UNDERSTANDING AB 626 THE HOMEMADE FOOD OPERATIONS ACT



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Why Home Cooking Matters

We believe home cooking helps build healthy, resilient communities and create economic opportunities for the people that need them most. We believe in a future where talented cooks can both legally and safely share home cooked meals with their neighbors.

Home cooks are often economically vulnerable and lack access to the formal food economy, but they should be able to leverage their talents for additional income. This bill will improve public health safeguards around the existing informal food economy, increase healthy food access in our communities, and legitimize an important lever of economic empowerment for Californians.

What's at stake:

- If this bill fails to become law, thousands of cooks will continue to lack access to economic opportunity in the food industry
- Public health risks to consumers and criminalization risks for cooks that currently exist in the informal food economy will continue to go unchecked
- New pathways to entrepreneurship will remain out of reach for underserved populations
 including single parents, recent immigrants, and the financially insecure.

Overview of the Homemade Food Operations Act

AB 626 creates a low cost and accessible way for independent cooks to start a small food business from home:

- Legalizing small-scale home food operations: Microenterprise home kitchens will be allowed to sell up to \$50,000 per year— these new operations are intended for incubators or ancillary income, not a substitute for commercial-scale operations.
- Ensuring health and safety standards: A home food operation must be inspected by and registered with the local enforcement agency and follow a set of health, training, and sanitation standards just like any other food facility.

Cooks must sell and serve food directly to their end customers, not through a retailer or wholesaler. If a cook chooses to use a 3rd party platform for marketing or payment processing, that platform must follow fee transparency, illness reporting, and data sharing requirements.

If AB 626 becomes law, it will be the first of its kind in the United States and will **create massive economic opportunities for cooks across California**.



AB 626 Statutory Framework

AB 626 defines new type of Food Facility: "Microenterprise Home Kitchen" (MEHK) that will be limited in scale and permitted by local Environmental Health regulators through an inspection process.

The bill will:

• Limit the scale of MEHK:

- Preparation is limited to no more than 60 individual meals (or equivalent meal components)
 per week, or less per the discretion of the local enforcement agency based on food
 preparation capacity
- Has not more than \$50,000 in verifiable gross annual sales, adjusted for inflation.
- o Rationale:
 - Home based operations are intended as incubators or ancillary income
 - Risk of foodborne illness from food correlates with the scale of operations
 - Not intend to subvert the professional food industry or evade health and safety processes required for commercial scale businesses

• Require safe food handling practice for MEHK:

- Food is prepared, cooked and served on the same day, picked up by the customer or delivered within a safe time period based on holding capacity
- Procedures, methods, and schedules for cleaning utensils, equipment, and for the disposal of refuse
- o Rationale:
 - Public health safeguards are critical
 - Direct sales will ensure customer transparency into source of food
 - Same day service eliminates many concerns around time and temperature controls for food safety

• Require a MEHK permitting process:

- o Requires a written application, home kitchen inspection, and plan check
- Discretion is granted to enforcement officers to assess capacity of each home
- Only one routine inspection annually, but inspectors can perform additional inspections if there are food safety related concerns or complaints
- o Rationale:
 - Similar process to restaurant or food truck permitting, with which health regulators are already familiar and comfortable
 - Goal is to make the permitting process streamlined and accessible, while also allowing regulators sufficient tools to safeguard public health

• Exempts MEHKs from some requirements of commercial kitchens:

- o Commercial grade appliances, signage, ventilation, etc. are not required
- o Rationale:



- Bill is meant to increase access to the food economy for people that find commercial space and equipment prohibitively expensive
- Key standards such a potable drinking water standards and adequate equipment for the proposed food preparation plan will still be maintained
- Regulators retain discretion to ensure that individual operators have adequate space and equipment to safely operate under proposed plan

• Allows County-level discretion over allowing of MEHKs:

- Counties may choose to opt-in and have discretion over permitting process
- o Rationale:
 - Important to health regulators that each County have the discretion to only allow MEHKss if they find the legislation workable
 - There is already strong support for implementation of a new permit in many counties where informal food economy is prevalent

• Encourage responsible behavior from 3rd party intermediaries, if a home cook chooses to use such services for marketing and sales

- Intermediaries must have a means of recording permit numbers from MEHK operators
- Intermediaries will be required to assist in the event of foodborne illness or verified consumer complaints, via data sharing with regulators
- Intermediaries must publicly post fees and provide one month written notice of any substantial fee changes
- o Rationale:
 - Many cooks will choose to market and sell food directly, but they will also be free to use 3rd party intermediaries if they wish
 - Law should ensure that 3rd party intermediaries involved in home food help encourage a healthy, safe, market for both cooks and customers



Public Health Safeguards

The Homemade Food Operations Act regulates unsafe private kitchen practices that cause foodborne illnesses in the existing informal food economy and ensures that new Microenterprise Home Kitchens are inspected and regulated like other Food Facilities.

Microenterprise Home Kitchens are Small Scale:

- Must be operated by a permitted resident operator, with a maximum of one additional employee
- Food preparation is limited to maximum of 30 meals or equivalent meal components per day or 60 individual meals or equivalent meal components per week
- The operation has no more than \$50,000 in verifiable gross annual sales
- Health inspector permitting the operation can adjust limit down based on food preparation capacity

Microenterprise Home Kitchens are a modified Restricted Food Facility:

- Requirements of a Restricted Food Facility apply (similar to Cottage Food), with some exceptions. The full list of exemptions can be found in Section 114367.1
- Handwashing facilities required, with posted hand washing signage

Microenterprise Home Kitchens are Inspected:

- Initial inspection required and annual inspections allowed of onsite customer eating area, food storage, utensils and equipment, toilet room, janitorial or cleaning facilities, refuse storage area
- Inspectors must be allowed back into the Microenterprise Home Kitchen if they give operator reasonable advanced notice, or are responding to a valid complaint or violation concern
- If investigating a food safety or illness complaint, enforcement inspectors can take photos, samples, sales receipts, or other evidence from the kitchen and can recover the cost of inspecting the kitchen

Operations are Limited to Lower Risk Processes:

- Food is prepared, cooked, and served on the same day or delivered in a safe time period
- Home cooks may not prepare foods that that require a line 5 HACCP plan (Section 114419), or sale
 of raw milk products or oysters
- The home kitchen does not include indirect sales through retailers or wholesalers

Home Kitchen Operators are Extensively Trained and Accountable:

- Food Manager training + certification required
- Home kitchen operator must directly serve food to end customers, encouraging accountability
- Each facility has one permitted operator and up to one FTE handling food and so there isn't constant turnover of 'staff' to track down in the event of an issue
- Permit is non-transferrable

3rd Parties Must Assist with Compliance:

- 3rd party intermediaries (that cooks may use for online sales) must provide a permit number field
- 3rd party intermediaries must report to local enforcement if one operator receives 3 or more food safety or hygiene complaints in a calendar year
- 3rd party intermediaries must share aggregate number of transactions made, consumers served, and number of illnesses reported in each calendar year with governmental agencies



Enforcement can Easily Respond to Foodborne Illness:

- Simplifies foodborne illness investigation because home kitchen operators are in one static location (rather than "nomadic"). Straightforward to obtain bio samples from every food handler if necessary
- Home cooks have direct knowledge of where ingredients were purchased from, and thus tracking the source(s) of any possible product-related outbreak is more manageable
- Permitting fees will help cover costs currently being incurred by regulators investigating existing informal food operations that have been pushed underground

Foodborne Illness Risk Assessment

How AB 626 protects against common foodborne illness risks

Bacteria	Method of Contraction	Reality of Risk	AB 626 solutions
Campylobacteriosis	Consuming food or water with the bacteria, such as undercooked chicken	Spread through poor personal hygiene, undercooked meat, cross-contamination raw milk or contaminated water	 Food manager training for cooks Post hand washing signs Disallowed from serving raw milk products Meat thermometer required
Cryptosporidiosis / Giardiasis	Consuming water with the bacteria	Most commonly found in well water.	A Cryptosporidiosis outbreak would generally indicate a larger water supply issue, not an issue with the individual cook (e.g., Minnesota outbreak in 1993)
E.Coli, Salmonellosis, Shigellosis (part of the "Big 5")	Consuming any food or water contaminated with the bacteria	Typically caused by poor personal hygiene, transferred to the food by an ill cook, undercooked meat	 Food manager training for cook Post hand washing signs Meat thermometer required
Ciguatera / Scombroid (fish poisoning)	Consuming fish contaminated by the ciguatera toxin	Typically caused by incorrectly icing fresh fish, usually associated with amatuer fishing.	Disallowed from using non-commercially caught fish
Cysticersosis / Taeniasis (pork tapeworm)	Consuming pork with larval cysts.	Uncommon in the U.S. Typically contracted by consuming pork in foreign countries.	 Disallowed from using non-commercial meat Food manager training for cook Post hand washing signs
Vibrio Infection	Consuming raw and undercooked seafood with the bacteria.	Only occurs during during May - October.	Raw oysters and processes requiring a HACCP plan are explicitly disallowed
Listeriosis	Consuming raw milk with the bacteria.	Most commonly affects those with compromised immune systems.	Raw milk is explicitly disallowed



Cook Labor Protections

Our aim is to lower the barriers to entry in the food industry and give as many options to independent cooks as possible, while protecting against labor exploitation. This bill ensures that cooks have control over their environment, when and how they make food, and how they sell it. It gives control to cooks, not corporations, and places limitations on 3rd party platforms that might become involved.

Home Cooks are the Face of their own Business:

- Each Microenterprise Home Kitchen may have one permitted operator and one employee. Family and household members are not considered food employees
- Food must be sold and served by cooks directly to their end customers, not via a retailer or wholesaler, to ensure that customers know who is making the food
- Any off-site delivery must be done by the cook, their employee, or their household member (not a 3rd party delivery service or app), which prevents cooks from becoming invisible labor

Permitting is Streamlined and Low Cost:

- A city and/or county shall designate one lead local agency to issue all permits required for a microenterprise home kitchen operation. No other agency may assess fees.
- Total startup cost estimated at \$500 \$1000, including (highly recommended) liability insurance

Kitchen Inspection is Minimally Invasive:

- Regulatory inspectors are limited in their number of inspections per year and when they can enter to protect the privacy rights of the cook and their home.
- After initial review and routine inspection, inspectors only allowed back into the home if:
 - o They provide reasonable advanced notice, or
 - They are responding to a complaint that has given the inspector valid reason to suspect that adulterated or otherwise unsafe food has been produced or served by the microenterprise home kitchen operation or that the microenterprise home kitchen operation has otherwise violated this chapter.
- Inspections are only allowed during posted hours of operation and are limited to food preparation, storage, and service areas, as well as hand washing areas

Requirements for Home Kitchens Attainable without Major Additional Cost:

 MEHKs are exempt from many prohibitively costly commercial kitchen requirements such as a commercial dishwasher, three-basin food preparation sink, or separate handwashing facilities (provided that a handwashing sink is supplied with warm water and located in the toilet room)

3rd Party Sales Platforms (Optional for Cooks) must abide by Restrictions:

- Cooks may choose to use a 3rd party internet platform for online sales and marketing
- 3rd party platforms must have a transparent fee structure by publicly post all platform fees in a manner both cook and consumer can understand
- 3rd party platforms must communicate any permanent changes to these fees exceeding 2% fee increase in writing with minimum of one month notice to prevent fees from changing too rapidly and to help create more stability for cooks who depend on their cooking income



List of Requirements for Cooks

Home Kitchen Requirements

• Sinks and washing

- A sink has hot and cold water, can reach 160 degrees to sanitize silverware
- A handwashing sink with warm water located in the bathroom
- Handwashing signs posted in the bathroom and kitchen
- Have gloves, hand soap, dish soap, etc.

• Temperature control

- A stove or oven to maintain food above 135°F
- A freezer to maintain food at or below 41°F (freezer)
- A meat thermometer to monitor the inside of potentially hazardous foods
- A refrigerator thermometer

Separation

- Separate a pet out of the kitchen/food prep/food service area with a partition (service animals exempt)
- Cannot sleep in kitchen/food prep/food service area

Training Requirements

Food Manager's training + certificate

Registration and Permitting

- Contact local lead permitting agency to obtain permit applications (usually in the county, except in the cities of Pasadena, Berkeley, Vernon, and Long Beach)
- Complete permit registration process, which will vary by county, but include:
 - Listing food types or products that will be handled
 - The proposed procedures and methods of food preparation and handling
 - Procedures, methods, and schedules for cleaning utensils, equipment, and for the disposal of refuse
 - How food will be maintained at the required holding temperaturespending pickup by consumer or during delivery
 - Days and times that the home kitchen will be utilized as a microenterprise home kitchen operation
- Schedule and complete a home kitchen inspection
 - This will include an inspection of all food preparation and storage areas, as well as eating areas (if planning to offer on-site eating)

Selling Requirements

- List food allergens in advertisements (must know CA required allergens list)
- Display your permit
- Comply with local noise ordinances



• Track meals and revenue and be able to provide written/digital records to regulator upon request: no more than 30 meals or equivalent meal components a day, and 60 a week, with a cap of \$50,000 in sales per year.

Estimated Total Startup Cost

- \$150 for permit (estimated, will depend by county)
- \$300 for inspection (estimated, will depend by county)
- \$99 Food Manager's certificate
- \$5 meat thermometer
- \$5 thermometer for the refrigerator
- \$300 a year for insurance (optional but highly recommended)

Total: \$859 (if no kitchen changes are needed)

The Homemade Food Operations Act will drastically lower the cost of starting and operating a small food business. Compare this <\$1000 cost to the estimated cost at least \$50,000 to start a food truck or the estimated cost of at least \$300,000 to start a restaurant in California. These high costs and the associated risks have pushed cooking into the informal economy and simply kept many of our state's most economically insecure from accessing opportunities in the food industry at all.

