


Government of the District of Columbia
Office of the Chief Financial Officer



Jeffrey S. DeWitt
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Jeffrey S. DeWitt
Chief Financial Officer 

DATE: October 28, 2019

SUBJECT: Fiscal Impact Statement - Cottage Food Expansion Amendment Act of 2019

REFERENCE: Bill 23-192, Draft Committee Print as shared with the Office of Revenue Analysis on October 28, 2019

Conclusion

Funds are sufficient in the fiscal year 2020 through fiscal year 2023 budget and financial plan to implement the bill.

Background

District of Columbia businesses that produce cottage foods¹ can currently earn up to \$25,000 a year in revenue from selling goods. The bill removes² this \$25,000 annual revenue cap. The bill also allows cottage food businesses to sell goods directly to consumers and conduct online sales to individuals residing in the District. Currently cottage food businesses can only sell goods at farmer's markets and public events.

¹ Cottage food businesses produce or package food products in residential kitchens. Cottage foods are non-potentially hazardous foods, as specified in regulations adopted by the Department of Health, that are sold at farmer's markets or public events.

² By amending the Cottage Food Amendment Act of 2013, effective January 25, 2014 (D.C. Law 20-63; D.C. Official Code § 7-742.01 et seq.).

The Honorable Phil Mendelson

FIS: Bill 23-192, "Cottage Food Expansion Amendment Act of 2019," Committee Print as shared with the Office of Revenue Analysis on October 28, 2019

Financial Plan Impact

Funds are sufficient in the fiscal year 2020 through fiscal year 2023 budget and financial plan to implement the bill. The Department of Health already regulates the cottage food industry. No additional resources are required to implement the bill.