

1.1 ..... moves to amend H.F. No. 910, the first engrossment, as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. **[28A.152] COTTAGE FOODS EXEMPTION.**

1.4 Subdivision 1. **Licensing provisions applicability.** (a) The licensing provisions of  
1.5 sections 28A.01 to 28A.16 do not apply to the following:

1.6 (1) an individual who prepares and sells food that is not potentially hazardous food,  
1.7 as defined in Minnesota Rules, part 4626.0020, subpart 62, if the following requirements  
1.8 are met:

1.9 (i) the prepared food offered for sale under this clause is labeled to accurately reflect  
1.10 the name and address of the person preparing and selling the food, the date on which the  
1.11 food was prepared, and the ingredients and any possible allergens; and

1.12 (ii) the individual displays at the point of sale a clearly legible sign or placard stating:  
1.13 "These products are homemade and not subject to state inspection"; and

1.14 (2) an individual who prepares and sells home-processed and home-canned food  
1.15 products if the following requirements are met:

1.16 (i) the products are pickles, vegetables, or fruits having an equilibrium pH value of  
1.17 4.6 or lower;

1.18 (ii) the products are home-processed and home-canned in Minnesota;

1.19 (iii) the individual displays at the point of sale a clearly legible sign or placard  
1.20 stating: "These canned goods are homemade and not subject to state inspection"; and

1.21 (iv) each container of the product sold or offered for sale under this clause is  
1.22 accurately labeled to provide the name and address of the person who processed and  
1.23 canned the goods, the date on which the goods were processed and canned, and ingredients  
1.24 and any possible allergens.

1.25 (b) An individual who qualifies for an exemption under paragraph (a), clause (2), is  
1.26 also exempt from the provisions of sections 31.31 and 31.392.

2.1 Subd. 2. **Direct sales to consumers.** (a) An individual qualifying for an exemption  
 2.2 under subdivision 1 may sell the exempt food:

2.3 (1) directly to the ultimate consumer;

2.4 (2) at a community event or farmers' market; or

2.5 (3) directly from the individual's home to the consumer, to the extent allowed by  
 2.6 local ordinance.

2.7 (b) If an exempt food product will be delivered to the ultimate consumer upon sale  
 2.8 of the food product, the individual who prepared the food product must be the person who  
 2.9 delivers the food product to the ultimate consumer.

2.10 (c) Food products exempt under subdivision 1, paragraph (a), clause (2), may not be  
 2.11 sold outside of Minnesota.

2.12 (d) Food products exempt under subdivision 1 may be sold over the Internet but  
 2.13 must be delivered directly to the ultimate consumer by the individual who prepared the  
 2.14 food product. The statement "These products are homemade and not subject to state  
 2.15 inspection" must be displayed on the Web site that offers the exempt foods for purchase.

2.16 Subd. 3. **Limitation on sales.** An individual selling exempt foods under this section  
 2.17 is limited to total sales with gross receipts of \$18,000 or less in a calendar year.

2.18 Subd. 4. **Registration.** An individual who prepares and sells exempt food under  
 2.19 subdivision 1 must register annually with the commissioner. The annual registration  
 2.20 fee is \$50.

2.21 Subd. 5. **Training.** An individual who prepares and sells exempt food under  
 2.22 subdivision 1 must complete a safe food handling training course that is approved by the  
 2.23 commissioner. The training shall not exceed eight hours and must be completed every  
 2.24 three years while the individual is registered under subdivision 4.

2.25 Subd. 6. **Local ordinances.** This section does not preempt the application of any  
 2.26 business licensing requirement or sanitation, public health, or zoning ordinance of a  
 2.27 political subdivision.

2.28 Subd. 7. **Account established.** A cottage foods account is created as a separate  
 2.29 account in the special revenue fund in the state treasury for depositing money received  
 2.30 by the commissioner under this section. Money in the account, including interest, is  
 2.31 appropriated to the commissioner for costs under this section.

2.32 Sec. 2. **REPEALER.**

2.33 Minnesota Statutes 2014, section 28A.15, subdivisions 9 and 10, are repealed."

2.34 Delete the title and insert:

2.35 "A bill for an act

- 3.1 relating to agriculture; modifying license exclusions for the direct sale of certain  
3.2 prepared food; establishing fees; appropriating money; proposing coding for new  
3.3 law in Minnesota Statutes, chapter 28A; repealing Minnesota Statutes 2014,  
3.4 section 28A.15, subdivisions 9, 10."