

HB1017 - Public Health - Cottage Food Product Labels - Identification Number
SUPPORT TESTIMONY
Senate Finance Committee
Ellen Hamlett
Institute for Justice

Cottage food businesses are a way for entrepreneurs with big dreams but little capital to get started small in their own homes without having to spend tens of thousands of dollars on professional equipment and commercial kitchen space. Maryland has embraced these businesses as job creators and revenue generators, but the current labeling rules, which require producers to list their home address on each product label, jeopardize the privacy and safety of producers and leave some afraid to grow their businesses. **We ask the Maryland Legislature to support HB1017, which will create an optional registry and protect the safety of cottage food entrepreneurs.**

The Institute for Justice is a national nonprofit advocacy organization that has supported cottage food reforms across the country. In addition to working to change restrictive cottage food laws in the courts and state legislatures, our research team has studied the effects of cottage food businesses on local economies and communities, and researched claims about health and safety risks. **Our research confirms that cottage foods are inherently safe for producers and consumers, and that they benefit the community at large.**

As part of our advocacy work, we hosted a series of workshops across the state dedicated to helping cottage food producers understand the law and discuss any challenges they are facing. One item stood out as being especially important to the over 100 cottage food producers we spoke to – that they feel unsafe and vulnerable putting their home address on their product label.

Cottage food entrepreneurs tend to be women of modest means in rural areas, many of whom have children.¹ For this reason, they feel like advertising their home address on their labels puts them in a threatening position, especially if they've been the victims of domestic abuse. The producers we spoke to have many reasons for supporting this bill.

Because it can be difficult for small business owners to make it to a Maryland Legislative hearing during the day, we invited bakers across the state to explain why changing Maryland's law would be so important to them. A few stories are listed below, and more can be found at the end of this testimony.

- **Baker from Annapolis says:** My husband is a law enforcement officer, so for our family's safety, I cannot sell baked goods under the current Maryland cottage food law that requires listing our home address. If this bill is passed, I would be able to sell baked goods without fear of criminals my husband has dealt with finding out our home address. Allowing Maryland home bakers to use an ID number in lieu of a home address protects the public as well as the safety of home bakers and their families.

¹ Institute for Justice, 2017. Flour Power: How Cottage Food Entrepreneurs Are Using Their Home Kitchens to Become Their Own Bosses. <https://ij.org/wp-content/uploads/2017/12/Cottage-Foods-Report-Sep-2018.pdf>

- **Baker from Brunswick says:** After another baker was brutally attacked and raped in her home by someone posing as a customer² I do not feel safe putting my home address on my labels. I never allow customers to come to my home for pickups as I'm usually home alone. I always meet in a public parking lot where there is lots of foot traffic and store cameras. Advertising my home address also advertises to would-be thieves where they could potentially score thousands of dollars in bakery equipment and cash since I also do several markets and keep cash on hand to make change.
- **Baker from Annapolis says:** I think there are two major benefits. 1) I sell at a Farmers' Market. While I haven't had anything occur, it does concern me a bit to be giving my home address to every single customer, while I generally have little to no relationship with them. People don't generally give their home address to strangers that they have just met, but cottage food makers are expected to give it to every customer. 2) While I haven't had a customer show up at my home yet, customers sometimes ask if the address on my product is a retail store. An ID # would be safer for the cottage food maker and less confusing for the customer. I think this bill would be a great update to MD Cottage Food Laws.

These stories are not unique. Many may choose to do business from their home – something that we advocate should be an accessible option for cottage food producers – but they ought to also have the option not to advertise their home address on a label should they choose not to. This reform would ease the minds of many home bakers all over the state that just want to earn an honest living doing what they love.

We have heard from cottage food producers all over the country that they feel unsafe putting their home address on their label. In fact, other states have taken similar steps to change this requirement. Our neighbors in DC do not need to list their addresses on their products. Instead, they list a unique ID number given to them by the health department. This session, Washington state's legislature passed a bill that will replace the home-address on the label requirement with a permit number.³

The Maryland Department of Health argues that cottage food producers must put their home address on their labels due to FDA regulations that require food producers to include their address on the label. However, Maryland cottage foods are exempt from FDA regulations, due to the fact that the FDA only regulates interstate commerce,⁴ and Maryland expressly prohibits interstate sales for cottage food producers.⁵ Accordingly, Maryland cottage food producers need not comply with this federal labeling requirement, which only applies to sales between states.

HB1017 will create an optional registry for those that feel unsafe putting their home-address on their label. Rather, the producer will give their address to the Department of Health who would issue a

² Des Moines Register, Sept. 5th, 2019: 'I was in hell': After a stranger violently raped a home baker, she's dedicating her life to making sure no other woman feels that pain.
<https://www.desmoinesregister.com/story/news/local/columnists/courtney-crowder/2019/09/05/iowa-rape-victim-justina-rucinski-talks-sexual-assault-survivor-burlington-home-business-bakery/2140492001/>

³ Washington State Legislature, HB2217, 2020.
<https://app.leg.wa.gov/billssummary?BillNumber=2217&Initiative=false&Year=2019>

⁴ 15 U.S.C. § 1459(e) (emphasis added).

⁵ Md. Code Regs. 10.15.03.02(17-2).

registry number for the producer to put on their label instead. This will provide the same health protection – the Department of Health will still be able to trace cottage foods to the producer – while offering peace of mind to the producer.

Thank you for the opportunity to testify in favor of HB 1017. We urge the Legislature to pass HB 1017 and allow home bakers to claim their piece of the American Dream and encourage entrepreneurship while allowing the bakers to have peace of mind.

More stories from cottage food producers around Maryland when asked: “How will changing the labeling requirement so that you will not have to put your home address on your product label have an impact on your business?”:

- **Baker from Baltimore says:** I would have a sense of security.
- **Baker from Baltimore says:** I think it will have a more positive effect for those of us who don't own our own homes it won't put any pressure on the landlord or would, in turn, put pressure on their tenants. Also, there is a safety standpoint as well for the customers as well as the baker.
- **Baker from New Market says:** I would feel safer. I sell my cookies in a variety of locations and am leery to have my home address readily available. I am a member of several cookie groups on Facebook, and there was a recent incident where a man posed as a cookie customer and raped the woman in her home. Having to list the address makes the seller very vulnerable.
- **Baker from Olney says:** I think is so much better to put an ID instead of home address, this keeps your family and privacy safe.
- **Baker from Baltimore says:** It will impact it in a positive manner because it puts a layer of safety between you and your customers as well for your family dynamic.
- **Baker from Greenbelt says:** This bill is super important because it protects us and our families from any type of threat. Like working in an office no customer is privy to your personal info. Us home bakers are professionals as well and deserve to protect ourselves and our families. Thank you for this Bill!
- **Baker from Havre De Grace says:** It would keep my personal information from the general public, I would feel safer. I could also keep my personal information separate from my business information.
- **Baker from Easton says:** It's a bit scary to put your home address on things that you send out into the community. I am mostly home alone with my two young children during the day. Last year, a cookie friend in another state opened the door for a man claiming to be a customer and he pushed her back into her home and he sexually assaulted her. I am terrified of this. We installed a security system, but it would be so much better if people did not know where we lived. It's dangerous for home bakers, especially since they are mostly women. Please pass this!

- **Baker from Abingdon says:** It will be much safer with an ID# so that people do not show up at our house. If there is a complaint about food the DOH can get ahold of us so we can work it out.
- **Baker from Lexington Park says:** Not having to put my home address on the labels would encourage me to expand my business and not worry about who has my home address when selling my products.