

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6798

BILL NUMBER: HB 1312

NOTE PREPARED: Mar 7, 2012

BILL AMENDED: Feb 14, 2012

SUBJECT: Sale of Poultry at Farmer's Markets.

FIRST AUTHOR: Rep. Ellspermann

FIRST SPONSOR: Sen. R. Young

BILL STATUS: Enrolled

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: *Farmer's Markets:* This bill provides that an individual vendor of a farmer's market or roadside stand is not considered to be a food establishment if the individual vendor's food product is made, grown, or raised by an individual at the individual's primary residence, property owned by the individual, or property leased by the individual. (Current law requires the food product to be made in the vendor's primary residence.)

The bill requires the Indiana State Department of Health (ISDH) to adopt rules that: (1) incorporate certain federal rules; and (2) require the poultry to be frozen at the point of sale and labeled in compliance with federal requirements.

Interim Study Committee: The bill requires the Legislative Council to establish an interim study committee to study obstacles to local food production, processing, and distribution.

Effective Date: May 31, 2012; July 1, 2012.

Explanation of State Expenditures: *Interim Study Committee:* The bill requires the Legislative Council to establish an interim study committee to: (1) study obstacles to local food production, processing, and distribution; and (2) make recommendations for actions that will encourage the production, processing, and distribution of locally grown food. The bill does not specify the composition of the membership of the committee. The committee is to operate under the policies governing study committees adopted by the Legislative Council. Legislative Council resolutions in the past have established budgets for interim study committees in the amount of \$9,500 per interim for committees with fewer than 16 members. The cost of this

provision will depend on actions taken by the Legislative Council.

Farmer's Markets: The bill also requires the ISDH to adopt rules that allow the limited sale of home-processed, uninspected poultry products to be offered for sale at farmer's markets and roadside stands. The ISDH should be able to accomplish this activity within the current level of resources available.

Explanation of State Revenues:

Explanation of Local Expenditures: Local health department food safety inspections may increase if consumer complaints increase as a result of the sale of poultry at farmers' markets or roadside stands. Any fiscal impact would be dependent on local circumstances.

Explanation of Local Revenues:

State Agencies Affected: ISDH, Board of Animal Health.

Local Agencies Affected: Local health departments.

Information Sources:

Fiscal Analyst: Kathy Norris, 317-234-1360.