

Regular Session, 2013

HOUSE BILL NO. 337

BY REPRESENTATIVE LORUSSO

HEALTH/DHH: Provides for retail food establishment permit fees

1 AN ACT

2 To enact R.S. 40:31.37, relative to retail food establishments; to implement permit fees for
3 retail food establishments; to implement food establishment permit fees for day care
4 centers; to implement permit fees for nonitinerant retail food stores/markets; to
5 require proof of gross receipts for retail food stores/markets; to provide for
6 temporary permits; to provide for penalties; to implement a permit fee for temporary
7 or special events; to implement a permit fee for seasonal food establishments; to
8 provide for exemptions; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 40:31.37 is hereby enacted to read as follows:

11 §31.37. Retail food establishment fees

12 A.(1) The department shall charge a fee for each required permit issued to
13 a food establishment, as defined in the state Sanitary Code, including the following
14 types of establishments defined therein: itinerant food establishment, itinerant retail
15 food store/market, market, mobile food establishment, mobile retail food
16 store/market, retail food manufacturer, retail food store/market, temporary food
17 establishment, and temporary retail food store/market.

18 (2) For each nonmobile location of a food establishment, the department
19 shall require a permit for each mode of operation therein that, if standing alone,
20 would meet the state Sanitary Code definition of a food establishment.

1 (3) Except as otherwise provided in this Section, fees shall be charged
2 annually for each permit issued to an establishment in accordance with the following
3 schedule:

4	<u>First permit</u>	<u>\$150.00</u>
5	<u>Second through fifth permits</u>	<u>\$112.50 each</u>
6	<u>Each permit after the fifth</u>	<u>\$75.00 each</u>

7 B. The department shall charge each day care center an annual food
8 establishment permit fee based upon the number of children for which the center is
9 licensed, in accordance with the following schedule:

10	<u>Licensed for:</u>	
11	<u>0 - 15 individuals</u>	<u>\$37.50</u>
12	<u>16 - 50 individuals</u>	<u>\$75.00</u>
13	<u>51 - 100 individuals</u>	<u>\$112.50</u>
14	<u>101 or more individuals</u>	<u>\$150.00</u>

15 C. For nonitinerant retail food stores/markets whose food sales are equal to
16 or greater than sixty percent of the total gross sales, the department shall charge a
17 single annual fee per store, regardless of the number of permits issued to that store,
18 based on the annual gross receipts of the store, in accordance with the following
19 schedule:

20	<u>Annual Gross Revenue</u>	<u>Annual Fee</u>
21	<u>Less than \$100,000</u>	<u>\$75.00</u>
22	<u>\$100,000 - \$500,000</u>	<u>\$112.50</u>
23	<u>\$500,001 - \$1,000,000</u>	<u>\$187.50</u>
24	<u>\$1,000,001 - \$2,500,000</u>	<u>\$375.00</u>
25	<u>\$2,500,001 - \$5,000,000</u>	<u>\$600.00</u>
26	<u>More than \$5,000,000</u>	<u>\$750.00</u>

27 D. For nonitinerant retail food stores/markets whose food sales are less than
28 sixty percent of the total gross sales, the department shall charge a fee for each

1 required permit issued to a store, based on the annual gross receipts of the store, in
2 accordance with the following schedule:

<u>Annual Gross Revenue</u>	<u>Annual Fee</u>
<u>Less than \$100,000</u>	<u>\$75.00</u>
<u>\$100,000 - \$500,000</u>	
<u>First through fourth permits</u>	<u>\$112.50 each</u>
<u>Each permit after the fourth</u>	<u>\$75.00 each</u>
<u>\$500,001 - \$1,000,000:</u>	
<u>First permit</u>	<u>\$187.50</u>
<u>Second through fourth permits</u>	<u>\$112.50 each</u>
<u>Each permit after the fourth</u>	<u>\$75.00 each</u>
<u>\$1,000,001 - \$2,500,000:</u>	
<u>First permit</u>	<u>\$375.00</u>
<u>Second through fourth permits</u>	<u>\$112.50 each</u>
<u>Each permit after the fourth</u>	<u>\$75.00 each</u>
<u>\$2,500,001 - \$5,000,000:</u>	
<u>First permit</u>	<u>\$600.00</u>
<u>Second through fourth permits</u>	<u>\$112.50 each</u>
<u>Each permit after the fourth</u>	<u>\$75.00 each</u>
<u>More than \$5,000,000:</u>	
<u>First permit</u>	<u>\$750.00</u>
<u>Second through fourth permits</u>	<u>\$112.50 each</u>
<u>Each permit after the fourth</u>	<u>\$75.00 each</u>

24 E.(1) Upon written request by the department, a retail food store/market shall
25 within thirty days furnish proof of gross receipts for the most recent twelve-month
26 period for which proof is available. In the case of establishments doing business less
27 than one year, proof for less than a twelve-month period shall be submitted and the
28 department shall calculate a projected annual gross receipts figure.

1 (2) New retail food stores/markets shall be issued temporary permits upon
2 payment of an initial fee in the amount of one hundred twelve dollars and fifty cents
3 and shall thereafter be required to furnish within seventy-five days of opening proof
4 of gross receipts for the first three months of operation, from which the department
5 shall calculate projected gross annual receipts and assess the appropriate fees in
6 accordance with Subsections C and D of this Section, giving credit for the one
7 hundred twelve dollars and fifty cents initial fee amount paid.

8 (3) Failure to provide the department with gross receipts data as required in
9 this Subsection shall result in an assessment of the maximum applicable fees
10 provided by Subsection D of this Section.

11 F. For temporary or special events, including fairs and festivals, requiring
12 a food establishment permit, the department shall charge a twenty-five dollar fee for
13 the entire event.

14 G. For food establishments that are seasonal, as defined in the state Sanitary
15 Code, the department shall not charge an annual fee but shall instead charge a fifteen
16 dollar fee for each month of operation.

17 H. State and local government-owned and operated facilities, churches, and
18 nonprofit organizations, as defined by the United States Internal Revenue Service,
19 are exempt from any fees authorized by this Section.

20 I. Notwithstanding any other provisions of this Section, the department shall
21 not collect retail food establishment fees in an amount that results in the office of
22 public health's retail food section having a surplus of more than three million dollars
23 at the end of any fiscal year.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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>
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.