

Home Based Food Operations

I. Sales of Non-Temperature Controlled for Safety Foods (Non-Potentially Hazardous Food)

A. To Consumer Customers (From the Home)

Based on a change in state law, non-temperature controlled for safety food products can be prepared in the home, and sold without licensure from the home, directly to consumer customers for consumption off- the-premises. These are food products that are non-perishable and do not require refrigeration to control the growth of undesirable microorganisms. These products cannot be sold to restaurants, grocery stores, or other types of retailers, schools or other institutions. These products must be labeled with the name of the food product, and the name and address of the person who prepared the food. Sales must take place in person at the producers home (no delivery, on-line sales or out of the home sales- with the exception of at a *Farmers Market).

B. To Restaurants, Grocery Stores & Institutions (Wholesale Distribution)

To sell these products to retail food stores, restaurants, institutions, or wholesalers requires that the firm be licensed and inspected as a food processing plant by the State. There is one exception to this rule, home based bakeries that are licensed as a Home Bakery can sell up to \$35,000 annually of bakery products on a wholesale basis. If the gross sales of the home bakery are over \$35,000 a year, then the firm must be licensed as a food processing plant. The term “baked good” or “bakery product” is limited to the following items per state rule 481-30.1: “breads, cakes, doughnuts, pastries, buns, rolls, cookies, biscuits and pies, except meat pies.” (See Item II)

C. To Consumer Customers (Outside the home)

To sell these products outside of the home requires licensure.

- A Home Bakery license may be obtained to produce a “baked good” or “bakery product” that will be sold outside of the home. Sales to consumers outside the home may include on-line sales or sales at a fair or festival.
- A Retail Food License may be obtained (but may not be issued to a residential kitchen used to prepare family meals) to produce non-temperature controlled for safety foods other than a “baked good” or “bakery product”.

II. **Sales of Temperature Controlled for Safety Bakery Products (Potentially Hazardous)**

These are bakery products that are perishable (time and temperature controlled for safety) and require refrigeration to control the growth of undesirable microorganisms. Some examples are: pumpkin pies, pecan pies, cream pies, cream filled products and other bakery products with a PH of over 4.6.

- A. Home based firms that are licensed as a home bakery can sell up to \$35,000 a year in bakery products only. Firms that sell over \$35,000 annually of bakery products, on a wholesale basis, must be licensed as a food processing plant by the State of Iowa.
- B. The license fee for a Home Bakery is \$50.00 annually.
License fees for food processing plants vary based on gross sales.

III. **Sales of Temperature Controlled for Safety Foods (Potentially Hazardous Food) - Not Bakery Product in section II above**

A. **For Household Consumers**

Firms that manufacture or process perishable food for direct sale to consumer customers for consumption off-the-premise, are required to have a Retail Food Establishment License.

B. **For Wholesale Distribution (same requirement as section I.B. above)**

Firms that manufacture or process food or food products for sale on a wholesale basis- to sell to grocery stores, restaurants, retailers or institutions are required to have a Food Processing Plant License.

Inspection Requirements

- I. **Retail Food Establishments** are establishments that prepare or distribute food for consumption off-the-premise (grocery stores) and are regulated under Chapter 137F of the Iowa Code and the 2013 FDA Food Code. Food service establishments are places that prepare food for individual portion service, which includes catering operations. Both retail food establishments and food service establishments are regulated under the 2013 FDA Food Code. The purpose of the Food Code is to safeguard the public health and provide food items to consumers that are safe, unadulterated, and honestly presented. Both retail food establishments and food service establishments pay a license fee based on annual gross sales. The family kitchen cannot be approved for this purpose. The firm must have a separate “self-contained” food preparation area. The following are requirements for sinks in these types of establishments: a 3-compartment sink for ware washing or a commercial style dishwasher, a separate hand sink, and a mop or utility sink.

- II. **Food Processing Plants** are firms that primarily manufacture, package, or store food that is not directly sold to consumer customers. These plants sell food to restaurants, grocery stores, retailers, wholesalers, or institutions. The State has adopted FDA requirements for the regulation of these firms. In addition to the Good Manufacturing Practices, specific regulations have been adopted for bottling water, retort canning and processing of acidified foods. These firms are all licensed and regulated by the State, not by local county health departments.

The processing of low-acid food by retort canning or processing of acidified foods is not allowed, unless these products are commercially processed to achieve and maintain commercial sterility under conditions of non-refrigerated storage and distribution. Processing of these food products, without state and federal (FDA) permission is a violation of state law and the Federal Food, Drug, and Cosmetic Act. Securing a food processing plant licenses from the State is one requirement to process these types of foods

Labeling

A product's label must include the following:

1. Product name.
2. A list of ingredients in order of predominance (by weight). If the product has a standard of identity in the Code of Federal Regulations, it must conform to that standard.
3. Name and address of the manufacturer, packer or distributor. Unless the name given is the actual manufacturer, it must be accompanied by a phrase stating the product is: "manufactured for" or "distributed by."
4. Net weight or volume.

More stringent requirements must be met for firms that are involved in interstate commerce, or make a "health" or "nutrient content" claim (such as "low fat" or "low sugar").

***Farmers Markets**

Farmers markets, in general, are not required to be licensed. The sale of certain products at these markets requires licensing by the vendor at the market. See information in the FARMERS MARKET FOOD REQUIREMENTS guidance document, updated February 23, 2018, for more information on selling food at farmers markets.

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Food & Consumer Safety Bureau
Iowa Department of Inspections and Appeals
Lucas Building, 3rd Floor
Des Moines, Iowa 50319
515-281-6538