

Support

**Health and Government Operations Committee**  
***House Bill 178 (Chang) Public Health – Cottage Food Businesses – Annual Revenues***

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On behalf of the cottage food businesses across the State of Maryland, I thank you for the opportunity to offer written support on *House Bill 178 (Chang) Public Health – Cottage Food Businesses – Annual Revenues*. This bill will increase the annual sales revenue limit from \$25,000 to \$50,000 and by doing so will additionally increase local food security while allowing cottage food bakers to grow their businesses in a meaningful way.

This past winter in Annapolis at the Anne Arundel County Farmers Market, despite the nearly single digit temperatures, residents flooded the stalls in search of food. While regional grocery stores featured empty shelves and apology signs, cottage food bakers and Maryland producers were hard at work filling the gaps, offering essentials to the community.

As we move further into the pandemic, the shop local movement is continuing to grow. In times like the last few weeks, cottage food vendors have been the most reliable access to food for many residents. Shopping at the town or county farmers market is no longer something limited to your yoga instructor or wellness enthusiast friend. Instead, for many, markets are an introduction and access point to the local food network that they were previously unaware of. A local network that is heavily comprised of farmers and cottage food businesses.

The current structure of Maryland's cottage food business is ideal in many ways. Food items that are produced by cottage food businesses must adhere to strict guidelines that only allow the production of non-hazardous goods and provides additional guidance on how and where items may be sold. However, the annual sales cap of \$25,000 is incredibly uncondusive for small business growth and truly even small business viability. It is not in line with Maryland's small business positive actions in recent years and months, and is not something many other small businesses in our local communities seem to be affected by. While many of us would love to employ others, what type of living wage would we be able to offer to an employee? What type of living wage can we pay ourselves while also trying to save for a commercial kitchen or storefront?

By raising the annual sales cap to be comparable with the 37 other states who have higher caps or have removed them, we can make a major impact on small cottage businesses. Ultimately,

these increased sales will allow us to grow our businesses, employ others, stimulate the local economy and continue to feed our local communities. For these reasons, we ask that you support *House Bill 178 (Chang) Public Health – Cottage Food Businesses – Annual Revenues* and the positive effects that it will have on local businesses and the community.

Thank you for the opportunity to provide these comments for your consideration of House Bill 178. If you have any questions or would like additional information, I can be reached at [cookiejarkits@gmail.com](mailto:cookiejarkits@gmail.com).