



Senate Fiscal Agency
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Senate Bill 353 (Substitute S-1 as reported)
Senate Bill 354 (as reported without amendment)
Sponsor: Senator Curtis VanderWall
Committee: Regulatory Reform

CONTENT

Senate Bill 353 (S-1) would amend the Food Law to provide various fee waivers or refunds for license or registration applications submitted during the licensing year beginning May 1, 2021, and ending at midnight on April 30, 2022.

Senate Bill 354 would amend the Public Health Code to specify that a provision that allows a local governing entity to fix and require the payment of fees for local health department services would apply except as provided in Senate Bill 353.

The bills are tie-barred.

MCL 289.3119 et al. (S.B. 353)
333.2444 (S.B. 354)

Legislative Analyst: Christian Schmidt

FISCAL IMPACT

The bills would have a significant fiscal impact on the Michigan Department of Agriculture and Rural Development (MDARD) and local public health departments. According to MDARD, the revenue that it would be prohibited from collecting would result in a loss totaling approximately \$5.0 million to the Department's Food and Dairy Division, Central Licensing, Laboratory Services and other MDARD central support units, which could result in staff reductions and reductions in educational and outreach programs to the food service industry. In the Governor's recommendation for the fiscal year 2021-22 budget, these fees represent support of \$5,461,600 for the Food and Dairy Division, \$440,300 for the Central Licensing unit, \$74,000 for the Laboratory, and \$175,100 for central Department support. The fee revenue covers approximately 28% of the cost of MDARD's food safety programs.

As far as the fiscal impact of the bills on the approximately 45 local public health departments, it would vary by individual department and could take time to ascertain. In many cases, however, food service license fees support 50% to 75% of the cost of supporting food safety activities at the local level, so the bills could have a greater fiscal impact on local food safety activities than on State government.

Date Completed: 5-4-21

Fiscal Analyst: Bruce Baker