

# I. INTRODUCTION

### **Background**

Assembly Bill 1616, the California Homemade Food Act, was signed into law by Governor Brown on September 21, 2012, and became effective on January 1, 2013. This new law allows certain foods, known as Cottage Foods, to be made in private homes and sold to the public. Individuals who own and run these homebased businesses are known as Cottage Food Operators (CFOs).

This guide provides information to anyone who may want to start a Cottage Food Operation. This guide will provide information on the different types of CFO businesses; how to register and apply for a permit; and general food safety.

# II. SUBMISSION OF REGISTRATION/PERMITTING FORM AND SELF-CERTIFICATION CHECKLIST

You may complete and submit the Registration/Permitting Form on our website at: http://www.publichealth.lacounty.gov/eh/

You may also mail your completed Registration/Permitting Form to:

Los Angeles County Environmental Health
5050 Commerce Drive
Baldwin Park, CA 91706
Attention: Plan Check Program (Class A) or Specialized Food Services (Class B)

To obtain the registration or permit number (Facility ID), please include the following items along with your Registration/Permitting Form:

- Self-Certification Checklist (Class A only).
- A sample copy of the labels for your planned cottage food products.
- If the drinkable water source at your home is from a private well, a laboratory analysis from within the prior three months verifying that the water meets State water quality standards for bacteriological and primary inorganic chemicals.
- Payment of the appropriate fee (Class A and Class B).

**NOTE:** For Class B, a non-refundable payment of \$292 is required prior to the application review. A permit (Facility ID) to operate will only be granted after an initial inspection has been conducted and approval to operate is received. The Permit granted is only valid the first year of issuance and it required to renew annually.

### **Fees**

The fees are as follows:

1) Registration (Class A ONLY) \$118 2) Permit (Class B ONLY) \$292

Payments in the form of checks and money orders are accepted. Please make checks payable to: **County of Los Angeles, Department of Public Health**, and include the name of your cottage food operation in the memo line of your check or money order.

NOTE: There will be a \$33.00 fee for all returned checks.

# III. COMMON TERMINOLOGY

**Class A CFO** is a Cottage Food Operation (CFO) that may only conduct direct sales of cottage food products from the CFO or other direct sales places.

Class B CFO is a CFO that may conduct both direct sales and indirect sales of cottage food products.

**Cottage Food Employee** is a person, paid or volunteer, who is involved in the preparation, packaging, handling, and storage of a cottage food product, or otherwise works for a CFO. An employee does not include an immediate family member or household member of the cottage food operator.

**Cottage Food Operation (CFO)** means a business, which produces cottage food products only in the home kitchen of that person's primary home. A CFO shall not operate as a food facility or wholesale food manufacturer

**Cottage Food Operator** is a person who operates a CFO in his or her private home and is the owner of the CFO.

**Cottage Food Products** means non-potentially hazardous foods that are prepared for sale in the kitchen of a CFO. Foods containing cream, custard, or meat fillings are potentially hazardous and are not allowed in food preparation by a CFO.

**Direct Sales** means a transaction between a CFO and a customer, where the customer buys the cottage food product directly from the CFO. Examples include, but are not limited to, holiday bazaars, temporary events, bake sales, food swaps, certified farmers' markets and community-supported agricultural subscriptions.

*Indirect Sales* means an interaction between a CFO, a third-party retailer, and a consumer; where the consumer buys cottage food products made by the CFO from a third-party retail market or restaurant that holds a valid permit.

**Potentially Hazardous Food** means a food that requires time/temperature control for safety to limit pathogenic microorganism growth or toxin formation. Non-potentially hazardous foods do not require time or temperature control.

Private Home is a dwelling, including an apartment or other leased space, where people live.

**Registered or Permitted Area** means the part of a private home that has the private home's kitchen used for the preparation, packaging, storage or handling of cottage food products and the ingredients or equipment, or both, that are used to make the food items. This also includes any attached rooms within the home that are used **only** for storage.

Vermin means cockroaches, mice, rats, flies and similar pests that carry disease.

**Sanitizing** means the use of chemicals such as bleach to remove harmful bacteria from food contact areas such as countertops, cutting boards, pots, pans and other utensils.

## IV. HOW TO START A COTTAGE FOOD OPERATION

To become a Cottage Food Operator, you must decide what type of cottage food products you want to prepare and sell. Next, you must decide if the type of sales you want to have will be direct sales (Class A) or indirect sales (Class B). Finally, you must contact LA County Department of Public Health, (LA DPH), Environmental Health Division to register as either "Class A" or "Class B".

# V. PERMIT REQUIREMENT

- 1) A "Class A" CFO shall not be open for business unless it is <u>registered</u> with LA DPH, Environmental Health Division and has submitted an approved self-certification checklist.
  - **a.** "Class A" CFOs are subject to inspection based on a customer complaint, a reason to suspect that adulterated or otherwise unsafe food has been made by the CFO, or that the CFO has violated this chapter.
  - **b.** The fee to register is \$118.
- 2) A "Class B" CFO shall not be open for business unless it obtains a <u>permit</u> from LA DPH, Environmental Health Division.
  - **a.** A Permit shall be issued after an initial inspection has been made to determine that the proposed "Class B" CFO and its method of operation are in compliance.
    - "Class B" CFOs are subject to one routine inspection per year.
  - **b.** The fee for a permit is \$292 and is due every fiscal year (July 1<sup>st</sup> June 30<sup>th</sup>).

# VI. ADDITIONAL REQUIREMENTS

- 1) A registration or permit is non-transferable. A registration or permit shall be valid only for the person, location, type of food sales, and distribution activity specified by that registration or permit, and unless suspended or revoked for cause, for the time period indicated.
- 2) A person who prepares or packages cottage food products shall complete a food processor course by the California Department of Public Health (CDPH) within three months of becoming registered.

**NOTE**: For both types of Cottage Food Operations, the Cottage Food Operator must contact their local city/county planning department for approval.

# VII. REQUIREMENTS FOR COTTAGE FOOD OPERATIONS

Cottage Food Operations (CFOs) are single-family style homes or apartment units with a non-commercial kitchen.

### 1. CFO Area:

All equipment, utensils, food, drinks, ingredients, and items used for the CFO must be stored and used within the home. No cottage food functions including storage, preparation, mixing, assembling, packaging, and/or labeling may occur in any location outside the registered/permitted area. Examples of areas that may not be used include, but are not limited to, backyards, sheds, garages, lean-tos, vehicles, out-buildings or any other structure or location that is not inside the living space of the home.

- **a.** Registered or Permitted Area: The CFO operator is required to point out which areas will be considered the "registered/permitted area" when getting their registration/permit from the local enforcement agency.
- **b. Non-CFO Operators:** No infants, small children, or pets are allowed in the registered area during CFO food handling or preparation activities.

### 2. Hand Washing:

A sink must be available for hand washing during food handling or preparation activities. The sink must be supplied with hand soap and warm water. It is recommended that single-use paper towels be provided in a dispenser for drying of hands.

### 3. Water Supply:

An adequate, protected, pressurized potable supply of warm water and cold water shall be available for cottage food operations. Water used during the preparation of cottage food products shall meet the potable drinking water standards described in Section 113869. If the CFO is serviced by a private well, the water shall be tested by an approved laboratory analysis to verify that it meets State water quality standards for bacteriological and primary inorganic chemicals. Approval to operate will be granted after submitting recent (within 3 Months) laboratory results to Environmental Health.

Water used during the preparation of cottage food products includes all the following:

- Washing and sanitizing of equipment used in the preparation of a cottage food product.
- Washing and sanitizing of hands and arms.
- Water used as an ingredient.

**NOTE**: It is <u>recommended</u> that any CFO that has a private water supply contact their local Environmental Health Agency to find out what requirements they will have to meet regarding the water.

#### 4. Food Sources:

All foods or ingredients used in a Cottage Food Operation shall come from an approved source and shall be obtained from sources that comply with all applicable laws. Approved sources include an acceptable producer, manufacturer, distributor, or a permitted food facility.

### 5. Food Storage:

All food shall be manufactured, produced, prepared, compounded, packed, stored, transported, kept for sale, and served to be pure and free from adulteration and spoilage. All food shall be protected from dirt, vermin, unnecessary handling, droplet contamination, overhead leakage, or other environmental sources of contamination. Adequate and suitable space shall be provided for the storage of food and ingredients.

- **a.** It is recommended that all food should be stored at least 6 inches above the floor or under other conditions that are approved by the local enforcement agency. Pressurized containers, cased food in waterproof containers such as bottles or cans, and milk containers in plastic crates may be stored on a floor that is clean and not exposed to moisture.
- **b.** Potentially hazardous foods (such as eggs and milk) used to make non potentially hazardous food items for the cottage food operations are required to be held at 41°F or below.

### 6. Chemicals and Personal Item Storage:

Chemical and personal items should be stored in an area separate from food. It is recommended to use pesticides and other cleaning chemicals that are safe to use in food areas. Follow the manufacturer's product label on how to use the product safely.

#### 7. Food Handlers:

Actions by food handlers in a CFO shall not result in the contamination or adulteration of food, food contact surfaces, or utensils. It is recommended that food handlers keep their fingernails trimmed, filed, and maintained so the edges and surfaces are cleanable.

#### 8. Hand Washing:

All food handlers in a CFO shall thoroughly wash their hands and any exposed areas of the arms before starting work, immediately after using the bathroom, and as needed to prevent contamination of food or food equipment. Hand sanitizers are not acceptable to use in place of hand washing.

### 9. Wounds/Illness and Bandages:

A person with a contagious illness such as tuberculosis or hepatitis A **shall not** work in the cottage food operation. It is recommended that a person with cuts, blisters, or burns cover their hands, wrist and arms with a dry, sturdy bandage and wear a glove before doing any food preparation or packaging.

#### 10. Tobacco Use:

A person preparing or packaging cottage food products shall not smoke in the registered/permitted area of the CFO.

### 11. Washing and sanitizing:

Kitchen equipment, utensils, and food contact surfaces used to produce cottage food products shall be clean and kept in a good repair and shall be washed, rinsed, and sanitized prior to conducting food preparation or packaging.

Recommended sanitizing solution: 100 parts per million (ppm) for bleach (commonly used sanitizer). Other approved chemicals that can be used are: 200 ppm quaternary ammonium or 25 ppm iodine.

To make a 100ppm bleach sanitizer solution use unscented household bleach 1 tablespoon of bleach per 1 gallon of water. For best results the bleach should be used in warm water (100°F - 110°F).

- The use of sponges when cleaning and/or sanitizing food-contact surfaces is not recommended.
- Other sanitizers may be used if they are safe to use on surfaces that come in contact with food.
   See sanitizer products labels.

#### 12. General Sanitation:

No cottage food preparation, packaging, or handling may occur in the home kitchen/permitted area at the same time with any other domestic activities, such as family meal preparation, dishwashing, clothes washing, or guest entertainment. The sinks used for food preparation must be washed and sanitized before use. It is recommended that dirty mop water not be dumped in the kitchen sink.

### 13. Animals:

Animals/pets are not allowed in the registered/permitted areas of the cottage food operation at all times while preparing, packaging, or handling of cottage food products.

#### 14. Vermin:

All food preparation and food storage areas shall be maintained free of vermin.

#### 15. Garbage:

The premises of each cottage food operation shall be kept clean and free of litter, garbage, and vermin.

### 16. Sewer:

A Cottage Food Operation using an onsite wastewater system (i.e.: septic tank) may need to have the system reviewed to ensure it is adequate for their proposed operation.

## VIII. FOOD PRODUCT LABELING

A Cottage Food Operation (CFO) shall properly label all cottage food products in compliance with the Federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 343 et seq.). Additionally, to the extent permitted by federal law, the label shall include, but is not limited to, all the following:

- The words "Made in a Home Kitchen" in 12-point type on the cottage food product's primary display panel.
- **Note:** If labeled as "Repackaged in a Home Kitchen" then a description of any purchased whole ready-toeat products not used as an ingredient must also be included on the label.
- The name commonly used for the food product or an adequately descriptive name.
- The name of the Cottage Food Operation which produced the food product.
- The physical address for Cottage Food Operation (street number, street name, city, state, zip code).
- The registration or permit number of the Class A or Class B CFO, respectively, which produced the cottage food product and, in the case of a Class B CFO, the name of the county of the local enforcement agency that issued the permit number.
- The ingredients of the cottage food product, in descending order of predominance by weight, if the product contains two or more ingredients.
- The net quality (count, weight, or volume) of the food product. It must be stated in both English (pound) units and Metric units (grams).

**NOTE**: If the food label makes any nutrient content health claims, then a Nutrition Facts Panel must be incorporated into the label.

The use of the following eleven (11) terms are considered nutrient content health claims (nutritional value of a food): free, low, reduced, fever, high, less, more, lean, extra lean, good sources, and light.

# IX. FOOD PRODUCT LABELING

# "Class A" Label Requirements

- The words "Made in a Home Kitchen" (Required to be exact wording in the main display panel in 12-point size)
- Common name of food or descriptive name
- Name and address of Cottage Food Operation which produced the cottage food product
- Registration Number of the Cottage Food Operation
- List of product ingredients of the cottage food product, in descending order of predominance of weight, if the product contains two or more ingredients
- A declaration on the label in plain language if the food contains any of the major food allergen allowed to be used as ingredients in Cottage Food Products such as milk, eggs, tree nuts, wheat, peanuts or soybeans.
- The net quantity (count, weight, or volume) of the food products

# "Class B" Label Requirements

- The words "Made in a Home Kitchen" (Required to be exact wording in the main display panel in 12-point size)
- Common name of food or descriptive name
- Name and address of Cottage Food Operation which produced the cottage food product
- Public Health Permit (Facility ID) number of the Cottage Food Operation
- The name of the county of the local enforcement agency that issued the permit number
- Ingredients of the cottage food product, in descending order of predominance of weight, if the product contains two or more ingredients.
- A declaration on the label in plain language if the food contains any of the major food allergen allowed to be used as ingredients in Cottage Food Products such as milk, eggs, tree nuts, wheat, peanuts or soybeans.
- The net quantity (count, weight, or volume) of the food products

All labels of products from Cottage Food Operations (CFO) that are submitted for review must contain the information listed above. Labels missing any of the listed information will not be approved and will need to be corrected and resubmitted for review.

## X. FOOD BUSINESS ADVERTISING

A cottage food product that is served by a food business, such as restaurant, without packaging or labeling, shall be identified to the consumer as homemade on the menu, menu board, or other location that would reasonably inform a consumer of its homemade status. For the purpose of this document, "Homemade" means food made at a CFO.

# XI. LIMITATIONS

- 1) A CFO can have only one cottage food employee equal to full time, not including a family or household members.
- 2) The CFO is limited to the following amount of gross annual sales:
  - In 2014 \$45,000
  - In 2015 and in subsequent years \$50,000
- 3) A cottage food product shall not be potentially hazardous food (food that needs temperature controls to remain safe). CDPH is responsible for maintaining the list of approved cottage food products on their website and may add or delete cottage food products from the list. Any change to the list shall become effective 30 days after it is added or removed from the list. This list can be found here: <a href="http://www.cdph.ca.gov/programs/Pages/fdbCottageFood.aspx">http://www.cdph.ca.gov/programs/Pages/fdbCottageFood.aspx</a>
- 4) A "Class B" CFO may **ONLY** conduct indirect sales throughout the State of California.
- 5) A cottage food operator may accept orders and payment on-line for the cottage food products; however, the cottage food products must be delivered directly in-person or by US mail, UPS, FedEx or using any other third-party delivery service. A cottage food operator may not introduce the cottage food products into interstate commerce.

If you have additional questions or need further assistance, please call the **Homebased Food Operations Program** at **(626) 430-9855** or email <a href="mailto:homebasedfoods@ph.lacounty.gov">homebasedfoods@ph.lacounty.gov</a>.