LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 27, 2019

TO: Honorable Senfronia Thompson, Chair, House Committee on Public Health

- **FROM:** John McGeady, Assistant Director Sarah Keyton, Assistant Director Legislative Budget Board
- **IN RE: HB2108** by Rodriguez (Relating to the regulation of cottage food production operations.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would expand the list of foods that may be sold as cottage foods, and require a cottage food production operation selling certain cottage foods to use a recipe that is either from a source approved by the Department of State Health Services (DSHS), has been tested by an appropriately certified laboratory that confirmed that the finished cottage food has a pH value of 4.6 or less, or has been approved by a qualified process authority. Alternatively, a cottage food production operation could test each batch of the recipe with a pH meter to ensure the appropriate pH level.

The bill would require DSHS to semiannually post a list of approved sources for recipes, appropriately certified laboratories, and qualified process authorities on its Internet website. DSHS indicates that the bill's provisions would also require the agency to modify rules and orient field inspectors and local health departments with rule changes. According to DSHS, any costs associated with implementing the bill could be absorbed with existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission, 537 State Health Services, Department of

LBB Staff: WP, AKi, JQ, MNa, AMa