DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: August 15, 2011
POSITION: Neutral fiscally; defer to the Dept of Public Health

BILL NUMBER: SB 20
AUTHOR: A. Padilla

RELATED BILLS: SB 1420

BILL SUMMARY: Food Facilities: Menu Labeling

This bill would repeal existing state law governing food facility menu labeling requirements and would conform state law to comply with federal law.

FISCAL SUMMARY

The fiscal impact of this bill to the Department of Public Health (DPH) is minor and absorbable.

COMMENTS

The Department of Finance is neutral on this bill because there is a minor and absorbable fiscal impact to the DPH; however, we defer to the DPH on the policy implications of this bill. We would note that this bill would limit all enforcement of its provisions to local enforcement agencies. As a result, the DPH would have no remedy to enforce violations related to this section if the local enforcement agencies were unable or unwilling to do so.

This bill would provide that with regard to certain mandates no reimbursement is required by this act, as specified. This bill likely would not result in an unfunded state mandate. Current law allows local agencies to charge fees for permits, and those fees are adjusted annually through local ordinances to cover their operational costs.

Existing state law requires every food facility in the state, operating as part of a chain with 20 or more locations doing business under the same name, to disclose nutritional information, including calorie content, to consumers. Drive-thru establishments also are required to post signs stating that nutritional information is available upon request. Currently, the DPH is authorized to administer and local agencies to enforce these laws; however, it additionally authorizes the DPH to enforce state law if the local agency fails to do so.

This bill would conform state law to federal menu labeling requirements included in the Patient Protection and Affordable Care Act and would limit all enforcement activities to only local enforcement agencies.

Code/Department Agency or Revenue Type	SO LA CO RV	(Fiscal Impact by Fiscal Year) (Dollars in Thousands) PROP 98	FC	2011-2012	FC	2012-2013	FC	2013-2014	Fund Code
4265/PublicHealth	SO	No	---------- No/Minor Fiscal Impact ----------						0001

Analyst/Principal (0551) B. Nunes — Date — Assistant Program Budget Manager — Date

Department Deputy Director — Date

Governor's Office: By: Date: Position Approved_____ Position Disapproved_____