

1 H.401

2 Introduced by Representatives Cooper of Pownal, Bartley of Fairfax, Bos-Lun
3 of Westminster, Bosch of Clarendon, Boutin of Barre City,
4 Burt of Cabot, Carris-Duncan of Whitingham, Coffin of
5 Cavendish, Cole of Hartford, Dobrovich of Williamstown,
6 Duke of Burlington, Durfee of Shaftsbury, Eastes of Guilford,
7 Graning of Jericho, Greer of Bennington, Hunter of Manchester,
8 Keyser of Rutland City, Lalley of Shelburne, Lipsky of Stowe,
9 McGill of Bridport, Micklus of Milton, Morgan, L. of Milton,
10 Mrowicki of Putney, Nelson of Derby, Nigro of Bennington,
11 O'Brien of Tunbridge, Olson of Starksboro, Priestley of
12 Bradford, Sibilias of Dover, Surprenant of Barnard, Sweeney of
13 Shelburne, Wells of Brownington, and White of Bethel

14 Referred to Committee on

15 Date:

16 Subject: Health; food manufacturing establishments; licensing fees;
17 exemptions

18 Statement of purpose of bill as introduced: This bill proposes to exempt a food
19 manufacturing establishment with gross annual receipts of less than \$30,000.00
20 from licensing fees. It further proposes to exempt from licensing requirements
21 an individual manufacturing and selling bakery products from the individual's

1 own home kitchen where the individual has gross annual receipts of less than
2 \$30,000.00.

3 An act relating to exemptions for food manufacturing establishments

4 It is hereby enacted by the General Assembly of the State of Vermont:

5 Sec. 1. LEGISLATIVE INTENT

6 It is the intent of the General Assembly that:

7 (1) Vermont enhance its food resiliency through increased supply and
8 distribution of locally produced food products;

9 (2) Vermonters have more access to the local food marketplace as both
10 producers and consumers;

11 (3) local food producers are able to meet the demand for Vermont-made
12 food products from visitors to the State;

13 (4) small-scale food producers, new business start-ups, and sole
14 proprietors benefit from raising the limit of the existing licensing exemption
15 for at-home bakery products to adjust for inflationary cost changes occurring
16 since the initial statutory enactment; and

17 (5) supply-chain costs and inflationary considerations be addressed to
18 bring risk management thresholds more in line with the economic conditions at
19 the time of initial statutory enactment.

1 Sec. 2. 18 V.S.A. § 4353 is amended to read:

2 § 4353. FEES

3 (a) The Commissioner may establish by rule any requirement the
4 Department needs to determine the applicable categories or exemptions for
5 licenses. The following license fees shall be paid annually to the Department
6 at the time of making the application according to the following schedules:

7 * * *

8 (3) Food manufacturing establishment — a fee for any person or persons
9 that process food for resale to restaurants, stores, or individuals according to
10 the following schedule:

11 (A) Food manufacturing establishments; nonbakeries

12 ~~I — Gross receipts of \$10,001.00 to \$50,000.00; \$175.00~~

13 ~~H I~~ – Gross receipts of over \$50,000.00; \$275.00

14 ~~III II~~ – Gross receipts of ~~\$10,000.00~~ \$30,000.00 or less are
15 exempt pursuant to section 4358 of this title

16 (B) Food manufacturing establishment; bakeries

17 I – Home bakery with gross receipts over \$30,000.00;

18 \$100.00

19 II – Small commercial with gross receipts over

20 \$30,000.00; \$200.00

21 III – Large commercial with gross receipts over

1 \$30,000.00; \$350.00

2 IV – Gross receipts of \$30,000.00 or less are exempt

3 pursuant to section 4358 of this title

4 * * *

5 Sec. 3. 18 V.S.A. § 4358 is amended to read:

6 § 4358. EXEMPTIONS

7 * * *

8 (b) The provisions of this subchapter shall not apply to an individual
9 manufacturing and selling bakery products from ~~his or her~~ the individual's own
10 home kitchen whose average gross retail sales do not exceed ~~\$125.00 per week~~
11 \$30,000.00 per year.

12 * * *

13 Sec. 4. EFFECTIVE DATE

14 This act shall take effect on July 1, 2025.