

Cottage Food Bill Comparison Chart provided by the Michigan Farmers Market Association (MIFMA)

	House Bill No. 4461	House Bill No. 5024	House Bill No. 4333	X
Bill Sponsors	James DeSana (Rep. District 29)	Alabas Farhat (Dem. District 3)	Gregory Alexander (Rep. District 98)	
Link to Bill Language	<u>Click Here!</u>	<u>Click Here!</u>	<u>Click Here!</u>	
Allows for Online Sales	X	✓	✓	
Creates a Voluntary Registration System	X	✓	✓	
Increases Gross Annual Sales Cap & ties it to the CPI	✓ \$55,000* *Does not tie to the CPI	✓ \$43,000	✓ \$40,000	
MIFMA's Position	Would require amendments to support	Supports	Supports	

Online Sales

HB 4333 and HB 5024 both allow for third party food delivery platforms in the sale of cottage food. However, HB 5024 specifies it must be same-day pickup or delivery.

HB 4333 and HB 5024 both state: “A cottage food product may be sold by internet or mail order or may be delivered to a consumer through a third-party food delivery platform if the cottage food operation provides an opportunity for a consumer to directly interact with the cottage food operation before the cottage food product is sold. A cottage food product sold by internet or mail order or delivered through a third-party delivery platform must be sold or delivered only to a consumer in this state. As used in this subsection: (a) "Directly interact with" includes either a face-to-face meeting or a virtual meeting. (b) "Virtual meeting" includes, but is not limited to, a meeting in which communication occurs electronically in a manner that permits 2-way communication so that participants can see or be seen and hear or be heard by all parties to the communication.”

Voluntary Registration

HB 4333 and HB 5024 State: If the MSU Product Center administers a registration program for cottage food operations, the records of which must be available to the department upon request, a cottage food operation may register with the MSU Product Center. The MSU Product Center may do both of the following: (a) Issue a document that evidences the granting of registration and contains an identifying number unique to a cottage food operation. (b) Collect a 1-time registration fee of not more than \$50.00 to administer the registration program. (9) A cottage food operation that registers with the MSU Product Center under subsection (8) shall include on the label described under subsection (3) the registration number issued to the cottage food operation. A cottage food operation that does not register with the MSU Product Center under subsection (8) shall include on the label described in subsection

HB 4461 does not create a voluntary registration process.

Increased Gross Sales Cap

HB 4461 increases the gross sales cap to \$55,000

HB 5024 increases the gross sales cap to \$43,000

HB 4333 increases the gross sales cap to \$40,000

HB 5024 and HB 4333 both state: “After January 24 1, 2024, the department shall annually adjust the gross sales amount in this subsection by the percentage by which the Detroit Consumer Price Index exceeds or is less than the Detroit Consumer Price Index for the preceding calendar year.”

HB 4461 will not adjust the gross sales amount based on the Detroit Consumer Price Index.