

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE

Senate Bill 228

(Senator Glassman, *et al.*)

Finance

Health and Government Operations

Agricultural Product Sales - Producer Mobile Farmer's Market License - Public Festival and Event Authorization

This bill expands the scope of a State-issued mobile farmer's license by authorizing a holder of that license to transport and sell certain products not only at a farmer's market but also at a public festival or event.

The bill also prohibits a local jurisdiction from requiring a license for the sale of raw agricultural products at a public festival or event and expands the scope of any county-issued seasonal farmer's market producer sampling license to authorize a producer to offer samples not only at a farmer's market but also at a public festival or event.

Fiscal Summary

State Effect: The bill is not expected to have a material effect on State finances. The Department of Health and Mental Hygiene (DHMH) estimates that most producers affected by the bill already have a State-issued producer mobile farmer's market license. In addition, any potential increase in licensing fee revenues for DHMH is expected only to recover costs associated with licensing, inspecting, and regulating licensees.

Local Effect: Potential minimal decrease in revenues for local health departments (LHDs) that may currently charge separate fees for farmer's market producer sampling licenses for farmer's markets and for public festivals or events. Potential minimal increase in fine revenues and enforcement expenditures for LHDs.

Small Business Effect: Potential minimal decrease in expenditures for farmers who, under the bill, obtain one license annually rather than pay numerous fees for multiple events.

Analysis

Bill Summary: If established by a county, a seasonal farmer’s market producer sampling license must be valid at any public festival or event in the county. A “public festival or event” is a planned gathering that is open to the public and regulated by the State or local jurisdiction in which it takes place.

Current Law/Background: A local jurisdiction may not require a license for the sale of raw agricultural products at a farmer’s market. Rather, DHMH must issue a producer mobile farmer’s market license to authorize a licensee to transport and sell any of the following products at a farmer’s market:

- products that were produced by the licensee under an on-farm home processing plant license;
- products produced by the licensee as authorized by DHMH in regulation; and
- farm products that have been inspected, licensed, or certified for food safety by the Maryland Department of Agriculture (MDA). (These products generally include rabbit and poultry products.)

A producer mobile farmer’s market license must be based on the anticipated cost of licensing, inspecting, and regulating licensees; may not exceed \$100; and is valid for one year. At least once a year, DHMH must inspect each mobile unit that operates under the license. A violator is subject to a fine – to be levied by the county health department, which handles enforcement – not to exceed \$1,000.

A county may establish a seasonal farmer’s market producer sampling license to be required for a producer of a farm product to prepare and offer samples of the farm product for human consumption at a farmer’s market. If such a license is established, it must be valid for the entire season at all farmer’s markets in the county.

According to MDA, approximately half of the 326 authorized farmers that participate in the Farmers’ Market Nutrition Program sell their products in more than one county. MDA does not collect data related to public festivals or events.

Local Effect: The Maryland Association of County Health Officers advises that it is unaware of any LHD that currently charges a fee for a producer to sell raw agricultural products at a public festival or event. (Montgomery and St. Mary’s counties specifically advise that they do not do so.) Accordingly, LHD revenues are not expected to decrease under the bill.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Carroll, Cecil, Montgomery, and St. Mary's counties; Maryland Department of Agriculture; Department of Health and Mental Hygiene; Department of Legislative Services

Fiscal Note History: First Reader - February 16, 2011
ncs/mwc

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