEFITS OF COTTAGE FOOD OPERATION

• Local economy improvement
• Business incubator
• Community benefits – more access to local foods
“A win-win situation – residents looking to launch a startup business will have an easier time setting up shop, and consumers looking for delicious homemade items for their families will have more options”

Pam Byrnes, Michigan State Rep.
48 States + DC have cottage food laws

- NJ Home Bakers’ Bill (A3618/S1768)
- Hawaii Cottage Food Bill (SB379) and temporary food-sale permit

Many states try to loosen their cottage food laws.
COTTAGE FOOD LAWS IN JUL 2016

http://forrager.com/laws/
DIFFERENCES IN CF LAWS

- Type of cottage food allowed
- Limits on where cottage food can be sold
- Required registration, permit and/or license
- Sales limit
- Labeling requirement
- Others (e.g. inspection, annual renewal)
HOW TO IMPROVE COTTAGE FOOD INDUSTRY

- Access to the information
- Broad application
  - Who to sell
  - Where to sell
  - What to sell
- Elimination of sales cap
- Less strict requirement
NATURAL TRENDS

Increasing sales cap

- Michigan increasing sales cap from $15,000 to $20,000 (2012) to $25,000 (2017)
- Washington SB 5603 proposing the sale cap increase from $15,000 to $25,000
Montana’s Revised Cottage Food Law Kicked in Oct. 1

BY CATHY SIEGNER | OCTOBER 6, 2015

After much study and discussion, Montana’s revised cottage food law finally went into effect Oct. 1, 2015. The revision is courtesy of House Bill 478, which passed the 2015 legislative session earlier this year. Among other provisions, it expanded the types of foods legally allowed to be made at home and sold in person at a public or private venue, at farmers markets, or online.

Montanans no longer need access to an industrial kitchen to legally produce and sell so-called “cottage foods” to the public. However, anyone who wants to do more than sell their items at a farmers market must register with their local health department, pay a $40 fee, and fill out an extensive application listing their intended products and processes.

Gayle Shirley, communications manager with the Lewis & Clark Health Department in Helena, told Food Safety News that the county just received its first application on Monday and that the individual had submitted several recipes for items proposed for manufacturing and sale under the state’s newly revised cottage food law.
FLORIDA COTTAGE FOOD LAW

House Bill 7209 enacted in 2011

Florida Statutes Title XXXIII, 500.80 Cottage Food Operations
(http://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&Search_String=&URL=0500-0599/0500/Sections/0500.80.html)

FDACS Food Safety Division
(http://www.freshfromflorida.com/Business-Services/Search-by-Business/Food-Inspections/Cottage-Foods)
FLORIDA COTTAGE FOOD LAW

- No permit required
- Gross sales limit - $15,000 annually
- Packaging and labeling requirements
- Limits sale locations and methods
- FDACS investigates complaints
- Limited to certain foods
FLORIDA COTTAGE FOOD LAW

HB 765 – proposes to delete annual gross sales limitation for cottage food operations

SB 1228 – proposes to increase annual gross sales limitation from $15,000 to $30,000
FOOD SAFETY CONCERNS

- Limited education and training resources
- Lack of inspection
- Confusion over allowed food items
- Incorrect labeling or lack of it
CURRENT PRACTICES

Observation Study

- 25 markets (440 vendors) in North and Central Florida surveyed (10 different counties)
- Location, size, type of products, restroom and hand-washing facility, waste management, animal access etc.
- Cottage food types, taste samples, and labeling requirements
CURRENT PRACTICES

- 14% Used gloves or tools during food handling.
- 19% provided taste samples, 14% of which was pre-cut or pre-portioned. None of which was pre-packaged.
CURRENT PRACTICES

Poor compliance with regulatory requirements

1. Labeling

![Label Example]

**Chocolate Chip Cookie**
Ashley Christopher Bryant
1019 Food Safety Drive
Tallahassee, Florida 32399

Ingredients: Enriched flour (Wheat flour, niacin, reduced iron, thiamine, mononitrate, riboflavin and folic acid), butter (milk, salt), chocolate chips (sugar, chocolate liquor, cocoa butter, butterfat (milk), Soy lecithin as an emulsifier), walnuts, sugar, eggs, salt, artificial vanilla extract, baking soda.

Contains: wheat, eggs, milk, soy, walnuts

**Net Wt. 3 oz**

Source: FDACS: Division of Food Safety Cottage Legislation
CURRENT PRACTICES

Poor compliance with regulatory requirements

1. Labeling
CURRENT PRACTICES

- Poor compliance with regulatory requirements
  1. Labeling
CURRENT PRACTICES

- Poor compliance with regulatory requirements

2. Taste Samples
CURRENT PRACTICES

- Poor compliance with regulatory requirements

3. Types of food, Display and packaging
CONFUSION AROUND FL COTTAGE FOOD LAW

- Different requirements at local level (city, county)
- Definition of “non-potentially hazardous” food
- Tax, licenses
- Lack of training and guides
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PRACTICES IN OTHER STATES

Pennsylvania “Limited Food Processors”
- Home inspection
- Required lab testing for certain products
- Mandatory business planning
- No Pet rule
- Allow more types of food, no sales cap
PRACTICES IN OTHER STATES

Utah “Cottage Food Production Operations”
- Home inspection prior to issuing registration
- Sample testing and saving samples from each batch for 14 days
- Food Handler’s Permit (training required)
- Written sanitation plan
- No pets rule, people without permit not allowed
- Change recipe only after receiving approval
PRACTICES IN OTHER STATES

California two-tier “Cottage Food Law”
- Class A (direct only) and Class B (direct and indirect) with different requirements
- Sales cap of $50,000 in 2015
- Self-certification for Class A; initial inspection and annual permit for Class B
- Required completion of a food processor course approved by CDPH within 3 months and every 3 years thereafter
PRACTICES IN OTHER STATES

Alabama “Cottage Food Law”
- Complete review form for their operation with the local County Health Department
- Maintain certification of having attended and passed a food safety course (3-5 year renewal)
SAFETY GUIDELINES FOR CFOS

- Review the regulatory requirements under the Cottage Food Law
- Check the local regulations (city, county)
- Check the policy of farmers’ markets
SAFETY GUIDELINES FOR CFOS

- Clean your processing area (home kitchen) and vending stalls appropriately
- No pets should be allowed in all time
- All taste samples should be pre-cut and pre-packaged at home (NOT at the market)
- Getting a liability insurance is highly encouraged
- When you are in doubt, discuss with regulating agency
OTHER CONSIDERATIONS

- Get an appropriate food safety training
- Know who to contact for your questions
- Use easily cleanable equipment and utensils
- Write your sanitization plan
- Keep a sample from each batch in case of any later issue
- Safe practice to minimize cross-contamination
SUMMARY

- Nationally, cottage food law has been established for most states
- Many states discuss the possibility of “loosening” and/or “expanding” cottage food laws
- Along with economic benefits, food safety concern should be addressed through appropriate inspection or training programs
- Trainings for cottage food operators on food safety practices and regulatory requirements are in critical need.
TRAINING OPPORTUNITIES

- Farmers Market Manager/Vendor Training (Aug 16, 2016)
- Cottage Food Operator Training (Oct 10, 2016)
- Food Entrepreneurship Workshop – How to Start a Food Business in FL (Apr/May, 2017)
- Other food safety trainings (HACCP, FSMA, ServSafe)
QUESTIONS?

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