

PROPOSED CHANGES TO PUBLIC HEALTH FEES

HOMEBASED FOOD OPERATIONS

ENVIRONMENTAL HEALTH



The Los Angeles County Department of Public Health, Environmental Health Division (EH), is proposing changes to the Los Angeles County Code, Title 8 – Consumer Protection, Business, and Wage Regulations; Division 1 – Public Health Licenses. These changes impact permit, plan check, and service fees that are collected under the authority of State and County Codes to carry out duties that protect public health and safety.

Overview of Program

EH is responsible for enforcing the California Retail Food Code, a California state law codified in California Health and Safety Code, starting at §113700. The primary purpose is to set minimum standards to safeguard public health and to provide consumers with food that is safe, unadulterated, and honestly presented. This includes food that is prepared in a private home for retail sale as authorized in the California Retail Food Code under the definitions of a Cottage Food Operation or a Microenterprise Home Kitchen Operation.

Cottage Food Operation (CFO) is a home-based business. A Cottage Food Operator is the person who owns and operates a CFO. A CFO allows an individual to prepare and package certain non-potentially hazardous food from their home kitchen.

There are 2 types of CFOs:

- **CFO A** allows direct sales to customers and must be registered with the department.
 - Currently a CFO A must reapply every year.
 - With the proposed changes, the CFO A will submit an initial application and will only need to reapply if they change their food items. This will result in lower fees in the long term.
- **CFO B** allows for direct sales to customers and third-party vendors, such as markets, restaurants, and more. A CFO B is subject to permitting and inspection.

Microenterprise Home Kitchen Operation (MEHKO) is a retail food facility where a resident operates a small-scale restaurant in their home. Once permitted, a resident can store, handle, prepare, and serve food to the public, as allowed by State law. State law requires that MEHKOs limit the number of meals that can be served, limit the revenue that can be earned annually, and determine how specific foods can be prepared.

EH inspects and permits CFO Class B and MEHKOs focusing on food safety practices and determining compliance with the state requirements. Inspectors are responsible for inspecting the area of the home used for the preparation, packaging, storage or handling of food products, and the ingredients and/or equipment that are used to make the food for the CFO or MEHKO.

EH will issue permits for CFOs and MEHKOs for Los Angeles County, except in the cities of Pasadena,

Long Beach, and Vernon, which have their own environmental health departments.

Why are the fees changing now?

Fees were last increased in 2018. While fees have remained the same, operational costs have increased annually due to negotiated employee salaries and benefits, along with inflation. From FY 19/20 through FY 25/26, the Consumer Price Index (CPI) increased by about 25%, and cost-of-living increases approved for County workers totaled 20.5%. Yet fees have remained at 2018 levels despite these cost increases.

A comprehensive fee study was conducted along with an evaluation of current operational costs and the fee levels required to cover those costs. The study reviewed direct and indirect costs associated with program administration, inspection, oversight and enforcement. The fee analysis structure was validated by the LA County Auditor-Controller. The last comprehensive fee study for EH programs was conducted in 2011. While MEHKO fees were adopted in 2024, the initial time estimates were underestimated.

What are the fee changes?

A summary of the proposed fees is listed below. If approved by the Board of Supervisors, the new fees will go into effect December 15, 2026. Existing permitted businesses will receive a supplemental invoice for any increases in annual health permit fees for Fiscal Year 26/27, and existing businesses where annual permit fee decreased will receive a credit during the FY27/28 annual health permit billing.

To minimize the impact of future increases, starting in FY 27/28, fees will be adjusted annually based on the Consumer Price Index (CPI), with no fee exceeding the reasonable cost of providing services.

SUMMARY OF PROPOSED HOMEBASED FOOD OPERATION FEES

PERMIT TYPES	Current Fee	Proposed New Fee
COTTAGE FOOD OPERATION CLASS A REGISTRATION: A CFO that can sell approved non-perishable foods directly to a customer	\$118	\$73
COTTAGE FOOD OPERATION CLASS B: Can sell approved non-perishable food directly to a customer or indirectly through a third-party retailer (example, permitted restaurant)	\$292	\$373
MICROENTERPRISE HOME KITCHEN OPERATION: A small-scale restaurant operated from a residential location	\$347	\$401

SERVICE FEES	Current Fee	Proposed New Fee
COTTAGE FOOD OPERATION INITIAL APPLICATION (UP TO 10 LABELS): The initial application to operate a Cottage Food Operation, Class A or Class B	NEW	\$273
MICROENTERPRISE HOME KITCHEN OPERATION APPLICATION: The initial application to be able to prepare meals, including perishable and non-perishable foods, at home which includes a site evaluation of the home to determine if home kitchen can support proposed food operation	\$597	\$572



FEE COMPARSION BY COUNTY

The proposed fees are consistent with those of comparable jurisdictions when accounting for differences in scale and scope. Given Los Angeles County's large population and extensive inspection and service responsibilities, the proposed fees are appropriately aligned with comparable jurisdictions.

PERMIT FEES	LOS ANGELES PROPOSED NEW FEE	PASADENA	LONG BEACH	ORANGE	VENTURA	SAN DIEGO	RIVERSIDE	SAN BERNARDINO
COTTAGE FOOD OPERATION CLASS A REGISTRATION	\$73	\$145	\$124	\$225	\$259	\$231	\$205	\$229
COTTAGE FOOD OPERATION CLASS B	\$373	\$556	\$380	\$225	\$375	\$526	\$304	\$311
MICROENTERPRISE HOME KITCHEN OPERATION	\$401	N/A	N/A	N/A	N/A	\$673	\$659	N/A

Visit our website to learn more about [Cottage Food Operation A](#), [Cottage Food Operations B](#), and [Microenterprise Home Kitchen Operations](#).

<http://www.publichealth.lacounty.gov/eh/>

How to provide feedback

Questions and comments can be submitted to: <https://www.surveymonkey.com/r/EHfees> or scan the QR code.

