

1 H.401

2 An act relating to exemptions for food manufacturing establishments

3 It is hereby enacted by the General Assembly of the State of Vermont:

4 Sec. 1. LEGISLATIVE INTENT

5 It is the intent of the General Assembly that:

6 (1) Vermont enhance its food resiliency through increased supply and
7 distribution of locally produced food products;

8 (2) Vermonters have more access to the local food marketplace as both
9 producers and consumers;

10 (3) local food producers are able to meet the demand for Vermont-made
11 food products from visitors to the State;

12 (4) small-scale food producers, new business start-ups, and sole
13 proprietors benefit from raising the limit of the existing licensing exemption
14 for at-home bakery products to adjust for inflationary cost changes occurring
15 since the initial statutory enactment; and

16 (5) supply-chain costs and inflationary considerations be addressed to
17 bring risk management thresholds more in line with the economic conditions at
18 the time of initial statutory enactment.

19 Sec. 2. 18 V.S.A. § 4301 is amended to read:

20 § 4301. DEFINITIONS

21 (a) As used in this chapter:

22 * * *

1 (4) “Cottage food operation” means a food manufacturing establishment
2 where a cottage food product is produced.

3 (5) “Cottage food operator” means any person who produces or
4 packages cottage food products solely in the home kitchen of the person’s
5 private residential dwelling or a kitchen on the person’s personal property.

6 (6) “Cottage food product” means food sold by a cottage food operator
7 that does not require refrigeration or time or temperature control for safety,
8 such as:

9 (A) nonpotentially hazardous baked goods;

10 (B) candy;

11 (C) jams and jellies;

12 (D) dry herbs;

13 (E) trail mix;

14 (F) granola;

15 (G) cereal;

16 (H) mixed nuts;

17 (I) flavored vinegar;

18 (J) popcorn;

19 (K) coffee beans;

20 (L) dry tea;

1 (M) home-canned pickles, vegetables, or fruits having an equilibrium
2 pH value of 4.6 or lower or a water activity value of 0.85 or less that are made
3 using recipes:

4 (i) approved by the National Center for Home Food Preservation;
5 or

6 (ii) reviewed by a food processing authority for safety; and

7 (N) any other good defined by the Commissioner in rule or policy.

8 (7) “Department” means the Department of Health.

9 ~~(5)~~(8) “Establishment” means food manufacturing establishments, food
10 service establishments, lodging establishments, children’s camps, seafood
11 vending facilities, and shellfish reshippers and repackers.

12 ~~(6)~~(9) “Food” means articles of food, drink, confectionery, or condiment
13 for human consumption, whether simple, mixed, or compound, and all
14 substances and ingredients used in the preparation thereof.

15 ~~(7)~~(10) “Food manufacturing establishment” or “food processor” means
16 all buildings, rooms, basements, cellars, lofts, or other premises or part thereof
17 used, occupied, or maintained for the purpose of manufacturing, preparing,
18 packing, canning, bottling, keeping, storing, handling, serving, or distributing
19 food for sale. A food manufacturing establishment ~~shall include~~ includes food
20 processors, bakeries, cottage food operations, distributors, and warehouses. A
21 food manufacturing establishment ~~shall~~ does not include a place where only

1 maple syrup or maple products, as defined in 6 V.S.A. § 481, are prepared for
2 human consumption.

3 ~~(8)~~(11) “Food service establishment” means entities that prepare, serve,
4 and sell food to the public, including restaurants, temporary food vendors,
5 caterers, mobile food units, and limited operations as defined in rule.

6 ~~(9)~~(12) “Lodging establishment” means a place where overnight
7 accommodations are regularly provided to the transient, traveling, or
8 vacationing public, including hotels, motels, inns, and bed and breakfasts.
9 “Lodging establishment” ~~shall~~ does not include short-term rentals.

10 ~~(10)~~(13) “Salvage food” means any food product from which the label
11 on the packaging has been lost or destroyed or that has been subjected to
12 possible damage as the result of an accident, fire, flood, or other cause that
13 prevents the product from meeting the specifications of the manufacturer or the
14 packer but is otherwise suitable for human consumption.

15 ~~(11)~~(14) “Salvage food facility” means any food vendor for which
16 salvage food comprises 50 percent or more of gross sales.

17 ~~(12)~~(15) “Seafood vending facility” means a store, motor vehicle, retail
18 stand, or similar place from which a person sells seafood for human
19 consumption.

20 ~~(13)~~(16) “Shellfish reshipper and repacker” means an establishment
21 engaging in interstate commerce of molluskan shellfish.

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establishment in a safe and sanitary manner.

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Sec. 4. 18 V.S.A. § 4353 is amended to read:

§ 4353. FEES

(a) The Commissioner may establish by rule any requirement the Department needs to determine the applicable categories or exemptions for licenses. The following license fees shall be paid annually to the Department at the time of making the application according to the following schedules:

* * *

(3) Food manufacturing establishment — a fee for any person or persons that process food for resale to restaurants, stores, or individuals according to the following schedule:

(A) Food manufacturing establishments; nonbakeries

I — Gross receipts of \$10,001.00 to \$50,000.00; \$175.00

II — Gross receipts of over \$50,000.00; \$275.00

III — Gross receipts of \$10,000.00 or less are exempt pursuant

to section 4358 of this title

(B) Food manufacturing ~~establishment~~ establishments; bakeries

I — Home bakery; \$100.00

II — Small commercial; \$200.00

III — Large commercial; \$350.00

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1 Sec. 6. RULEMAKING

2 Pending the adoption of permanent rules pursuant to 3 V.S.A. chapter 25 to
3 implement the provisions of this act, the Commissioner of Health shall adopt
4 emergency rules pursuant to 3 V.S.A. § 844, which shall be deemed to meet
5 the emergency rulemaking standard in 3 V.S.A. § 844(a).

6 Sec. 7. EFFECTIVE DATE

7 This act shall take effect on July 1, 2025.