

## **Cottage Food Update: House Bill 398 & Frequently Asked Questions**

### **1. What is House Bill 398 (“HB 398”), and when does it take effect?**

HB 398 is a new law that updates the production and sale requirements for cottage food items in Georgia. Governor Brian Kemp signed HB 398 on May 13, 2025. HB 398 officially takes effect on July 1, 2025. You can find the law here: <https://www.legis.ga.gov/legislation/70199>.

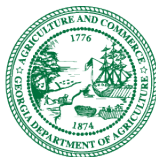
### **2. What does HB 398 do at a high level?**

HB 398 keeps much of the current cottage food system, with positive modifications. Under HB 398, Georgians may still produce non-potentially hazardous food items at home. Producers may then sell those cottage food items to consumers directly or to retail food sales establishments like grocery stores, convenience stores, or restaurants. Consumers are informed by product labels, signage and separation at the point of sale, or verbally, that the cottage food product was produced at a residential property and about the producer.

### **3. What if I’m already a cottage food operator, what changes with this new law?**

HB 398 brings positive changes to how cottage food operators produce and sell their products. These changes remove red tape and increase sales opportunities. For example:

- **Removed Licensing Requirement.** Cottage food operators no longer need to obtain a license with the Georgia Department of Agriculture (“GDA”) or pay a licensing fee to the state.
- **Expanded Sales.** Prior to HB 398, cottage food operators could only sell products directly to consumers. Now, cottage food operators may also sell their products to retail food sales establishments like grocery stores, restaurants, and convenience stores.
- **Fewer Inspections.** With no licensing requirement, GDA will no longer conduct pre-licensing inspections at a cottage food operator’s residence. GDA will still investigate consumer complaints, reports of foodborne illness, and public health emergencies.
- **New Identification Number.** Cottage food operators uncomfortable with providing their address on labels may request an “Identification Number” to use instead. You can obtain this number from GDA by using the form provided on our website: [\[hyperlink\]](#).



#### **4. Does HB 398 affect city or county requirements for my business?**

It may. HB 398 directly addresses how cities and counties regulate cottage food:

- **Opt Out.** Under HB 398, each city or county in Georgia may choose to pass an ordinance prohibiting cottage food operators from selling cottage food items through third-party vendors (ex. – grocery stores, restaurants, or convenience stores) within its jurisdiction.
- **Restrictions on Local Government.** HB 398 prohibits cities or counties from directly regulating cottage food except through the “opt out”. HB 398 also prevents cities or counties from prohibiting commercial delivery companies from delivering cottage food items.
- **Other Local Requirements Still Apply.** HB 398 does not affect general local requirements like business licensing or zoning. Consult with your local authorities, as needed.

#### **5. So, what’s next?**

Now that HB 398 is effective, GDA will propose new regulations to implement the law. Prior regulations (<https://rules.sos.state.ga.us/gac/40-7-19>) will be amended, including by repealing portions inconsistent with HB 398 like licensing requirements and more restrictive sales. GDA will use its enforcement discretion in the meantime when an old requirement is no longer supported by HB 398, like the licensing requirement.

You can learn more about the rulemaking process and your chance to give us feedback here: <https://agr.georgia.gov/sites/default/files/documents/assets/georgias-rulemaking-process.pdf>. Keep an eye on GDA’s Legal Notices webpage for proposed rules: <https://agr.georgia.gov/news/legal-notices>. We anticipate publishing a draft within several weeks.

#### **6. Additional Resources**

For more information, please see our cottage food webpage (<https://agr.georgia.gov/cottage-food>). For remaining questions, you can contact our cottage food team at:

- Email: [cottagefoodinfo@agr.georgia.gov](mailto:cottagefoodinfo@agr.georgia.gov)
- Telephone: (404) 656-3627