May 1, 2025 In-person testimony before the Vermont Senate Committee on Health and Welfare

Re: H.401 - Cottage Food Industry Legislation

Good morning, Chair Lyons and members of the committee. Thank you for considering my testimony. For the record, my name is Allan Reetz, and I work as Director of Public & Government Affairs at Hanover Co-op Food Stores. Across our three retail locations (White River Junction, VT, Lebanon and Hanover, NH), we purchase \$19 million in local food each year from within a 100-mile radius—65% of that from Vermont producers.

We support of H.401 as passed by the House and are happy to see the revisions in draft 3.1. At our Co-op, we've watched many local favorites get their start in home kitchens—earning trust at farmers markets, growing gradually, and eventually landing on retail shelves. It's a well-worn path for successful food entrepreneurs in stores like ours, Hunger Mountain Food Co-op, and up the road at Adamant Food Co-op. At food co-ops and independent retailers around the state, we depend on local goods to satisfy customers and member-owners.

That's why the sales threshold matters. It creates the breathing room small producers need to test, grow, and refine their offerings before taking on licensing costs. Raising the threshold to \$30,000 allows producers to stay focused on quality and community connection.

Of course, in our trade, food safety is always paramount. But without data pointing to safety issues among Vermont's small producers of pickled and fermented foods, the creation of a special category seems more likely to stall growth than to prevent harm.

Please don't single them out because of the assumption that once they reach \$10,000 in sales, they're suddenly too busy or too risky, or the presumption that spatial limitations will impact a business with certainty. Yes, more sales bring more complexity—but they also bring more experience, and focus. Let's not impede growth before it can take root.

Fermented vegetables, preserved farm goods, sauces—these aren't just products. They're income streams that can keep a farm afloat, make local food more accessible, and help rural economies thrive.

Without supportive thresholds, we risk losing those early-stage producers who may never make it past the start-up phase. Let's give them a fair shot to succeed—just like others in H.401.

Please move the bill forward as passed by the House. Thank you.

Respectfully submitted,

Allan Reetz

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