

SENATE BILL 833

Q7, J1, C2

8lr3239
CF HB 1399

By: **Senators Madaleno, Hough, Ready, Rosapepe, and Smith**

Introduced and read first time: February 5, 2018

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: April 4, 2018

CHAPTER _____

1 AN ACT concerning

2 ~~**Task Force on the Regulation of Imposition of Sales Tax on Caterers**~~

3 FOR the purpose of establishing the ~~Task Force on the Regulation of Caterers~~; providing
4 ~~for the composition, chair, and staffing of the Task Force; prohibiting a member of~~
5 ~~the Task Force from receiving certain compensation, but authorizing the~~
6 ~~reimbursement of certain expenses; requiring the Task Force to study and make~~
7 ~~recommendations regarding the regulatory framework for caterers; requiring the~~
8 ~~Task Force to report its findings and recommendations to the Governor and the~~
9 ~~General Assembly on or before a certain date; providing for the termination of this~~
10 ~~Act; defining a certain term~~ intent of the General Assembly regarding the
11 continuation of certain audits against certain caterers until a certain study is
12 completed by the Comptroller; providing for the termination of this Act; and
13 generally relating to the ~~Task Force on the Regulation of~~ imposition of sales tax on
14 Caterers caterers.

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
16 That: it is the intent of the General Assembly that the Comptroller suspend audits of
17 caterers until the Office of the Comptroller completes its review of the interpretation of
18 Maryland tax rules and the taxation of catering companies.

19 ~~(a) (1) In this section the following words have the meanings indicated.~~

20 ~~(2) "Caterer" means a food service facility licensed under § 21-312.1 of the~~
21 ~~Health General Article that offers catering services or identifies itself as a caterer.~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



~~(3) "Catering services" means the preparation or provision and the serving of food or drink by a food service facility for service at the provider's premises or elsewhere in connection with a specific event or a business or social function or affair.~~

~~(b) There is a Task Force on the Regulation of Caterers.~~

~~(e) (1) The Task Force consists of the following members:~~

~~(i) one member of the Senate of Maryland, appointed by the President of the Senate;~~

~~(ii) one member of the House of Delegates, appointed by the Speaker of the House;~~

~~(iii) the Secretary of Health, or the Secretary's designee;~~

~~(iv) the Comptroller, or the Comptroller's designee; and~~

~~(v) five owners or operators of caterers, appointed by the Governor.~~

~~(2) In appointing the members under paragraph (1)(v) of this subsection, the Governor shall seek to achieve geographic diversity and diversity in the size of caterers.~~

~~(d) The Governor shall designate the chair of the Task Force.~~

~~(e) The Office of the Comptroller shall provide staff for the Task Force.~~

~~(f) A member of the Task Force:~~

~~(1) may not receive compensation as a member of the Task Force; but~~

~~(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.~~

~~(g) The Task Force shall:~~

~~(1) study the following issues:~~

~~(i) existing Maryland Department of Health regulations of licensed food service facilities that provide catering services;~~

~~(ii) the process by which caterers are audited and inspected;~~

~~(iii) how the regulatory framework for caterers within the State compares with the regulatory framework in other states;~~

~~(iv) national best practices for regulating caterers; and~~

1 (v) ~~the impact on Maryland consumers of the existing regulatory~~
 2 ~~framework for caterers; and~~

3 (2) ~~make recommendations, based on the issues studied under item (1) of~~
 4 ~~this subsection, including:~~

5 (i) ~~possible changes to regulations or statutory law; and~~

6 (ii) ~~a possible cessation of audits and inspections of caterers for a~~
 7 ~~period of time.~~

8 (h) ~~On or before January 1, 2019, the Task Force shall report its findings and~~
 9 ~~recommendations to the Governor and, in accordance with § 2-1246 of the State~~
 10 ~~Government Article, the General Assembly.~~

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
 12 1, 2018. It shall remain effective for a period of 1 year and 1 month and, at the end of June
 13 30, 2019, this Act, with no further action required by the General Assembly, shall be
 14 abrogated and of no further force and effect.

Approved:

_____ Governor.

_____ President of the Senate.

_____ Speaker of the House of Delegates.