

MINUTES  
**HOUSE HEALTH & WELFARE COMMITTEE**

**DATE:** Wednesday, March 04, 2015

**TIME:** 9:00 A.M.

**PLACE:** Room EW20

**MEMBERS:** Chairman Wood, Vice Chairman Packer, Representatives Hixon, Perry, Romrell, Vander Woude, Beyeler, Redman, Troy, Rusche, Chew

**ABSENT/  
EXCUSED:** None

**GUESTS:** Wayne Hoffman, IFF; Rehana Mhammad, MacKenzie Cabot, and Racheal Castaneda, Students; Patrick Guzzle, Health & Welfare; Chris Hahn and Kathryn Turner, IDHW; Elizabeth Criner, NWFPA; Doug Paddock, Shana Tremaine, and Julia Page, IORC; Alana Steffensen, Husseiny Mohamud, and Jennifer Aumeier, Idaho Citizens; Angela Steffensen, ID Tropical Fruit Co.; Jane Wittmeyer, Darigold; Eileen Stachowski, IFMAS; Julia Page, IORC.

**Chairman Wood** called the meeting to order at 9:01 a.m.

**H 187:** **Rep. Clark Kauffman**, District 25, Representing the Cottage Food Industry, presented **H 187**. This legislation assures statewide consistent regulation for cottage food industry direct retail sales, with online requirements for business registration, a food safety exam, a course permit, and label registration for traceability. The Department of Health & Welfare (DHW) and Health Districts are not required to make inspections. They also retain their ability to remove foods linked to foodborne diseases or illnesses and require a valid food handlers permit. This bill does not restrict vendors.

Definitions include cottage food, home kitchen operation, and food establishment. Specification is made regarding venues, sales paths, and labels. An annual sales cap of \$30,000 further sets parameters to remain a cottage food operation. There is no stipulation made to monitor or regulate the sales cap. Responding to a question, **Rep. Kauffman**, said business permits and sales taxes are covered in other statutes and by the vendors.

**MOTION:** **Rep. Hixon** made a motion to send **H 187** to the floor with a **DO PASS** recommendation.

**Patrick Guzzle**, Food Protection Program Manager, DHW, Division of Public Health, Member, National Conference for Food Protection, President, Idaho Environmental Health Association, testified **in opposition** to **H 187** due to the DHW fiscal impact burden. The Idaho Food Safety Rules exempt food establishments offering prepackaged nonhazardous foods, such as cottage foods. The Idaho Food Code mandates registration, rules, and fees that the cottage foods businesses have not been subject to because of the unnecessary burden to them. **H 187** will force increased staffing for the Food Protection Program.

Responding to questions, **Mr. Guzzle** said Public Health Districts are separate and autonomous agencies reporting to their own Board of Health. All seven Public Health Districts allow direct sales and distributions without inspections or any regulation requirements, including a commercial kitchen. This legislation is a mandate to develop a subprogram within the Department to track sales dollars and other requirements, necessitating additional enforcement staff.

**Chairman Wood** turned the gavel over to **Vice Chairman Packer**.

**Mr. Guzzle**, answering further questions, stated the DHW regulatory authority is delegated to the Public Health Districts for enforcement. To maintain consistency, the seven different registration systems would have to be centralized. The current food code has been expanded to allow for the foods produced by this industry, which are not potentially hazardous. The Department would support legislation codifying their existing practice.

**Wayne Hoffman**, President, Idaho Freedom Foundation, testified **in opposition** to **H 187**. The regulation does not allow any expansion into retail stores or restaurants. There is no stipulation about the length of registration. Registration records, open for public scrutiny, would contain personal residential information.

**Elizabeth Criner**, on behalf of the Northwest Food Processors Association, testified **in support** of **H 187**. They support the industry, but are concerned with the lack of de minimus food safety provisions. Food allergens account for the majority of recalls. Not every cottage home cook knows how to address food allergens. Insuring labels reference allergens is very significant for consumers.

Answering questions, **Ms. Criner** said other states have higher regulatory levels. The online registration and permit requirements would not demand additional regulatory oversight. The Federal Food Safety Modernization Act gives main implementation authority to the Department of Agriculture, which may be a better avenue for this legislation.

**Josie Erskine**, Farmer, Peaceful Belly Farm, testified **in support** of **H 187**. She explained her online, direct, and farmers market sales. Ms. Erskine said each district has a different set of rules that vary from total exclusion to total inclusion of home kitchen use and sales. There needs to be changes to encourage this industry.

**Shana Tremaine**, Idaho Citizen, testified **in support** of **H 187**. As a baker, she would like to work out of her home, but the Central District Health Department (CDHD) has told her this is not legal. She now has to pay to use a commercial kitchen, impacting her income, productivity, and impeding liability insurance. The cottage foods industry provides an income opportunity for single mothers living at or below the poverty level. Better regulation would allow them to survive on their own, without state assistance.

**Angela Steffenson**, Tropical Fruit Company, and on behalf of **Kathleen Kevitt**, testified **in support** of **H 187**. She said there needs to be a legal and protected legitimacy for the cottage food industry.

For the record, no one else indicated their desire to testify.

**Rep. Rusche**, **Rep. Beyeler**, and **Rep. Redman** commented that a simple exemption or streamlined bill might be a better route without the DHW impact.

In closing comments, **Rep. Kauffman** said an exemption for this industry would neither codify nor improve safety. Use of the online registration, online food safety exam, and online label does not need DHW enforcement or regulation beyond their current efforts. Businesses with incomes beyond the cap are commercial kitchens. The testimony demonstrates the different health district practices and the need for consistency.

**Vice Chairman Packer**, **Rep. Hixon**, **Rep. Chew**, and **Rep. Beyeler**, commented **in support** of **H 187**. The Cottage Food Industry is requesting regulation to support uniformity and improve their businesses. Negotiated rulemaking will address many of the issues.

**ROLL CALL  
VOTE:**

**Rep. Rusche** requested a roll call vote on **H 187**. Motion carried by a vote of **7 AYE, 1 NAY, and 3 ABSENT/EXCUSED**. Voting in favor of the motion: **Reps. Packer, Hixon, Romrell, Beyeler, Troy, Rusche, Chew**. Voting in opposition to the motion: **Rep. Redman**. **Chairman Wood, Rep. Perry, and Rep. Vander Woude** were Absent/Excused.

**ADJOURN:**

There being no further business to come before the committee, the meeting was adjourned at 10:21 a.m.

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Representative Packer  
Chair

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Irene Moore  
Secretary