Assembly Bill (AB) 1616 authored by Assembly Member Gatto, Chapter 415, Statutes of 2012, was signed into law by Governor Brown on September 21, 2012, and became effective on January 1, 2013. The bill allows individuals to prepare and/or package certain non-potentially hazardous foods in private-home kitchens referred to as "cottage food operations" (CFOs).

AB 1616 creates a two-tier cottage food operator registration and permitting system to be enforced by local county or city environmental health agencies: 1) "Class A" cottage food operators are those operations that sell CFO prepared foods directly to the public (at the home where the cottage food operation is located or at a community event), and 2) "Class B" cottage food operators are those operations that sell CFO prepared foods either indirectly through restaurants and stores or both directly to the public as well as indirectly to the public via sale to retail food facilities such as restaurants and markets. There are different requirements for "Class A" and "Class B" cottage food operations. "Class A" cottage food operations must submit a completed self-certification checklist approved by the local environmental health agency when they submit their registration application. "Class B" operations must submit a permit application and be inspected prior to obtaining a permit from the local environmental health agency. All cottage food operations must be registered or permitted by their local environmental health agency before commencing business. Please contact your local environmental health agency for more information.

All cottage food operators will have to meet specified requirements pursuant to the California Health and Safety Code related to preparing foods that are on the approved food list, completing a food processor training course within three months of registering, implementing sanitary operations, creating state and federal compliant labels, and operating within established gross annual sales limits.

The local environmental health agency may inspect the permitted or registered area of the private home in which the cottage food operation prepares, handles, or stores food (1) prior to issuing a permit to "Class B" CFOs and (2) on the basis of a consumer complaint where there is reason to suspect that adulterated or otherwise unsafe food has been produced by the cottage food operation or that the cottage food operation has violated provisions of law related to cottage food operations.

Cottage food operations are not allowed to manufacture potentially hazardous foods, acidified foods, or low acid canned food products that would support the growth of botulism if not properly prepared. These foods, as well as other foods not on the approved foods list, are regulated by the California Department of Public Health (CDPH). The enactment of AB 1616 provides cottage food operators with the opportunity to operate a small scale food business. Once the cottage food operation exceeds the gross sales volume established in the law, they must move their operations to a commercial processing facility and register with the CDPH under the Processed Food Registration Program. For additional information on the Processed Food Registration (PFR) program, please follow the link below:

https://www.cdph.ca.gov/Programs/CEH/DFDCS/Pages/FDBPrograms/FoodSafetyProgram/ProcessedFoodRegistration.aspx