

Department of Legislative Services
 Maryland General Assembly
 2003 Session

FISCAL AND POLICY NOTE

House Bill 194 (Delegate Nathan-Pulliam, *et al.*)
 Health and Government Operations

Health - Food Service Facility Managers - Certification

This bill requires the Department of Health and Mental Hygiene (DHMH) to create a food service manager certification program and a Food Service Facility Manager Advisory Committee, consisting of at least 17 members.

Fiscal Summary

State Effect: General fund expenditures could increase by \$45,100 in FY 2004 to establish the program, maintain the registry, approve the certification examinations, and staff the task force. General fund revenues would not be affected. Special fund pass-through due to local administration of the program.

(in dollars)	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	45,100	54,900	58,000	61,400	65,200
Net Effect	(\$45,100)	(\$54,900)	(\$58,000)	(\$61,400)	(\$65,200)

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

Local Effect: Special fund revenues and expenditures are expected to increase by equivalent amounts. If 2,995 food service facility managers became certified in FY 2006, total revenues and expenditures would each increase by \$74,875.

Small Business Effect: Minimal.

Analysis

Bill Summary: This bill requires DHMH to establish a food service manager certification program, maintain a central registry, set maximum fee guidelines, approve certification examinations, adopt regulations, and establish a Food Service Facility Manager Advisory Committee to advise and assist the department in carrying out the requirements of the bill.

Each moderate or high priority food service facility, except for those in Baltimore, Howard, Montgomery, and Prince George's counties and Baltimore City, must have at least one certified food service manager available for consultation by any means of communication during business hours after July 1, 2005. The food service manager is required to exercise operational supervision to promote food safety and sanitation and provide training to all food service workers concerning food safety and allergens.

Local jurisdictions are to administer the food service manager certification program for that jurisdiction, and in so doing, set, collect, and retain certification and renewal fees. A local jurisdiction may also enact its own food service manager certification program so long as the program is consistent with the State's standards, or enact laws that are consistent with this bill's provisions. The certification and renewal fees may not exceed \$25 except in Baltimore City and Baltimore, Howard, Montgomery, and Prince George's counties. An individual seeking certification must submit an application, pay the certification fee, and pass the DHMH-approved examination. A certification is valid for three years, renewable, and valid in all local jurisdictions in Maryland. Reciprocity may be offered to an individual who is certified in another state.

Current Law: A statewide certification program for food service managers does not currently exist.

Background: There are an estimated 25,000 food service facilities in Maryland. This includes an estimated 19,011 facilities with certified food service managers based on local ordinance in Baltimore City and Prince George's, Howard, Montgomery, and Baltimore counties. These five jurisdictions currently have food service manager certification programs. There are 5,989 facilities in other local jurisdictions that are not required to have certified food service managers.

State health regulations classify high priority food service facilities as those at high risk for food-borne illnesses and include facilities described by one or more of the following: (1) served food to which a food-borne disease outbreak was traced within the five years immediately before the priority assessment; (2) serve groups of people who are particularly susceptible to disease; (3) serve foods that have a history of being frequent vehicles of food-borne disease; (4) where potentially hazardous foods are prepared a day

or more in advance of serving; and (5) utilize any combination of two or more food preparation processes.

Generally, hospitals, nursing homes, school cafeterias, grocery stores, and full-service restaurants are classified as high priority facilities.

State health regulations classify moderate priority food service facilities as those at moderate risk for food-borne disease outbreaks or those that prepare food served within four hours of preparation. Moderate priority food service facilities generally include some restaurants and taverns.

State Fiscal Effect: Because of recent State cost containment measures, general fund expenditures could increase by an estimated \$45,050 in fiscal 2004, which accounts for the bill's October 1, 2003 effective date. This estimate reflects the cost of hiring one sanitarian to administer the program, maintain the registry, promulgate the regulations, and staff the advisory council. It includes a salary, fringe benefits, one-time start-up costs, ongoing operating expenses, and expense reimbursements for task force members.

Salaries and Fringe Benefits	\$36,390
Operating Expenses	<u>8,660</u>
Total FY 2004 State Expenditures	\$45,050

Future year expenditures reflect: (1) full salaries with 4.5% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses, including expense reimbursements for task force members.

Local Fiscal Effect: Local health departments will administer the certification program. Local jurisdictions may enact their own food service manager certification programs as long as the programs are consistent with State standards. Approximately 5,989 food service facilities will be subject to this bill. Since more than one facility can be under the operational supervision of one person, fewer than 5,989 certifications will be needed, but the exact number cannot be reliably estimated at this time. The certification and renewal fees may not exceed \$25 except in Baltimore City and Howard, Montgomery, Prince George's, and Baltimore counties. If 2,995 food service facility managers become certified in fiscal 2006, half of the current food service facilities that will be subject to this bill, revenues and expenditures would increase by \$74,875 assuming a \$25 certification fee.

The cost to local health departments of implementing this program is expected to be neutral as the food service manager certification and renewal fees are expected to cover administrative costs.

There are no fines or penalties outlined in this bill. Therefore, governments that levy fines under local law may realize a decrease in revenues should this bill be interpreted to prohibit fines or penalties for noncompliance.

Small Business Effect: There are an estimated 5,989 food service facilities covered by the bill. In addition, high-priority food service facilities include all assisted living homes. There is an estimated cost to the industry of \$200 per certification for training and fees. This bill will have a minimal impact on approximately 2,468 small assisted living home providers.

Additional Information

Prior Introductions: A similar bill, HB 472 introduced in the 2002 session, passed in the House of Delegates and received a favorable report in the Senate Education, Health, and Environmental Affairs Committee. However, the bill did not come to a vote in the Senate. A similar bill, HB 257, was introduced in the 2001 session but received an unfavorable report in the House Environmental Matters Committee. Another similar bill, HB 874, was introduced in the 1999 session and received an unfavorable report in the House Environmental Matters Committee.

Cross File: None.

Information Source(s): Montgomery County, Prince George's County, Caroline County, Calvert County, Department of Health and Mental Hygiene, Department of Legislative Services

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