



## Oregon's Cottage Food Exemption

In 2023, Oregon's legislative session passed Senate Bill 643. The passed bill modifies the Residential Kitchen Exemption for Baked Goods and Confectionary Items ("Home Baking Bill") which was passed in 2016. Now considered the "Cottage Food Exemption", the exemption expands opportunities and removes barriers for small scale food establishments and provides rural communities access to locally produced foods.

### What is the Cottage Food Exemption?

The Cottage Food Exemption allows people to produce certain food items in their home kitchens and sell them retail to consumers, in-person or online, and wholesale through grocers and other businesses without having to obtain a food establishment license or undergo an inspection from the Oregon Department of Agriculture (ODA).

### What has changed?

Substantial changes to Oregon Administrative Rules since the 2016 version are summarized in bullet points below but will be expanded upon in this document. Please note, this is not a full listing of the Cottage Food Exemption requirements.

#### [OAR 603-025-0320](#) Cottage Food Establishment Exemption

- The scope of products under the exemption has expanded
- Kitchen conditions indicating clean, healthful, and sanitary are detailed
- Gross annual sales increased to \$50,000 per year
- Cottage foods may be sold online or, under specific conditions, distributed to retail stores

#### [OAR 603-025-0325](#) Labeling

- Address information on labels may optionally be replaced by an ODA issued Unique Identification Number (UIN)
- The presence of pets in the household must be detailed on the label

#### [OAR 603-025-0328](#) Record requirements

- Minimum data requirements are described more clearly
- Accessibility of records is clearly described
- Length of time records must be kept is identified

#### [OAR 603-025-0335](#) Unique Identification Number

- Provides both licensed and exempt domestic kitchens the option of using a Unique Identification Number on labels in place of address information
- Establishes a \$25 annual fee to have a number assigned

#### [OAR 603-025-0330](#) Revocation of exemption

- Situations that will result in the loss of ability to work under the Cottage Food Exemption are described in clear detail.

## **Type of Products Allowed**

- Baked goods
- Confectionary items, including freeze dried confectionary items
- Coffee beans
- Dried tea, spice, or seasoning blends from commercial food ([OAR 603-025-0010\(2\)](#))
- Jams and jellies made only with fruit that has a natural pH that is less than 4.60
- Honey or honey products using commercial food
- Syrups
- Fruit butters made only with fruit that has a natural pH that is less than 4.60
- Nut mixes
- Repackaged freeze-dried foods from commercial food
- Repackaged dried and dehydrated foods from commercial food
- Powdered drink mixes from commercial food
- Popcorn

Products must not be time/temperature controlled for safety and cannot contain marijuana or marijuana items.

## **Labeling Requirements**

### **The principal display label must include the statement:**

“This product is homemade, is not prepared in an inspected food establishment, and must be stored and displayed separately if merchandised by a retailer.”

### **The label must also include:**

- Name of the food.
- Ingredients (and sub-ingredients) of the food in descending order by weight or volume.
- Business name for the food establishment.
- Business phone number.
- The address of the food establishment including either:
  - the full street address, city, state, and zip code; or
  - the city, state, and zip code if the name and address of the food establishment are listed in a city directory; or
  - the Unique Identification number (UIN) issued by the Oregon Department of Agriculture.
- Net weight or net volume of the product in both U.S. and metric units.
- Allergen warnings as specified in the Food Allergen Labeling & Consumer Protection Act of 2004 (FALCPA) must be on the label.
- If the label provides any nutrient content claim, health claim, or other nutritional information, then they must add the appropriate product nutritional information as described in Title 21, Part 101 of the Code of Federal Regulations (2015).
- If there are pets in the residential dwelling, then the food label must include a statement that pets were present in the residential dwelling and declare the species using the common or usual name of the pet. Examples include, but are not limited to, cat, dog, or rabbit.

All labeling must be done with a print or type size that is conspicuous and easy to read and the font size must be a minimum height of 1/16” of a lower case “o”. Label must be prominently displayed and may not be obscured, hidden, or detracted by logos or artwork.

## **Where You Can Sell Cottage Foods**

Cottage foods may be sold directly to the end users in any manner, including from the home, online, through the mail, and at events.

Cottage foods may be sold to a retailer only if the food is packaged and labeled. The retailer must agree to store and display the cottage food separately from other foods and use signage to clearly indicate in the display area that the cottage foods are homemade and not prepared in an inspected food establishment. This signage must be in addition to the statement on the cottage food label. The cottage food establishment must maintain a record of the agreement with the retailer.

You cannot sell cottage foods to an institution including, but not limited to, a restaurant licensed by a county health department, caterer, school, day care center, hospital, nursing home, or correctional facility. The Oregon Department of Agriculture does not license any firms as restaurants.

### **Record Requirements**

A cottage food establishment must maintain sales records including the location of where product was sold to customer. For grouped sales associated with an event, a single physical address may be used for all sales and the organizer's (person/organization) contact details will need to be available if applicable. For online sales, the sales records shall include the address and contact information for each purchaser. Product sold through a food establishment firm must be recorded with the firm address and information for the firm's point of contact. The sales record shall also note the date sold or shipped, the food product(s) sold, price of product(s), and quantity.

A sales record of a cottage food establishment shall show the calculation of annual gross sales ensuring that accumulative annual sales are under \$50,000.

Documents must be kept that demonstrate compliance with OAR 603-025-0320. Copies of all required records must be retained at a reasonably accessible location for a period of three years and must be made available to the Department for review within five business days.

### **Unique Identification Number (UIN)**

A cottage food establishment may request a unique identification number (UIN) from the ODA to use on a food label as an alternative to a business address. The UIN may only be used if the establishment submits a complete form with requested information or documentation designated by the ODA. Payment of a \$25 fee is required to obtain an UIN. Each UIN shall expire on June 30 following the date of issuance and may be renewed by payment of a fee of \$25 prior to the expiration of the number.

The use of expired or unauthorized UIN constitutes misbranding and is not allowed under the cottage food exemption. The UIN is personal to the applicant and may not be transferred to another person or address. A new number is necessary if the business entity is changed, or if the membership of a partnership is changed, regardless of whether or not the business name is changed.

### **Revocation of Exemption**

The ODA may require a food establishment to become licensed if it fails to comply with the Cottage Food rules ([OAR 603-025-0311 to 603-025-0330](#)), refuses to test food products that have a reasonable suspicion of being a potentially hazardous food as required under OAR 603-025-0320(2), fails to maintain or refuses to provide records as required in OAR 603-025-0328; or fails to provide reasonable access to the food establishment or interferes with inspections necessary to protect public health.

**Frequently asked questions (FAQ) regarding Cottage Food Exemption:** [Click Here](#)

**Where can I find the unique identification number (UIN) form?**

UIN Form may be found online via [this link](#).

**Where can I read the statute and rules?**

Oregon Revised Statutes: [616.723](#)

Oregon Administrative Rules: [603-025-0311 through 603-025-0335](#)

**Other questions?**

Contact your local ODA inspector through [Search for a Food Safety Specialist](#) or contact your local OSU Extension Office at <https://extension.oregonstate.edu/find-us>.