NEIL ABERCROMBIE GOVERNOR OF HAWAII



GARY L. GILL ACTING DIRECTOR OF HEALTH

STATE OF HAWAII DEPARTMENT OF HEALTH P.O. Box 3378 HONOLULU, HAWAII 96801-3378

In reply, please refer to: File:

Committee on Economic Development & Business

HB 2153, RELATING TO COTTAGE FOOD BUSINESSES

Testimony of Gary L. Gill Acting Director of Health

January 31, 2014 9:00am

1 **Department's Position:** The department opposes this bill because it already has necessary

2 permitting and enforcement authority and procedures.

Fiscal Implications: Passage of this measure would require the promulgation of new administrative
rules.

Purpose and Justification: The department opposes this bill as it is unnecessary. Current Hawaii
Administrative Rules (HAR) Title 11, Chapter 12, which governs food safety already allows for nonpotentially hazardous foods (Non-PHF) to be produced in a home kitchen and sold directly only to
consumers.

9 The department currently protects public health by requiring most of the measures being 10 introduced by this bill, such as the completion of an application. The application process allows the 11 department to conduct an assessment of the foods being manufactured and sold and determine its safety 12 and whether or not it meets the definition of being non-potentially hazardous.

The restriction that allows the "cottage foods" to only be sold for a maximum of 20 days of sale in any 120 day window at a specific location also reduces the public health risk of foodborne illness or the consumption of possibly adulterated foods by reducing the volume that can be sold. It is a generally held principle in food safety that adverse risk increases with increased volume of food distributed.

17 The department already has the necessary enforcement powers under current law to order 18 operators to cease and desist the sale of implicated foods associated with a foodborne illness Promoting Lifelong Health & Wellness investigation or suspected adulteration. The department may also seize or embargo the food products as
 it deems necessary to protect the health and safety of consumers.

The department is currently approving the following types of foods that originate from home kitchens: cookies, breads, jams, jellies, candies, chocolates, whole uncut fruits and produce, cotton candy, dry herbs, nuts, rubs, spices, re-packing of arare and other non-hazardous snackes, etc.

At present, the department reviews and approves an average of 106 non-potentially hazardous temporary food establishment (TFE) permits a month (cottage food businesses) and another 418 potentially hazardous food (PHF) TFE permits monthly. The department's food safety program generates over \$125,000 annually from these TFE permits that we currently charge \$25 for 20 days of sale. Potentially hazardous TFE are required to prepare all foods in a DOH permitted kitchen. No PHF foods are allowed to be produced for sale in a home kitchen.

12 Contrary to what is stated in the bill, Hawaii has had an active cottage food industry for decades 13 and has been successfully regulated by the department under HAR Title 11, Chapter 12.

The department has recently proposed sweeping new administrative rules that govern food safety and have recently completed the public hearings process and is awaiting final Governor's approval. Even though the proposed HAR is a complete paradigm shift on how the department regulates the food service industry, it will not change the regulatory landscape with regards to the cottage food inductry as proposed by this measure.

19 Thank you for the opportunity to testify.



STANLEY CHANG Councilmember – District IV Phone: (808) 768-5004 Fax: (808) 768-5000 ccldistrict4@honolulu.gov www.honolulu.gov/council/d4

CITY AND COUNTY OF HONOLULU 530 SOUTH KING STREET, ROOM 202 HONOLULU, HAWAII 96813-3065 TELEPHONE: (808) 768-5010 • FAX: (808) 768-5011

January 29, 2014 TESTIMONY OF STANLEY CHANG CONCILMEMBER FOR THE CITY AND COUNTY OF HONOLULU On H.B. No. 2153, RELATING TO COTTAGE FOOD BUSINESSES Committee on Economic Development & Business Friday, January 31, 2014 9:00 a.m. Conference Room 312

Dear Chair Tsuji and Committee Members:

Thank you for allowing me the opportunity to submit testimony in support of H.B. 2153 Relating to Cottage Food Businesses in my capacity as Councilmember of the City and County of Honolulu.

H.B. 2153 provides an exemption from Department of Health regulations to certain cottage food products sold directly to consumers under certain conditions and requires the Department of Health to adopt rules no later than December 31, 2014.

Cottage Food Businesses could increase small business ownership and activity. The increased business activity that would result from this bill would aid in Hawaii's economic recovery.

For these reasons, I respectfully ask for your favorable passage of H.B. 2153 Relating to Cottage Food Businesses and thank the Committee for allowing me to provide testimony.

Sincerely,

sty C

Stanley Chang Councilmember, District IV

Chris Mikesell 275 N. Vineyard Blvd. Apt 202 Honolulu, HI 96817

Jan. 28, 2014

Testimony RE: HB 2153 - RELATING TO COTTAGE FOOD BUSINESSES

Dear Legislators:

I'm writing today in support of the spirit of House Bill 2153 allowing for the establishment of "cottage," or home-based, food production businesses, but would like to recommend a substantive change I believe the bill needs in order to balance the creation of this new type of business model with adequate protections for food safety.

I believe the most important piece of education for a food manufacturer not yet required by this bill would be a food safety certification class based on the principles of Hazard Analysis and Critical Control Points (HACCP) food safety protocols. In its current state, the bill would require cottage food manufacturers to complete an online food safety course sanctioned by the Hawaii State Department of Health, but it would not mandate that home food manufacturers take a course that would educate them specifically on how to apply food safety knowledge to their manufacturing process in a way that would minimize risk to the consumer, which is what HACCP principles were designed for.

My recommendation to the committee would be to include specific language in subsection (c) of HB 2153 that would require any food safety course sanctioned by the Hawaii DOH for the purposes of this bill to include education on how to apply the principles of HACCP to home food product manufacturing.

Thank you for your time and attention to this matter.

Sincerely,

Chris Mikesell

ward2-Robin

From:	mailinglist@capitol.hawaii.gov	
Sent:	Tuesday, January 28, 2014 10:55 PM	
То:	edbtestimony	
Cc:	laddybugz@hotmail.com	
Subject:	Submitted testimony for HB2153 on Jan 31, 2014 09:00AM	

HB2153

Submitted on: 1/28/2014 Testimony for EDB on Jan 31, 2014 09:00AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing	
Carrie Heckerman	Individual	Support	No	

Comments: Hello my name is Carrie Heckerman and though we currently do not reside in Hawaii it is our home of record and where we pay state taxes. I am a stay at home mom, I have been one all my childrens' lives. How I help my family is my home cake business. I have been in business here in Okinawa, Japan for 3 years now. I am able to schedule my work hours around my family. And help with our financial needs with out leaving my home. I do not want a big business, and have to spend all my time manning a store front. It is now time for us to head back home to Hawaii and I am afraid the the 3 years I have spent building my business will all be lost. Please pass this bill and support those small business owners. Thank you.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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ward2-Robin

From:	mailinglist@capitol.hawaii.gov
Sent:	Thursday, January 30, 2014 3:07 PM
To:	edbtestimony
Cc:	sviciousj@yahoo.com
Subject:	Submitted testimony for HB2153 on Jan 31, 2014 09:00AM
Attachments:	Testimony HB 2153.pdf
Follow Up Flag:	Follow up
Flag Status:	Flagged

<u>HB2153</u>

Submitted on: 1/30/2014 Testimony for EDB on Jan 31, 2014 09:00AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Sydney Morrow	Individual	Support	Yes

Comments:

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When I am in the commercial kitchen, I attempt to make myself as small is possible. The prices for kitchen rentals being far out of my reach as a PhD student at UH Manoa, I have an arrangement where I use the facility at a local health food store during business hours, and things are certainly not going to slow down on my account. Thankfully, I make small batches of local jellies and jams, which don't require a lot of space or a lot of time compared to most of the activities taking place all around me. I use two burners on the enormous, 10-eye gas range, and all of materials I need take up a 1x3 foot rectangle, leaving ample room for the industrial kitchen appliances lining the counter-space. They let me use the kitchen because I use so little of it, I bring all of my own materials with me, and they see what I'm doing as aligned with their own goals to provide fresh, local food to people in Hawaii.

The kitchen in my house, clean, tranquil, and unused whenever I'm not there (man roommates), is where I create new flavors, my favorite part this hobby I've picked up to cut the stress of my studies. I'm the only person in there, which allows me to concentrate fully on what I'm doing and also streamlines my process, not having to wait in line to wash a pot or a spoon. Also, my relatively small production is perfectly suited to the size of a residential kitchen space, which moreover is infinitely more convenient and up to my personal hygiene standards.

I've been making jam since June, 2013, and only for the love of jam. The money I've made has all gone back into the business, allowing for me to buy the best ingredients and concoct island-unique flavors, but it is certainly not enough to pay myself anything resembling a working wage. Right now it's still something I do with my spare time, but that doesn't mean that I don't take it very seriously, as far as safety is concerned. I follow procedures from the USDA guidelines for home canning, and monitor the ph of all of my products.

There are many people who have the same drive as I do to create delicious, local fare for their neighbors and the folks who visit this beautiful place. However, they're faced with a staggering cost if they choose to do it lawfully. Passing this measure would benefit both those who wish to be held accountable for their contributions, and the consumer who would receive a bounty of new, unique options made locally to share with family and friends. We have so many amazing culinary resources unique to Hawaii available to talented people whose dreams perhaps do not include having their own restaurant or production facility, but who enjoy making a batch of granola, gathering honey from their amateur apiary, and making incredible local fruit jams.



From:	mailinglist@capitol.hawaii.gov
Sent:	Friday, January 31, 2014 6:25 AM
To:	edbtestimony
Cc:	hillarywashburn@gmail.com
Subject:	Submitted testimony for HB2153 on Jan 31, 2014 09:00AM

<u>HB2153</u>

Submitted on: 1/31/2014 Testimony for EDB on Jan 31, 2014 09:00AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing	
Hillary Washburn	Individual	Support	No	

Comments: I am testifying in support of this bill's passage. In order to create more economic opportunity for citizens of Hawaii, we should have fair cottage laws enabling small home- producers of non hazardous foods to generate a livelihood. The cost of commercial kitchens makes this not possible for many people. Thank you.

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