

Robert M. Kerr Food & Agricultural Products Center



FOOD TECHNOLOGY FACT SHEET

Adding Value to Oklahoma

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Food Business License and Permit Costs in Oklahoma: The Good, The Bad and The Mundane

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Introduction

For Oklahomans interested in beginning or improving small food businesses, deciding what to sell may be difficult. However, finding what category that business falls under may prove even more difficult. In order to operate a food business legally, there are regulations to which food vendors must adhere, including proper licensing. To help clarify food business categories, provided below is a list of some category terms with their corresponding definitions and license fees. Be aware that this list is incomplete and more categories can be found at www.ok.gov/health/ or at your local health department.

Terms, Explanations and Associated Costs

The following definitions are, for the most part, directly taken from the Oklahoma State Department of Health. Italicized definitions are identical to those found in documents that can be downloaded from the Department of Health website (www.ok.gov/health2/documents/).

Food Service Establishment: *an operation that stores, prepares, packages, serves, vends food directly to the consumer or provides food for human consumption: such as a restaurant; satellite, commissary or catered feeding location; catering operation if the operation provides food directly to a consumer or to a conveyance used to transport people; market; vending location; institution; or food bank; and that relinquishes possession of food to a consumer directly, or indirectly through a delivery service such as home delivery of grocery orders or restaurant takeout orders, or delivery service that is provided by common carriers.*

- a) *Food-service establishment includes: An element of the operation such as a transportation vehicle or a central preparation facility that supplies a vending location or satellite-feeding location unless the vending or feeding*

location is permitted by the Department; or an operation that is conducted in a mobile, stationary, temporary, or permanent facility or location; where consumption is on or off the premises; and regardless of whether there is a charge for the food.

- b) *Food-Service Establishment does not include:*
- vii) *The sale of whole produce grown by a producer and sold on a roadside or locations away from their property and transported by the grower or transported without third-party intervention and/or storage, and the produce is maintained in a safe, unadulterated condition.*
- (2) *The food service establishment definition does not include... individual farmers' market vendors that are in compliance with the definition of a farmer's market and hold a food-processors license from the Oklahoma Department of Health and/or small processors license from the Oklahoma Department of Health and/or small egg packer license from the Oklahoma Department of Agriculture, Food and Forestry.*

In Oklahoma, a food-service establishment is subject to the following licensing requirements (see www.ok.gov/health2/documents/250-709.pdf for details):

- Application Fee: \$200
- License Fee:
 - Initial: \$350
 - Renewal: \$250
 - Late Renewal: \$300

Food Processors: *individuals or entities adding value to raw agricultural commodities, which they may or may not have raised, through activities such as cutting, canning, cooking, packaging,*

or freezing. (see www.ok.gov/health2/documents/250-709.pdf for details):

- Application Fee: \$200
- License Fee:
 - Initial: \$350
 - Renewal: \$250
 - Late Renewal: \$300

Mobile Food Service Establishment: a facility that prepares food and is vehicle mounted (is Department of Transportation road approved, including wheels and axles), is readily moveable and remains at one physical address for no more than 12 hours at one time.

Full-Service Mobile: a vehicle or trailer designed and quipped to prepare and serve open food product.

Pre-Packaged Mobile: a vehicle or trailer limited to the sale of commercially manufactured pre-packaged food products.

Pushcart: a non-self-propelled vehicle. The operation of which is limited to serving non-potentially hazardous foods, commercially pre-packaged foods maintained at proper temperature or the preparation and serving of frankfurters.

With the exceptions of entities like schools and prisons, the application and license fees for all types of food service and vendors are standardized. (see www.ok.gov/health2/documents/250-709.pdf for details)

- Application Fee: \$200
- License Fee:
 - Initial: \$350
 - Renewal: \$250
 - Late Renewal: \$300

However, municipalities in Oklahoma have different local licensing requirements for mobile food-service businesses operating around the town or at local farmers' markets. Examples of different licensing requirements and costs at the municipal level are shown below:

- *Broken Arrow*

(see <http://www.tulsa-health.org/food-safety/food-service-industry/> for details)

- Full-service mobile: \$150/vehicle
- Pre-packaged mobile: \$60/vehicle
- Pushcart vending: \$60/pushcart

- *Bixby*

(see <http://www.tulsa-health.org/food-safety/food-service-industry/> for details):

- Full-service mobile: \$145/vehicle
- Pre-packaged mobile: \$145/vehicle
- Pushcart vending: \$145/pushcart

- *Norman Mobile Temporary Food License*

(see www.ci.norman.ok.us/content/permits-licenses for details)

- One-Day Permit: \$20

- 30-Day Permit: \$50
- 180-Day Permit: \$250

- *Tulsa*

(see www.tulsa-health.org/food-safety/food-service-industry/ for details)

- Full-service mobile: \$145/vehicle
- Pre-packaged mobile: \$145/vehicle
- Pushcart vending: \$145/pushcart

- *Oklahoma City*

(see www.occhd.org/community/foodprotection/farmersmarkets/licensing for details)

- Retail Mobile License: \$350 (first year); \$250 (every year after)
- Seasonal License: \$200 for a six-month period (180 days)

* Issued once per year

Mobile Retail Food Establishment: a unit which sells packaged foods from a stationary display at a location some distance from the unit but still at the same physical address for no more than 12 hours, provided the licensed unit is on premise and readily available for inspection and the food has been prepared in a facility that is regulated by the Good Manufacturing Practices in Title 21 of the CFR or regulated as a license holder pursuant to Chapter 310:260, Good Manufacturing Practice Regulations.

Peddler: an individual who engages in the itinerant or transient sale or bartering of any goods, merchandise or services directly to the consuming public, whether or not the goods, merchandise or services are actually delivered at the time of sales. A peddler engages in such activities as selling from door-to-door, hawking of items at public events, and selling or canvassing by means of carrying goods or samples around from place to place in order to encounter consumers who will purchase or order the goods.

Peddler licenses vary by municipality, and in some cases food peddlers may not be distinguished from mobile retail vendors. Examples of specific municipality peddler licenses include:

- *Norman*

(see www.ci.norman.ok.us/sites/default/files/WebFM/Norman?City%20Clerk/Solicitor%20Peddler%20Peddler%20Requirements.pdf for details)

- 30-Day Permit for outdoor stationary vending: \$500

- *Choctaw City*

(see <http://choctawcity.org> for details):

- Peddler License Application: \$5 for one day to one month, \$50 annually.

Resellers: an individual who buys produce from other farmers and brings to sell at farmers' markets.

It is important to check with farmers' market managers before becoming a reseller. Some farmers' markets do not allow resellers as

vendors, requiring instead that all of their vendors be either the producer of the marketed items or agents of the producer. Resellers may be required to meet licensing requirements established for vendors or peddlers, depending on what they sell and where they operate.

Seasonal Food-Service Establishment: *a facility that is open no more than 180 consecutive days per physical address per year. The seasonal food-service establishment is limited to serving coffee and snow cones with use of liquid milk, raw fruits, raw vegetables, nuts in the shell, and commercially bottled syrup, sorghum, honey, sweet cider and other non-Time/Temperature Control for Safety Foods.*

Seasonal food-service establishments, at least in Oklahoma, are distinguished from other mobile or non-mobile food businesses by the limited product offerings and operational timeframe of the business. Licenses and associated fees for these establishments are (see www.ok.gov/health2/documents/250-709.pdf for details):

- Application Fee: \$200
- License Fee: \$200 for 180 consecutive days only
- Non-renewable for consecutive 180-day terms.

Temporary Food Service Establishment: *a food-service establishment where food is offered for sale or sold at a retail from a fixed, temporary facility in conjunction with a single event or celebration not to exceed the duration of the event or celebration.*

Temporary food establishments differ from seasonal food service establishments in two ways: (1) temporary establishments can offer a broader array of food products and (2) their operational timeframe is even more limited than a seasonal establishment. One example of a temporary food-service licensee would be a vendor selling hamburgers and drinks for only one week each year at a county livestock show. The next week that same vending site may be occupied by another vendor for another event, who would also be required to purchase a temporary food establishment license.

Fees and licenses for temporary food establishments may include both state and local requirements (see www.ok.gov/health2/documents/250-709.pdf for details). State and specific municipal requirement examples are:

- *Oklahoma State Department of Health License*
 - \$30 for 3 days*
 - \$15 for each additional day*
 - Required at time of inspection. The license is good only for one vendor at the event and address, which the license is issued.
- *Norman Temporary Non-mobile*

(see www.ci.norman.ok.us/sites/default/files/WebFM/Norman/City%20Clerk/Temporary%20Food%20Requirements_0.pdf for details.)

- One-Day Permit: \$20
- 30-Day Permit: \$50
- 180-Day Permit: \$250

- *Tulsa*

(see www.tulsa-health.org/food-safety/food-service-industry/ for details)

- Tulsa, Bixby, Broken Arrow: 1-5 days, \$25
 - * \$5 per each additional day after 5 days
 - * Event may not last more than 17 days

Retail Food Store: *an establishment or house-to-house trade route that sells food for home preparation and consumption and:*

- (a) *offers for sale, on a continuous basis, a variety of foods in each of the 4 categories of staple foods specified in subsection, including perishable foods in at least 2 of the categories; or*
- (b) *has over 50 percent of the total sales of the establishment or route in staple foods, as determined by visual inspection, sales records, purchase records, counting of stock-keeping units, or other inventory or accounting recordkeeping methods that are customary or reasonable in the retail food industry (see <http://definitions.uslegal.com/r/retail-food-store/> for details).*

Retailers: *consist of small and large for-profit businesses that sell products directly to consumers. To realize a profit, retailers search for products that coincide with their business objectives and find suppliers with the most competitive pricing. Generally, a retailer can buy small quantities of an item from a distributor or a wholesaler. For instance, a retail merchant who wanted to purchase a dozen lamps could contact lighting distributors to inquire about pricing (see <http://smallbusiness.chron.com/differences-between-wholesalers-distributors-retailers-30836.html> for details).*

- *Retail Food Store*

(see www.ok.gov/health2/documents/250-709.pdf for details)

- Application Fee: \$200
- License Fee:
 - Initial: \$350
 - Renewal: \$250
 - Late Renewal: \$300

Wholesalers: *an intermediary (individual or entity) that generally buys large quantities of products directly from manufacturers or distributors. High-volume purchase orders typically improve a wholesaler's buying power. The goods are frequently destined for retailers.*

Food wholesalers are also licensed and inspected by the Health Department (see www.ok.gov/health2/documents/250-709.pdf for details).

- Application Fee: \$200
- License Fee:
 - Initial: \$350
 - Renewal: \$250
 - Late Renewal: \$300

Specific Examples of City and Farmer's Market Food Vendor Required Licenses and Permits

As previously mentioned, many Oklahoma cities have local license requirements for most types of food businesses. Additionally, farmers' markets in those communities may also have specific requirements for their vendors. The following are examples of current food vendor requirements for both cities and farmers' markets within those cities. All of these requirements may change without notice, so be sure to check with the appropriate authorities prior to starting a food business. Not all cities and/or farmers' markets in Oklahoma require the same licenses and permits, and not all fees are publicly reported on city or farmer's market websites.

Altus

(see www.foodsafetytrainingcourses.com/ for details)

- Food Handler Permit:
 - \$ 6 - One-year food-handler permit
 - \$10 - One-year manager permit
 - \$20 - Five-year food-handler permit
 - \$30 - Five-year manager permit

Bartlesville

(see www.bartlesvillefarmersmarket.com/ for details)

- Nursery Stock - Grower's License
- Community Booth

Cleveland County

(see www.ok.gov/health/County_Health_Departments/Cleveland_County_Health_Department/Environmental_Health/ for details)

- Food-handler permit: \$5

Midwest City

(see <http://midwestcityok.org/utility-customer-service-business-licenses> for details):

- Health License (Food-Service Operator's Certificate): \$50/year
 - Only required for businesses, which prepare food on site and serves individual portions to persons
 - Not required to have a certified food operator if they are only providing beverages and/or pre-packaged foods

Oklahoma City/Oklahoma County

- Mobile Food Establishment (see www.occhd.org/system/files/2020/original/Steps_for_Opening_a_Mobile_Food_Establishment_in_Oklahoma_County.pdf for details)

- Food-Service Operator Certification Courses (see www.downtowncollege.com/pdf/Food-Service-Operators.pdf for details)
 - * Initial certification course (including book, instruction, national test and parking): \$140
 - * Recertification class (brief review and national test): \$70
- Additional requirements within Oklahoma City Boundaries
 - Inspector issues two applications: OK State Department of Health Mobile Food-Establishment License and Oklahoma City Mobile Food-Establishment License
 - Oklahoma City Business License (see www.occhd.org/community/foodprotection/farmersmarkets/inspection for details)

Sand Springs

(see www.sandspringsok.org/ for details)

- Organic Certification (if marketing organic food products)
- Health Department License
- Nurseryman or Dealer's License (if marketing nursery plants)
- Itinerant Peddler License/Permit: \$75 annual (Fee is waived for farmer's market vendors.)

Tahlequah Farmer's Market

(see www.tahlequahfarmersmarket.org/ for details)

- Seasonal License (45S) or Mobile License (45M) for vendors selling produce grown by another source
- Processors License required for those selling processed products

Woodward Farmer's Market

(see www.woodwardfarmersmarket.com/ for details)

- Mobile Food-Service License
- Third-Party Sales
- Re-Sold
- Packaged/Processed foods

Plan Accordingly

Before you start any food-related business, make sure you understand the regulatory requirements and costs for the type of business and/or types of food you wish to sell. It is virtually impossible to run a successful food business, while also "operating under the radar." Complete the requirements to operate your business legally in the beginning because it might save you a large amount of money and time in terms of fines and paperwork in the future.