



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 4811 (Substitute S-1 as reported)
House Bill 4812 (as reported without amendment)
Sponsor: Representative Roger Victory
House Committee: Agriculture
Senate Committee: Agriculture

CONTENT

House Bill 4811 (S-1) would amend the Food Law to do the following:

- Increase the additional State license fees for various food service establishment licenses, and provide for the fees to sunset on December 31, 2023.
- Eliminate a requirement that the Michigan Department of Agriculture and Rural Development (MDARD) adjust the license fees on an annual basis to reflect the change in the Detroit consumer price index.
- Adopt by reference Federal regulations as set forth on the bill's effective date, instead of as set forth on October 1, 2012.
- Amend the definition of "vending machine location" to include a micro market, and define "micro market".

"Micro market" would mean an operation that does all of the following:

- Offers for sale commercially prepackaged food properly labeled for individual sale and does not offer bulk food for sale.
- Uses an automated payment system.
- Controls the entry to the operation so that it is accessible only by a defined population and is not accessible by the general public.
- Limits consumer food preparation to heating or reheating food in a microwave oven.
- Uses continuous video surveillance of areas where consumers view, select, handle, and purchase food.
- If the operation uses a refrigerator unit or freezer unit, uses only a unit that has self-closing doors that allow food to be viewed without opening the door, and an automatic self-locking mechanism that prevents consumer access to food if the unit fails to maintain food at the appropriate temperature.

House Bill 4812 would amend the Feed Law to do the following:

- Specify that a person who manufactured or distributed food that was originally intended for human consumption or other processed byproduct that was intended for animal feed, and met other requirements, would not have to obtain a commercial feed license.
- Require the product name for each commercial feed used in a customer-formula feed to be included in information sent to the purchaser.
- Specify that if more than one person were involved in the distribution of commercial feed, the last person that was required to be licensed and that distributed to a nonlicensee would be responsible for reporting the tonnage distributed and paying the inspection fee.

- Modify the Federal regulations with which a person manufacturing or distributing commercial feed must comply.
- Exclude from a prohibition related to reusing animal feed containers, a container that had always been used and restricted to use within a commercial licensed facility.

MCL 289.3119 et al. (H.B. 4811)
287.523 et al. (H.B. 4812)

Legislative Analyst: Jeff Mann

FISCAL IMPACT

House Bill 4811 (S-1) would amend the Food Law to adjust State food service inspection fees to reflect cumulative increases, since 2009, based on the Detroit CPI. According to MDARD, this would restore approximately \$70,000 in annual food service fees, lost during FY 2016-17, for credit to the Dairy and Food Safety Fund. In addition, according to the Department, the bill also could add to its inspection costs, at an amount not known at this time or funded under the bill, because of an assumed need to frequently inspect micro market locations - as defined in the bill - due to an increased risk of food contamination and/or tampering.

House Bill 4812 would have no fiscal impact on State or local government.

Date Completed: 2-28-18

Fiscal Analyst: Bruce Baker