

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION**

**May 9, 2025**

**TO:** Honorable Gary VanDeaver, Chair, House Committee on Public Health

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: SB541** by Kolkhorst (Relating to cottage food production operations.), **As Engrossed**

<b>No significant fiscal implication to the State is anticipated.</b>
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According to the Department of State Health Services, some small, licensed Food Manufacturers who are producing foods that would be allowed as cottage foods would not renew their licenses and instead, produce as Cottage Food Operators. Some existing and prospective small producers who may have obtained Food Manufacturer Licenses to wholesale their products would instead produce as Cottage Food Operators. It is assumed that any revenue implications associated with the bill would be insignificant.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

**Local Government Impact**

The fiscal implications of the bill cannot be determined at this time.

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

**LBB Staff:** JMc, NPe, ER, APA