

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 18** SLS 13RS 133

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 29, 2013	4:54 PM	Author: WARD
Dept./Agy.: DHH/OPH		Analyst: Jennifer Katzman
Subject: Application of Sanitary Code to Cake & Cookie Products		

PUBLIC HEALTH

EG DECREASE SG RV See Note

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Provides for cake and cookie products and preparation of cakes and cookies in home for public consumption.

Proposed law prohibits the application of the state Sanitary Code to the preparation of cake and cookie products in the home when made for public consumption as long as the proceeds from the sale of the cake and cookie products are less than \$50,000 annually. Such home preparers shall register with the Department of Health & Hospitals (DHH) annually, and it shall be a misdemeanor to fail to register with a fine between \$100 and \$500. Home preparers will still be subject to food safety certification requirements through the National Registry of Food Safety Professionals.

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The Office of Public Health (OPH) within the DHH currently has a self-reporting revenue form in order to determine the permitting fee relative to retail food establishments; however, with the implementation of this legislation, a registry will be established specifically to track home preparers of cake and cookie products. It is anticipated that the registry can be established and posted to the DHH website at no additional cost.

REVENUE EXPLANATION

It is anticipated that self-generated revenues within the Office of Public Health (OPH) will decrease as a result of this legislation by an indeterminable amount. The current permitting fee for retail food establishments is \$100. The current schedule of civil fines for violations of the state Sanitary Code relative to food preparation is \$100 per day per violation for Class A, \$75 per day per violation for Class B, \$50 per violation per day for Class C, and \$25 per violation per day for Class D violations; however, there is a penalty cap of \$10,000 per year relative to the assessment of civil fines. With the application of this legislation, OPH would lose all revenues associated with this subgroup relative to permitting fees and penalties.

Any home preparer of cake and cookie products that do not register with OPH will incur a fine between \$100 and \$500 payable to OPH. As a result, SGR revenues will increase by an indeterminable amount subject to the number of violations and the collection of these fines.

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| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | <input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |


John D. Carpenter
Legislative Fiscal Officer