Legislative Analysis



SALES THRESHOLD FOR LICENSURE EXEMPTION FOR RETAIL OUTLETS SELLING MAPLE SYRUP OR HONEY

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

Senate Bill 882 as passed by the Senate

Sponsor: Sen. Sam Singh House Committee: Agriculture

Senate Committee: Energy and Environment

Complete to 12-10-24

SUMMARY:

Analysis available at http://www.legislature.mi.gov

Senate Bill 882 would amend section 4105 of the Food Law to increase the threshold for how much honey or maple syrup can be sold before licensure by the Michigan Department of Agriculture and Rural Development (MDARD) is required under the act.

Currently, section 4105 provides for an exemption from licensure as a food establishment or food processing facility involving the sale or processing of honey or maple syrup if the producer has gross sales of \$15,001 or less. If a retail outlet is owned by the producer and sells only prepackaged honey or maple syrup that was made in Michigan and the processing facility is licensed, then the retail outlet is exempt from having to become licensed as a food establishment under the Food Law.

The bill would increase this sales threshold to \$25,000, 1 matching the existing threshold for the value of foods that are allowed to be sold under the state's cottage food laws without the individual making those goods needing to obtain licensure. Honey and maple syrup are not considered *cottage food products* under state law.

Cottage food product means a food that is not potentially hazardous food as that term is defined in the Food Code. Examples of cottage food product include jams, jellies, dried fruit, candy, cereal, granola, dry mixes, vinegar, dried herbs, and baked goods that do not require temperature control for safety.

Cottage food product does *not* include any potentially hazardous food regulated under 21 CFR parts 113 and 114,² examples of which include meat and poultry products; salsa; milk products; bottled water and other beverages; and home-produced ice products. Cottage food product also does not include canned low-acid fruits or acidified vegetables and other canned foods except for jams, jellies, and preserves as defined in 21 CFR part 150.³

MCL 289.4105

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¹ House Bill 6131 proposes to increase this threshold to \$45,000 by default, with the potential for up to \$75,000 in annual gross sales.

² https://www.ecfr.gov/current/title-21/chapter-I/subchapter-B/part-113 and https://www.ecfr.gov/current/title-21/chapter-I/subchapter-B/part-114

³ https://www.ecfr.gov/current/title-21/chapter-I/subchapter-B/part-150

FISCAL IMPACT: Senate Bill 882 would have no direct fiscal impact for the state or local units of government. Legislative Analyst: Josh Roesner Fiscal Analyst: William E. Hamilton ■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.