### 99TH GENERAL ASSEMBLY

## State of Illinois

# 2015 and 2016

#### HB2486

Introduced 2/18/2015, by Rep. Michael W. Tryon

### SYNOPSIS AS INTRODUCED:

410 ILCS 625/3.3 410 ILCS 625/3.6 410 ILCS 625/4

Amends the Food Handling Regulation Enforcement Act. Provides that a home kitchen operation does not include a person who produces or packages non-potentially hazardous baked goods for sale by a religious, charitable, or nonprofit organization for fundraising purposes. Adds additional requirements in order to qualify as a home kitchen operation. Makes changes concerning the jurisdiction of the local governing body over home kitchen operations. Defines a term. Removes a provision prohibiting certain types of jams and jellies from cottage food operations. Increases the gross receipt threshold of exempt food from \$25,000 to \$36,000. Allows the Department to adopt rules to implement the requirements of the amendatory Act.

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A BILL FOR

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AN ACT concerning health.

# 2 Be it enacted by the People of the State of Illinois, 3 represented in the General Assembly:

4 Section 5. The Food Handling Regulation Enforcement Act is 5 amended by changing Sections 3.3 and 4 and by renumbering and 6 changing Section 3.4 as added by Public Act 98-643 as follows:

7 (410 ILCS 625/3.3)

8 Sec. 3.3. Farmers' markets.

9 (a) The General Assembly finds as follows:

10 (1) Farmers' markets, as defined in subsection (b) of 11 this Section, provide not only a valuable marketplace for 12 farmers and food artisans to sell their products directly 13 to consumers, but also a place for consumers to access 14 fresh fruits, vegetables, and other agricultural products.

(2) Farmers' markets serve as a stimulator for local 15 16 economies and for thousands of new businesses every year, 17 allowing farmers to sell directly to consumers and capture the full retail value of their products. They have become 18 19 important community institutions and have figured in the of 20 revitalization downtown districts and rural 21 communities.

(3) Since 1999, the number of farmers' markets has
 tripled and new ones are being established every year.

1 There is a lack of consistent regulation from one county to 2 the next, resulting in confusion and discrepancies between 3 counties regarding how products may be sold.

4 (4) In 1999, the Department of Public Health published
5 Technical Information Bulletin/Food #30 in order to
6 outline the food handling and sanitation guidelines
7 required for farmers' markets, producer markets, and other
8 outdoor food sales events.

9 (5) While this bulletin was revised in 2010, there 10 continues to be inconsistencies, confusion, and lack of 11 awareness by consumers, farmers, markets, and local health 12 authorities of required guidelines affecting farmers' 13 markets from county to county.

14 (b) For the purposes of this Section:

15 "Department" means the Department of Public Health.

16 "Director" means the Director of Public Health.

17 "Farmers' market" means a common facility or area where the 18 primary purpose is for farmers to gather to sell a variety of 19 fresh fruits and vegetables and other locally produced farm and 20 food products directly to consumers.

(c) In order to facilitate the orderly and uniform statewide implementation of the standards established in the Department of Public Health's administrative rules for this Act, the Farmers' Market Task Force shall be formed by the Director to assist the Department in implementing statewide administrative regulations for farmers' markets.

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(d) This Act does not intend and shall not be construed to 1 limit the power of counties, municipalities, and other local 2 3 government units to regulate farmers' markets for the protection of the public health, safety, morals, and welfare, 4 5 including, but not limited to, licensing requirements and time, place, and manner restrictions. This Act provides for a 6 7 statewide scheme for the orderly and consistent interpretation 8 of the Department of Public Health administrative rules 9 pertaining to the safety of food and food products sold at 10 farmers' markets. 11 (e) The Farmers' Market Task Force shall consist of at 12 least 24 members appointed within 60 days after the effective date of this Section. Task Force members shall consist of: 13 14 (1) one person appointed by the President of the 15 Senate; 16 (2) one person appointed by the Minority Leader of the 17 Senate; (3) one person appointed by the Speaker of the House of 18 19 Representatives;

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20 (4) one person appointed by the Minority Leader of the
21 House of Representatives;

22 (5) the Director of Public Health or his or her 23 designee;

(6) the Director of Agriculture or his or her designee;
(7) a representative of a general agricultural
production association appointed by the Department of

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1 Agriculture;

(8) three representatives of local county public
health departments appointed by the Director and selected
from 3 different counties representing each of the
northern, central, and southern portions of this State;

6 (9) four members of the general public who are engaged 7 in local farmers' markets appointed by the Director of 8 Agriculture;

9 (10) a representative of an association representing 10 public health administrators appointed by the Director;

(11) (11) a representative of an organization of public health departments that serve the City of Chicago and the counties of Cook, DuPage, Kane, Kendall, Lake, McHenry, Will, and Winnebago appointed by the Director;

15 (12) a representative of a general public health16 association appointed by the Director;

17 (13) the Director of Commerce and Economic Opportunity18 or his or her designee;

19 (14) the Lieutenant Governor or his or her designee;20 and

(15) five farmers who sell their farm products at
 farmers' markets appointed by the Lieutenant Governor or
 his or her designee.

Task Force members' terms shall be for a period of 2 years, with ongoing appointments made according to the provisions of this Section. (f) The Task Force shall be convened by the Director or his
 or her designee. Members shall elect a Task Force Chair and
 Co-Chair.

4 (g) Meetings may be held via conference call, in person, or
5 both. Three members of the Task Force may call a meeting as
6 long as a 5-working-day notification is sent via mail, e-mail,
7 or telephone call to each member of the Task Force.

8 (h) Members of the Task Force shall serve without9 compensation.

10 (i) The Task Force shall undertake a comprehensive and 11 thorough review of the current Statutes and administrative 12 rules that define which products and practices are permitted 13 and which products and practices are not permitted at farmers' 14 markets and to assist the Department in developing statewide 15 administrative regulations for farmers' markets.

16 (j) The Task Force shall advise the Department regarding 17 the content of any administrative rules adopted under this Section and Sections 3.4, 3.5, and 4 this Act prior to adoption 18 19 of the rules. Any administrative rules, except emergency rules 20 adopted pursuant to Section 5-45 of the Illinois Administrative Procedure Act, adopted without obtaining the advice of the Task 21 22 Force are null and void. If the Department fails to follow the 23 advice of the Task Force, the Department shall, prior to 24 adopting the rules, transmit a written explanation to the Task Force. If the Task Force, having been asked for its advice, 25 26 fails to advise the Department within 90 days after receiving

1 the rules for review, the rules shall be considered to have
2 been approved by the Task Force.

3 (k) The Department of Public Health shall provide staffing 4 support to the Task Force and shall help to prepare, print, and 5 distribute all reports deemed necessary by the Task Force.

(1) The Task Force may request assistance from any entity
necessary or useful for the performance of its duties. The Task
Force shall issue a report annually to the Secretary of the
Senate and the Clerk of the House.

10 (m) The following provisions shall apply concerning 11 statewide farmers' market food safety guidelines:

12 (1) The Director, in accordance with this Section,
13 shall adopt administrative rules (as provided by the
14 Illinois Administrative Procedure Act) for foods found at
15 farmers' markets.

16 (2) The rules and regulations described in this Act
17 shall be consistently enforced by local health authorities
18 throughout the State.

Notwithstanding any other provision of 19 (2.5)law except as provided in this Act, local public health 20 departments and all other units of local government are 21 22 prohibited from creating sanitation guidelines, rules, or 23 regulations for farmers' markets that are more stringent farmers' 24 than those market sanitation regulations 25 contained in the administrative rules adopted by the 26 Department for the purposes of implementing this Section

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3.3 and Sections 3.4, 3.5, and 4 of this Act. Except as 1 provided for in Sections Section 3.4 and 4 of this Act, 2 3 this Act does not intend and shall not be construed to limit the power of local health departments and other 4 5 government units from requiring licensing and permits for sale of commercial food products, processed food 6 the 7 products, prepared foods, and potentially hazardous foods 8 at farmers' markets or conducting related inspections and 9 enforcement activities, so long as those permits and 10 licenses do not include unreasonable fees or sanitation 11 provisions and rules that are more stringent than those 12 laid out in the administrative rules adopted by the 13 Department for the purposes of implementing this Section 14 3.3 and Sections 3.4, 3.5, and 4 of this Act.

15 (3) In the case of alleged non-compliance with the 16 provisions described in this Act, local health departments 17 shall issue written notices to vendors and market managers 18 of any noncompliance issues.

19 (4) Produce and food products coming within the scope 20 of the provisions of this Act shall include, but not be 21 limited to, raw agricultural products, including fresh 22 fruits and vegetables; popcorn, grains, seeds, beans, and 23 whole, unprocessed, unpackaged, nuts that are and 24 unsprouted; fresh herb springs and dried herbs in bunches; 25 baked goods sold at farmers' markets; cut fruits and 26 vegetables; milk and cheese products; ice cream; syrups;

wild and cultivated mushrooms; apple cider and other fruit 1 2 and vegetable juices; herb vinegar; garlic-in-oil; 3 flavored oils; pickles, relishes, salsas, and other canned or jarred items; shell eqgs; meat and poultry; fish; 4 5 ready-to-eat foods; commercially produced prepackaged food products; and any additional items specified in 6 the 7 administrative rules adopted by the Department to 8 implement Section 3.3 of this Act.

9 (n) Local health department regulatory guidelines may be 10 applied to foods not often found at farmers' markets, all other 11 food products not regulated by the Department of Agriculture 12 and the Department of Public Health, as well as live animals to 13 be sold at farmers' markets.

(o) The Task Force shall issue annual reports to the Secretary of the Senate and the Clerk of the House with recommendations for the development of administrative rules as specified. The first report shall be issued no later than December 31, 2012.

19 (p) The Department of Public Health and the Department of Agriculture, in conjunction with the Task Force, shall adopt 20 administrative rules necessary to implement, interpret, and 21 22 make specific the provisions of this Act, including, but not 23 limited to, rules concerning labels, sanitation, and food product safety according to the realms of their jurisdiction in 24 25 accordance with subsection (j) of this Section. The Task Force 26 shall submit recommendations for administrative rules to the

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#### Department no later than December 15, 2014.

2 (q) The Department and the Task Force shall work together 3 to create a food sampling training and license program as 4 specified in Section 3.4 of this Act.

5 (Source: P.A. 97-394, eff. 8-16-11; 98-660, eff. 6-23-14.)

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(410 ILCS 625/3.6)

7 Sec. <u>3.6</u> <del>3.4</del>. Home kitchen operation.

8 (a) For the purpose of this Section, "home kitchen 9 operation" means a person who produces or packages 10 non-potentially hazardous baked goods food in a kitchen of that 11 person's primary domestic residence for direct sale by the 12 owner or a family member. As used in this Section, "baked good" 13 has the meaning given to that term under subparagraph (C) of paragraph (1) of subsection (b) of Section 4 of this Act. A 14 15 home kitchen operation does not include a person who produces or packages non-potentially hazardous baked goods for sale by a 16 religious, charitable, or nonprofit organization for 17 18 fundraising purposes; the production or packaging of non-potentially hazardous baked goods for these purposes is 19 20 exempt from the requirements of this Act , or for sale by a 21 religious, charitable, or nonprofit organization, stored in the residence where the food is made. The following conditions 22 23 must be met in order to qualify as a home kitchen operation: 24

(1) Monthly gross sales do not exceed \$1,000.

(2) The food is <del>not</del> a <u>non-potentially</u> <del>potentially</del>

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hazardous baked good food, as described defined in Section 1 2 4 of this Act. (3) A notice is provided to the purchaser that the 3 product was produced in a home kitchen. 4 5 (4) The food package is affixed with a label that 6 includes: (i) the common or usual name of the food product; 7 8 and 9 (ii) allergen labeling as specified in federal 10 labeling requirements by the United States Food and 11 Drug Administration. 12 (5) The food is sold directly to the consumer. 13 (6) The food is stored in the residence where it is 14 produced or packaged. 15 (b) The Department of Public Health or the health 16 department of a unit of local government may inspect a home 17 kitchen operation in the event of a complaint or disease 18 outbreak. 19 (c) The requirements of this This Section apply applies 20 only to a home kitchen operation located in a municipality, 21 township, or county where the local governing body having the 22 jurisdiction to enforce this Act or the rules adopted under 23 this Act has adopted an ordinance authorizing home kitchen 24 operations the direct sale of baked goods as described in 25 Section 4 of this Act. (Source: P.A. 98-643, eff. 6-10-14; revised 10-20-14.) 26

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1 (410 ILCS 625/4)

2 Sec. 4. Cottage food operation.

3 (a) For the purpose of this Section:

"Cottage food operation" means an operation conducted by a 4 5 person who produces or packages non-potentially hazardous food 6 in a kitchen located in that person's primary domestic 7 residence or another appropriately designed and equipped 8 residential or commercial-style kitchen on that property for 9 direct sale by the owner, or a family member, or employee 10 stored in the residence or appropriately designed and equipped 11 residential or commercial-style kitchen on that property where 12 the food is made.

13 "Department" means the Department of Public Health.

14 "Farmers' market" means a common facility or area where 15 farmers gather to sell a variety of fresh fruits and vegetables 16 and other locally produced farm and food products directly to 17 consumers.

18 <u>"Main ingredient" means an agricultural product that is the</u> 19 <u>defining or distinctive ingredient in a cottage food product,</u> 20 <u>though not necessarily by predominance of weight.</u>

"Potentially hazardous food" means a food that is potentially hazardous according to the Department's administrative rules. Potentially hazardous food (PHF) in general means a food that requires time and temperature control for safety (TCS) to limit pathogenic microorganism growth or 1 toxin formation.

(b) Notwithstanding any other provision of law and except as provided in subsections (c), and (d), and (e) of this Section, neither the Department nor the Department of Agriculture nor the health department of a unit of local government may regulate the service of food by a cottage food operation providing that all of the following conditions are met:

9 (1) The food is not a <u>non-potentially</u> <del>potentially</del> 10 hazardous baked good, jam, jelly, preserve, fruit butter, 11 dry herb, dry herb blend, <del>or</del> dry tea blend<u>, or similar</u> 12 <u>product as adopted and specified by Department rules</u> 13 <u>pursuant to subsection (e) of this Section</u>, and is intended 14 for end-use only. The following provisions shall apply:

15 (A) The following jams, jellies and preserves are 16 allowed: apple, apricot, grape, peach, plum, quince, 17 orange, nectarine, tangerine, blackberry, raspberry, blueberry, boysenberry, cherry, cranberry, strawberry, 18 19 red currants, or a combination of these fruits. 20 Rhubarb, tomato, and pepper jellies or jams are not 21 allowed. Any other jams, jellies, or preserves not 22 listed may be produced by a cottage food operation 23 provided their recipe has been tested and documented by 24 a commercial laboratory, at the expense of the cottage 25 food operation, as being not potentially hazardous, 26 containing a pH equilibrium of less than 4.6 or has

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# been specified and adopted as allowed in administrative rules by the Department pursuant to subsection (e) of this Section.

The following fruit butters are allowed: 4 (B) 5 apple, apricot, grape, peach, plum, quince, and prune. Pumpkin butter, banana butter, and pear butter are not 6 7 allowed. Fruit butters not listed may be produced by a cottage food operation provided their recipe has been 8 9 tested and documented by a commercial laboratory, at 10 the expense of the cottage food operation, as being not 11 potentially hazardous, containing a pH equilibrium of 12 less than 4.6 or has been specified and adopted as allowed in administrative rules by the Department 13 14 pursuant to subsection (e) of this Section.

15 (C) Baked goods, such as, but not limited to, 16 breads, cookies, cakes, pies, and pastries are allowed. Only high-acid fruit pies that use 17 the following fruits are allowed: apple, apricot, grape, 18 19 peach, plum, quince, orange, nectarine, tangerine, 20 blackberry, raspberry, blueberry, boysenberry, cherry, cranberry, strawberry, red currants or a combination 21 22 of these fruits. Fruit pies not listed may be produced 23 by a cottage food operation provided their recipe has 24 been tested and documented by a commercial laboratory, 25 at the expense of the cottage food operation, as being 26 not potentially hazardous, containing a pH equilibrium

of less than 4.6 or has been specified and adopted as 1 2 allowed in administrative rules by the Department 3 pursuant to subsection (e) of this Section. The following are potentially hazardous and prohibited 4 5 from production and sale by a cottage food operation: pumpkin pie, sweet potato pie, cheesecake, custard 6 7 pies, creme pies, and pastries with potentially 8 hazardous fillings or toppings.

9 (2) The food is to be sold at a farmers' market, with 10 <u>the exception that cottage foods that have a locally grown</u> 11 <u>agricultural product as the main ingredient may be sold on</u> 12 <u>the farm where the agricultural product is grown or</u> 13 <u>delivered directly to the consumer</u>.

14 (3) Gross receipts from the sale of food exempted under 15 this Section do not exceed <u>\$36,000</u> <del>\$25,000</del> in a calendar 16 year.

17 (4) The food packaging conforms to the labeling 18 requirements of the Illinois Food, Drug and Cosmetic Act 19 and includes the following information on the label of each 20 of its products:

21 (A) the name and address of the cottage food 22 operation;

(B) the common or usual name of the food product;

(C) all ingredients of the food product, including
any colors, artificial flavors, and preservatives,
listed in descending order by predominance of weight

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shown with common or usual names;

2 (D) the following phrase: "This product was 3 produced in a home kitchen not subject to public health 4 inspection that may also process common food 5 allergens.";

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(E) the date the product was processed; and

7 (F) allergen labeling as specified in federal
8 labeling requirements.

9 (5) The name and residence of the person preparing and 10 selling products as a cottage food operation is registered 11 with the health department of a unit of local government 12 where the cottage food operation resides. No fees shall be 13 charged for registration. Registration shall be for a 14 minimum period of one year.

(6) The person preparing <u>or packaging</u> and selling
 products as a cottage food operation has a Department
 approved Food Service Sanitation Management Certificate.

18 (7) At the point of sale a placard is displayed in a 19 prominent location that states the following: "This 20 product was produced in a home kitchen not subject to 21 public health inspection that may also process common food 22 allergens.".

(c) Notwithstanding the provisions of subsection (b) of this Section, if the Department or the health department of a unit of local government has received a consumer complaint or has reason to believe that an imminent health hazard exists or 1 that a cottage food operation's product has been found to be 2 misbranded, adulterated, or not in compliance with the 3 exception for cottage food operations pursuant to this Section, 4 then it may invoke cessation of sales until it deems that the 5 situation has been addressed to the satisfaction of the 6 Department.

7 (d) Notwithstanding the provisions of subsection (b) of 8 this Section, a State-certified local public health department 9 may, upon providing a written statement to the Department, 10 regulate the service of food by a cottage food operation. The 11 regulation by a State-certified local public health department 12 may include all of the following requirements:

13 (1) That the cottage food operation (A) register with 14 the State-certified local public health department, which 15 shall be for a minimum of one year and include a reasonable 16 fee set by the State-certified local public health 17 department that is no greater than \$25 notwithstanding paragraph (5) of subsection (b) of this Section and (B) 18 agree in writing at the time of registration to grant 19 20 access to the State-certified local public health 21 department to conduct an inspection of the cottage food 22 operation's primary domestic residence in the event of a 23 consumer complaint or foodborne illness outbreak.

(2) That in the event of a consumer complaint or
 foodborne illness outbreak the State-certified local
 public health department is allowed to (A) inspect the

- premises of the cottage food operation in question and (B)
   set a reasonable fee for that inspection.
- 3 (e) The Department may adopt rules as may be necessary to
  4 implement the provisions of this Section.
- 5 (Source: P.A. 97-393, eff. 1-1-12; 98-660, eff. 6-23-14.)