ESSB 5748 - H COMM AMD

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By Committee on Agriculture & Natural Resources

NOT CONSIDERED 04/07/2011

1 Strike everything after the enacting clause and insert the 2 following:

- 3 "NEW SECTION. Sec. 1. The definitions in this section apply 4 throughout this chapter unless the context clearly requires otherwise.
 - (1) "Cottage food operation" means a person who produces cottage food products only in the home kitchen of that person's primary domestic residence in Washington and only for sale directly to the consumer.
- 9 (2) "Cottage food products" means nonpotentially hazardous baked 10 goods; jams, jellies, preserves, and fruit butters as defined in 21 11 C.F.R. Sec. 150 as it existed on the effective date of this section; 12 and other nonpotentially hazardous foods identified by the state board 13 in rule.
 - (3) "Department" means the department of health.
- 15 (4) "Domestic residence" means a single-family dwelling or an area 16 within a rental unit where a single person or family actually resides. 17 Domestic residence does not include:
- 18 (a) A group or communal residential setting within any type of 19 structure; or
 - (b) An outbuilding, shed, barn, or other similar structure.
 - (5) "Home kitchen" means a kitchen primarily intended for use by the residents of a home. It may contain one stove or oven, which may be a double oven, designed for residential use.
 - (6) "Potentially hazardous food" means foods requiring temperature control for safety because they are capable of supporting the rapid growth of pathogenic or toxigenic microorganisms, or the growth and toxin production of Clostridium botulinum.
 - (7) "State board" means the state board of health.
- 29 (8) "Washington state food service code" means food safety rules

- adopted by the state board of health under the authority of chapter 43.20 RCW.
- 3 <u>NEW SECTION.</u> **Sec. 2.** (1)(a) A cottage food operation licensed by 4 the department consistent with section 3 of this act is exempt from:

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- (i) Any prohibitions against the use of a home kitchen under provisions of rules adopted by the department or contained in the Washington state food service code; and
- (ii) Other provisions of the Washington state food service code related to requirements associated with the engineering or physical specifications of a kitchen.
- (b) Cottage food operations are not exempt from provisions under the Washington state food service code relating to basic hygiene, sanitary procedures, food handling, and the activities of the actual people operating in the home kitchen. This includes requirements about the proximity of animals and the storage of toxic and dangerous substances.
- (2) A cottage food operation licensed by the department under section 3 of this act is not subject to:
- (a) Facility permitting by local health jurisdictions under the Washington state food service code; or
 - (b) Inspections by a local health jurisdiction:
- 22 (i) An initial preinspection or renewal inspection as required 23 under section 3 of this act; and
 - (ii) Inspections in response to a foodborne outbreak or other public health emergency.
 - (3) A cottage food operation must package and properly label for sale to the consumer any food it produces, and the food may not be repackaged or used as an ingredient in other foods by a food processing plant or food service establishment.
 - (4) A cottage food operation must place on the label of any food it produces or packages, at a minimum, the following information:
- 32 (a) The name and address of the business of the cottage food 33 operation;
 - (b) The name of the cottage food product;
- 35 (c) The ingredients of the cottage food product, in descending order of predominance by weight;
 - (d) The net weight or net volume of the cottage food product;

1 (e) Allergen labeling as specified by federal labeling 2 requirements;

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- (f) If any nutritional claim is made, appropriate labeling as specified by federal labeling requirements;
- (g) The following statement printed in at least the equivalent of eleven-point font size in a color that provides a clear contrast to the background: "Made in a home kitchen that has not been subject to standard inspection criteria."
- 9 (5) Cottage food products may only be sold directly to the consumer 10 and may not be sold by internet, mail order, or for retail sale outside 11 the state.
- 12 (6) Cottage food products must be stored only in the primary 13 domestic residence.
- NEW SECTION. **Sec. 3.** (1) All cottage food operations must be licensed annually by the department on forms developed by the department. All annual registrations must be accompanied by a thirty dollar registration fee which must be deposited into the public health supplemental account created in RCW 43.70.327.
 - (2) In addition to the provision of any information required by the department on forms developed under subsection (1) of this section and the payment of an annual registration fee, an applicant for a license or a license renewal as a cottage food operation must also provide the following:
 - (a) Evidence that all individuals to be involved in the preparation of cottage foods at the cottage food operation have secured a food and beverage service worker's permit under chapter 69.06 RCW; and
 - (b) A signed letter on appropriate letterhead, dated during the current year, from the health department of the county in which the cottage food operation is to be located as to the fulfillment of the provisions of the Washington state food service code applicable to cottage food operations as provided in section 2 of this act and consistent with the applicable definitions provided in section 1 of this act. The local health department generating the letter may charge a reasonable fee for any necessary inspections and the generation of the letter. It is the sole authority of the inspecting local health department to resolve, for any given inspection, any ambiguity as to the inspection authority of the local health department.

NEW SECTION. Sec. 4. (1) The gross sales of cottage food products may not exceed twelve thousand dollars annually. The determination of the twelve thousand dollar 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.

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- (2) If the department determines that the gross sales of a cottage food operation exceeds twelve thousand dollars in one year, then the license issued under section 3 of this act must be suspended. Upon suspension, the licensee is not entitled to a full or partial refund of the registration fee paid under section 3 of this act.
- 12 (3) The department may request in writing documentation to verify 13 the annual gross sales figure.
- NEW SECTION. Sec. 5. A violation of any of the requirements of this section shall be considered a violation of the Washington state food service code.
- NEW SECTION. Sec. 6. Nothing in this chapter affects the application of any other state or federal laws or any applicable ordinances enacted by any local unit of government.
- 20 **Sec. 7.** RCW 43.20.050 and 2009 c 495 s 1 are each amended to read 21 as follows:
 - (1) The state board of health shall provide a forum for the development of public health policy in Washington state. It is authorized to recommend to the secretary means for obtaining appropriate citizen and professional involvement in all public health policy formulation and other matters related to the powers and duties of the department. It is further empowered to hold hearings and explore ways to improve the health status of the citizenry.
 - (a) At least every five years, the state board shall convene regional forums to gather citizen input on public health issues.
 - (b) Every two years, in coordination with the development of the state biennial budget, the state board shall prepare the state public health report that outlines the health priorities of the ensuing biennium. The report shall:
 - (i) Consider the citizen input gathered at the forums;

- 1 (ii) Be developed with the assistance of local health departments;
- 2 (iii) Be based on the best available information collected and reviewed according to RCW 43.70.050;

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- (iv) Be developed with the input of state health care agencies. At least the following directors of state agencies shall provide timely recommendations to the state board on suggested health priorities for the ensuing biennium: The secretary of social and health services, the health care authority administrator, the insurance commissioner, the superintendent of public instruction, the director of labor and industries, the director of ecology, and the director of agriculture;
- (v) Be used by state health care agency administrators in preparing proposed agency budgets and executive request legislation;
- (vi) Be submitted by the state board to the governor by January 1st of each even-numbered year for adoption by the governor. The governor, no later than March 1st of that year, shall approve, modify, or disapprove the state public health report.
- (c) In fulfilling its responsibilities under this subsection, the state board may create ad hoc committees or other such committees of limited duration as necessary.
- (2) In order to protect public health, the state board of health shall:
- (a) Adopt rules for group A public water systems, as defined in RCW 70.119A.020, necessary to assure safe and reliable public drinking water and to protect the public health. Such rules shall establish requirements regarding:
- (i) The design and construction of public water system facilities, including proper sizing of pipes and storage for the number and type of customers;
- 29 (ii) Drinking water quality standards, monitoring requirements, and 30 laboratory certification requirements;
 - (iii) Public water system management and reporting requirements;
- 32 (iv) Public water system planning and emergency response 33 requirements;
 - (v) Public water system operation and maintenance requirements;
- (vi) Water quality, reliability, and management of existing but inadequate public water systems; and
- (vii) Quality standards for the source or supply, or both source and supply, of water for bottled water plants;

(b) Adopt rules as necessary for group B public water systems, as defined in RCW 70.119A.020. The rules shall, at a minimum, establish requirements regarding the initial design and construction of a public water system. The state board of health rules may waive some or all requirements for group B public water systems with fewer than five connections;

- (c) Adopt rules and standards for prevention, control, and abatement of health hazards and nuisances related to the disposal of wastes, solid and liquid, including but not limited to sewage, garbage, refuse, and other environmental contaminants; adopt standards and procedures governing the design, construction, and operation of sewage, garbage, refuse and other solid waste collection, treatment, and disposal facilities;
- (d) Adopt rules controlling public health related to environmental conditions including but not limited to heating, lighting, ventilation, sanitary facilities, cleanliness and space in all types of public facilities including but not limited to food service establishments, schools, institutions, recreational facilities and transient accommodations and in places of work;
- (e) Adopt rules for the imposition and use of isolation and quarantine;
- (f) Consistent with chapter 69.--- RCW (the new chapter created in section 9 of this act), adopt rules for the prevention and control of infectious and noninfectious diseases, including food and vector borne illness, and rules governing the receipt and conveyance of remains of deceased persons, and such other sanitary matters as admit of and may best be controlled by universal rule; and
- (g) Adopt rules for accessing existing databases for the purposes of performing health related research.
- (3) The state board shall adopt rules for the design, construction, installation, operation, and maintenance of those on-site sewage systems with design flows of less than three thousand five hundred gallons per day.
- (4) The state board may delegate any of its rule-adopting authority to the secretary and rescind such delegated authority.
- (5) All local boards of health, health authorities and officials,
 officers of state institutions, police officers, sheriffs, constables,
 and all other officers and employees of the state, or any county, city,

- or township thereof, shall enforce all rules adopted by the state board of health. In the event of failure or refusal on the part of any member of such boards or any other official or person mentioned in this section to so act, he or she shall be subject to a fine of not less than fifty dollars, upon first conviction, and not less than one hundred dollars upon second conviction.
- 7 (6) The state board may advise the secretary on health policy 8 issues pertaining to the department of health and the state.
- **Sec. 8.** RCW 43.70.327 and 2001 c 80 s 3 are each amended to read 10 as follows:
 - (1) The public health supplemental account is created in the state treasury. All receipts from cottage food operations registration fees collected under section 3 of this act and any gifts, bequests, devises, or funds, whose use is determined to further the purpose of maintaining and improving the health of Washington residents through the public health system, must be deposited into the account. Money in the account may be spent only after appropriation. Expenditures from the account may be used only for maintaining and improving the health of Washington residents through the public health system. Except as deemed necessary by the secretary for the implementation of chapter 69.--- RCW (the new chapter created in section 9 of this act), expenditures from the account shall not be used to pay for or add permanent full-time equivalent staff positions.
 - (2) The department shall file an annual statement of the financial condition, transactions, and affairs of any program funded under this section in a form and manner prescribed by the office of financial management. A copy of the annual statement shall be filed with the speaker of the house of representatives and the president of the senate.
- 30 <u>NEW SECTION.</u> **Sec. 9.** Sections 1 through 6 of this act constitute 31 a new chapter in Title 69 RCW."
- 32 Correct the title.

EFFECT: Shifts administration of the cottage foods program to the

department of health instead of the department of agriculture; raises the maximum amount of gross income a cottage food operator can generate from \$10,000 to \$12,000; requires cottage food operator applicants to provide proof of a food worker's card and a letter from a local health department showing an initial preinspection or annual renewal inspection; specifies that certain provisions of the Washington state food service code still applies to cottage food operators; requires the label of cottage foods to indicate that an inspection was not conducted; makes technical changes.

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