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A BILL
20-168

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend the Department of Health Functions Clarification Act of 2001 to permit cottage food businesses in the District to operate without a license from the Department of Health if the specific laws concerning cottage food businesses are followed, to authorize the Department of Health to define food products to be sold by cottage food businesses, to establish storage and labeling requirements for food products produced by cottage food businesses, to authorize inspections of cottage food businesses if a complaint is received by the Department of Health, and to authorize the Department of Health to issue regulations concerning cottage food businesses.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Cottage Food Amendment Act of 2013”.

Sec. 2. The Department of Health Functions Clarification Act of 2001, effective October 3, 2001 (D.C. Law 14-28; D.C. Official Code § 7-743 *et seq.*), is amended by adding a new part

C.

“Part C. Cottage Food.

“Sec. 4931. Definitions.

“For the purposes of this part, the term:

“(1) “Cottage food business” means a business that:

“(a) Produces or packages cottage food products in a residential kitchen;

“(b) Sells the cottage food products in accordance with section 4932 of this part and

regulations adopted by the Department of Health; and

1 “(c) Has annual revenues from the sale of cottage food products in an amount not
2 exceeding \$25,000.

3 “(d) Has obtained a home occupancy permit from the Department of Consumer and
4 Regulatory Affairs pursuant to 11 DCMR § 203.

5 “(2) “Cottage food product” means a non-potentially hazardous food, as specified
6 in regulations adopted by the Department of Health, that is sold at a farmer's market or public
7 event in accordance with section 4932 of this part and regulations adopted by the Department of
8 Health.

9 “Sec. 4932. Cottage food businesses.

10 “(a) This section shall not:

11 “(1) Apply to a food establishment that is required to have a license under
12 Department of Health (“Department”) regulations; or

13 “(2) Exempt a cottage food business from any applicable District or federal tax
14 laws.

15 “(b) Prior to operation, a cottage food business must register with the Cottage Food
16 Business Registry (“CFBR”) within the Department of Health.

17 (1) The Department must perform an inspection of the cottage food business prior
18 to that business being permitted to sell its cottage food products.

19 (2) Once the Department deems the cottage food business acceptable, the
20 Department will issue a cottage food business identification number to the cottage food business.

1 (3) Registration with the CFBR will give the Department the authority to enter the
2 premises of a cottage food business to investigate complaints pertaining to the sale or preparation
3 of cottage food products.

4 “(d) The owner of a cottage food business may sell only cottage food products that are:

5 “(1) Stored on the premises of the cottage food business; and

6 “(2) Prepackaged with a label that contains the following information:

7 “(A) The cottage food business identification number;

8 “(B) The name of the cottage food product;

9 “(C) The ingredients of the cottage food product in descending order of
10 the amount of each ingredient by weight;

11 “(D) The net weight or net volume of the cottage food product;

12 “(E) Allergen information as specified by federal labeling requirements;

13 “(F) If any nutritional claim is made, nutritional information as specified
14 by federal labeling requirements; and

15 “(G) The following statement printed in 10 point or larger type in a color
16 that provides a clear contrast to the background of the label: “Made by a cottage food business
17 that is not subject to the District of Columbia's food safety regulations.

18 “(d)(1) The Department may investigate any complaint alleging that a cottage food
19 business has violated this section.

1 “(2) On receipt of a complaint, a representative of the Department, at a reasonable
2 time, may enter and inspect the premises of a cottage food business to determine compliance
3 with this section.

4 “(3) The owner of a cottage food business may not:

5 “(A) Refuse to grant access to a representative who requests to enter and
6 inspect the premises of the cottage food business under paragraph (2) of this subsection; or

7 “(B) Interfere with any inspection under paragraph (2) of this subsection.

8 “(4) An investigation of a cottage food business conducted under this subsection
9 may include sampling of a cottage food product to determine if the cottage food product is
10 misbranded or adulterated.

11 “(e) The Mayor is authorized to promulgate rules necessary to implement this part. Any
12 proposed regulations issued pursuant to this part shall be submitted to the Council for a 60-day
13 period of review, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If
14 the Council does not approve or disapprove the proposed regulations, in whole or in part, by
15 resolution within this 60-day review period, the proposed rules shall be deemed approved.”.

16 Sec. 3. Applicability.

17 This act shall apply upon the inclusion of its fiscal effect in an approved budget and
18 financial plan, as certified by the Chief Financial Officer to the Budget Director of the Council in
19 a certification published by the Council in the District of Columbia Register.”

20 Sec. 4. Fiscal impact statement.

21 The Council adopts the fiscal impact statement in the committee report as the fiscal

ENGROSSED ORIGINAL

1 impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act,
2 approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

3 Sec. 5. Effective date.

4 This act shall take effect following approval by the Mayor (or in the event of veto by the
5 Mayor, action by the Council to override the veto), a 30-day period of Congressional
6 review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved
7 December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the
8 District of Columbia Register.