



Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Robert R. Neall, Secretary

March 17, 2020

The Honorable Delores G. Kelley, Chair
Senate Finance Committee
3 East, Miller Senate Office Building
Annapolis, MD 21401-1991

**RE: HB 1017 – “Public Health - Cottage Food Product Labels - Identification Number”
– Letter of Information - Revised**

Dear Chair Kelley and Committee Members:

The Maryland Department of Health (Department) respectfully submits this letter of information for House Bill 1017 (HB 1017) – Public Health - Cottage Food Product Labels - Identification Number. This bill requires the Department, upon request, to provide a unique identification number to a cottage food business. HB 1017 changes the labeling requirements for cottage food products to allow a cottage food business to choose between printing the name and address of the cottage food business, or printing the name, phone number, and a *unique identification number issued by the Department*.

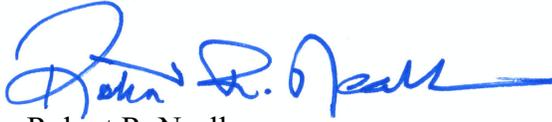
The Department currently does not license most cottage food businesses in Maryland. Since cottage food businesses sell directly to consumers within the state without direct regulation, we require these products to have a label that displays pertinent public health information in the event the Department would need to track down the source of a food safety complaint.

In order to implement the unique numbering system in this bill, the Department would have to develop and maintain a centralized database of cottage food business names, physical addresses, and contact information. It would also require the Department to allocate staff to create an enforcement plan, answer inquiries, provide guidance to local health departments, review applications, all of which would cost roughly \$180,000 over five years.

Maryland’s current regulatory scheme for cottage foods is a relatively light burden compared to our immediate neighbors. In both Pennsylvania and Virginia, cottage food businesses are required to include the name and address on the label. A P.O. Box, telephone number, email address, website address or other cannot be used to substitute the address. In addition, both states also license and inspect cottage food businesses.

I hope this information is useful. If you would like to discuss this further, please contact Director of Governmental Affairs Webster Ye at (410) 260-3190 or webster.ye@maryland.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert R. Neall", with a long horizontal flourish extending to the right.

Robert R. Neall
Secretary