A BILL FOR AN ACT

RELATING TO VALUE-ADDED PRODUCTION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1	SECTION 1. The legislature finds that local food
2	production is integral to the State's economic development and
3	food security. The legislature recognizes that what the
4	department of health calls "homemade food" is what most states
5	define as "cottage food". Cottage food, or homemade food that
6	is sold directly to consumers, is a small but growing industry,
7	and is preferred among many consumers who are mindful of
8	responsible sourcing and healthy eating options and those who
9	want to support the local communities and individuals producing
10	the foods they consume.
11	The legislature further finds that there is great interest
12	in small-scale homemade food operations in the State, but the
13	existing regulatory framework creates several challenges for
14	entrepreneurs, including those in rural areas who do not have
15	access to commercial or certified kitchens or those who no
16	longer have access to commercial or certified kitchens. In
17	fact, Hawai'i is one of only a few remaining states that does not

- 1 provide certain exemptions from its department of health for
- 2 homemade food products. The legislature further recognizes that
- 3 expanding access to local homemade food products should require
- 4 the same food safety training and certification as that required
- 5 of other food establishments in the State.
- 6 The legislature further believes that permitting homemade
- 7 food operations in the State would grow small businesses; foster
- 8 innovation and economic growth; offer locally made alternatives
- 9 to imported brands; create local employment opportunities; keep
- 10 more money within the local economy; and increase tax revenues
- 11 to support the growing needs of the State, including ongoing
- 12 wildfire relief efforts. Notably, the legislature also believes
- 13 that implementing exemptions for small-scale homemade food
- 14 operations will provide a valuable opportunity for local
- 15 entrepreneurs to bring their homemade food products to market
- 16 and can serve as an essential lifeline for producers impacted by
- 17 the recent Maui wildfires.
- 18 Accordingly, the purpose of this Act is to establish the
- 19 Access to Local Value-Added Products Act and allow homemade food
- 20 operations to sell homemade food products, under certain
- 21 conditions.

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2 amended by adding a new part to be appropriately designated and to read as follows: 3 . ACCESS TO LOCAL VALUE-ADDED PRODUCTS ACT: HOMEMADE 4 5 FOOD OPERATIONS 6 §328-A Definitions. For purposes of this part, the 7 following definitions shall apply: "Delivered" means to be transferred from a homemade food 8 9 operator to a consumer, either immediately upon sale or at a 10 time thereafter. "Farm kitchen" means a kitchen that is designed for private 11 12 use, is located in a building on a farm and not in a private 13 home, and complies with all applicable building and zoning laws. 14 "Home kitchen" means a kitchen designed and intended for 15 use by the residents of a private home. A home kitchen may contain one or more stoves, ovens, and other pieces of equipment 16

designed for residential use as allowed by county building

ordinances. A home kitchen may also contain one or more pieces

of equipment designed for commercial use if allowed by county

SECTION 2. Chapter 328, Hawaii Revised Statutes, is

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building ordinances.

- 1 "Homemade food operation" means an enterprise that is
- 2 operated by a homemade food operator and produces homemade food
- 3 products only in the home kitchen of the homemade food
- 4 operator's private home or in a farm kitchen pursuant to this
- 5 part.
- 6 "Homemade food operator" means a person who operates a
- 7 homemade food operation in the person's private home kitchen or
- 8 farm kitchen and who is the owner of the homemade food
- 9 operation.
- "Homemade food product" means a food prepared for sale in
- 11 the private home kitchen or farm kitchen of a homemade food
- 12 operation.
- "Potentially hazardous homemade food product" means a food
- 14 that requires time or temperature control for safety to limit
- 15 pathogenic microorganism growth or toxin formation.
- 16 "Prepared" means a homemade food product that has been
- 17 acidified, baked, cooked, cut, dehydrated, dried, fermented,
- 18 grown, mixed, pickled, preserved, raised, or otherwise
- 19 processed.
- 20 "Private home" means a dwelling, including an apartment or
- 21 other leased space where individuals reside, that complies with

- 1 all applicable county ordinances if used in the production of
- 2 homemade food products.
- 3 "Seller" means a person or entity, other than a homemade
- 4 food operator, who sells a non-potentially hazardous homemade
- 5 food product to a consumer.
- 6 §328-B Requirements for homemade food operations; rules.
- 7 (a) A homemade food operation shall be required to obtain a
- 8 permit from the department pursuant to section 328-C.
- 9 (b) A homemade food operation shall submit proof of a
- 10 valid food handlers education certificate, issued by the
- 11 department or other food handler training certificate program
- 12 accredited by the American National Standards Institute, for
- 13 each homemade food operator.
- 14 (c) A homemade food operation that sells products that are
- 15 prepared by using the preservation methods of:
- 16 (1) Freeze drying;
- 17 (2) Jelly, jam, preserve, and conserve making;
- 18 (3) Acidifying and pasteurizing low-acid products;
- 19 (4) Pasteurized pickling;
- 20 (5) Pasteurized fermenting; or
- 21 (6) Dehydrating;

- shall submit proof of a valid certificate from Hawaii MasterFood Preservers, Inc. or a comparable department-approved
- 3 certificate for each homemade food operator in addition to the
- 4 requirements of subsection (b).
- 5 (d) In lieu of a valid certificate from Hawaii Master Food
- 6 Preservers, Inc. or comparable department-approved certificate,
- 7 a homemade food operation that sells products using the
- 8 preservation methods under subsection (c) shall submit a food
- 9 sample of the product to be sold to consumers to a department-
- 10 approved laboratory or food testing facility to have the food
- 11 tested and the recipe approved for appropriate pH and water
- 12 values for food safety. A homemade food operation that sells a
- 13 product made through the use of preservation methods that does
- 14 not have proof of a valid certificate from Hawaii Master Food
- 15 Preservers, Inc. or a comparable department-approved certificate
- 16 shall:
- 17 (1) Only sell products made from recipes that have been
- 18 approved by:
- 19 (A) The department pursuant to this subsection;
- 20 (B) Organizations and institutions such as the
- 21 National Center for Home Food Preservation;

1	Hawaii Master Food Preservers, Inc.; or	
2	universities with participating master food	
3	preservers; or	
4	(C) Additional organizations and institutions	
5	approved by the department that approve recipes	3
6	for appropriate pH and water values for food	
7	safety; and	
8	(2) Maintain proof that the recipe for the product being	J
9	sold comes from an approved source.	
10	(e) A homemade food product that is prepared by using the	ıe
11	preservation methods in subsection (c) shall be classified as	a
12	non-potentially hazardous homemade food product by the	
13	department; provided that the requirements of subsections (c)	or
14	(d) are met.	
15	(f) The department shall post the requirements for	
16	homemade food operations pursuant to this part on its website.	,
17	(g) The department may adopt rules on food safety	
18	training, food testing, and permitting pursuant to chapter 91	to
9	carry out the purposes of this part.	
20	§328-C Homemade food operations; requirements; permit;	
21	fee. (a) Each homemade food operation shall:	

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2		(A) The names of each of its homemade food operators;
3		and
4		(B) Its hours of operations;
5	(2)	Submit proof of applicable certificates pursuant to
6		section 328-B; and
7	(3)	Agree to allow the department to enter and inspect at
8		the hours specified under paragraph (1)(B) its home
9		kitchen to conduct an inspection pursuant to section
10		382-F.
11	(b)	An application fee in the amount of \$25 shall be
12	collected	by the department with each permit application under
13	this sect	ion.

(1) Specify in its permit application:

- (c) A homemade food operation shall not engage in business unless the homemade food operation has registered with the department and been issued a permit pursuant to this section.
- 17 (d) The department shall issue a permit to a homemade food
 18 operation that meets the requirements of this section.
- (e) The homemade food permit shall authorize the homemade
 food operation to engage in direct and remote sale of their
 homemade food products at multiple locations, including by

- 1 telephone or the Internet, subject to the conditions provided in
- 2 section 328-E.
- 3 (f) The homemade food permit shall be valid for one year
- 4 after the date of issuance and shall authorize the homemade food
- 5 operator to sell homemade food products for a three hundred
- 6 sixty-five-day period; provided that, if the homemade food
- 7 operator's permit remains valid and unencumbered within the
- 8 first year of issuance, subsequently renewed permits shall
- 9 remain valid for two years.
- 10 (g) Any food permit issued to a homemade food operation
- 11 prior to July 1, 2024, shall remain in full force and effect
- 12 until the department issues the homemade food operation a new
- 13 permit pursuant to this section.
- 14 §328-D Homemade food products; labeling requirements. (a)
- 15 Any homemade food product produced by a homemade food operation
- 16 shall be labeled as a homemade food product. The label shall be
- 17 displayed in a conspicuous place pursuant to subsection (b), and
- 18 shall contain, in clearly displayed and legible type, the
- 19 following:
- 20 (1) The words "Made in a Home or Farm Kitchen not
- 21 routinely inspected by the Department of Health";

1	(2)	Common name of the product or other descriptive name;		
2	(3)	Allergen identification information as specified under		
3		section 403 of the Federal Food, Drug, and Cosmetic		
4		Act, title 21 United States Code section 343;		
5	(4)	Ingredients listed in descending order of		
6		predominance; and		
7	(5)	Name and contact information of the homemade food		
8		product operator.		
9	The seller of any homemade food product shall have the			
10	information required by this section readily available upon			
11	request by a consumer.			
12	(b)	The information required by subsection (a) shall be		
13	provided:			
14	(1)	On a label affixed to the package if the homemade food		
15		product is packaged;		
16	(2)	On a label affixed to the container if the homemade		
17		food product is offered for sale from a bulk		
18		container;		
19	(3)	On a placard displayed at the point of sale if the		
20		homemade food product is neither packaged nor offered		
21		for sale from a bulk container; or		

1	(4)	On a	webpage on which the homemade food product is
2		offe	red for sale if the homemade food product is
3		offe	red for sale on the Internet.
4	§328	-Е Н	omemade food products; exemption; conditions of
5	sale and	deliv	ery; allowances. (a) The production and sale of
6	homemade	food	products regulated under this part shall be exempt
7	from all	other	licensing, permitting, inspection, packaging, and
8	labeling	laws	administered by the department; provided that the
9	condition	s of	subsection (b) and all labeling requirements of
10	section 3	28-D	are satisfied.
11	(b)	Non-	potentially hazardous homemade food products
12	shall:		
13	(1)	Be s	old by:
14		(A)	The homemade food operator for direct sale to the
15			consumer, whether in person or remotely,
16			including by telephone or the Internet; or
17		(B)	An agent of the homemade food operator or a
18			third-party vendor, such as a retail shop or
19			grocery store, to the consumer; and
20	(2)	Be d	elivered to the consumer by:
21		(A)	The homemade food operator;

1	(B) An agent of the homemade food operator or a
2	third-party vendor, such as a retail shop or
3	grocery store;
4	(C) Mail; or
5	(D) Shipping.
6	For the purposes of this subsection, "direct sale" means a
7	transaction between a homemade food operator and a consumer,
8	whereby the consumer purchases the homemade food product
9	directly from the homemade food operation and not from a third
10	party. The term includes but is not limited to transactions at
11	holiday bazaars, bake sales, food swaps, or other temporary
12	events; transactions at farm stands and farmers' markets; or
13	transactions occurring in person at the site of the homemade
14	food operation.
15	(c) A homemade food operator may sell a potentially
16	hazardous homemade food product to a consumer either in-person
17	or remotely, including by telephone or the Internet; provided
18	that only the homemade food operator shall deliver the
19	potentially hazardous homemade food product to the consumer.

1	(d) Home	emade food operations shall be allowed to the
2	maximum extent	permitted by federal law. The following food
3	shall be allow	red:
4	(1) Poul	try, poultry byproducts, or poultry food products;
5	prov	rided that:
6	(A)	The poultry had been raised by the homemade food
7		operator pursuant to the exemption under title 9
8		Code of Federal Regulations section 381.10(c); or
9	(B)	The poultry is from an inspected source, such as
10		a retail store or similar-retail-type
11		establishment exempted under title 9 Code of
12		Federal Regulations section 381.10(d); and
13	(2) Seaf	food.
14	§328-F H	comemade food operations; investigation. Nothing
15	in this part s	hall be construed to limit the department in any
16	investigation	of a reported foodborne illness.
17	§328-G F	comemade food operations; consultation. Nothing in
18	this part shal	l preclude an agency from providing assistance,
19	consultation,	or inspection at the request of a homemade food
20	operator or ho	memade food operation.

1	3328	-h homemade rood operations; construction. This part
2	shall not	be construed to:
3	(1)	Preclude the production or sale of food products
4		otherwise permitted by law;
5	(2)	Preclude the sale of live animals or portions of live
6		animals before slaughter for future delivery;
7	(3)	Change the regulation of other goods and services
8		where homemade food products are also prepared,
9		produced, or sold;
10	(4)	Exempt producers or sellers of homemade food products
11		from any applicable tax laws;
12	(5)	Exempt producers or sellers of homemade food products
13		from any applicable fishing or hunting laws;
14	(6)	Exempt homemade food operations, homemade food
15		operators, sellers, or homemade food products from any
16		applicable federal law, including any federal law
17		prohibiting the sale of certain food products in
18		interstate commerce; or
19	(7)	Exempt homemade food operators or sellers of homemade
20		food products or homemade food products from any
21		applicable law of another state.

- 1 §328-I Limitation of liability. The State and counties
- 2 shall not be liable for claims associated with homemade food
- 3 products distributed, delivered, or sold by homemade food
- 4 operations, homemade food operators, or sellers, except for
- 5 instances of gross negligence and intentional misconduct by the
- 6 State or counties.
- 7 §328-J Preemption. This part shall preempt county and
- 8 other political jurisdictions or administrative rules
- 9 prohibiting and regulating the production and sale of homemade
- 10 food products unless authorized by this part."
- 11 SECTION 3. This Act does not affect rights and duties that
- 12 matured, penalties that were incurred, and proceedings that were
- 13 begun before its effective date.
- 14 SECTION 4. In codifying the new sections added by
- 15 section 2 of this Act, the revisor of statutes shall substitute
- 16 appropriate section numbers for the letters used in designating
- 17 the new sections in this Act.
- 18 SECTION 5. This Act shall take effect on July 1, 2024.

Report Title:

DOH; Economic Development; Access to Local Value-Added Products Act; Homemade Food Operations; Permit; Rules

Description:

Establishes the Access to Local Value-Added Products Act to allow homemade food operations to sell homemade food products, under certain conditions, upon registering with and receiving a permit from the Department of Health. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.