

BILL ANALYSIS

S.B. 204
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Public Health
Committee Report (Unamended)

BACKGROUND AND PURPOSE

From 2000 to 2007, the obesity rate in Texas increased from 23 percent to 29 percent. The Texas state demographer has predicted that 15 million Texans will be obese by the year 2040. Cardiac disease, stroke, and cancer are the three leading causes of death in the United States, and obesity is a contributing factor to each. In addition, obesity is highly correlated with Type 2 diabetes, the fifth leading cause of death, which currently affects 1.8 million adult Texans. High obesity rates translate into enormous health care costs, with the Department of State Health Services reporting a potential economic impact of as much as \$39 billion by 2040.

S.B. 204 amends current law relating to a prohibition of foods containing trans fat.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 204 amends the Health and Safety Code to prohibit a food service establishment from packaging, storing, or using a trans fat to prepare or serve food, effective September 1, 2010. The bill excludes from application of the prohibition a trans fat used to produce bakery items, yeast dough, or cake batter, or a packaged food to be served in its original package with a label indicating that the food has trans fat content of less than 0.5 grams per serving.

S.B. 204 exempts from the prohibition, and from its other provisions, nonprofit organizations and certain volunteer fire departments, private home kitchens, shelters, caterers, and food preparation or serving areas, as well as businesses that attribute at least 50 percent of their gross receipts to the retail sale of gas and diesel fuel to consumers and grocery stores but not a separately owned restaurant located inside a grocery store.

S.B. 204 adds a temporary provision, set to expire August 31, 2011, to exclude from application of the prohibition a food service establishment that is not part of a chain operating with the same name or as a franchised outlet of the same parent company at 15 or more locations in Texas.

S.B. 204, effective September 1, 2011, adds a second prohibition, providing that a food service establishment may not prepare, package, store, or serve a food containing trans fat except for a packaged food served in an original package with a label indicating that the food has a trans fat content of less than 0.5 grams per serving.

S.B. 204 establishes a temporary exemption, set to expire on the later of either August 31, 2011, or the date a contract between a food service establishment and a food manufacturer or distributor expires, excluding an extension provided for on or after September 1, 2009, if the contract was executed before September 1, 2009. The bill, in the temporary provision, excludes from application of both prohibitions a food service establishment that contracts with a food

manufacturer or distributor for the provision of a food that is prepared wholly or partly by the manufacturer or distributor and served by the food service establishment without the food's original packaging.

S.B. 204 requires a food service establishment to maintain on the establishment's premises an original label for any food or food additive that is required by federal law to have a label affixed to it when purchased by the establishment and that contains fat, for as long as the food or additive is used, stored, or served by the establishment. The bill requires a food service establishment to make such a label available on request to a person conducting an inspection.

S.B. 204 defines "trans fat" as a food or food additive artificially created by partial hydrogenation. The bill defines "food," "food service establishment," and "label."

EFFECTIVE DATE

Except as otherwise provided, September 1, 2009.