

FEB 1 0 2006
STATE GOVERNMENT

HOUSE FILE 2339
BY PETERSEN

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the establishment and level of fees for the
2 licensing and inspection of hotels, home food establishments,
3 and food establishments.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2339

1 Section 1. Section 137C.9, Code 2005, is amended to read as
2 follows:

3 137C.9 LICENSE FEES.

4 Either the department or the municipal corporation shall
5 collect ~~the following~~ annual license fees: fees in amounts
6 determined by the department by rule to be sufficient to
7 offset inspection and administration costs. Fee levels shall
8 be adjusted by the department on an annual basis, based upon
9 the previous year's inspection and administration cost levels
10 as reported by the regulatory authority and an estimate of
11 increased costs to be incurred in the upcoming year.

12 ~~1.--For-a-hotel-containing-fifteen-guest-rooms-or-less,~~
13 ~~twenty-dollars.~~

14 ~~2.--For-a-hotel-containing-more-than-fifteen-but-less-than~~
15 ~~thirty-one-guest-rooms,-thirty-dollars.~~

16 ~~3.--For-a-hotel-containing-more-than-thirty-but-less-than~~
17 ~~seventy-six-guest-rooms,-forty-dollars.~~

18 ~~4.--For-a-hotel-containing-more-than-seventy-five-but-less~~
19 ~~than-one-hundred-fifty-guest-rooms,-fifty-dollars.~~

20 ~~5.--For-a-hotel-containing-one-hundred-fifty-or-more-guest~~
21 ~~rooms,-seventy-five-dollars.~~

22 Fees collected by the department shall be deposited in the
23 general fund of the state. Fees collected by a municipal
24 corporation shall be retained by it and for its use.

25 Sec. 2. Section 137D.2, subsection 1, Code 2005, is amended
26 to read as follows:

27 1. A person shall not open or operate a home food
28 establishment until a license has been obtained from the
29 department of inspections and appeals. The department shall
30 collect a fee ~~of twenty-five-dollars~~ for a license in an
31 amount determined by the department by rule to be sufficient
32 to offset inspection and administration costs. Fee levels
33 shall be adjusted by the department on an annual basis, based
34 upon the previous year's inspection and administration cost
35 levels and an estimate of increased costs to be incurred in

1 the upcoming year. After collection, the fees shall be
2 deposited in the general fund of the state. A license shall
3 expire one year from date of issue. A license is renewable.

4 Sec. 3. Section 137F.6, Code 2005, is amended to read as
5 follows:

6 137F.6 LICENSE FEES.

7 The regulatory authority shall collect ~~the following~~ annual
8 license ~~fees:~~ fees in amounts determined by the department by
9 rule to be sufficient to offset inspection and administration
10 costs. Fee levels shall be adjusted by the department on an
11 annual basis, based upon the previous year's inspection and
12 administration cost levels as reported by the regulatory
13 authority and an estimate by the regulatory authority of
14 increased costs to be incurred in the upcoming year.

15 1. ~~For a mobile food unit or pushcart, twenty dollars.~~

16 2. ~~For a temporary food establishment per fixed location,~~
17 ~~twenty-five dollars.~~

18 3. ~~For a vending machine, twenty dollars for the first~~
19 ~~machine and five dollars for each additional machine.~~

20 4. ~~For a food establishment which prepares or serves food~~
21 ~~for individual portion service intended for consumption on~~
22 ~~the premises, the annual license fee shall correspond to the~~
23 ~~annual gross food and beverage sales of the food~~
24 ~~establishment, as follows:~~

25 a. ~~Annual gross sales of under fifty thousand dollars,~~
26 ~~fifty dollars.~~

27 b. ~~Annual gross sales of at least fifty thousand dollars~~
28 ~~but less than one hundred thousand dollars, eighty-five~~
29 ~~dollars.~~

30 c. ~~Annual gross sales of at least one hundred thousand~~
31 ~~dollars but less than two hundred fifty thousand dollars,~~
32 ~~one hundred seventy-five dollars.~~

33 d. ~~Annual gross sales of two hundred fifty thousand~~
34 ~~dollars but less than five hundred thousand dollars,~~
35 ~~two hundred dollars.~~

1 e.--Annual-gross-sales-of-five-hundred-thousand-dollars-or
2 more,-two-hundred-twenty-five-dollars-

3 5.--For-a-food-establishment-which-sells-food-or-food
4 products-to-consumer-customers-intended-for-preparation-or
5 consumption-off-the-premises,-the-annual-license-fee-shall
6 correspond-to-the-annual-gross-food-and-beverage-sales-of-the
7 food-establishment,-as-follows-

8 a.--Annual-gross-sales-of-under-ten-thousand-dollars,
9 thirty-dollars-

10 b.--Annual-gross-sales-of-at-least-ten-thousand-dollars-but
11 less-than-two-hundred-fifty-thousand-dollars,-seventy-five
12 dollars-

13 c.--Annual-gross-sales-of-at-least-two-hundred-fifty
14 thousand-dollars-but-less-than-five-hundred-thousand-dollars,
15 one-hundred-fifteen-dollars-

16 d.--Annual-gross-sales-of-at-least-five-hundred-thousand
17 dollars-but-less-than-seven-hundred-fifty-thousand-dollars,
18 one-hundred-fifty-dollars-

19 e.--Annual-gross-sales-of-seven-hundred-fifty-thousand
20 dollars-or-more,-two-hundred-twenty-five-dollars-

21 6.--For-a-food-processing-plant,-the-annual-license-fee
22 shall-correspond-to-the-annual-gross-food-and-beverage-sales
23 of-the-food-processing-plant,-as-follows-

24 a.--Annual-gross-sales-of-under-fifty-thousand-dollars,
25 fifty-dollars-

26 b.--Annual-gross-sales-of-at-least-fifty-thousand-dollars
27 but-less-than-two-hundred-fifty-thousand-dollars,-one-hundred
28 dollars-

29 c.--Annual-gross-sales-of-at-least-two-hundred-fifty
30 thousand-dollars-but-less-than-five-hundred-thousand-dollars,
31 one-hundred-fifty-dollars-

32 d.--Annual-gross-sales-of-five-hundred-thousand-dollars-or
33 more,-two-hundred-fifty-dollars-

34 7.--For-a-farmers-market-where-potentially-hazardous-food
35 is-sold-or-distributed,-one-seasonal-license-fee-of-one

1 ~~hundred-dollars-for-each-vendor-on-a-countywide-basis-~~

2 ~~A-food-establishment-covered-by-subsections-4-and-5-shall~~
3 ~~be-assessed-license-fees-not-to-exceed-seventy-five-percent-of~~
4 ~~the-total-fees-applicable-under-both-subsections-~~

5 Fees collected by the department shall be deposited in the
6 general fund of the state. Fees collected by a municipal
7 corporation shall be retained by the municipal corporation for
8 regulation of food establishments and food processing plants
9 licensed under this chapter.

10 Each vending machine licensed under this chapter shall bear
11 a readily visible identification tag or decal provided by the
12 licensee, containing the licensee's business address and phone
13 number, and a company license number assigned by the
14 regulatory authority.

15 EXPLANATION

16 This bill provides for a change in the method by which fees
17 are determined for the licensing and inspection of hotels,
18 home food establishments, and food establishments.

19 Currently, fee levels are specified for the licensing and
20 inspection of hotels in Code section 137C.9, for home food
21 establishments in Code section 137D.2, and for food
22 establishments in Code section 137F.6. The bill removes these
23 specified fee levels, and instead provides that fees shall be
24 in amounts determined by the department of inspections and
25 appeals by rule sufficient to offset inspection and
26 administration costs. The bill provides that the fee levels
27 shall be adjusted by the department on an annual basis, based
28 upon the previous year's inspection and administration cost
29 levels as reported by either the department or a municipal
30 corporation which has contracted with the department for
31 licensing and inspection, and an estimate of increased costs
32 to be incurred in the upcoming year.

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