

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 493** HLS 17RS 820
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 16, 2017 2:47 PM	Author: MAGEE
Dept./Agy.: Department of Health/Office of Public Health	Analyst: Patrice Thomas
Subject: Establishes Fee on Second and Subsequent Re-Inspections	

FEES/LICENSES/PERMITS RE +\$13,800 SG RV See Note Page 1 of 1
 Establishes a reinspection fee for facilities and establishments with sanitary code violations

Proposed law authorizes a \$150 re-inspection fee of any retail food establishments subject to regulation and inspection by the LA Department of Health (LDH), Office of Public Health (OPH). Under proposed law, the re-inspection fee will only be assessed on a second or subsequent re-inspection. The proposed law requires the owner of the commercial facility to pay the \$150 fee within 30-days. If not paid, proposed law allows OPH to revoke any permit held by the owner. Similar to existing law, proposed law allows owners to have an adjudicatory hearing before the Division of Administrative Law regarding revoking of a permit. Proposed law allows OPH not to issue any permit to an owner of an unpermitted facility until re-inspection fee is paid. Proposed law shall become effective on March 1, 2018.

EXPENDITURES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$13,800	\$165,352	\$165,352	\$165,352	\$165,352	\$675,208
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$13,800	\$165,352	\$165,352	\$165,352	\$165,352	\$675,208

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

The proposed legislation increases Fees and Self-Generated Revenues by \$13,800 in FY 18, and \$165,352 in future fiscal years within the LA Department of Health (LDH), Office of Public Health (OPH). The proposed legislation authorizes a new \$150 re-inspection fee on any retail food establishment under the regulation and inspection of OPH. The fee will be assessed only on second or subsequent re-inspections. Based on an average of 7,349 re-inspections completed on permitted food establishments annually, OPH anticipates that 15% or 1,102 will require a second or subsequent re-inspection and assessed a \$150 re-inspection fee (1,102 food establishments x \$150 re-inspection fee = \$165,352). This measure becomes effective on March 1, 2018. Therefore, in FY 18, revenues generated from re-inspection fees is anticipated at \$13,800 (92 food establishments for 4 months x \$150 re-inspection fee).

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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