LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 21, 2019

TO: Honorable Dan Patrick, Lieutenant Governor, Senate

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: **SB572** by Kolkhorst (Relating to the regulation of cottage food production operations.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would expand the list of foods allowed to be sold as cottage foods, and require a cottage food production operation selling certain products to use a recipe that is either from a source approved by the Department of State Health Services (DSHS) prior to sale, has been tested by an appropriately certified laboratory and the laboratory has confirmed that the finished product or good has a pH value of 4.6 or less, or has been approved by a process authority. Alternatively, a cottage food production operation could annually test the first batch of each recipe with a pH meter to ensure the appropriate pH level.

The bill would require DSHS to semiannually post a list of approved sources for recipes on its Internet website, and develop and implement a process for individuals to request approval for additional recipes. DSHS indicates that the bill's provisions would also require the agency to orient field inspectors and local health departments with rule changes. According to DSHS, any costs associated with implementing the bill could be absorbed within existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 537 State Health Services, Department of, 529 Health and Human Services Commission

LBB Staff: WP, AKi, JQ, MNa