SENATE FILE 303 BY GUTH

## A BILL FOR

1	An	Act relating to licensure, regulation, and complaint
2		procedures for the hotel sanitation code and food
3		establishments and food processing plants, and modifying
4		fees and penalties.
5	BE	IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 DIVISION I 2 HOTEL SANITATION CODE Section 1. Section 137C.6, subsection 3, paragraph b, Code 3 4 2017, is amended by striking the paragraph. Section 137C.7, Code 2017, is amended to read as 5 Sec. 2. 6 follows: 137C.7 License required. 7 No A person shall not open or operate a hotel until the 8 9 regulatory authority has inspected the hotel and issued 10 a license has been obtained from the regulatory authority 11 and until the hotel has been inspected by the regulatory 12 authority to the person. The regulatory authority shall 13 conduct inspections in accordance with standards adopted by 14 the department by rule pursuant to chapter 17A. Each license 15 shall expire one year from the date of issue. A license is 16 renewable. All licenses issued under the Iowa hotel sanitation 17 code this chapter that are not renewed by the licensee on or 18 before the expiration date shall be subject to a penalty of ten 19 percent of the license fee per month if the license is renewed 20 at a later date. A license is not transferable. 21 Sec. 3. Section 137C.9, subsection 1, Code 2017, is amended 22 to read as follows: 1. Either the department or the municipal corporation shall 23 24 collect the following annual license fees: 25 a. For a hotel containing fifteen thirty guest rooms or 26 less, twenty-seven fifty dollars. 27 b. For a hotel containing more than fifteen thirty but less 28 than thirty-one one hundred one guest rooms, forty dollars and 29 fifty cents one hundred dollars. For a hotel containing more than thirty but less than 30 C. 31 seventy-six one hundred one guest rooms, fifty-four one hundred 32 fifty dollars. 33 d. For a hotel containing more than seventy-five but less 34 than one hundred fifty guest rooms, fifty-seven dollars and 35 fifty cents.

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1 e. For a hotel containing one hundred fifty or more guest 2 rooms, one hundred one dollars and twenty-five cents. Sec. 4. Section 137C.12, Code 2017, is amended to read as 3 4 follows: 137C.12 Inspection upon complaint. 5 Upon receipt of a verified complaint signed by a quest of a 6 7 hotel and stating facts indicating the place is premises of a 8 hotel are in an insanitary unsanitary condition, the regulatory 9 authority shall conduct an inspection. 10 DIVISION II FOOD ESTABLISHMENTS AND FOOD PROCESSING PLANTS 11 12 Sec. 5. Section 137F.1, Code 2017, is amended by adding the 13 following new subsections: 4A. "Event" means a significant occurrence 14 NEW SUBSECTION. 15 or happening sponsored by a civic, business, educational, 16 governmental, community, or veterans organization and may 17 include an athletic contest. 18 NEW SUBSECTION. 15A. "Time/temperature control for safety 19 food" means a food that requires time and temperature controls 20 for safety to limit pathogenic microorganism growth or toxin 21 formation. 22 Sec. 6. Section 137F.1, subsection 7, unnumbered paragraph 23 1, Code 2017, is amended to read as follows: 24 "Food establishment" means an operation that stores, 25 prepares, packages, serves, vends, or otherwise provides food 26 for human consumption and includes a food service operation 27 in a salvage or distressed food operation, school, summer 28 camp, residential service substance abuse treatment facility, 29 halfway house substance abuse treatment facility, correctional 30 facility operated by the department of corrections, or the 31 state training school, or the Iowa juvenile home. ``Food 32 establishment does not include the following: 33 Sec. 7. Section 137F.1, subsection 7, paragraphs b, e, and 34 f, Code 2017, are amended to read as follows: 35 b. An establishment that offers only prepackaged foods that

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1 are nonpotentially hazardous not time/temperature control for
2 safety foods.

3 e. Premises where a person operates a farmers market, if 4 potentially hazardous food is time/temperature control for 5 safety foods are not sold or distributed from the premises. 6 f. Premises of a residence in which food that is 7 nonpotentially hazardous not a time/temperature control for 8 safety food is sold for consumption off the premises to a 9 consumer customer, if the food is labeled to identify the name 10 and address of the person preparing the food and the common 11 name of the food.

12 Sec. 8. Section 137F.1, subsections 11 and 12, Code 2017, 13 are amended by striking the subsections.

14 Sec. 9. Section 137F.1, subsections 13, 15, 16, and 17, Code 15 2017, are amended to read as follows:

16 13. "Pushcart" means a non-self-propelled vehicle food 17 establishment limited to serving nonpotentially hazardous foods 18 foods that are not time/temperature control for safety foods or 19 commissary-wrapped foods maintained at proper temperatures, or 20 limited to the preparation and serving of frankfurters.

21 15. "Temporary food establishment" means a food 22 establishment that operates for a period of no more than 23 fourteen consecutive days in conjunction with a single event 24 or celebration.

16. "Vending machine" means a food establishment which is a self-service device that, upon insertion of a coin, paper currency, token, card, or key, or by optional manual operation, dispenses unit servings of food in bulk or in packages without the necessity of replenishing the device between each vending operation.

31 17. "Vending machine location" means the physical site 32 room, enclosure, space, or area where a one or more vending 33 machine is machines are installed and operated, including the 34 storage and servicing areas on the premises that are used in 35 conjunction with to service and maintain the vending machine.

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1 Sec. 10. Section 137F.3, subsection 4, Code 2017, is amended 2 to read as follows: 4. A municipal corporation that is responsible for 3 4 enforcing this chapter within its jurisdiction pursuant to an 5 agreement shall make an annual report to the director providing 6 the following information: a. The total number of licenses granted or renewed by the 7 8 municipal corporation under this chapter during the year. 9 b. The number of licenses granted or renewed by the 10 municipal corporation under this chapter during the year in 11 each of the following categories: 12 (1) Food establishments. 13 (2) Food processing plants. 14 (3) Mobile food units and pushcarts. 15 (4) Temporary food establishments. 16 (5) Vending machines. c. The amount of money collected in license fees during the 17 18 year. 19 d. The amount expended to perform the functions required 20 under the agreement, submitted on a form prescribed by the 21 department. 22 e. Other information the director requests use the data 23 system prescribed by the director for activities governed by an 24 agreement executed pursuant to this section. 25 Sec. 11. Section 137F.4, Code 2017, is amended to read as 26 follows: 27 137F.4 License required. A person shall not operate a food establishment or food 28 29 processing plant to provide goods or services to the general 30 public, or open a food establishment to the general public, 31 until the appropriate license has been obtained from the 32 regulatory authority. Sale of products at wholesale to outlets 33 not owned by a commissary owner requires a food processing 34 plant license. A license shall expire one year from the date 35 of issue. A license is renewable if application for renewal is

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1 made prior to expiration of the license or within sixty days

2 of the expiration date of the license. All licenses issued 3 under this chapter that are not renewed by the licensee on or 4 before the expiration date shall be subject to a penalty of ten 5 percent per month of the license fee if the license is renewed 6 at a later date.

7 Sec. 12. Section 137F.5, Code 2017, is amended to read as 8 follows:

9 137F.5 Application for license.

1. An application form prescribed by the department 10 11 for a license under this chapter shall be obtained from 12 the department or from a municipal corporation which is 13 a regulatory authority. A completed application and an 14 application fee of two hundred dollars shall be submitted 15 to the appropriate regulatory authority. However, an 16 application for a license for a farmers market, temporary food 17 establishment for a single event, temporary food establishment 18 for multiple nonconcurrent events, or vending machine is exempt 19 from the application fee requirement under this subsection. 20 2. A person conducting an event shall submit a license 21 application and an application fee of fifty dollars to the 22 appropriate regulatory authority at least sixty days in advance 23 of the event. An "event" for purposes of this subsection 24 does not include a function with ten or more temporary food 25 establishments, a fair as defined in section 174.1, or a 26 farmers market. The dominant form of business shall determine the type of 27 3.

28 license for establishments which engage in operations covered 29 under both the definition of a food establishment and of a food 30 processing plant.

31 <u>4.</u> The regulatory authority where the unit is domiciled 32 shall issue a license for a mobile food unit.

33 An application for renewal of a license shall be made 34 at least thirty days before the expiration of the existing 35 license.

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1 Sec. 13. Section 137F.6, subsection 1, Code 2017, is amended 2 to read as follows: The regulatory authority shall collect the following 3 1. 4 annual license fees: 5 a. For a mobile food unit or pushcart, twenty seven two 6 hundred fifty dollars. 7 b. For a temporary food establishment per fixed location 8 for a single event, thirty-three dollars and fifty cents fifty 9 dollars. 10 c. For a temporary food establishment for multiple 11 nonconcurrent events during a calendar year, one annual 12 license fee of two hundred dollars for each establishment on a 13 countywide basis. For a vending machine, twenty fifty dollars for the 14 <del>c.</del> d. 15 first machine and five ten dollars for each additional machine. *d. e.* For a food establishment which prepares or serves 16 17 food for individual portion service intended for consumption 18 on-the-premises, the annual license fee shall correspond to the 19 annual gross food and beverage sales of the food establishment, 20 as follows: 21 (1) Annual gross sales of under fifty less than one hundred 22 thousand dollars, sixty-seven dollars and fifty cents one 23 hundred fifty dollars. 24 (2) Annual gross sales of at least fifty one hundred 25 thousand dollars but less than one five hundred thousand 26 dollars, one hundred fourteen dollars and fifty cents three 27 hundred dollars. 28 (3) Annual gross sales of at least one five hundred thousand 29 dollars but less than two hundred fifty thousand dollars, two 30 hundred thirty-six dollars and twenty-five cents or more, four 31 hundred dollars. 32 (4) Annual gross sales of two hundred fifty thousand dollars 33 but less than five hundred thousand dollars, two hundred 34 seventy-five dollars. 35 (5) Annual gross sales of five hundred thousand dollars or

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1 more, three hundred three dollars and seventy-five cents.
2 e. f. For a food establishment which sells food or food
3 products to consumer customers intended for preparation or
4 consumption off-the-premises, the annual license fee shall
5 correspond to the annual gross food and beverage sales of the
6 food establishment, as follows:

7 (1) Annual gross sales of under ten less than two hundred
8 <u>fifty</u> thousand dollars, forty dollars and fifty cents one
9 hundred fifty dollars.

10 (2) Annual gross sales of at least ten two hundred fifty 11 thousand dollars but less than two seven hundred fifty thousand 12 dollars, one hundred one dollars and twenty-five cents three 13 hundred dollars.

14 (3) Annual gross sales of at least two seven hundred fifty 15 thousand dollars but less than five hundred thousand dollars, 16 one hundred fifty-five dollars and twenty-five cents or more, 17 four hundred dollars.

18 (4) Annual gross sales of at least five hundred thousand 19 dollars but less than seven hundred fifty thousand dollars, two 20 hundred two dollars and fifty cents.

21 (5) Annual gross sales of seven hundred fifty thousand
22 dollars or more, three hundred three dollars and seventy-five
23 cents.

24 f. g. For a food processing plant, the annual license fee 25 shall correspond to the annual gross food and beverage sales of 26 the food processing plant, as follows:

27 (1) Annual gross sales of under fifty <u>less than two hundred</u>
28 thousand dollars, sixty-seven dollars and fifty cents <u>one</u>
29 hundred fifty dollars.

30 (2) Annual gross sales of at least fifty two hundred
31 thousand dollars but less than two hundred fifty thousand
32 million dollars, one hundred thirty-five three hundred dollars.
33 (3) Annual gross sales of at least two hundred fifty
34 thousand million dollars but less than five hundred thousand
35 dollars, two hundred two dollars and fifty cents or more, five

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1 hundred dollars.

(4) Annual gross sales of five hundred thousand dollars or 2 3 more, three hundred thirty-seven dollars and fifty cents. 4 g. h. For a farmers market where potentially hazardous 5 time/temperature control for safety food is sold or 6 distributed, one annual license fee of one hundred fifty 7 dollars for each vendor on a countywide basis. *i*. For a school, three hundred dollars for a production 8 9 kitchen and two hundred dollars for a serving site. 10 j. For a certificate of free sale or sanitation, thirty-five 11 dollars for the first certificate and ten dollars for each 12 additional identical certificate requested at the same time. h. k. For a food establishment covered by both paragraphs 13 14  $\underline{a}''$  e'' and  $\underline{e''}' f''$ , the license fees assessed shall be an 15 amount not to exceed seventy-five percent of the total fees 16 applicable under both paragraphs applicant shall pay the 17 licensee fee based on the dominant form of business plus one 18 hundred fifty dollars. 1. For an unattended food establishment, the annual license 19 20 fee shall correspond to the annual gross food and beverage 21 sales, as follows: 22 (1) Annual gross sales of less than one hundred thousand 23 dollars, seventy-five dollars. 24 (2) Annual gross sales of one hundred thousand dollars or 25 more, one hundred fifty dollars. Sec. 14. Section 137F.6, subsection 2, Code 2017, is amended 26 27 by striking the subsection. Section 137F.10, Code 2017, is amended to read as 28 Sec. 15. 29 follows: 137F.10 Regular inspections. 30 The appropriate regulatory authority shall provide for the 31 32 inspection of each food establishment and food processing plant 33 in this state in accordance with this chapter and with rules 34 adopted pursuant to this chapter in accordance with chapter 35 17A. A regulatory authority may enter a food establishment LSB 2427XS (4) 87

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1 or food processing plant at any reasonable hour to conduct The manager or person in charge of the food 2 an inspection. 3 establishment or food processing plant shall afford free 4 access to every part of the premises and render all aid and 5 assistance necessary to enable the regulatory authority to make 6 a thorough and complete inspection. As part of the inspection 7 process, the regulatory authority shall provide an explanation 8 of the violation or violations cited and provide guidance as 9 to actions for correction and elimination of the violation 10 or violations. The regulatory authority shall document the 11 violations as it deems appropriate. A food establishment or 12 food processing plant being inspected pursuant to this section 13 shall provide the regulatory authority with access to records 14 necessary to determine compliance with this chapter and rules 15 adopted pursuant to this chapter. The regulatory authority may 16 take food or environmental samples as necessary to determine 17 compliance with this chapter and rules adopted pursuant to this 18 chapter. 19 Sec. 16. Section 137F.11, Code 2017, is amended to read as 20 follows: 21 137F.11 Inspection upon complaint. 22 Upon receipt of a complaint by a customer of a food 23 establishment or food processing plant stating facts indicating 24 the premises are in an unsanitary condition of a food 25 establishment or food processing plant are not in compliance 26 with this chapter or the rules adopted pursuant to this 27 chapter, the regulatory authority may conduct an inspection. 28 The regulatory authority shall keep the name of the person 29 making the complaint confidential upon that person's request. 30 Section 137F.17, Code 2017, is repealed. Sec. 17. REPEAL. 31 EXPLANATION 32 The inclusion of this explanation does not constitute agreement with 33 the explanation's substance by the members of the general assembly. 34 This bill relates to food and consumer safety by changing

35 requirements for the hotel sanitation and food establishment

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1 and food processing plants Code chapters.

2 Division I of the bill removes the requirement that a local 3 board of health responsible for enforcing the Iowa hotel 4 sanitation code provide to the director of the department 5 of inspections and appeals information regarding the hotel 6 licenses granted in the year. The division requires a 7 regulatory authority, meaning the department of inspections and 8 appeals or a local board of health, in conducting inspections 9 of hotels to do so in accordance with rules adopted by the 10 department of inspections and appeals. The division provides 11 that licensees may be subject to a penalty of 10 percent of 12 the license fee per month rather than a flat 10 percent upon 13 failure to renew a license on or before the expiration date. 14 The division also changes the license fee schedule for hotel 15 licenses. The division provides that if anyone, rather than 16 just a guest of a hotel, files a complaint that the premises 17 is unsanitary, the regulatory authority must conduct an 18 inspection.

Division II of the bill relates to food establishments
and food processing plants. The division eliminates a food
service operation in the Iowa juvenile home from the definition
of food establishment. The division adds a definition for
"time/temperature control for safety food" and replaces
references to potentially hazardous food with this phrase.
The division defines the term "event" as a significant
occurrence or happening sponsored by a civic, business,
educational, governmental, community, or veterans organization
and may include athletic contests. The division modifies
the definitions of "vending machine" and "vending machine

The division eliminates the annual report a municipal corporation responsible for enforcing the food establishments and food processing plants Code chapter must provide the director of inspections and appeals, but requires the municipal corporation to use the data system prescribed by the director.

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1 The division requires a food establishment or food 2 processing plant seeking licensure under the Code chapter to 3 renew prior to the time of the expiration of licensure or 4 within 60 days of the expiration date.

5 The division adds a \$200 general application fee 6 for licensure under the Code chapter. This general 7 application fee does not apply to farmers markets, temporary 8 food establishments for a single event, temporary food 9 establishments for multiple nonconcurrent events, or vending 10 machines. However, the division requires a person conducting 11 an event to submit an application and a \$50 application fee 12 to the appropriate regulatory authority 60 days prior to the 13 event. For purposes of this application and application 14 fee, an "event" does not include a function with 10 or more 15 temporary food establishments, a fair as defined in Code 16 section 174.1, or a farmers market.

17 The division changes the license fee schedule for mobile 18 food units or pushcarts, temporary food establishments 19 per fixed location for a single event, temporary food 20 establishments for multiple nonconcurrent events, vending 21 machines, food establishments which prepare or serve food for 22 individual portion service intended for consumption on the 23 premises, food establishments which sell food or food products 24 intended for consumption off the premises, food processing 25 plants, and farmers markets. The division adds new categories 26 of license fees for schools with production kitchens or serving 27 sites, for unattended food establishments, and for certificates 28 of free sale or sanitation.

The division provides that the regulatory authority must document violations during regular inspections as it deems appropriate. The division also states that a food establishment or food processing plant being inspected shall provide the regulatory authority access to records necessary to determine compliance and the regulatory authority may take food or environmental samples.

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1 The division provides that if any person, rather than 2 a customer, files a complaint that the premises of a food 3 establishment or food processing plant are not in compliance 4 with the food establishments and food processing plants Code 5 chapter, the regulatory authority may conduct an inspection. 6 The bill allows the person filing the complaint to keep their 7 name confidential.

8 The division repeals the Code section subjecting persons in 9 violation of the food establishments and food processing plants 10 Code chapter to a \$100 penalty.