
DIGEST

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Lorusso

HB No. 337

Abstract: Enacts retail food establishment permit fees.

Proposed law requires the Dept. of Health and Hospitals (DHH) to charge a fee for each required permit issued to a food establishment. Proposed law further requires a permit for each nonmobile location of a food establishment that, if standing alone, would meet the definition of a food establishment.

Proposed law provides that, except as otherwise provided in proposed law, fees shall be charged annually for each permit issued to an establishment in accordance with the following schedule:

First permit	\$150
Second through fifth permits	\$112.50 each
Each permit after the fifth	\$75 each

Proposed law requires DHH to charge each day care center an annual food establishment permit fee based upon the number of children for which the center is licensed, in accordance with the following schedule:

Licensed for:	
0 - 15 individuals	\$37.50
16 - 50 individuals	\$75
51 - 100 individuals	\$112.50
101 or more individuals	\$150

Proposed law provides that, for nonitinerant retail food stores/markets whose food sales are equal to or greater than 60% of the total gross sales, DHH shall charge a single annual fee per store, regardless of the number of permits issued to that store, based on the annual gross receipts of the store, in accordance with the following schedule:

<u>Annual Gross Revenue</u>	<u>Annual Fee</u>
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Less than \$100,000	\$75.00
\$100,000 - \$500,000	\$112.50
\$500,001 - \$1,000,000	\$187.50
\$1,000,001 - \$2,500,000	\$375
\$2,500,001 - \$5,000,000	\$600
More than \$5,000,000	\$750

Proposed law provides that, for nonitinerant retail food stores/markets whose food sales are less than 60% of the total gross sales, DHH shall charge a fee for each required permit issued to a store, based on the annual gross receipts of the store, in accordance with the following schedule:

<u>Annual Gross Revenue</u>	<u>Annual Fee</u>
Less than \$100,000	\$75.00
\$100,000 - \$500,000:	
First through fourth permits	\$112.50 each
Each permit after the fourth	\$75 each
\$500,001 - \$1,000,000:	
First permit	\$187.50
Second through fourth permits	\$112.50 each
Each permit after the fourth	\$75 each
\$1,000,001 - \$2,500,000:	
First permit	\$375
Second through fourth permits	\$112.50 each
Each permit after the fourth	\$75 each
\$2,500,001 - \$5,000,000:	

First permit	\$600
Second through fourth permits	\$112.50 each
Each permit after the fourth	\$75 each
More than \$5,000,000:	
First permit	\$750
Second through fourth permits	\$112.50 each
Each permit after the fourth	\$75 each

Proposed law requires, upon written request by DHH, a retail food store/market to furnish, within 30 days, proof of gross receipts for the most recent 12-month period for which the proof is available. In the case of establishments doing business less than 12 months, proof for less than a 12-month period shall be submitted and DHH shall calculate a projected annual gross receipts figure.

Proposed law provides that new retail food stores/markets shall be issued temporary permits upon payment of an initial fee in the amount of \$112.50. Proposed law further requires the new retail food stores/markets to furnish, within 75 days of opening, proof of gross receipts for the first three months of operation, from which DHH shall calculate projected gross annual receipts and assess the appropriate fees, giving credit for the \$112.50 initial fee amount paid.

Proposed law provides that failure to provide DHH with gross receipts data as required in proposed law shall result in assessment of the maximum applicable fees.

Proposed law provides that temporary or special events, including fairs and festivals, requiring a food establishment permit, shall be charged a \$25 fee for the entire event.

Proposed law provides that food establishments that are seasonal shall not be charged an annual fee but shall instead be charged a \$15 fee for each month of operation.

State and local government-owned and operated facilities, churches, and nonprofit organizations, as defined by the U. S. IRS, are exempt from any fees authorized by proposed law.

Proposed law prohibits the collection of retail food establishment fees in an amount that results in the office of public health's retail food section having a surplus of more than \$3,000,000 at the end of any fiscal year.

(Adds R.S. 40:31.37)

Summary of Amendments Adopted by House

House Floor Amendments to the engrossed bill.

1. Made technical changes.
2. Clarified that proposed law applies to nonmobile locations of retail food establishments.
3. Added a permit fee category for nonitinerant food stores/markets whose annual gross revenues are less than \$100,000.
4. Changed the permit fee category for nonitinerant food stores/markets whose annual gross revenues are less than \$500,000 to a category for revenues between \$100,000 and \$500,000.
5. Changed the permit fee category for nonitinerant food stores/markets whose annual gross revenues are between \$500,000 and \$1,000,000 to a category for revenues between \$500,001 and \$1,000,000.
6. Prohibited the collection of retail food establishment fees in an amount that results in the office of public health's retail food section having a surplus of more than \$3,000,000 at the end of any fiscal year.