

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 866

(Senator Middleton, *et al.*)

Education, Health, and Environmental Affairs

Health and Government Operations

On-Farm Food Service Facility - License - Length of Operation and Expiration

This bill defines an “on-farm food service facility” as a food service facility that is located on a farm, serves food as designated by the Department of Health and Mental Hygiene (DHMH), and operates during a period of time of not more than 30 consecutive days with up to two renewals in a one-year period.

The bill takes effect July 1, 2005.

Fiscal Summary

State Effect: The bill would not significantly affect State operations or finances.

Local Effect: Local licensing revenues could increase to the extent the bill encourages more farms to become licensed to operate on-farm food establishments. Any additional inspections by local health departments could likely be handled with existing resources, assuming the bill does not result in a significant increase in licensees.

Small Business Effect: Potential meaningful. The impact of the bill on farms is unclear. Although the bill establishes a definition for on-farm food service facility to specify that such a facility could operate for 30 consecutive days, with up to two renewals per year, such facilities would be subject to any license fees and requirements established by DHMH through regulation. To the extent the licensing requirements are less burdensome than existing requirements for food service facilities, additional farms may choose to become licensed under the bill.

Analysis

Current Law: Except as otherwise provided, a person may not operate a food establishment unless the person is licensed by DHMH. Current law does not specifically define the term “on-farm food service facility.” Food service facilities are subject to an annual license fee of up to \$150; temporary food service facilities are subject to an annual license fee of up to \$35. License fees are paid to the local health departments.

DHMH regulations establish various requirements for food service establishments, such as equipment design and requirements relating to how food service establishments must store, prepare, display, serve, sell, or transport food to protect it from contamination.

A temporary food service facility operates for not more than 14 consecutive days at a fixed location in conjunction with a fair, carnival, public exhibition, construction project, recreational facility, or similar gathering. A temporary food service facility license expires at the end of the underlying event or after the 14 consecutive days of operation, whichever is earlier, or as provided by local law, ordinance, or regulation.

Background: Many farms are turning to retail sales and/or entertainment farming to remain economically viable, according to the St. Mary’s County Farm Bureau. These operations typically operate during a single season, primarily on weekends, and want to be able to offer food products to customers while they visit. The bureau advises that the existing requirements for food establishments are too expensive and complicated for the average farmer to meet in order to operate a single-season, weekend business.

In fiscal 2004 there were 16 licenses issued to on-farm establishments statewide in the following counties: four in St. Mary’s; three each in Cecil, Howard, and Wicomico; two in Harford; and one in Kent. The 2002 census of agriculture lists 12,198 farms in Maryland.

Additional Information

Prior Introductions: None.

Cross File: The bill was originally listed as a cross file to HB 124, but it is not identical to that bill.

Information Source(s): Department of Health and Mental Hygiene, St. Mary’s County, Department of Legislative Services

Fiscal Note History: First Reader - March 13, 2005
mam/jr Revised - Senate Third Reader - March 29, 2005

Analysis by: Lesley G. Cook

Direct Inquiries to:
(410) 946-5510
(301) 970-5510