

Department of Legislative Services  
 Maryland General Assembly  
 2000 Session

FISCAL NOTE

House Bill 83 (Delegate Nathan-Pulliam)

Environmental Matters

**Food Service Facilities - Closing for Deficiencies - Advertisement**

This bill requires the Department of Health and Mental Hygiene (DHMH) to advertise each revocation or suspension of a food establishment license within 24 hours after the revocation or suspension in a newspaper of general circulation in the State.

**Fiscal Summary**

**State Effect:** An \$18,000 general fund expenditure increase in FY 2001 for newspaper advertisements. Future year expenditures increase with annualization and inflation. Revenues would not be affected.

(in dollars)	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
GF Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditures	\$18,000	\$24,200	\$24,500	\$24,700	\$25,000
Net Effect	(\$18,000)	(\$24,200)	(\$24,500)	(\$24,700)	(\$25,000)

*Note: ( ) = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** Local government expenditures could increase statewide in FY 2001, to the extent that DHMH delegates the bill's advertisement requirements to the local jurisdictions. Revenues would not be affected.

**Small Business Effect:** Potential minimal. Advertisement of a revoked or suspended food service facility license could negatively impact business for an individual establishment by influencing consumer choice. DHMH estimates that there are approximately 25,000 food service facilities in Maryland. The impact of the bill's provisions would be considered minimal to the industry as a whole.

## Analysis

**Current Law:** There are no legal requirements for advertising the suspension or revocation of a food service facility license.

**State Fiscal Effect:** During calendar 1999, 240 food service facility licenses were suspended. DHMH estimates each advertisement to cost \$100. Assuming that the number of suspensions remains constant and accounting for the bill's October 1, 2000, effective date, expenditures could increase by \$18,000 in fiscal 2001. Future year costs would reflect annualization and inflation.

**Local Fiscal Effect:** Local health department food service facility inspection programs are typically administered with local dollars. If the costs of the advertisements were borne by the local health departments, expenditures would increase as discussed above.

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### Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Health and Mental Hygiene, Department of Legislative Services

**Fiscal Note History:** First Reader - January 24, 2000  
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