

S.F. No. 391 – Amending cottage foods exemption

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<u>S.F. 391</u> modifies Minnesota Statutes section <u>28A.152</u>, the exemption for certain cottage foods producers who are not required to get a license.

Section 1 (28A.152, subdivision 1) deletes "individual" and inserts "person" throughout the licensing provisions applicability subdivision. This change acknowledges that some cottage foods producers operate as a partnership or company and are not only one individual. The definition of "person" in Minnesota Statutes section <u>645.44</u>, <u>subdivision 7</u>, would apply.

Section 2 (28A.152, subdivision 2) changes "individual" to "person" in the subdivision relating to direct sales to consumers. The section also eliminates the requirement that cottage food producers deliver food products directly to consumers and would allow food products to be delivered through the mail or a commercial delivery service.

Section 3 (28A.152, subdivision 3) changes "individual" to "person" in the subdivision relating to limitation on sales and raises the sales cap to qualify for license exemption from \$78,000 to \$85,000.

Section 4 (28A.152, subdivision 4) changes "individual" to "person" in the subdivision relating to registration. The section raises the sales cap that excuses producers from paying the \$50 annual registration fee from \$5,000 to \$8,500 and deletes redundant language.

Section 5 (28A.152) adds a new subdivision 8 to the statute section that would require the commissioner to report to the legislature on the sales cap amounts in subdivisions 3 and 4, and how the amounts would change if adjusted for inflation.

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