



Senate Fiscal Agency
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BILL



ANALYSIS

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House Bill 4470 (Substitute H-2 as passed by the House)

Sponsor: Representative Jon Hoadley

House Committee: Appropriations

Senate Committee: Appropriations

Date Completed: 5-26-15

CONTENT

The bill would amend the Food Law of 2000 by increasing certain food establishment license fees, as well as increasing the certification-of-free-sale fee.

The bill would increase the fee for a Free Sale Letter from \$25 to \$60 and increase the food establishment license fees listed below, over a three-year period beginning in 2016, as follows:

- Retail Food Grocery (\$67 current): \$106 in 2016, \$145 in 2017, \$183 after 2017.
- Extended Retail Food (\$172 current): \$271 in 2016, \$370 in 2017, \$468 after 2017.
- Food Processor (\$172 current): \$271 in 2016, \$370 in 2017, \$468 after 2017.
- Limited Processor (\$67 current): \$106 in 2016, \$145 in 2017, \$183 after 2017.
- Mobile Food (\$172 current): \$183 in 2016, \$186 in 2017, \$189 after 2017.
- Temporary Food (\$25 current): \$40 in 2016, \$55 in 2017, \$70 after 2017.
- Special Transitory (\$135 current): \$150 in 2016, \$153 in 2017, \$156 after 2017.
- Mobile Commissary (\$172 current): \$183 in 2016, \$186 in 2017, \$189 after 2017.
- Food Warehouse (\$67 current, \$106 in 2016, \$145 in 2017, \$183 after 2017.

The bill also would change the late fee for license renewal from \$10 per business day with a \$100 maximum, to a flat fee of \$150.

MCL 289.2111 et al.

FISCAL IMPACT

The bill would have a positive fiscal impact on the FY 2015-16 budget for the Michigan Department of Agriculture and Rural Development. Built into the budget as recommended by the Governor is increased net revenue from the fees adjusted in the bill for the Department's Food Safety and Quality Assurance Program of \$933,000 to meet the requirements of the Food Law. The projected increase under the bill compared to current year is \$1.7 million for the second year and \$2.5 million for the third and subsequent years.

Fiscal Analyst: Bruce Baker

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.