

**SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION**

S.F. No. 1563

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DATE
02/13/2023

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Introduction and first reading
Referred to Agriculture, Broadband, and Rural Development

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to agriculture; amending cottage foods exemption; requiring a report;
1.3 amending Minnesota Statutes 2022, section 28A.152, subdivisions 3, 4, by adding
1.4 a subdivision.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2022, section 28A.152, subdivision 3, is amended to read:

1.7 Subd. 3. **Limitation on sales.** An individual selling exempt foods under this section is
1.8 limited to total sales with gross receipts of ~~\$78,000~~ \$85,000 or less in a calendar year.

1.9 Sec. 2. Minnesota Statutes 2022, section 28A.152, subdivision 4, is amended to read:

1.10 Subd. 4. **Registration.** An individual who prepares and sells exempt food under
1.11 subdivision 1 must register annually with the commissioner. The commissioner shall register
1.12 an individual within 30 days of submitting a complete registration to the commissioner. A
1.13 registration shall be deemed accepted after 30 days following an individual's complete
1.14 registration to the commissioner. The annual registration fee is \$50. An individual with
1.15 ~~\$5,000~~ \$8,500 or less in annual gross receipts from the sale of exempt food under this section
1.16 is not required to pay the registration fee. ~~By January 1, 2022, the commissioner shall adjust~~
1.17 ~~the gross receipts amount of this fee exemption based on the consumer price index using~~
1.18 ~~2002 as the index year for the \$5,000 gross receipts exemption.~~

2.1 Sec. 3. Minnesota Statutes 2022, section 28A.152, is amended by adding a subdivision to
2.2 read:

2.3 Subd. 8. **Report to legislature.** No later than January 10, 2025, and every two years
2.4 thereafter, the commissioner must provide a report to the chairs and ranking minority
2.5 members of the legislative committees having jurisdiction over cottage foods, in compliance
2.6 with sections 3.195 and 3.197. The report must include the amounts in subdivisions 3 and
2.7 4, a calculation of what those figures would be if adjusted for inflation by the Consumer
2.8 Price Index, and a history of when those amounts have changed.