

Santiago Zuniga

HB 0178

Favorable Report

1/19/2022

Testimony on HB 0178

Following extensive research and data collection, I have come to a clear conclusion to give House Bill 0178 a resoundingly favorable report. For the past five months, I have been researching cottage food laws across the United States and comparing them to the current status of cottage food laws in Maryland. The results of this analysis and comparison highlight some of the key areas in which Maryland falls behind other states when it comes to cottage food. A need for change is evident. This report summarizes the critical aspects of my findings and shows why HB 0178 could be a highly beneficial bill for Maryland. Additionally, this report addresses one of the key critiques made by the opposition to this bill. The combined data and information gathered during my research period strongly supports the passage of HB 0178.

The bulk of my research was conducted regarding Maryland's cottage food laws compared to those of other states. The findings were staggering. Maryland is among the strictest states when it comes to cottage food laws, with an annual revenue cap on cottage food businesses within the **bottom 18%** of states. **82%** of states have an annual income cap higher than that of Maryland, making Maryland one of the least cottage food-friendly states in the nation. Considering the amount of economic and health benefits that cottage food freedom has been shown to have in states like Wyoming, Maine, and California, all of which have much looser cottage food laws than Maryland, it is clear that Maryland is falling behind other states. In an effort to promote progress and prosperity, passing HB 0178 could significantly bring Maryland

economic benefits and promote healthier lifestyles by eating organic, locally sourced food. It is also worth noting that **60%** of states have no annual income restriction for cottage food businesses. Local businesses and farms could have a far greater potential for growth through the passage of HB 0178. The Maryland economy could be incredibly benefited by encouraging the growth of local businesses and allowing businesses to pursue unhindered financial success.

On the other hand of my research was addressing the concerns for this bill raised by an unfavorable report. The primary concern with the passage of this bill is that by enabling cottage food businesses to grow and sell more products, the risk of allergic reactions is increased significantly for those persons who have allergies. The concern is that there may be unsuspecting customers who purchase and consume a cottage food product that may contain an allergen. One of the issues with this argument is that it is very difficult for this scenario to happen. Cottage food businesses are already required by law in Maryland to label their products with potential allergens. Therefore, customers with allergies are already being made aware of the risks involved with eating the cottage food products. Additionally, there is no database of reported allergy incidents caused by cottage food and no research that proves that an increase in cottage food business correlates to an increase in allergic reactions. As a person with extensive food allergies, I can comfortably know that when I am buying and consuming cottage food, I am aware of the risks and any potential allergens in the food. In states with loose restrictions on cottage food commerce, there are no incidents that prove that food-allergic people are at higher risk of reaction because of the high potential of consuming cottage food. Though allergies should always be an important consideration, there is no proof that raising the annual revenue cap would affect the health of those with allergies. Allergies should not be the reason for not passing this bill, as it would provide many benefits to Maryland, its merchants, and its economy.

After conducting my research, the findings show that the passage of HB 0178 would be incredibly beneficial to Maryland. It would boost the economy, inspire the growth of local businesses, and promote a healthy and sustainable lifestyle through the consumption of local and homemade goods. The benefits are clear. Maryland must no longer lag behind other states in cottage food laws and become a leader in promoting commerce and local business within its borders. This is why I give HB 0178 a favorable report.