LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6238 BILL NUMBER: HB 1077

NOTE PREPARED: Oct 28, 2020 BILL AMENDED:

SUBJECT: Child Operated Refreshment Stands.

FIRST AUTHOR: Rep. Pressel FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: GENERAL DEDICATED FEDERAL **IMPACT:** Local

Summary of Legislation: *Government:* The bill provides that a local health department, the health and hospital corporation, a county, a municipality, or a township may not adopt or enforce a law, rule, ordinance, or resolution that prohibits or regulates, including by requiring a license, permit, or fee, the sale of lemonade or other nonalcoholic beverages from a stand on private property or in a public park by an individual who is less than 18 years of age.

Requirements: The bill provides that the individual who operates the stand must comply with certain requirements, and it provides that a stand is not considered a food establishment and does not require a certified food protection manager.

Homeowners Association: The bill also provides that the governing documents of a homeowners association may not prohibit or regulate, including by requiring a permit or fee, the sale of lemonade or other nonalcoholic beverages from a stand on property located in the subdivision by an individual who is less than 18 years of age. The bill provides that a homeowners association: (1) does not owe a duty of care to persons participating in a beverage sale; and (2) is not liable for any injury to persons participating in a beverage sale; except for willful or wanton acts or gross negligence of the homeowners association.

Effective Date: July 1, 2021.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: Depending on how a local unit or local health department enforces the requirements on the operations of a children's lemonade stand, permitting or inspection workload could be reduced.

Explanation of Local Revenues: Permitting or inspection fee revenue may be reduced for any local unit or local health department that charges for a child operated refreshment stand to be permitted or inspected.

State Agencies Affected:

Local Agencies Affected: Local units or local health departments.

Information Sources:

Fiscal Analyst: Karen Rossen, 317-234-2106.