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Maryland Department of Agriculture
Legislative Comment
Date: February 17th, 2026

BILL NUMBER: HB 535
BILL TITLE: Food Establishments - Cottage Food Businesses - Maximum Annual Revenue
MDA POSITION: **SUPPORT**

The Maryland Department of Agriculture (MDA) respectfully submits this letter in support of *House Bill 535 - Food Establishments - Cottage Food Businesses - Maximum Annual Revenue*.

Cottage Food Law serves as a vital entry point for producers of "potentially non-hazardous" foods, typically low-moisture products like baked goods that use commercially processed ingredients. While this framework allows some Maryland farm businesses to diversify their offerings, it is often limited in its application for raw, farm-fresh produce due to the strict safety requirements for residential processing.

For farmers looking to utilize ingredients grown directly on their land, the "On-Farm Home Processing License" is the essential tool. This license permits the use of domestic kitchens for further processing of farm-grown ingredients, subject to specific inspections and fees. Historically, this path was hampered by a $50,000 revenue cap, which trailed behind Cottage Food limits.

HB 535 continues this momentum by adjusting the Cottage Food revenue threshold. It is important to note that while an increase to the Cottage Food cap does not directly expand a farm's ability to process on-site ingredients, it strengthens the overall ecosystem for Maryland's small-scale food economy. By ensuring these caps remain competitive and equitable, we encourage more Marylanders to participate in the local food supply chain, whether they are utilizing commercial inputs or farm-grown staples.

The MDA believes that supporting the growth of these small businesses is essential for a resilient and diverse state economy. For these reasons, MDA strongly supports HB 547 and respectfully requests a favorable report. MDA appreciates the consideration of the above information in the Committee's deliberations.

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