

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 436 (Delegate Nathan-Pulliam, *et al.*)
Environmental Matters

Health - Inspections of Food Establishments

This bill specifies the number and timing of inspections of various types of food establishments to be performed by a representative of the Department of Health and Mental Hygiene (DHMH). It also requires a representative of DHMH to (1) inspect a food establishment within ten days after a complaint is lodged against the food establishment; and (2) reinspect any food establishment closed because of a violation of State food establishments law or regulation before the food establishment re-opens. An inspection conducted to investigate a complaint or done before a food establishment re-opens does not count as one of the regularly required annual inspections.

Fiscal Summary

State Effect: None. Implementation of the bill's requirements would be carried out by local jurisdictions.

Local Effect: No net effect. Potential indeterminate increase in local expenditures and offsetting revenues, as discussed below. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: Potential meaningful effect on small businesses, as discussed below.

Fiscal Analysis

Local Effect: Local health departments are responsible for inspection of food establishments, which are charged inspection fees to cover costs. The Department of Health and Mental Hygiene advises that most of the bill's provisions codify current State food establishment regulations and will have no effect on local jurisdictions currently complying with the regulations.

The Department of Fiscal Services advises, however, that although most of the bill's provisions codify current regulations, two are new: (1) the one that requires a representative of DHMH to inspect a food establishment within ten days after a complaint is lodged against the food establishment; and (2) the one that specifies that an inspection conducted to investigate a complaint or done before a food establishment re-opens does not count as one of the regularly required annual inspections.

There is potential for an increase in local expenditures and offsetting revenues, to the extent that the two new provisions represent additional workload for a local jurisdiction. There would be no net impact, however, because jurisdictions can charge inspection fees to cover their costs. The average fee charged by local jurisdictions is \$150, although the amount varies by county and by type of food establishment. Fiscal Services has no information available at this time as to the number of complaints lodged against food establishments; the number of local jurisdictions whose current practice is to respond to a complaint within ten days; or whether local jurisdictions generally count an inspection of a complaint or an inspection done before a food establishment re-opens as one of the regularly required inspections.

Caroline County advises that the bill represents an unfunded State mandate and would require the county to hire an additional Sanitarian position at a cost of \$50,000 to \$60,000, including salary, fringe benefits, a new vehicle, and other associated operating costs. The new Sanitarian position would be entirely locally funded, since the funding that the county expects to receive from State Targeted Local Health Services Program will not be sufficient to cover the costs of the position.

Small Business Effect: There is a potential for an increase in the number of inspections of small business food establishments, to the extent that the bill's provisions that are not part of current State regulations create additional workload for local jurisdictions. Food establishments are charged inspection fees by local health departments. The average fee charged by local jurisdictions is \$150, although the amount varies by county and by type of food establishment.

Information Source(s): Department of Health and Mental Hygiene (Community and Public Health Administration), Caroline County, Department of Fiscal Services

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Analysis by: Sue Friedlander

Reviewed by: John Rixey

Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 841-3710

(301) 858-3710