

Food Regulations for Value-Added Products in Minnesota

For the Emerging Farmers
Conference
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These slides are about Minnesota laws.

Details of food laws are different in other states.

Basic principles are the same:

- Keep work areas clean
- Keep yourself and workers clean
- Use safe ingredients
- Use the right equipment for the job



Starting a Food Business Roadmap

START HERE

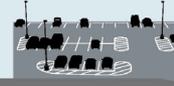
Are you interested in starting your own food business? This map is a great place to start! Even though the Roadmap is designed to look like a step-by-step guide, keep in mind this process is not linear, and you can expect to revisit stops throughout your journey. This list provides many resources that you might find helpful, but is not intended to be an exhaustive list. Review all of the stops on the roadmap before starting your food business.

Driver's Ed: Learn the Basics



- Establish a support system.
- Research the basics of financing and resources available to you.
- Consider other aspects of commercialization.

Business Planning Parking Lot



- Complete a cost analysis.
- Conduct market research to define your target market:
 - > What is your product?
 - > Where do you want to sell it?
 - > What makes your product unique?

Funding and Financing



- Meet with your banker to discuss financing.
- Research other grant and loan opportunities.

Food Safety Regulations and Information



- Learn about food safety regulations, limitations, and necessary training related to your business.
- Make a food risk management strategy (HACCP, allergens, etc.).
- Create a Food Safety Plan and Recall Plan.

Plan for Production



- Find where and how you will source ingredients, equipment, and other supplies.
- Decide where you will produce your product.
- Think about ways to use local ingredients.

Food Licensing Round-About



Knowing what licensing you will need can be a confusing process. Depending on your food business, you may require training and/or licensing from MDH, MDA, and/or federal and local delegated agencies.

- Most food products that are served and eaten on site (for instance, food trucks, restaurants, caterers) require a license from MDH.
- Most retail and manufactured food products require a license from the MDA.
- Some types of food businesses may require licensing or training from federal agencies or local delegated agencies.

Additional Resources



- Identify other resources to help you start your food business.

Scanning the Horizon



- Meet with your inspector.
- Review your business and food safety plans regularly.
- Decide if and how you will scale your business.

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www.mda.state.mn.us/business-dev-loans-grants/starting-food-business-roadmap





Food = Every ingredient involved in something humans will eat or drink

Sell/Sale = Any time food changes hands in any way, even if you don't take money for it





Approved Source = food that is okay to use in a food business

Product of the farm = approved source

Exemption or Exclusion = you don't need a license.





Federal Law:

If a wholesale food product contains more than 2% meat, then you need an inspector there every day.

USDA inspector

Or

Minnesota Equal-To inspector





Sovereign Nations

- Trust Land: Activities subject to tribal law
- Fee Land & Privately Owned: Activities subject to federal, state, and local laws
- Gray area: When a food product is made on trust land but sold elsewhere





Local Laws

- water source
- septic system

- zoning
- variances
- conditional use permits

Local always wins.



Exclusion
from Licensing:

Product of the
Farm



Product of the
Farm means food
you grew yourself
on land you own or
rent.



You can process
fruit or vegetables
that are your
product of the
farm.



Product of the Farm

You must follow food safety requirements!

- Sanitation
- Worker Hygiene
- Adequate facility
 - * Not a private residence
 - * Not used for cooking your family's meals



Product of the Farm

Farmers can do this, with:

drinkable water

appropriate facility
(not a home kitchen)

appropriate processes and equipment

Examples:

- Shredded, bagged cabbage
- Peeled, sliced carrots
- Chunks of squash
- Frozen blueberries
- Frozen rhubarb pieces



Product of the Farm

Mixed-Ingredient Products:

Yes, these can be product of the farm so long as EVERY ingredient is produced by you on your farm or garden.

Salsa example:

You could grow tomatoes, peppers, onions, garlic, and cilantro. You could grow apples and make your own vinegar.

But what about salt?



Product of the Farm

Sometimes you might be better off to buy some ingredients,

and use the Cottage Food Exemption,

or get a license.



You are responsible for the safety of your product that enters commerce.

Even if other people cause a problem after the product leaves you, you may be held liable if people get sick.

What should you do?

Buy insurance.



Exemption from
licensing:

Cottage Food

Minnesota Statute 28A.152



Cottage Food

Examples:

- Bakery products
- Flavored honey or maple syrup products
- Pickles, salsa, canned fruit, fermented products if high acid (pH below 4.6)
- Jam, jelly, fruit syrup

The MN Farmers' Market Association has a long list of allowed Cottage Food items. It is called the "Non Potentially Hazardous Foods List."

<https://www.mfma.org/CFL>



Cottage Food

- You can make it in your home kitchen
- You can sell up to \$18,000 per year
- You can sell to people who will eat it themselves or feed it to their family
- You cannot sell it to food businesses
- You must take food safety training
- You must register with Minnesota Department of Agriculture



Cottage Food can
be a step toward
licensed food
production



Licensed Local Food Sales

Individual farmers or others can get licensed by the Minnesota Department of Agriculture to sell:

- Food from different farmers
- Food with off-farm ingredients added



Jurisdiction

Minnesota Department of Agriculture: Food Processing & Manufacturing

Make raw ingredients into packaged foods
such as jars of pickles, boxes of spring
rolls, containers of frozen soup



Jurisdiction

Minnesota Department of Agriculture: Food Handling

Buy and re-sell packaged food products, bakery products, bulk food in dispensers, packaged meats, or raw fruit and vegetables



MDA License Types:

- * Retail Food Handler
- * Wholesale Food Handler
- * Wholesale Food Manufacturer/Processor





License Fees

Retail Food Handler: \$77/yr

Wholesale Food Handler: \$57/yr

Food Manufacturer/Processor: \$169/yr

These are the lowest rates.

Fees go up as annual sales go up.



Cross-Border Sales

- Raw, whole fruit and vegetables can cross state borders.
- USDA-inspected meat and poultry can cross state borders.
- Licensed food can cross state borders if you register with FDA



Cross-Border Sales

- Canned Cottage Food products cannot cross state borders.
- Baked Cottage Food products can cross state borders if both states allow it.





Don't Stay Stuck!





Ask for help:

- Agree with your inspector to ask for clarification from their supervisor
- Contact regulatory agency supervisors on your own
- Contact an organization to help you talk to the regulatory agency



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EXTENSION

Thank you!

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