

I Mina'trentai Sais Na Liheslaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
96-36 (LS)	Committee on Air Transportation, Parks, Tourism, Higher Education, and the Advancement of Women, Youth and Senior Citizens by request of I Kongressun Manhoben Guåhan, the Guam Youth Congress, in accordance with 2 GCA § 7102.	AN ACT TO <i>AMEND</i> § 72157(b) OF CHAPTER 72, TITLE 11; <i>AMEND</i> §§ 24101 AND 24102, AND <i>ADD</i> A NEW § 24108 TO CHAPTER 24, ALL OF TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO EXEMPTING HOME KITCHENS LICENSED AS A HOME INDUSTRY FROM SANITATION LAWS AND STIPULATING REQUIREMENTS FOR THESE HOME KITCHENS.	3/25/21 3:11 p.m.						

I MINA 'TRENTAI SAIS NA LIHESLATURAN GUÅHAN
2021 (FIRST) Regular Session

Bill No. 96-36 (LS)

Introduced by:

Committee on Air Transportation,
Parks, Tourism, Higher Education, and
the Advancement of Women, Youth
and Senior Citizens *Ameltz*
by request of *I Kongressun Manhoben*
Guåhan, the Guam Youth Congress, in
accordance with 2 GCA § 7102.

**AN ACT TO AMEND § 72157(b) OF CHAPTER 72, TITLE
11; AMEND §§ 24101 AND 24102, AND ADD A NEW §
24108 TO CHAPTER 24, ALL OF TITLE 10, GUAM CODE
ANNOTATED, RELATIVE TO EXEMPTING HOME
KITCHENS LICENSED AS A HOME INDUSTRY FROM
SANITATION LAWS AND STIPULATING
REQUIREMENTS FOR THESE HOME KITCHENS.**

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
3 that the culture and economy of Guam is fruitful grounds for cottage food businesses
4 selling unique homemade food items. Almost every state has adopted some form of
5 cottage food laws, where entrepreneurs can make and sell certain foods in their home
6 kitchens. This concept has always existed in Guam, with many families selling
7 cultural food products like *guyuria* and *rosketti* to other family members and friends.
8 A cottage food industry will not only serve as a new economy for our island but act
9 as a way for families to preserve family recipes of cultural food items while receiving
10 an income.

1 *I Liheslatura* further finds that that many families sell their homemade food
2 products “under the table” to avoid having their home kitchen scrutinized by the
3 Department of Health and Social Services. In addition, many families may not have
4 access to the capital or the capabilities necessary to convert their home kitchen into
5 a commercial kitchen. This does a disservice to their future business when their
6 homemade food product is not available to be tested on the open market.

7 *I Liheslatura* further finds that allowing these families to legally operate will
8 stimulate entrepreneurial activity and grow small businesses. Therefore, it is the
9 intent of *I Liheslaturan Guåhan* to give families the opportunity to make and sell
10 their homemade food products in a home kitchen, by eliminating any requirement
11 for homes to follow sanitation laws.

12 **Section 2.** § 72157(b) of Chapter 72, Title 11, Guam Code Annotated is
13 *amended* to read:

14 “(b) Home Industry License. Any person who does business as a
15 home industry shall obtain a home industry license. The annual fee for a home
16 industry license is Twenty-five Dollars (\$25.00) for each business licensable
17 activity at each location. A person applying for a home industry license shall
18 not be required to receive endorsements from the Department of Land
19 Management, the Department of Labor, the Department of Revenue and
20 Taxation and from the Department of Public Works. However, when the
21 license is for food preparation, the health certificate for persons handling food
22 and the health certificate for the suitability of the place of preparation shall be
23 required, except when the home industry meets the requirements under 10
24 GCA § 24102(d). For purposes of this Section, no person may qualify for a
25 home industry license if he employs in his business persons other than family
26 members and if such business is not actually conducted in his own home. A

1 person qualifying for a home industry license under this Section may engage
2 in the manufacture of products and wholesale sales without obtaining any
3 other business licenses.”

4 **Section 3.** § 24101 of Chapter 24, Title 10, Guam Code Annotated, is
5 hereby *amended*, to read:

6 **“§ 24101. Definitions.**

7 As used in this Chapter:

8 (a) Commercial consumption means the use of food in a food
9 establishment, food processing plant, catering services, and retail food
10 store.

11 (b) Food establishment means and includes every
12 establishment or place which is used or occupied as a bakery,
13 confectionery, cannery, dairy, creamery, packing house, grocery,
14 supermarket, meat or poultry market, fruit or vegetable market,
15 delicatessen, beverage plant, slaughter house, poultry processing plant,
16 fish processing plant, frozen food processing plant, bottling plant, food
17 refrigeration locker plant, ice plant, ice cream or frozen dessert plant,
18 public market, food warehouse or for the production, processing,
19 manufacture, preparation for sale, canning, bottling, packing,
20 packaging, storage, sale or distribution of any food.

21 (c) Informed end user means an individual who purchases
22 from a home industry a food product for noncommercial consumption
23 and has been informed the home industry food product is produced and
24 packaged in a noncommercial kitchen and the product is not regulated
25 or inspected by a state or local health department.

1 (d) Potentially hazardous means requiring temperature
2 control due to the capacity to support the rapid and progressive growth
3 of infectious microorganisms or the growth of toxic microorganisms.”

4 **Section 4.** § 24102 of Chapter 24, Title 10, Guam Code Annotated, is
5 hereby *amended*, to read:

6 “§ **24102. Exclusions.** Food establishment does not include:

7 (a) An eating and drinking establishment as defined in Chapter 23
8 of this Part;

9 (b) Any establishment for the killing of livestock for private
10 consumption of the products and not for sale to others; and

11 (c) Any establishment, including any market, wayside stand or
12 roadside stand, used exclusively for the sale of fresh, unprocessed fruits,
13 vegetables, nuts, eggs, live poultry, live pigs or other live animals except dogs
14 and cats, by the original producer thereof in his own property; or liquor,
15 canned and bottled soft drinks.

16 (d) Any establishment licensed as a Home Industry under 11 GCA §
17 72157(b), for the preparation of food, provided:

18 (1) the Home Industry prepares food in a kitchen in a
19 residential dwelling;

20 (2) the Home Industry sells food only and directly to the
21 informed end user of the product;

22 (3) the foods prepared are not potentially hazardous;

23 (4) the product bears a label with the following information:

24 (A) the name, phone number, and address of the Home
25 Industry;

26 (B) the ingredients of the product in descending order
27 by weight;

1 (C) any applicable allergen warnings as specified under
2 federal labeling requirements; and

3 (D) the following statement, “This product is
4 homemade and not prepared in a facility that is regularly
5 inspected by the Department of Public Health and Social
6 Services”;

7 (5) the annual gross sales of foods prepared at the home
8 industry does not exceed Twenty Thousand Dollars (\$20,000); and

9 (6) each individual handling food has a health certificate.”

10 **Section 5.** A new § 24108 is hereby *added* to Chapter 24, Title 10, Guam
11 Code Annotated, to read:

12 “§ 24108. Home Industry - Food Handling.

13 (a) The Department may develop and publish a list of acceptable
14 food products considered not potentially hazardous.

15 (b) The Department may promulgate rules and regulations guiding
16 the labeling requirements under § 24102(d)(3) under this Chapter.

17 (c) Notwithstanding § 24102(d) of this Chapter, the Director may
18 require an entity licensed under 11 GCA § 72157(b) as a home industry
19 handling food to comply with the provisions under Chapter 21 of Title 10,
20 Guam Code Annotated, if said entity fails to comply with any provision or
21 regulation governing food handling in a Home Industry or fails to maintain
22 their home in a clean, healthful, and sanitary condition.”

23 **Section 6. Severability.** If any provision of this Act or its application to any
24 person or circumstance is found to be invalid or contrary to law, such invalidity *shall*
25 *not* affect other provisions or applications of this Act that can be given effect without
26 the invalid provisions or application, and to this end the provisions of this Act are
27 severable.

1 **Section 7. Effective Date.** This Act *shall* become effective upon enactment.