NATIONAL REPORT

Cottage Food Permit Statistics 2026

How many home bakers and cottage food producers are registered or permitted across the U.S. — annual issuance, renewals, lapses, and why most states still leave operators uncounted.

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Executive Summary

All 50 states and the District of Columbia now allow some form of homemade food sales under a cottage food, home processor, or food-freedom pathway. There is **no federal registry** and **no national operator census**. The only multi-state hard count remains the Institute for Justice (IJ) 2017 survey of **25,418 registered producers across 25 states** that required registration, with a mean of about **1,017 per state** and a distribution skewed low.

14,116

MINNESOTA 2025

Active annual registrations — largest published single-state total (MDA)

~30%

ANNUAL CHURN

Non-renewal rate in Minnesota's mature years; NJ inactive share ~2/3 of ever-issued

Uncounted

MANY BIG STATES

TX, FL, MI, WI, MO and food-freedom states leave no registration trail

AZ ACTIVE	NY CUMULATIVE	CA CFOS	IJ 25 STATES
8,791	**7,086**	**≥4,781**	**25,418**
Dec 30, 2024 · ADHS	Dec 2020 · Ag & Markets	Mar 2022 · IJ counties	~2017 baseline

Where programs publish data, operator stocks range from **single digits** (Rhode Island: 6 in 2021) to **five figures** (Minnesota). New annual registrations of several thousand appear in high-uptake free-registration states — not as a typical "per state" rate. Most cottage food businesses are tiny: IJ's survey found median sales of about **$2,000/year** and median profit of **$500**, which helps explain high entry and exit.

BOTTOM LINE FOR MARKET SIZING

Plan around large absolute numbers of micro businesses, state-by-state legal fragmentation, and roughly **30% annual churn** wherever renewals are required. Do not assume multi-thousand new permits every year in every state — issuance is highly skewed, and many of the largest consumer markets leave no permit trail.

Testing the "Few Thousand Per State" Hypothesis

A common intuition is that cottage food programs issue "a few thousand permits per state per year." The evidence supports that only for a **handful of high-uptake registration states**.

TIER	TYPICAL NEW / ACTIVE VOLUME	EXAMPLES
Very high	**3,000–6,500+ new/year**	Minnesota 2023–2025 (6,440 new in 2025 alone)
High stock	**~7,000–10,000 active**	Arizona 8,791 active; NY 7,086 cumulative (2020)
Mid	**Hundreds–~2,000 active**	New Jersey 1,061 active; Washington 861 permitted
Low / restrictive	**Single digits–low hundreds**	Rhode Island 6; Delaware 6 (2017)
Untracked	**Unknown**	Texas, Florida, Michigan, Wisconsin, Missouri, food-freedom Mountain West

National active sellers today are **plausibly 100,000+** if untracked states are included — but that remains an estimate, not a census. The 2017 IJ mean of ~1,017 per registration state is a better historical anchor than "a few thousand new permits everywhere."

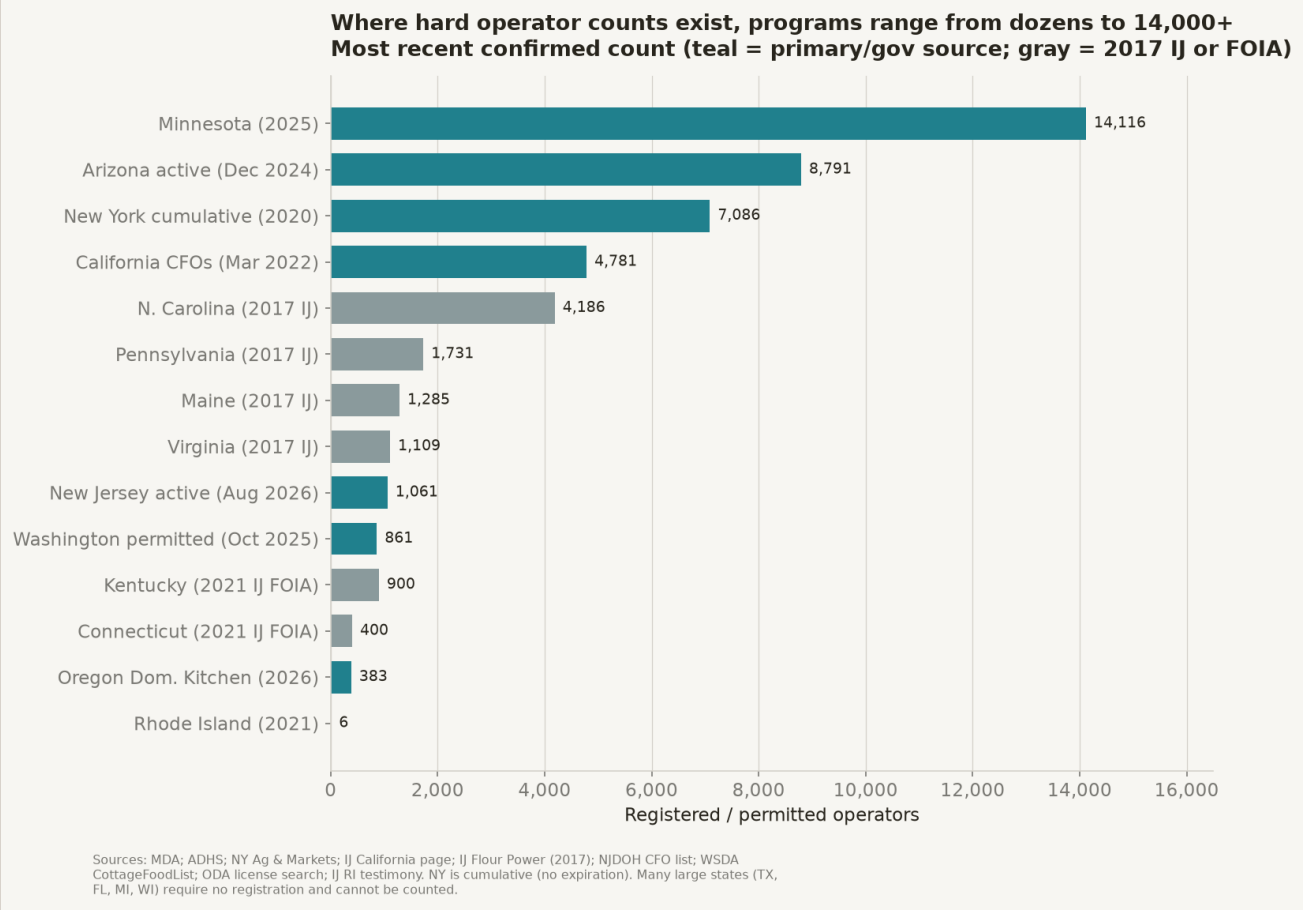
National Legal Landscape

Every state plus D.C. has a cottage food, home processor, or food-freedom pathway. New Jersey was last to legalize, with rules effective October 4, 2021. Four common models shape whether counts even exist:

1. **No registration / food freedom** — Texas (shelf-stable), Florida, Michigan, Wisconsin (baked goods via litigation), Missouri, Oklahoma, Wyoming, North Dakota, Montana, Georgia after HB 398 (2025).
2. **Free or low-cost registration** — Minnesota, New York, Arizona, Illinois (local), Maryland (optional ID).
3. **Paid permit + inspection** — Washington, Connecticut, New Jersey, Pennsylvania Limited Food Establishment, California Class B, Massachusetts residential kitchens.
4. **Multi-tier** — California Class A/B + MEHKO; Utah cottage vs. Homemade Food Act; Oregon exemption vs. Domestic Kitchen; Ohio cottage vs. Home Bakery.

IJ's national grading snapshot (policy counts, not operators): about **25** states with revenue caps from **$3,000** (Virginia pickled products) to **$250,000** (Florida, Wyoming); **19** with approved-food lists; **8** banning online sales; **15** banning mail order. FDA and USDA do not run a cottage food registry. States that ban fees and registration as policy permanently erase the administrative data trail.

Hard Operator Counts by State



Most recent confirmed counts. Teal = primary/government source; gray = 2017 IJ survey or FOIA. NY is cumulative (no expiration). Many large states require no registration.

Best current primary-source counts

STATE	COUNT	AS OF	WHAT IT MEASURES	SOURCE
Minnesota	**14,116**	2025	Annual registrations (new + renewing)	MDA Cottage Food Data
Arizona	**8,791**	Dec 30, 2024	Active registrants (3-year cycle)	ADHS participants PDF
New York	**7,086**	Dec 2020	Cumulative home processors (no expiration)	NY Ag & Markets press release
California	**≥4,781 CFOs + 144 MEHKOs**	Mar 2022	Active, compiled from county records	IJ California page
New Jersey	**1,061 active**	Aug 2026	Active 2-year CFO permits	NJDOH CFO list
Washington	**861 permitted**	Oct 2025	WSDA cottage food roster (of ~1,002 listed)	WSDA CottageFoodList
Oregon	**~383**	2026	Domestic Kitchen bakery + processor licenses	ODA license search
Connecticut	**400+**	Early 2021	Registered producers (IJ FOIA)	IJ RI testimony
Kentucky	**900+**	Early 2021	Registered (IJ FOIA)	IJ RI testimony
Rhode Island	**6**	Early 2021	Farm home food manufacturers	IJ RI testimony

2017 multi-state baseline (IJ Flour Power)

IJ obtained agency counts for 25 registration states totaling **25,418** producers (mean ≈ 1,017; heavily skewed low). Selected rows:

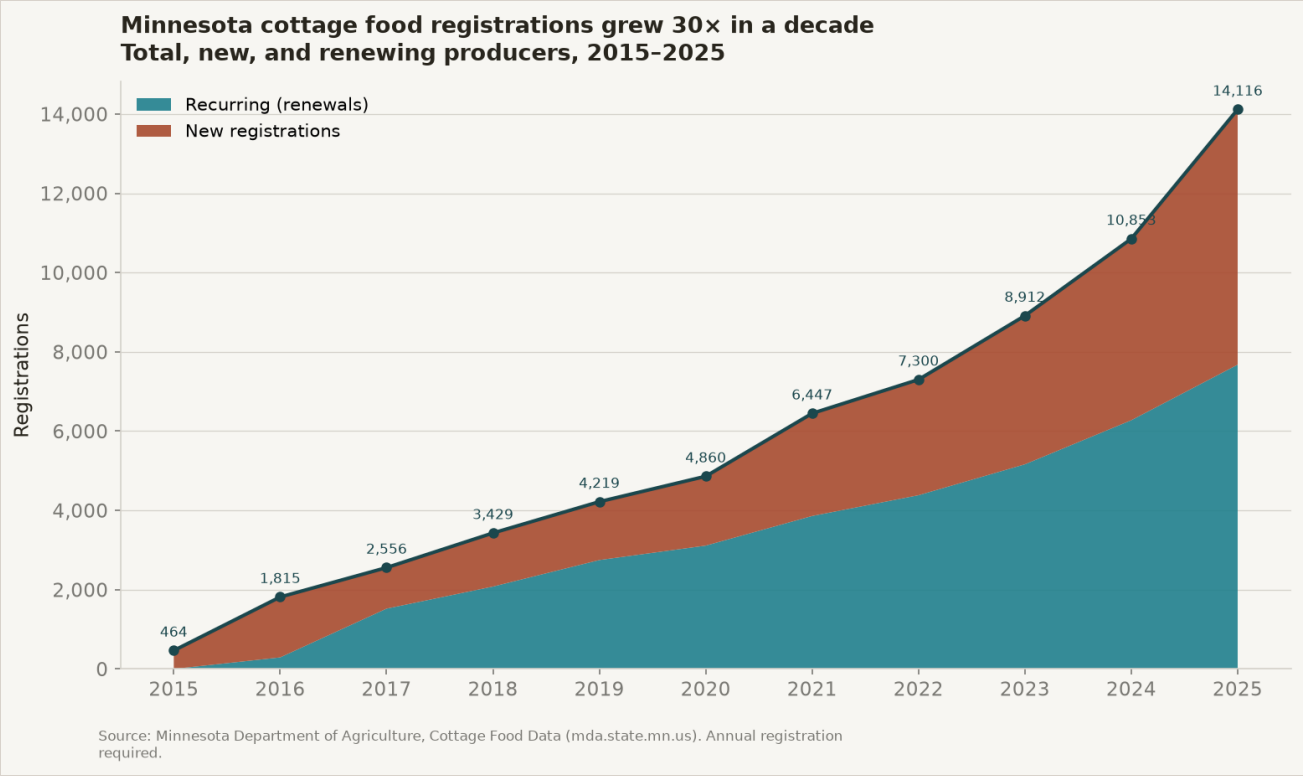
STATE	≈2017	STATE	≈2017	STATE	≈2017
Arizona	**5,671**	North Carolina	**4,186**	New York	**3,147**
California	**2,811**	Pennsylvania	**1,731**	Maine	**1,285**
Virginia*	**1,109**	Ohio*	**835**	Kentucky	**759**
Minnesota	**423**	Washington	**95**	Delaware	**6**

*Registering tier only in multi-tier states. Florida EDR restated the IJ mean when scoring HB 663 (2021).

Post-legalization surges cited by IJ: Texas **1,400+** new businesses in the first year after the 2011 law; California **1,200+** in the first year after 2013; Minnesota **3,000+** after 2015 easing (as of the 2018 report date — Minnesota has since grown far beyond that).

Minnesota — Gold-Standard Time Series & Churn

Minnesota is the only state found that publishes a continuous **new vs. recurring** annual series under a mandatory registration program (Minnesota Department of Agriculture). University of Minnesota Extension independently confirms more than 10,850 registered producers in 2024.



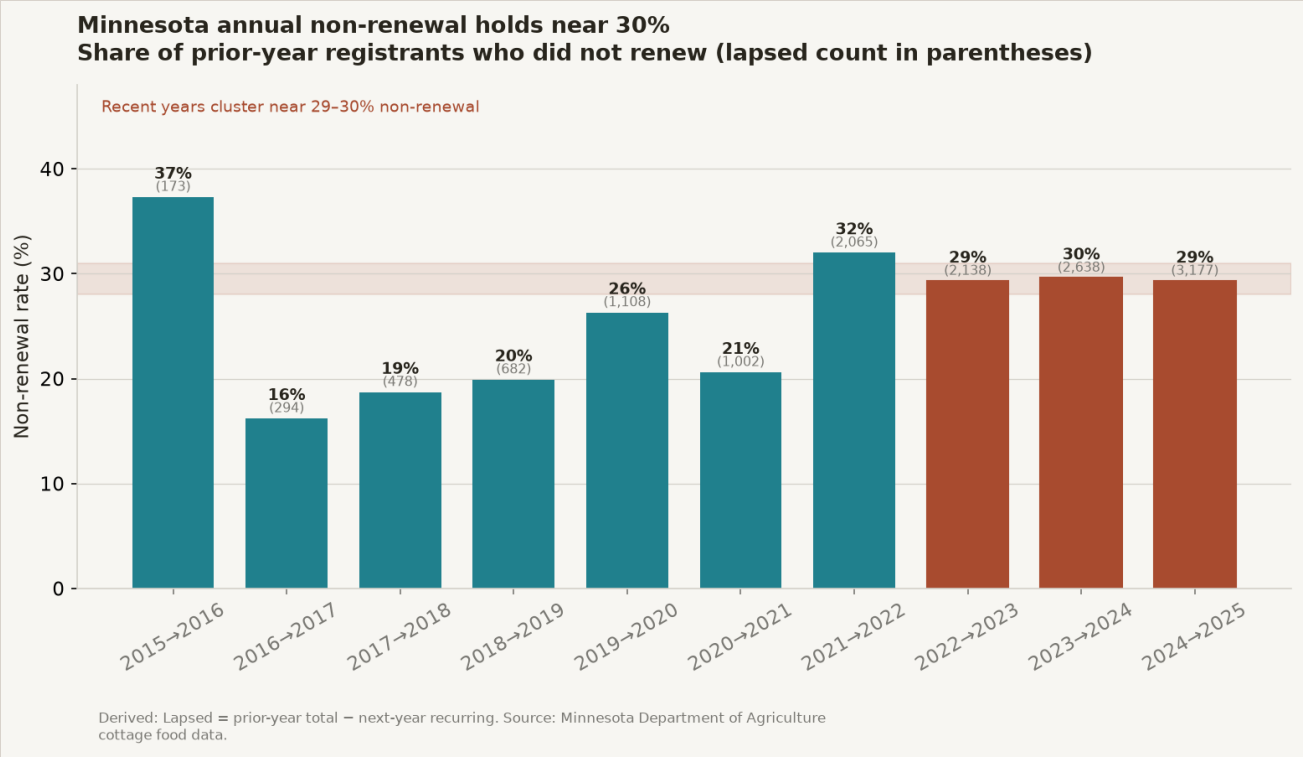
Source: Minnesota Department of Agriculture, Cottage Food Data. Annual registration required. Tier 1 (low sales) free; Tier 2 to $78,000 paid. Senate materials note Tier 1 ≈ 95% of registrations.

YEAR	TOTAL	RECURRING	NEW	% NEW
2015	464	0	464	100%
2016	1,815	291	1,524	84%
2017	2,556	1,521	1,035	40%
2018	3,429	2,078	1,351	39%
2019	4,219	2,747	1,472	35%
2020	4,860	3,111	1,749	36%
2021	6,447	3,858	2,589	40%
2022	7,300	4,382	2,918	40%
2023	8,912	5,162	3,750	42%
2024	10,853	6,274	4,579	42%
2025	14,116	7,676	6,440	46%

Derived non-renewal (churn)

Non-renewal is computed as: **prior-year total − next-year recurring.** After the program matured, about **3 in 10 registrants leave each year**, while new entrants often equal **35–46%** of that year's total stock. Growth is high

turnover plus even higher entry — not low churn with slow adds. Retention of the prior-year base has recently stabilized near **70–71%**.



Recent average non-renewal ≈ 29%. Between 2024 and 2025: 3,177 lapsed, 6,440 new, net +3,263.

TRANSITION	PRIOR TOTAL	DID NOT RENEW	RATE	NEW NEXT YEAR	NET CHANGE
2015→2016	464	173	37.3%	1,524	+1,351
2016→2017	1,815	294	16.2%	1,035	+741
2017→2018	2,556	478	18.7%	1,351	+873
2018→2019	3,429	682	19.9%	1,472	+790
2019→2020	4,219	1,108	26.3%	1,749	+641
2020→2021	4,860	1,002	20.6%	2,589	+1,587
2021→2022	6,447	2,065	32.0%	2,918	+853
2022→2023	7,300	2,138	29.3%	3,750	+1,612
2023→2024	8,912	2,638	29.6%	4,579	+1,941
2024→2025	10,853	3,177	29.3%	6,440	+3,263

Arizona, New York, California, New Jersey, Washington

Arizona — free registry, county detail

ADHS lists **8,791 active** registrants as of Dec 30, 2024 (Maricopa 4,590; Pima 1,101; Pinal 786). A Common Sense Institute figure of 14,884 (Mar 2023) likely includes expired 3-year registrations. Free registration every 3 years; no sales cap. IJ 2017 baseline: 5,671.

New York — free, non-expiring

1,538 new in 2020 (+56% vs 986 in 2019); **7,086 total** Dec 2020. Historical path: 490 (1993) → 2,100 (2012). Because registrations do not expire, the stock overstates verified active operators; churn cannot be measured from the public total alone.

California — county-administered

CDPH does not hold a single CFO registry. IJ's county compilation: **≥4,781 CFOs + 144 MEHKOs** (Mar 2022). MEHKO uptake is slower than forecasts (LA County had anticipated ~1,000 in year one; later reports cite hundreds, not thousands).

New Jersey — direct churn signal

Aug 2026 active list: **1,061 permits**. Permit numbers run roughly CFO#13–CFO#3132, implying ~3,100 ever issued — about **two-thirds inactive**. $100 / 2 years; $50,000 cap; rules effective Oct 4, 2021.

Washington — paid, inspected, smaller stock

WSDA Oct 2025 roster: about **1,002** operations listed; **861 permitted**, 140 expired. Permit numbers into the ~2,200s imply under half of historical numbers remain active. Terms: $355 / 2 years, kitchen inspection, $35,000 sales cap, in-state only. Higher barriers and a low cap help explain why Washington's stock is an order of magnitude below Minnesota's despite similar population scale.

County-Level Administration

Local control is common and is a main reason statewide totals are missing:

JURISDICTION	LOCAL ROLE	COUNT NOTES
California	County/city LEAs issue Class A/B and MEHKO	No CDPH statewide total; IJ FOIA is best proxy
Arizona	State registration, published by county	Full 15-county breakdown in ADHS roster
Illinois	Local health department registration (fee ≤ $50)	Statewide total not published
Massachusetts	351 boards of health (105 CMR 590)	No published statewide total
Alabama	County health dept label/cert approval	No statewide count located
New Jersey	State permit; county on roster	County split countable from NJDOH xlsx
Pennsylvania	PDA Limited Food Establishment; some county delegation	No published statewide total

States That Cannot Be Counted

These states or pathways intentionally leave no operator registry:

STATE / PATH	WHY UNCOUNTED	NOTES
Texas (shelf-stable)	No permit under cottage food law	Cap $150,000 (SB 541 2025); optional/TCS registration only
Florida	No license/registration	Cap $250,000; EDR estimated ~491 operators affected by 2021 cap bill
Michigan	No license/registration/inspection	MIFMA counted 724 cottage vendors at ~120 markets (2019)
Wisconsin	Litigation exemption, not a registry	Baked goods via Kivirist; Pickle Bill $5,000 high-acid
Missouri	Statute bars permit/registration/ inspection	Cap removed 2022
OK, WY, ND, MT	Food freedom	No registry by design
Georgia (post HB 398)	License eliminated 7/1/2025	Optional ID only
Colorado (through 2026)	No registration until Jan 1, 2027	HB26-1033 “Tamale Act” creates CDPHE registry
Oregon exemption	No license for exemption path	Domestic Kitchen licenses are a separate tier

Legislative Materials & Fiscal Notes

Fiscal notes and committee analyses are often the only place agencies put operator numbers on paper.

BILL / DOCUMENT	STATISTIC OR FINDING
Florida HB 663 / SB 1294 (2021)	Used IJ’s 25,418 / mean 1,017; ~491 FL operators affected by cap increase
Minnesota SF 3958 (2024)	~8,900 registered in 2023; Tier 1 = 95%; 10% growth assumption
Maryland HB 178 / HB 535	After 2022 cap raise: +12% unique-ID requests; +19% retail-seeking businesses
Colorado HB26-1033 (2026)	Registration from 2027; ~50 inquiries/week workload proxy; +$142k FY26-27
Texas SB 541 (2025)	Cap $150k; fiscal note: no significant fiscal implication
Georgia HB 398 (eff. 7/1/2025)	Eliminated license, fee, pre-op inspection
Washington SB 5605 (2025)	Requires public MEHKO permit statistics by July 1, 2027
Rhode Island H 7909 (2022)	IJ FOIA: CT 400+, KY 900+, RI 6
Arizona HB 2509 modeling (CSI)	14,884 registrants (Mar 2023); expansion modeled at $55.3M sales
National 2021 session (CHLPI)	51 home-kitchen bills in 31 states + D.C.; 19 enacted

Reform pattern since ~2021: higher sales caps, more online/delivery allowances, fewer inspections, and in some cases **elimination of permits** (Georgia) or **creation of first-time registries** (Colorado 2027). Virginia’s HB 402 (effective July 1, 2026) is part of the same online/delivery liberalization wave.

Operator Economics & Safety

From IJ's survey of 775 producers in 22 states (March–April 2017):

MEDIAN SALES	MEDIAN PROFIT	STARTUP CAPITAL	DEMOGRAPHICS
$2,000	**$500**	**$500**	**83%**
per year	per year	median; mostly self-funded	women; many rural

About 3% reported sales in the $50,000–$250,000 band (Florida EDR restatement). Typical time commitment ~15 hours/week with few employees. High entry and exit are the expected equilibrium for micro side businesses — not a sign of program failure.

Food-safety findings from IJ's 2023 review of the seven broadest homemade-food states (California, Iowa, Montana, North Dakota, Oklahoma, Utah, Wyoming): **zero confirmed foodborne-illness outbreaks** traced to those homemade-food laws. California's MEHKO program review similarly reported only 2 foodborne-illness complaints across hundreds of permits.

There is **no USDA or FDA national industry-size estimate** for cottage food. Circulating secondary claims of a multi-billion-dollar "cottage food industry" should be treated skeptically unless tied to a primary source.

Answers to the Core Questions

How many cottage food permits are issued per state per year?

"A few thousand per state per year" fits **Minnesota-class programs** and possibly a few other large free-registration states, but **overstates** typical paid-permit states and **cannot be tested** in no-registration states. Minnesota alone issued 6,440 new registrations in 2025. New Jersey and Washington sit closer to hundreds of active permits, not thousands of new ones.

How many people apply or lapse? Is there a lot of churn?

Yes — churn is high where it can be measured.

- **Minnesota:** ~29–32% annual non-renewal recently; 3,177 lapses 2024→2025 even as the program grew by 3,263 net.
- **New Jersey:** roughly two-thirds of permits ever issued are inactive on the current active list.
- **Washington:** active permits are a minority of historical permit numbers on the WSDA roster.
- **Arizona:** gap between cumulative-style counts (~14,884 CSI 2023) and active ADHS roster (8,791 late 2024) is consistent with multi-year non-renewal on a 3-year cycle.

Market-sizing takeaway

METRIC	BEST ESTIMATE	CONFIDENCE
States with a cottage food / homemade food law	50 + D.C.	High
Registered producers in 25 states (2017)	25,418	High (historical)
Minnesota active (2025)	14,116	High
Arizona active (2024)	8,791	High
California active CFOs (2022)	≥4,781	Medium-high

METRIC	BEST ESTIMATE	CONFIDENCE
Typical annual non-renewal (measured)	~30%	Medium-high (MN primary)
National active sellers today	Likely 100,000+ incl. untracked; not officially counted	Low–medium
Median sales per business	~$2,000 (2016 survey year)	Medium (survey age)

Methodology, Gaps & Sources

This report prioritizes primary government sources (MDA, ADHS, NY Ag & Markets, NJDOH, WSDA, ODA) and Institute for Justice publications over secondary blogs. Multi-state baselines come from IJ's Flour Power survey and legislative fiscal notes that restate agency FOIA results. Churn rates for Minnesota are derived from published new/recurring tables; New Jersey and Washington churn inferences use official permit rosters.

Known gaps

- No federal dataset; no complete 50-state active-operator table exists.
- Many 2017 IJ counts are outdated relative to post-2020 growth (Minnesota alone grew from 423 in the IJ table to 14,116 in 2025).
- Cumulative registries (New York) overstate active operators; multi-year registries (Arizona) require care when comparing "ever registered" vs "active."
- County-administered programs (California, Illinois, Massachusetts) systematically under-publish totals.
- Washington MEHKO statistics are forthcoming under SB 5605 (report due 2027); Colorado's first registry numbers should appear after the 2027 registration start.

Primary sources

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2. Arizona Department of Health Services — Cottage Food Participants PDF (Dec 30, 2024) — azdhs.gov … cottage-food-participants.pdf
3. New York Department of Agriculture & Markets — Home processor growth press release (Dec 17, 2020) — agriculture.ny.gov
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7. Florida EDR — CS/HB 663 revenue impact (June 14, 2021) — edr.state.fl.us … page469-471.pdf
8. New Jersey Department of Health — CFO permits issued (xlsx) — nj.gov … CFOPermitsIssued.xlsx
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10. Oregon Department of Agriculture — License search — mylicense.oda.state.or.us
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12. Common Sense Institute Arizona — Cottage food report — commonsenseinstituteus.org … CSI-Report-AZ-Cottage-Food.pdf
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14. Maryland HB 535 fiscal note (2026) — mgaleg.maryland.gov
15. Colorado HB26-1033 bill page — leg.colorado.gov/bills/hb26-1033
16. IFPTI — New York home processor history — ifpti.org/cohort-2/hill
17. USDA AMS — Market Performance / farmers market vendor return rates — ams.usda.gov … MarketPerformance.pdf
18. Institute for Justice — State reforms & grading press materials — ij.org press release

COMPANION CROSODO REPORTS

This national statistics report pairs with Crosodo's **Cottage Food Online Sales** 50-state matrix and **Can I Sell This? The Cottage Food Rulebook**. Download all free research reports at crosodo.com/resources.