

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6853

BILL NUMBER: HB 1258

NOTE PREPARED: Feb 29, 2024

BILL AMENDED: Feb 27, 2024

SUBJECT: Mobile Retail Food Establishments.

FIRST AUTHOR: Rep. King

FIRST SPONSOR: Sen. Johnson T

BILL STATUS: As Passed Senate

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill requires a local health department to:

- (1) issue a mobile retail food establishment permit and inspect a mobile retail food establishment in accordance with administrative rules adopted by the Indiana Department of Health (IDOH) ; and
- (2) establish an annual permit fee not to exceed \$200.

It requires a local health department, not later than January 1, 2025, to begin:

- (1) receiving applications for mobile retail food establishments;
- (2) collecting annual permit fees;
- (3) issuing mobile retail food establishment permits; and
- (4) conducting inspections of mobile retail food establishments.

The bill provides that, beginning January 1, 2025, a person may not operate a mobile retail food establishment within the jurisdiction of a local health department unless the person obtains a permit from the local health department.

The bill provides that a local health department may not adopt standards concerning mobile retail food establishments that are more stringent than the rules adopted by the IDOH.

Effective Date: July 1, 2024.

Explanation of State Expenditures: The Indiana Department of Health (IDOH) may need to adopt or update administrative rules to meet the requirements of the bill. The bill's requirements are within the agency's routine administrative functions and should be able to be implemented with no additional

appropriations, assuming near customary agency staffing and resource levels. *[The IDOH's administrative expenditures are currently paid from the Tobacco Master Settlement Fund, a dedicated fund.]*

Explanation of State Revenues:

Explanation of Local Expenditures: Local health departments must, prior to January 1, 2025: create a mobile retail food establishment permit, establish standards for the operation, create an application, and establish an annual permit fee not to exceed \$200. The bill also requires local health departments to perform inspections of mobile retail food establishments in accordance with rules adopted by the IDOH.

Any local health department needing to establish a new, or modify their existing, mobile food unit permit and related processes would experience an increase in workload to administer the permit application process and to conduct inspections, as required by the bill. It is expected that these functions will be funded from permit fees received by local health departments.

Explanation of Local Revenues: Local health departments that currently issue permits for mobile retail food establishments could experience either an increase or decrease in fee revenues, depending on the fee levels set.

Additional Information: Currently, local health departments that issue mobile food unit permits charge annual fees ranging between \$25 and \$175 for seasonal units, and between \$100 and \$375 for year-round units.

State Agencies Affected: Indiana Department of Health.

Local Agencies Affected: Local health departments; health and hospital corporation of Marion county.

Information Sources:

<https://marionhealth.org/wp-content/uploads/2023/06/MOBILE-REQUIREMENTS-2022-1-1.pdf>;
<https://www.indy.gov/activity/vendor-cart-licenses>;
https://www.co.hendricks.in.us/egov/documents/1662064339_22719.pdf;
<https://www.hamiltoncountyhealth.org/wp-content/uploads/2023-fees-002.pdf>;
<https://www.hancockin.gov/DocumentCenter/View/171/Application-for-Yearly-Mobile-Food-Permit-PDF>.

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