

H.B. 287 Micro Enterprise Home Kitchen Operations Act "Background and Frequently Asked Questions"

BACKGROUND

<u>Humanaty Farm to Table</u> in collaboration with chefs, farmers and community partners are joining hands to introduce policy creating a pathway to work with health departments to shape the regulatory framework to legalize "Micro-Enterprise Home Kitchen Operations" in the state of Georgia.

Granting administrative authority to the Georgia Department of Health to make rules regarding the sanitation, equipment, and maintenance requirements for Micro-Enterprise Home Kitchens, and issuing permits to operate safely.

In the state of Georgia, people are already operating out of their kitchens and selling food. The legislation gives a pathway to work with the health departments and to have some sort of regulatory framework so they know how to operate safely, protecting the lives of all Georgians.

Driving economic empowerment in underserved communities and a revenue generator for the state through permitting fees, issuing and inspecting home kitchens.

Our advocacy work delivers sustainable solutions to food systems by promoting policy that supports small business, health equity, resilience in underinvested communities and food security, including minority women, immigrant, and refugee-owned small businesses to ensure that no one is left behind.

Connecting communities and entrepreneurs to the farm-to-fork ecosystem, driving farm sustainability, creating access to healthy, nutrient dense food within one mile.

The entrepreneurial opportunities presented by legalized Micro-Enterprise Home Kitchen Operations in the state of Georgia, means tens of thousands of dollars in the hands of local chefs, farmers, communities and the local economy.

Good for Micro-Entrepreneurs. Good for Farmers. Good for Georgia.

Why the Bill Matters ...

- About 22% of the state's 10.7 million residents live in urban parts of the state that are more than 1
 mile from a grocery store or more than 10 miles away from a grocery store in rural areas, according
 to the U.S. Department of Agriculture's Economic Research Service
- More than 2 million Georgians live in parts of the state where it is difficult to access fresh, healthy food, according to federal studies
- Food deserts areas that don't have easy access to fresh, healthy and affordable food can be
 found across the state, from rural parts of southwest Georgia to urban areas such as Fulton County.
 And not having access to healthy food can lead to various health issues
- Type 2 Diabetes, Kidney Disease, Hypertension and Heart Disease, Georgia's Leading Causes of Death, are directly impacted by food access and nutrition.
- Georgia has the fifth-highest rate of residents who live in low-income neighborhoods with low access to healthy food.
- The toll of hunger and these diseases is not distributed equally, disproportionately impacting underserved communities, including Black, Hispanic, and Native Americans, low-income families, and rural Americans.
- Lack of access to healthy and affordable foods is one of many factors impacting hunger and dietrelated diseases. The COVID-19 pandemic has exacerbated these challenges further.



Frequently Asked Questions

1. What is a Micro-Enterprise Home Kitchen?

- A "Micro-Enterprise Home Kitchen" is a non-commercial kitchen facility located in a
 private home or agritourism establishment (Georgia Farm), and operated by a resident
 of the home, including apartments, where ready-to-eat food is handled, stored,
 prepared, or offered for sale in compliance with state and federal regulations;
- "Food" means: a raw, cooked, or processed edible substance, or ingredient used or intended for use or for sale, in whole or in part, for human consumption;
- "Microenterprise home kitchen permit" means a permit issued by a local health department to the operator for the purpose of operating a microenterprise home kitchen.
- "Operator" means an individual who resides in the private home and who manages or controls the microenterprise home kitchen.
- "Ready-to-eat" means: raw animal food that is cooked; raw fruits and vegetables that
 are washed; fruits and vegetables that are cooked for hot holding; a time or
 temperature control food that is cooked to the temperature and time required for the
 specific food in accordance with rules made by the department

2. What are not included as a "Micro-Enterprise Home Kitchen"?

 A "Micro-Enterprise Home Kitchen <u>does not</u> include: a catering operation; a cottage food operation; a food truck; a bed and breakfast; or a residence-based group care facility.

3. In what states are "Micro-Enterprise Home Kitchen Operations" currently legal?

- "Micro-Enterprise Home Kitchen Operations" are legalized in the State of Utah with the
 passing of H.B. 94, "Microenterprise Home Kitchen Amendment" in 2021 and in the
 state of California since 2019.
- In the state of California, as of July 2021, there are currently 230 permitted, inspected, and operating Micro-Enterprise Home Kitchens operating with no reported incidents of foodborne illnesses; Generating revenue through permitting fees.
- 4. What makes Georgia's proposed Micro Enterprise Home Kitchen Operations legislation different than Utah and California, as it strategically centers safety, health and racial equity, supporting shared prosperity in underinvested communities and small business.
 - Limits the number of Micro Enterprise Home Kitchen Operation businesses per county for one year. Based on the county's size, the number of microenterprise home kitchens can be no more than either 15% or 70% of all "food service establishments" (i.e. restaurants) in a given county.
 - Requires 25% of ingredients sourced locally from Georgia Farmers and small businesses building a healthy, more just and equitable local food movement in Georgia
 - Limits the amount of meals prepared in one day to 30 meals to operate safely
 - Limits the gross annual sales to under \$100,000 in accordance with the <u>Georgia</u> Department of Economic Development's definition of a microenterprise.



Georgia Micro Enterprise Home Kitchen Operations Legislation Addressing Georgia Department of Public Health Key Concerns

As we work to promote health and well-being, protecting the lives of all Georgians, acknowledging each state is different, the following information is meant to serve as real life example of how it is being done in other states.

Including, the standards for the sanitation, operation, and maintenance of a microenterprise home kitchen, to safeguard public health and ensure that food is safe, and provides for the prevention and control of health hazards associated with a microenterprise home kitchen operation.

1. Does the state of Utah follow the gold standard FDA Food Code Policy?

Yes, the state of Utah follows the FDA Food Code Policy and made the exception to allow for Micro Home Kitchen Operations. Please see attached "Rule R392-106 Microenterprise Home Kitchen Sanitation."

2. Fire safety risk in homes, condos and apartments.

The Rules and Regulations of the Safety Fire Commissioner and Ga. Comp. R. & Regs. r. 120-3-3-.04 State Minimum Fire Safety Standards with Modifications sets the minimum state fire and life safety standards. The established rules are designed to ensure that Georgians safely prepare home cooked meals in their kitchen and will be no different for Micro Enterprise Home Kitchen Operations.

3. Overloading of septic systems when producing at higher volumes.

- According to the Georgia Department of Public Health, Gwinnett County has one of the greatest concentrations of septic systems in the United States, with an estimated 30 percent of the population using septic systems, a small percent in the state of Georgia.
- To address the concern, provisions can be included in the Bill requiring operators pump out the septic system more frequently, maintain service records onsite and available to the inspector at the time of inspection.

4. Funding to implement the new program, creating new forms and updating the inspection database.

- The initial process to implement the program includes, an application and a new inspection form until a person applies and pays the permit fee.
- The permit fee becomes the funding source for implementation, including updating the database and conducting the home inspections. Utah permitting fee is \$350 dollars.
- On average, it takes two weeks to create the application and inspection form, with the bulk of time spent researching and developing the new rule, establishing a fee schedule and the approval process by the board of health.

5. Staff safety concerns and capacity for home inspections and permitting.

- Language added to the application with a statement of consent for the Health Department to enter the premises for inspection and investigation purposes related to the Micro Enterprise Home Kitchen Operations.
- Best practice is to send two Home Inspectors for each home inspection.



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