MISSISSIPPI LEGISLATURE

By: Representatives Eure, Eubanks, McLean To: Agriculture

HOUSE BILL NO. 326

AN ACT TO AMEND SECTION 75-29-951, MISSISSIPPI CODE OF 1972, 1 2 TO INCREASE THE MAXIMUM ANNUAL GROSS SALES FOR A COTTAGE FOOD 3 OPERATION FROM TWENTY THOUSAND DOLLARS TO THIRTY-FIVE THOUSAND 4 DOLLARS TO BE EXEMPT FROM FOOD ESTABLISHMENT PERMIT FEES; TO 5 AUTHORIZE A COTTAGE FOOD OPERATION TO ADVERTISE COTTAGE FOOD 6 PRODUCTS OVER THE INTERNET, INCLUDING THROUGH SOCIAL MEDIA; AND 7 FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 8 9 SECTION 1. Section 75-29-951, Mississippi Code of 1972, is

10 amended as follows:

11 75-29-951. (1) (a) A cottage food operation must comply with the applicable requirements of this section but is exempt 12 13 from the permitting requirements of Section 41-3-18 if the cottage 14 food operation complies with this section and has annual gross sales of cottage food products that do not exceed * * * 15

16 Thirty-five Thousand Dollars (\$35,000.00).

17 (b) For purposes of this subsection, a cottage food 18 operation's annual gross sales include all sales of cottage food products at any location, regardless of the types of products sold 19 20 or the number of persons involved in the operation. A cottage

H. B. No. 326	~ OFFICIAL ~	G1/2
20/HR31/R181		
PAGE 1 (MCL\JAB)		

food operation must provide the department, upon request, with written documentation to verify the operation's annual gross sales.

(2) A cottage food operation may not sell * * * cottage food
products over the Internet, by mail order, or at wholesale or to a
retail establishment; however, this does not prohibit the

27 <u>advertising of cottage food products over the Internet, including</u>
28 <u>through social media</u>. Cottage food products are nonpotentially
29 hazardous food products as defined by the department.

30 (3) A cottage food operation may only sell cottage food 31 products which are prepackaged with a label affixed that contains 32 the following information:

33 (a) The name and address of the cottage food 34 operation * * *;

35

(b)

36 (c) The ingredients of the cottage food product, in 37 descending order of predominance by weight * * *;

The name of the cottage food product * * *;

38 (d) The net weight or net volume of the cottage food 39 product * * *;

40 (e) Allergen information as specified by federal
41 labeling requirements * * *;

42 (f) * * * Appropriate nutritional information as 43 specified by federal labeling requirements, if any nutritional 44 claim is made * * *; and

H. B. No. 326	~ OFFICIAL ~
20/HR31/R181	
PAGE 2 (MCL JAB)	

(g) The following statement printed in at least ten-point type in a color that provides a clear contrast to the background of the label: "Made in a cottage food operation that is not subject to Mississippi's food safety regulations."

49 (4) This section does not exempt a cottage food operation
50 from any federal tax law, rule, regulation, or certificate that
51 applies to all cottage food operations.

52 (5) (a) The department may investigate any complaint *** * *** 53 <u>that</u> alleges that a cottage food operation has violated an 54 applicable provision of this section or rule adopted under this 55 section.

(b) Only upon receipt of a complaint, the department's authorized officer or employee may enter and inspect the premises of a cottage food operation to determine compliance with this section and department rules. A cottage food operation's refusal to permit the department's authorized officer or employee entry to the premises or to conduct the inspection is grounds for disciplinary action pursuant to Section 41-3-59.

63 (6) This section does not apply to a person operating under
64 a food permit issued pursuant to Section 41-3-18.

65 SECTION 2. This act shall take effect and be in force from 66 and after July 1, 2020.

H. B. No. 326 20/HR31/R181 PAGE 3 (MCL\JAB) H. B. No. 326 ST: Cottage food operation; increase maximum annual gross sales to \$35,000.00 and authorize to advertise over the Internet.