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

HB 1685

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

Sponsors: Representatives Eslick, Shewmake, Springer and Bateman.

Brief Summary of Bill

- Increases the cap on annual gross sales for cottage food operations.
- Directs the Department of Agriculture to periodically review, and increase as necessary, the cap on annual gross sales.

Hearing Date: 1/11/22

Staff: Rebecca Lewis (786-7339).

Background:

Any person operating a food processing plant or processing foods for retail sale must obtain a food processing plant license from the Washington State Department of Agriculture (WSDA). License fees are set in statute and based on gross annual sales. Certain establishments licensed under other WSDA programs, including the state cottage food program, are exempt from the food processor plant license requirement.

Under the state cottage food program, a person may produce certain non-hazardous food products in a home kitchen for direct sale to a consumer. In order to operate a cottage food business, a person must obtain a cottage food permit from the WSDA. Examples of products that may be produced under a cottage food permit are baked goods, jams, jellies, fruit butters, and preserves. Annual gross sales for a cottage food business is capped at \$25,000. If the gross

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sales of a cottage food business exceeds \$25,000, the business must either acquire a food processor's license, or cease operations.

Summary of Bill:

The cap on annual gross sales for cottage food products is increased from \$25,000, to \$50,000. The WSDA must review the cap periodically and increase the cap by rule as the WSDA deems necessary to keep up with costs of doing business for cottage food operations.

Appropriation: None.

Fiscal Note: Requested on January 4, 2022.

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