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Cottage Food Exemption FAQ

Q1. What are "Potentially Hazardous Foods" (PHF) or "Time/Temperature Controlled for Safety Foods" (TCS Foods) that don't qualify for the Cottage food Exemption?

PHF or TCS foods require temperature control (e.g., refrigeration) to prevent the rapid and progressive growth of infectious or toxic microorganisms. Examples include:

- Baked goods that require refrigeration after production, such as cream pies, cheese cakes;
- Pastries containing cream, custard, meringue, or cream cheese icings or fillings;
- Focaccia style breads containing vegetables or cheese;
- Candied fresh fruit products, including caramel and candy apples, and chocolate covered strawberries;
- Baked goods containing fresh, frozen, or dried meat, or fish or shellfish products (e.g., potpies or pastries with those ingredients).

Q2. Can I make and sell gluten-free baked goods under the Cottage Food Exemption?

Yes, if the products qualify as baked goods that are not time/temperature controlled for safety foods. However, you must follow the FDA guidelines for labeling of gluten-free foods.

Q3. Can I produce marijuana edibles under the Cottage Food Exemption?

No. The Cottage Food Exemption explicitly states that foods produced under this exemption can not contain marijuana or marijuana items (cannabinoid products, cannabinoid concentrates, and cannabinoid extracts).

Q4. Does the menu expansion include meat items?

No. Meat and Meat containing products are not included within the Cottage Food Exemption.

Q5. Does the menu expansion include freeze-dried products, such as freeze-dried ice cream, freeze-dried fruit, freeze-dried back packing meals etc.?

The freeze-drying process is only allowed for confectionary items, not for any other products. However, a cottage food operator is allowed to repackage freeze-dried foods, including freeze-dried ice cream, freeze-dried fruit, and freeze-dried back packing meals if they are purchased from a commercial source.

Q6. Can I bottle brewed tea under the Cottage Food Exemption?

No. Only dried tea from a commercial source is allowed under the Cottage Food Exemption.

Q7. Is tea made with hemp leaves allowed under the Cottage Food Exemption?

No.

Q8. Are pet treats included under the Cottage Food Exemption?

No. The Cottage Food Exemption only applies to food for human consumption. However, pet treats don't require a license unless they contain meat.

Q9. Can I make flavored honey under Cottage Food Exemption?

Yes, if the flavoring ingredients are commercial foods (OAR 603-025-0010(2)).

Q10. Is there a limit for beehive numbers for making honey under Cottage Food Exemption?

There is no beehive limit within this rule other than the limit of \$50,000 annual gross sales. The limits from other rules are still applicable.

Q12. Can I buy fruit for making jams and jellies under the Cottage Food Exemption?

Yes. Purchased fruits may be used in the manufacture of cottage foods. The natural pH of the fruit must be less than 4.60 as required in 603-025-0320(1)(c)(F).

Q13. Do I have to follow a standardized recipe for fruit butters, jams, and jellies?

No. There is not requirement that the manufacturer uses a recipe from a specific source. However, there is a standard of identity for the term fruit butters, jams, and jellies (21 CFR Part 150 - Fruit Butter, Jellies, Preserves and Related Products), which would need to be met.

Q14. Can I use flour produced under the Farm Direct Bill in my cottage food products?

Yes, if the flour is produced in accordance with the rules of the Farm Direct Bill, and the flour and cottage food products are under the same ownership.

Q15. Is there a limit on how much I can sell as a cottage food establishment?

Yes, you are limited to \$50,000 in annual gross sales. You must maintain sales records and calculation of annual gross sales ensuring that sales do not exceed the limit. If your gross annual sales exceed that limit, and you still want to operate from your home kitchen, you must be licensed and inspected by ODA as a Domestic Kitchen Bakery or Food Processor.

Q16. How do I maintain sale records for sales associated with an event?

For sales from an event, such as a farmers' market, instead of maintaining the name and address information of every person who purchased the products, the cottage food operator can maintain the records for the location of the event, contact information of the event organizer, and date, food, price, and quantity sold.

Q17. Do I need to apply or register with ODA to qualify for the Cottage Food Exemption?

If you meet the qualifications for the Cottage food Exemption, you do not have to fill out an application form or register with ODA. You do, however, still have to follow sanitation rules which are listed in the Oregon Administrative Rules (<u>OAR 603-025-0320</u>).

ODA maintains authority to inspect and require a food establishment license if there are food safety concerns associated with an exempt home kitchen. ODA inspections will be in response to the need to protect public health, for example a consumer complaint.

Q18. Are any certifications needed to operate under the Cottage Food Exemption?

Yes. Each person involved in preparation of cottage foods prepared under this exemption must successfully complete a food handler training program. See more information on how to find an approved program in your county.

Q19. Where can I sell my cottage food products?

Foods prepared under the Cottage food Exemption may be sold by the producer directly to the consumer at the producer's home, farmers markets, farm stands, roadside stands, online, and similar venues. You may also sell your cottage food products to some commercial entities for wholesale distribution if you meet the requirements described in 603-025-0320(4). Cottage foods may NOT be sold to an institution including, but not limited to, a restaurant, caterer, school, day care center, hospital, nursing home, or correctional facility. See OAR 603-025-0320 for more details.

Q20. Can I sell my cottage food products over the Internet?

Yes.

Q21. Can a licensed food facility, such as a licensed domestic kitchen use cottage food as an ingredient for their product?

No. Cottage foods maynot be used as an ingredient by another processor. Cottage Foods must be labeled and identified as detailed in OAR 603-025-0325 to enter commerce.

Q22. Can I have pets at home and operate under the Cottage Food Exemption?

Yes, pets are allowed in the residential dwelling. However, a pet cannot be present in the kitchen during times of cottage food preparation. Also, a cottage food label must declare that pets are present in the residential dwelling and include the species using the species common name. Examples include, but are not limited to cat, dog, or rabbit.

Q23. Does a phone number have to be listed on cottage food label?

Yes, please see ORS 616.723(6)(b)(A).

Q24. How can I meet the labeling requirements if I don't (or can't) package my cottage foods?

The distribution of unpackaged cottage foods may be possible if the sale is to the end user by the individual that made the food. There are more details in the next paragraph. You may not sell unpackaged cottage foods to a retail store for further distribution.

For cottage foods sold directly to the end user that are not easily packaged (for example, a wedding cake), you must inform the end user in writing that the product is homemade and not prepared in an inspected food establishment. You will need to include all labeling requirements on a receipt or similar document that is delivered to the consumer with the product.

When you are selling products to the end consumer as single items — for example, one cookie or muffin at a farmers market stand — there must be a placard at the location that states, "This product is homemade and is not prepared in an inspected food establishment." You must have all required label information available upon consumer request.

Q25. What are the federal allergen labeling requirements?

The federal Food Allergen Labeling and Consumer Protection Act of 2004 (FALCPA) requires that foods containing any of the nine major food allergens are clearly labeled. The nine major allergens are:

- Milk (any protein from milk, butter, cream, dry milk, whey, or casein)
- Eggs (e.g., whites, yolks, albumen, or powdered eggs)
- Soy (e.g., soybeans, soy lecithin, soy protein, or soy flour)
- Wheat (includes spelt, semolina, kamut, and triticale)
- Fish (e.g., salmon, tuna, eel, bass, flounder, or cod)
- Crustacean shellfish (e.g., crab, lobster, or shrimp)
- Peanuts (e.g., peanut butter or peanut meal)
- Tree nuts (e.g., pecans, walnuts, hazelnuts, cashews, coconut, or pine nuts)
- Sesame (e.g. sesame seeds, tahini, or benne seed)

Q26. Do I have to include my home address on my product label, or can I use a post office box number?

A P.O. Box may not be used as the address on a food product label. Your label must include one of these three options regarding the address of the food establishment:

- The full street address, city, state, and zip code.
- The city, state, and zip code if the name and address of the food establishment are listed in a city directory.

• The Unique Identification number provided by the Department as detailed in OAR 603-025-0335.

Q27. How do I request a Unique Identification Number if I don't want to list address on the label?

You can request the Unique Identification Number through the application link: <u>Unique Identification Number</u> <u>Registration Application</u>.

Q28. If a licensed domestic kitchen or cottage food producer uses a Unique Identifier Number in lieu of their address, would it meet federal labeling requirement?

No. The Unique Identification Number does not meet the federal label requirements of providing address information. If you are selling products into interstate commerce you should be aware of the labeling requirements of the destination jurisdiction.

Q29. Can cottage food made in Oregon be sold across state lines?

We do not have jurisdictional authority in other states to make that determination. Please reach out to the state(s) where you are going to sell your cottage food for any laws or rules that may apply.

Q30. What oversight does ODA have over my cottage food business?

ODA has jurisdiction over all foods of agricultural origin within Oregon. The ODA may require an exempt business to become licensed and inspected if:

- The home operator refuses to comply with ODA rules that the food establishment be constructed and maintained in a clean, healthful, and sanitary condition.
- The home operator is operated outside of the Cottage Food Exemption's parameters.
- The food made by a home operator is directly linked to a foodborne illness outbreak.

Q31. Will I need to meet local zoning or other laws?

Yes. The Cottage Food Exemption only exempts you from the requirements of licensing and routine inspection by ODA. Contact your local unit of government to determine if there are local regulations that will affect your business.

Q32. Can I sell a food product made under the Farm Direct exemption under the Cottage Food exemption?

Maybe. The food product must meet the requirements of the Cottage Food exemption. For example, the Farm Direct exemption can allow the sale of pickles, but the Cottage Food exemption does not allow the sale of pickles because a cucumber has a natural pH above 4.60. Similarly, a pepper jelly product would not be allowed under the Cottage Food exemption because of the pepper's natural pH.

A fruit jam or jelly made under Farm Direct may be sold under the Cottage Food exemption, including at retail stores, if the cottage food exemptions requirements are met. This includes the labeling, records, separate storage, and placarding requirements as applicable.

It is also important to note that the dollar limits of the two exemptions are separate. You may sell up to the dollar limits of both exemptions. In 2024, this means you can sell up to \$50,000 of Cottage Foods and up to \$50,000 of Processed Farm Direct foods in the calendar year.

Q33. If I do not qualify under the Cottage Food Exemption and want to become a licensed food processor, how do I go about getting a license?

Anyone who would like to sell food made in their home kitchen that does not meet the Cottage Food Exemptions must obtain and meet the requirements for a domestic kitchen bakery or food processing license. See more information by visiting ODA's <u>domestic kitchen licensing website</u>.