

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1722-02
Bill No.: SCS for SB 432
Subject: Health, Public; Health Department
Type: Original
Date: April 4, 2013

Bill Summary: This proposal modifies provisions relating to food preparation for charitable purposes.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Randolph County Health Department (RCHD)** state there is the possibility this proposal could cause local public health departments to incur quite a bit of expense if there was an outbreak of food poisoning caused by not having charitable organizations inspected if the fundraising event includes the sale of food.

RCHD states if an outbreak of food poisoning occurred as a result of not inspecting a charitable organization, they would have to activate their Communicable Disease team of 2 nurses and 2 environmental health specialists for possibly a week or longer to track down the cause. The costs for each of these people would be approximately \$30 per hour; therefore, it is assumed it is possible the cost for one outbreak could equal \$4,800 (\$30/hr X 4 people X 40 hours/week). In addition, it is possible additional costs could be incurred if consultation with state staff was required or the investigation took longer than one week.

Oversight assumes the possibility of a food-borne illness outbreak to be speculative and is not presenting these potential costs in the fiscal note.

Officials from the **Columbia/Boone County Department of Public Health and Human Services (PHHS)** state this proposal would result in lost revenue to PHHS. PHHS requires Temporary Food Permits be issued for food events such as those described in the proposal. In 2012, PHHS issued approximately 90 such permits at a cost of \$30 per permit. The PHHS estimates that at least half of those events would not require permits under this proposal, resulting in a loss of at least \$1,350 (45 permits X \$30/permit) in revenue. This would be an annual loss in revenue.

Oversight assumes this is a minimal loss for the PHHS and absorbable within current funding levels.

Officials from the **Department of Health and Senior Services** and **Harrison County Health Department** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Clay County Public Health Center** responded to **Oversight's** request for a fiscal note but did not provide a statement of fiscal impact.

No other local public health departments responded to **Oversight's** request for a statement of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal may result in minimal savings to small business charities if local public health departments require them to purchase permits to serve homemade goods at fundraising events.

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Health and Senior Services
Clay County Health Center
Columbia/Boone County Department of Public Health
and Human Services
Harrison County Health Department
Randolph County Health Department



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