

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 771

(Delegate W. Miller, *et al.*)

Health and Government Operations

Finance

**Public Health - Mobile Food Service Facilities - Licensing and Inspection by
County Health Departments**

This emergency bill requires a county health department to issue a mobile reciprocity license to a mobile food service facility that (1) is operating in the county; (2) is operating within 90 miles of its base of operations; and (3) holds a valid license from the county of origin. A county health department may charge a fee of up to \$300 for a mobile reciprocity license, which is valid for one year. A county may not require an inspection as a condition of a mobile reciprocity license if a mobile food service facility has already been inspected by the county of origin. However, a county health department that issued a mobile reciprocity license may inspect a mobile food service facility while it is operating in the county. A mobile food service facility issued a mobile reciprocity license must comply with all applicable State and local laws. A county health department may take enforcement action (including levying fines) against a mobile food service facility that violates any State or local laws or regulations, but it must notify the mobile food service facility's county of origin of the action taken. Mobile food service facilities that solely operate at temporary fixed locations in conjunction with fairs, carnivals, or similar events are exempt from the bill's provisions.

Fiscal Summary

State Effect: The Department of Health and Mental Hygiene can update related regulations with existing budgeted resources. Revenues are not affected.

Local Effect: Minimal indeterminate impact on local revenues and minimal operational impact on county health departments, as discussed below.

Small Business Effect: Minimal. Some small businesses that operate mobile food service facilities may see a change in expenditures, depending on how many counties a mobile

food service facility operates in, the regular licensing and mobile reciprocity license fees in each county, and whether the mobile food service facility is already paying licensing fees in multiple counties. The bill likely has a positive operational impact by clarifying statewide licensing requirements for these facilities.

Analysis

Bill Summary: “Mobile food service facility” means a food service facility that is a mechanically, electrically, manually, or otherwise propelled vehicle operating on land or water that changes its location as part of its routine sales operation.

The bill does not require a mobile food service facility that is operating in a county other than its base of operations to obtain a mobile reciprocity license.

Current Law/Background: Under § 21-309 of the Health-General Article, “mobile service facility” is defined as a food service facility which is a mechanically, electrically, manually, or otherwise propelled vehicle operating on land or water. Mobile food service facilities are broadly required to have a license to operate under Title 21 of the Health-General Article. Licenses must be renewed annually unless a different term of licensure is established by local law, ordinance, or regulation. This licensing requirement is enforced and implemented at the local level. Local legislation may be more stringent than State rules and regulations.

In 2016, legislation (Senate Bill 291/House Bill 604) was introduced to address intercounty licensing and inspection requirements for mobile food service facilities in the State. Though the legislation failed, an informal interim workgroup convened to recommend a legislative solution to multi-jurisdictional mobile service facility licensing. The workgroup, which comprised legislators, county environmental health directors, retail groups, and mobile food truck operators, focused on finding common ground that all Maryland jurisdictions could agree upon. The Maryland Association of County Health Officers (MACHO) advises that the workgroup established a mobile unit checklist and a universal application. This bill implements the recommendations of the workgroup.

Local Fiscal Effect: The bill has an indeterminate, but likely minimal, overall impact on local government revenues. The impact, if any, will vary by county, depending on the number of mobile food service facilities currently operating in a county, the licensing fees imposed by the county, the amount a county chooses to charge for a mobile reciprocity license, and the number of mobile food service facilities that obtain a mobile reciprocity license as a result of the bill’s provisions.

The bill has an operational impact on local governments as the bill likely changes current practice related to mobile food service facilities. The bill may result in fewer inspections for licensing mobile food service facilities operating outside their base of operations. Additionally, a county must notify a mobile food service facility's county of origin if a county takes an enforcement action against a mobile food service facility. This likely requires local governments to implement additional organizational methods to identify and track mobile food service facilities that originate and operate in their jurisdiction. However, it is anticipated that this impact is minimal.

MACHO advises that any additional revenues collected for mobile reciprocity licenses are anticipated to offset necessary expenses to perform inspections for potential violations and track mobile food vendors.

Additional Information

Prior Introductions: None.

Cross File: SB 262 (Senator Bates, *et al.*) - Finance.

Information Source(s): Maryland Association of County Health Officers; Department of Health and Mental Hygiene; Department of Legislative Services

Fiscal Note History: First Reader - February 15, 2017
md/jc Third Reader - March 17, 2017

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