



HB 2059: Food Safety Fee

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Description

- Allows for no more than a 3% annual increase for licenses and permits through July 1, 2025.
- Corrects internal reference errors regarding licenses for various establishments.

Background

In 2012, HB 4003 authorized Food Safety Program to raise fees no more than three percent annually; this provision sunsets June 30, 2018.

The 2017-19 Legislatively Adopted Budget shifted \$1.4M General Fund to Other Funds, causing the program's projected cash balance of Other Fund to decline sharply, its possible that during the 2019-21 biennium the fund balance may go below the program's three months' operating cash balance. The program raised its fees—for the first time since granted the authority in 2012—by three percent for the 2018-2019 licensing year to generate additional revenue for the program, however, this increase was not enough to compensate for the fund shift.

At this time, ODA proposes to extend the sunset which allows for fee increases of no more than three percent per year until 2025.

Stakeholder Outreach

Conversations with program stakeholders indicated strong disappointment with the 2017-19 Legislatively Adopted Budget which shifted \$1.4M General Fund to Other Funds. Stakeholders felt that when negotiations took place for HB 4003 (2012) that agreement was reached to create long-term financial stability for the Food Safety Program.