

1 H.401

2 An act relating to exemptions for food manufacturing establishments

3 The Senate proposes to the House to amend the bill by striking out all after
4 the enacting clause and inserting in lieu thereof the following:

5 Sec. 1. LEGISLATIVE INTENT

6 It is the intent of the General Assembly that:

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

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

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

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

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

1 (J) popcorn;

2 (K) coffee beans;

3 (L) dry tea;

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

7 (i) approved by the National Center for Home Food Preservation;

8 or

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

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

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

12 ~~(5)~~(8) “Establishment” means food manufacturing establishments, food
13 service establishments, lodging establishments, children’s camps, seafood
14 vending facilities, and shellfish reshippers and repackers.

15 ~~(6)~~(9) “Food” means articles of food, drink, confectionery, or condiment
16 for human consumption, whether simple, mixed, or compound, and all
17 substances and ingredients used in the preparation thereof.

18 ~~(7)~~(10) “Food manufacturing establishment” or “food processor” means
19 all buildings, rooms, basements, cellars, lofts, or other premises or part thereof
20 used, occupied, or maintained for the purpose of manufacturing, preparing,
21 packing, canning, bottling, keeping, storing, handling, serving, or distributing

1 food for sale. A food manufacturing establishment ~~shall include~~ includes food
2 processors, bakeries, cottage food operations, distributors, and warehouses. A
3 food manufacturing establishment ~~shall~~ does not include a place where only
4 maple syrup or maple products, as defined in 6 V.S.A. § 481, are prepared for
5 human consumption.

6 (~~8~~)(11) “Food service establishment” means entities that prepare, serve,
7 and sell food to the public, including restaurants, temporary food vendors,
8 caterers, mobile food units, and limited operations as defined in rule.

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

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

18 (~~11~~)(14) “Salvage food facility” means any food vendor for which
19 salvage food comprises 50 percent or more of gross sales.

6 ~~(14)~~(17) “Short-term rental” means a furnished house, condominium, or
7 other dwelling room or self-contained dwelling unit rented to the transient,
8 traveling, or vacationing public for a period of fewer than 30 consecutive days
9 and for more than 14 days per calendar year.

(a) The Commissioner shall adopt rules pursuant to 3 V.S.A. chapter 25 to establish minimum standards for the safe and sanitary operation of food or lodging establishments or children's camps or any combination thereof and for their administration and enforcement. The rules shall require that an establishment be constructed, maintained, and operated with strict regard for the health of the employees and the public pursuant to the following general requirements:

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4 (8) The Commissioner may adopt any other minimum conditions
5 deemed necessary for the operation and maintenance of a food or lodging
6 establishment in a safe and sanitary manner.

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

9 § 4353. FEES

14 * * *

(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:

18 (A) Food manufacturing establishments; nonbakeries

| | | |
|----|---------------------------------------------------|----------|
| 19 | I — Gross receipts of \$10,001.00 to \$50,000.00; | \$175.00 |
|----|---------------------------------------------------|----------|

| | | |
|----|------------------------------------------|----------|
| 20 | II — Gross receipts of over \$50,000.00; | \$275.00 |
|----|------------------------------------------|----------|

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

1 to section 4358 of this title

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

3 I — Home bakery; \$100.00

4 II — Small commercial; \$200.00

5 III — Large commercial; \$350.00

6 (C) Food manufacturing establishments; cottage food operations —

7 Gross receipts of \$30,000.00 or less from the sale of cottage food products are
8 exempt pursuant to section 4358 of this title.

9 * * *

10 Sec. 5. 18 V.S.A. § 4358 is amended to read:

11 § 4358. EXEMPTIONS

12 * * *

13 (b) The ~~provisions of obligation to obtain a license and the associated~~
14 licensure fees in this subchapter shall not apply to an individual manufacturing
15 and selling bakery products from his or her own home kitchen whose a cottage
16 food operation or other food manufacturing establishment that is exempt due to
17 its average gross retail sales do not exceed \$125.00 per week being below the
18 listed thresholds in section 4353 of this title.

19 (c) ~~Any~~ Annually, a food manufacturing establishment claiming a licensing
20 exemption pursuant to this title shall provide documentation submit to the
21 Department a licensing exemption filing as required by rule. The licensing

1 exemption filing shall require the food manufacturing establishment to attest to
2 the completion of any training required by rule pursuant to section 4303 of this
3 title.

4 * * *

5 Sec. 6. RULEMAKING

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

10 Sec. 7. EFFECTIVE DATE

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