

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 29, 2011

TO: Honorable Lois W. Kolkhorst, Chair, House Committee on Public Health

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB2084 by Kolkhorst (Relating to the regulation of small food production and sales operations.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 437 of the Health and Safety Code, relating to the regulation of food service establishments. The bill would define "baked good" and "cottage food production operation," would clarify that a cottage food production operation is not a food service establishment, and would prohibit a local health department from regulating these operations, but would require each local health department and the Department of State Health Services (DSHS) to keep a record of each complaint.

The bill would require the speaker of the house to charge a standing committee to do an interim study on regulation of small dairy operations, the feasibility and desirability of establishing a Supplemental Nutritional Assistance Program at farmers' markets, in coordination with the Comptroller to determine whether land used for certain purposes is eligible under current law for appraisal under Subchapter C or D, Chapter 23, Tax Code.

The bill would take effect September 1, 2011.

According to DSHS, there could be a small decrease in revenue to the state if entities currently permitted as food service establishments transfer to cottage food operations. DSHS indicates that implementation of the provisions of the bill could be accomplished utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 529 Health and Human Services Commission, 537 State Health Services, Department of

LBB Staff: JOB, CL, GG, BM, VJC, MB, NB