86R2429 KKR-D

By:  Kolkhorst S.B. No. 572

A BILL TO BE ENTITLED

AN ACT

relating to foods produced by a cottage food production operation and a cottage food industry study.

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

SECTION 1.  Section 437.001(2-b), Health and Safety Code, is amended to read as follows:

(2-b)  "Cottage food production operation" means an individual, operating out of the individual's home, who:

(A)  produces at the individual's home, subject to Section 437.0196:

(i)  a baked good that is not a potentially hazardous food, as defined by Section 437.0196;

(ii)  candy;

(iii)  coated and uncoated nuts;

(iv)  unroasted nut butters;

(v)  fruit butters;

(vi)  a canned jam or jelly;

(vii)  a fruit pie;

(viii)  dehydrated fruit or vegetables, including dried beans;

(ix)  popcorn and popcorn snacks;

(x)  cereal, including granola;

(xi)  dry mix;

(xii)  vinegar;

(xiii)  pickled vegetables, including pickled beets and carrots [~~pickles~~];

(xiv)  mustard;

(xv)  roasted coffee or dry tea; [~~or~~]

(xvi)  a dried herb or dried herb mix; or

(xvii)  subject to Section 437.01951:

(a)  fermented products; or

(b)  canned goods that are acidified or low acid;

(B)  has an annual gross income of $50,000 or less from the sale of food described by Paragraph (A);

(C)  sells the foods produced under Paragraph (A) only directly to consumers at the individual's home, a farmers' market, a farm stand, or a municipal, county, or nonprofit fair, festival, or event; and

(D)  delivers products to the consumer at the point of sale or another location designated by the consumer.

SECTION 2.  Chapter 437, Health and Safety Code, is amended by adding Sections 437.01951 and 437.01952 to read as follows:

Sec. 437.01951.  APPROVAL REQUIRED FOR CERTAIN COTTAGE FOOD PRODUCTS. (a) A cottage food production operation producing a fermented product or a canned good that is acidified or low acid shall, before making the product or good available for sale:

(1)  submit to the department the recipe and a description of the process used to produce the product or good; and

(2)  obtain department approval to sell the product or good.

(b)  A recipe submitted to the department under this section is a trade secret for purposes of Section 552.110, Government Code, and is exempt from disclosure under Chapter 552, Government Code.

Sec. 437.01952.  STUDY ON COMPETITIVENESS OF STATE'S COTTAGE FOOD INDUSTRY. (a) The department, using existing resources, shall study the competitiveness of this state's cottage food industry. The study must:

(1)  compare this state's cottage food industry laws to the industry-related laws enacted by each state of the United States; and

(2)  determine:

(A)  the specific areas in which this state's cottage food industry laws are more or less restrictive than other states' laws; and

(B)  the effect of this state's laws on the competitiveness of this state's cottage food industry.

(b)  Not later than December 1, 2020, the department shall submit to the legislature a report that includes the findings of the study conducted under this section and the department's recommendations for increasing the competitiveness of this state's cottage food industry.

(c)  This section expires September 1, 2021.

SECTION 3.  Not later than January 1, 2020, the executive commissioner of the Health and Human Services Commission shall adopt rules to implement Section 437.01951, Health and Safety Code, as added by this Act.

SECTION 4.  This Act takes effect September 1, 2019.