

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 291
Finance

(Senator Bates, *et al.*)

Public Health - Mobile Food Service Facilities - Licensing and Inspection by
Counties

This bill prohibits a county from requiring a “mobile food service facility” to obtain a license to operate unless the mobile food service facility’s business address or base of operations is located in that county. However, a county health department may inspect a mobile facility regardless of whether the facility is licensed in that county. Inspection results for an out-of-county mobile food service facility must be forwarded to the county where the facility is licensed. Mobile food service facilities that solely operate at temporary fixed locations in conjunction with fairs, carnivals, or similar events are exempt from the bill’s provisions.

Fiscal Summary

State Effect: The Department of Health and Mental Hygiene (DHMH) can update related regulations with existing budgeted resources. Revenues are not affected.

Local Effect: Minimal reduction in licensing revenues for local health departments. The bill also has an operational impact on local health departments that must coordinate licensing activity with other jurisdictions, as discussed below.

Small Business Effect: Minimal. Some small businesses that operate mobile food service facilities likely realize savings from payment of fewer licensing fees, depending on how many counties a mobile food service facility operates in and the licensing fees in each county.

Analysis

Bill Summary: “Mobile service facility” means a food service facility that is a mechanically, electrically, manually, or otherwise propelled vehicle operating on land that changes its location as part of its routine sales operation.

Current Law/Background: Under § 21-309 of the Health-General Article, “mobile service facility” is defined as a food service facility which is a mechanically, electrically, manually, or otherwise propelled vehicle operating on land or water. Mobile food service facilities are broadly required to have a license to operate under Title 21 of the Health-General Article. Licenses must be renewed annually unless a different term of licensure is established by local law, ordinance, or regulation. This licensing requirement is enforced and implemented at the local level. Local legislation may be more stringent than State rules and regulations.

DHMH advises that mobile food services facilities are licensed and inspected in each county in which they operate, regardless of their business address or base of operations. Thus, a mobile food service facility that operates in three counties would be licensed and inspected in all three counties. Licensing and inspection fees are set at the county level and vary from county to county. There are an estimated 1,446 mobile food service facilities in the State.

Local Fiscal Effect: The bill permits reciprocity among jurisdictions and reduces the number of mobile food service facilities licensed per jurisdiction. Thus, local revenues decline by an unknown but likely insignificant amount. The actual amount of the reduction will vary by county, depending on the number of mobile food service facilities currently operating in a county, the licensing fees imposed by the county, and the number of mobile food service facilities required to continue obtaining a license in a county as a result of the bill’s provisions. The potential for loss of licensure fees is likely greater in urban jurisdictions that have more mobile food service facilities traveling between jurisdictions.

The bill has an operational impact on local governments because counties must coordinate to determine where a mobile food service facility is licensed in order to share inspection results. There is currently no centralized database or method of tracking this information. DHMH and the Maryland Association of County Health Officers also note that the bill does not specify whether a local health department must be notified if a mobile food service facility is operating, but not licensed, in a particular county. Thus, it may be difficult for a local health department to find and inspect a mobile food service facility to ensure safety of food handling and preparation for those facilities that are operating but not licensed in a county.

Additional Information

Prior Introductions: None.

Cross File: HB 604 (Delegate W. Miller, *et al.*) - Health and Government Operations.

Information Source(s): Kent, Montgomery, Washington, and Worcester counties; Maryland Association of Counties; Maryland Association of County Health Officers; Department of Health and Mental Hygiene; Department of Legislative Services

Fiscal Note History: First Reader - February 10, 2016
min/ljm

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