

AMENDED IN SENATE JULY 8, 1999  
AMENDED IN SENATE JUNE 10, 1999  
AMENDED IN ASSEMBLY MAY 28, 1999  
AMENDED IN ASSEMBLY APRIL 20, 1999  
AMENDED IN ASSEMBLY APRIL 15, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1548**

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**Introduced by Assembly Member Cardoza  
(Coauthor: Assembly Members Florez, Reyes, Thomson,  
and Wiggins)**

February 26, 1999

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An act to amend Sections 110005, 110050, 110475, and ~~110480~~  
~~110480~~, ~~110485~~, ~~112040~~, ~~112115~~, and ~~113355~~ of, to amend and  
renumber Sections 110780 and 110785 of, to add Sections  
109947, 110466, 110467, 110472, 110473, 110474, ~~110482~~, and  
110661 to, and to repeal and add Sections 110460 and 110470  
of, the Health and Safety Code, relating to environmental  
health.

LEGISLATIVE COUNSEL'S DIGEST

AB 1548, as amended, Cardoza. Environmental health:  
food.

Existing law, the Sherman Food, Drug, and Cosmetic Law,  
contains various provisions regarding the packaging, labeling,  
and advertising of food, drugs, and cosmetics.

Existing law requires every person upon first engaging in the manufacturing, packing, or holding of processed food in this state to immediately register with the State Department of Health Services and to pay a fee, for deposit into the Food Safety Fund, to be used by the department, upon appropriation by the Legislature, for the purposes of providing funds necessary to carry out and implement the inspection provisions of the law. *Existing law also authorizes local health departments to conduct inspections of certain food processing establishments.*

This bill would revise and recast these provisions. It would, among other things, provide for the inspection and reinspection of food processing facilities, as defined, and would revise the fees charged for new and renewal registrations *including the imposition of different fees in specified counties. The bill would also vest the authority to conduct certain inspections in the State Department of Health Services.*

*Existing law imposes, until January 1, 2001, a \$100 food safety fee on every person who is engaged in the manufacture, packing, or holding of processed food.*

*This bill would extend that fee until January 1, 2003.*

By creating new crimes and revising the definition of existing crimes, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 109947 is added to the Health
- 2 and Safety Code, to read:
- 3 109947. "Food processing facility" means any facility
- 4 operated for the purposes of manufacturing, packing, or



1 holding processed food. Food processing facility does not  
2 include a food facility as defined in Section 113785.

3 SEC. 2. Section 110005 of the Health and Safety Code  
4 is amended to read:

5 110005. “Potentially hazardous food” means any food  
6 capable of supporting growth of infectious or toxigenic  
7 micro-organisms when held at temperatures above 45  
8 degrees Fahrenheit.

9 SEC. 3. Section 110050 of the Health and Safety Code  
10 is amended to read:

11 110050. The Food Safety Fund is hereby created as a  
12 special fund in the State Treasury. All moneys collected  
13 by the department under ~~Sections 110466, 110470,~~  
14 *subdivision (c) of Section 110466 and Sections 110470* and  
15 110485 and under Article 7 (commencing with Section  
16 110810) of Chapter 5 shall be deposited in the fund, for use  
17 by the department, upon appropriation by the  
18 Legislature, for the purposes of providing funds necessary  
19 to carry out and implement the inspection provisions of  
20 this part relating to food, the provisions relating to  
21 education and training in the prevention of microbial  
22 contamination pursuant to Section 110485, and the  
23 registration provisions of Article 7 (commencing with  
24 Section 110810) of Chapter 5.

25 SEC. 4. Section 110460 of the Health and Safety Code  
26 is repealed.

27 SEC. 5. Section 110460 is added to the Health and  
28 Safety Code, to read:

29 110460. No person shall engage in the manufacture,  
30 packing, or holding of any processed food in this state  
31 unless the person has a valid registration from the  
32 department. The registration shall be valid for one  
33 calendar year from the date of issue, unless it is revoked.  
34 The registration shall not be transferable.

35 SEC. 6. Section 110780 of the Health and Safety Code  
36 is amended and renumbered to read:

37 110461. It is unlawful for any person to manufacture,  
38 pack, or hold processed food in this state unless in a food  
39 processing facility duly registered, as provided in this  
40 part.



1 SEC. 7. Section 110785 of the Health and Safety Code  
2 is amended and renumbered to read:

3 110462. It is unlawful for any person to willfully make  
4 a false statement or representation, or knowingly fail to  
5 disclose a fact required to be disclosed in the application  
6 for registration or renewal of registration, as provided in  
7 this article.

8 SEC. 8. Section 110466 is added to the Health and  
9 Safety Code, to read:

10 110466. (a) Commencing January 1, 2000, the  
11 department shall use the resources provided by the  
12 registration fees assessed by this article to inspect new  
13 and registered food processing facilities to determine  
14 compliance with this part. The department shall target  
15 the inspections and adjust their scope, depth, and  
16 frequency based on the department's statewide  
17 assessment of public health risk potential. In assessing  
18 public health risk potential, the department shall  
19 consider, at a minimum, the potential and actual health  
20 risks associated with processed foods manufactured,  
21 packed, or held in this state, and the food safety practices  
22 and compliance histories of persons who manufacture,  
23 pack, or hold processed foods in this state.

24 (b) *Commencing January 1, 2001, the department,*  
25 *pursuant to this chapter, shall conduct an annual*  
26 *inspection of each registered food processing facility and*  
27 *inspect each new food processing facility prior to issuing*  
28 *a new registration pursuant to Section 110460. This annual*  
29 *inspection requirement may be adjusted or waived based*  
30 *on an assessment of the food processing facility pursuant*  
31 *to subdivision (a).*

32 (c) The department may perform one or more  
33 reinspections of each new and registered food processing  
34 facility as necessary to prevent repeated or continuing  
35 violations of this part and for the purposes of approving  
36 the issuance of a new registration. The department shall  
37 not charge a separate fee for a first reinspection. The  
38 department shall charge a fee of seventy-five dollars  
39 (\$75) per hour to cover the costs of performing the



1 second and subsequent reinspections of the same food  
2 processing facility *within the same registration period.*

3 SEC. 9. Section 110467 is added to the Health and  
4 Safety Code, to read:

5 110467. Any violation of any provision of this part or  
6 any regulation adopted pursuant to this part shall be  
7 grounds for denying a registration or for suspending or  
8 revoking a registration. Proceedings for the denial,  
9 suspension, or revocation of a registration shall be  
10 conducted in accordance with Chapter 5 (commencing  
11 with Section 11500) of Part 1 of Division 3 of Title 2 of the  
12 Government Code, and the department shall have all the  
13 powers granted in that chapter.

14 SEC. 10. Section 110470 of the Health and Safety Code  
15 is repealed.

16 SEC. 11. Section 110470 is added to the Health and  
17 Safety Code, to read:

18 110470. A registration application provided by the  
19 department shall be completed annually and  
20 accompanied by a nonreturnable registration fee.

21 The fee for a new or renewal registration *for a food*  
22 *processing facility* shall be as follows:

23



1	Holding Food Only:				
2			Fee	Fee	
3			through	commencing	
4			12/31/99	01/01/2000	
5	<hr/>				
6	Size of Facility:				
7	<hr/>				
8	0-5,000 sq ft		\$257.85	\$257.85	
9	5,001-10,000 sq ft		-257.85	-257.85	
10	Over 10,000 sq ft		-386.77	-386.77	
11	<hr/>				
12	Manufacturing or				
13	Packing Food:				
14	<hr/>				
15			Fee	Fee	
16	Number of	Size of	through	commencing	
17	Employees	Facility	12/31/99	01/01/2000	
18	<hr/>				
19	0-2		\$257.85	\$300	
20	3-5	0-5,000 sq ft	-257.85	-350	
21	6-20	0-5,000 sq ft	-386.77	-500	
22	<hr/>				
23	More				
24	than 20	0-5,000 sq ft	-515.70	-700	
25	3-5	Over			
26		5,000 sq ft	-257.85	-350	
27	6-20	Over			
28		5,000 sq ft	-515.70	-700	
29	21-50	Over			
30		5,000 sq ft	-644.52	-850	
31	51-100	Over			
32		5,000 sq ft	-644.52	-850	
33	101-200	Over			
34		5,000 sq ft	-644.52	-850	
35	201 or	Over			
36	more	5,000 sq ft	-644.52	-850	
37	<hr/>				
38	<i>Holding Food Only:</i>				
39			<i>Fee</i>	<i>Fee</i>	<i>Fee</i>
40			<i>through</i>	<i>commencing</i>	<i>commencing</i>
			<i>12/31/99</i>	<i>01/01/2000</i>	<i>01/01/2001</i>
					<i>01/01/2000</i>



through and Los Angeles,  
 12/31/2000 ongoing Orange, San  
 Bernardino  
 Counties and  
 the City of  
 Vernon

Size of Facility:

0-5,000 sq. ft.	\$257.85	\$300	\$300	\$300
5,001-10,000 sq. ft.	257.85	350	400	350
Over 10,000 sq. ft.	386.77	500	600	500

Manufacturing or Packing of Food:

Fee	Fee	Fee	Fee
through	commencing	commencing	commencing
12/31/99	01/01/2000	01/01/2001	01/01/2000
	through	and	Los Angeles,
	12/31/2000	ongoing	Orange, San
			Bernardino
			Counties and
			the City of
			Vernon

Number of Employees	Size of Facility				
0-2		\$257.85	\$300	\$300	\$300
3-5	0-5,000 sq. ft.	257.85	350	400	350
6-20	0-5,000 sq. ft.	386.77	500	600	500
More than 20	0-5,000 sq. ft.	515.70	700	900	700
3-5	Over 5,000 sq. ft.	257.85	500	600	500
6-20	Over 5,000 sq. ft.	515.70	700	900	700
21-50	Over 5,000 sq. ft.	644.52	935	1,250	850
51-100	Over 5,000 sq. ft.	644.52	985	1,350	850
101-200	Over 5,000 sq. ft.	644.52	1,035	1,450	850
201 or more	Over 5,000 sq. ft.	644.52	1,085	1,550	850

A penalty of 1 percent per month shall be added to any registration fee not paid when due. The fee amount shall be adjusted annually pursuant to Section 100425.

SEC. 12. Section 110472 is added to the Health and Safety Code, to read:



1 110472. The department, in consultation with the  
2 California Conference of Directors of Environmental  
3 Health (CCDEH) ~~and~~, *Los Angeles, Orange, and San*  
4 *Bernardino Counties, the City of Vernon, the California*  
5 *League of Food Processors, the Food Industry Business*  
6 *Round Table, or other* representatives of the processed  
7 food industry, shall develop, implement, and evaluate the  
8 processed food ~~registration program~~ *program as deemed*  
9 *necessary*.

10 SEC. 13. Section 110473 is added to the Health and  
11 Safety Code, to read:

12 110473. Notwithstanding the requirements of Section  
13 110470, any person who is required to be registered under  
14 this chapter and is operating the ~~processed food~~ *food*  
15 *processing* facility exclusively for charitable purposes,  
16 and meets the requirements of Section 214 of the  
17 Revenue and Taxation Code, shall not be required to  
18 submit any fees required by Section 110470.

19 SEC. 14. Section 110474 is added to the Health and  
20 Safety Code, to read:

21 110474. Nothing in this chapter shall relieve a person  
22 who has a valid registration to manufacture, pack, or hold  
23 processed food issued by the department from any other  
24 requirements for licensure, registration, or certification  
25 under *Article 7 (commencing with Section 110810),*  
26 *Article 12 (commencing with Section 111070), or Part 6*  
27 *(commencing with Section 111940)*. The registration fee  
28 *due to the department* under this article from a person  
29 who holds one or more licenses, registrations, or  
30 certificates *issued by the department* pursuant to Article  
31 12 (commencing with Section 111070) or *Chapters 5 to 10,*  
32 *inclusive of Part 6 (commencing with Section ~~111940~~*  
33 *112150)* shall be the fee for the single highest cost license,  
34 registration, or certificate only. Cannery inspection fees  
35 collected pursuant to Section 112730 and organic  
36 processed food registration fees collected pursuant to  
37 Section 110875 shall be in addition to any registration fees  
38 that may be collected under this article.

39 SEC. 15. Section 110475 of the Health and Safety Code  
40 is amended to read:



1 110475. Any person registered pursuant to this article  
2 shall immediately notify the department of any change in  
3 the information reported on the registration application.

4 SEC. 16. Section 110480 of the Health and Safety Code  
5 is amended to read:

6 110480. The registration provisions of this article shall  
7 not apply to any person whose manufacturing, packing,  
8 or holding of processed food is limited solely to  
9 temporarily holding *processed* foods for up to seven days  
10 for further transport if the foods are not potentially  
11 hazardous foods, *as defined in Section 110005*, or to any  
12 person whose manufacturing, packing, or holding of  
13 processed food is limited solely to activities authorized by  
14 any of the following:

15 (a) A valid bottled water or water vending machine  
16 license issued pursuant to Article 12 (commencing with  
17 Section 111070).

18 (b) A valid pet food license issued pursuant to Chapter  
19 10 (commencing with Section 113025) of Part 6.

20 (c) A valid permit issued pursuant to Chapter 4  
21 (commencing with Section 113700) of Part 7 to a food  
22 facility including a food facility that manufactures, packs,  
23 or holds processed food for sale at wholesale, provided the  
24 food facility that manufactures, packs, or holds processed  
25 food for sale at wholesale does not meet any of the  
26 following conditions:

27 (1) Has gross annual *wholesale* sales of processed foods  
28 of more than ~~fifty thousand dollars (\$50,000)~~ *25 percent*  
29 *of total food sales*.

30 (2) Sells processed foods outside the jurisdiction of the  
31 local health department.

32 (3) Sells processed foods that require labeling  
33 pursuant to this part.

34 ~~(4) Sells processed foods that are potentially~~  
35 ~~hazardous foods.~~

36 *(4) Processes or handles fresh seafood, frozen seafood*  
37 *held in bulk for further processing, or fresh or frozen raw*  
38 *shellfish.*

39 (5) Salvages processed foods for sale other than at the  
40 retail food facility.



1 (d) A valid cold storage license issued pursuant to  
2 Chapter 6 (commencing with Section 112350) of Part 6.

3 (e) A valid cannery license issued pursuant to Chapter  
4 8 (commencing with Section 112650) of Part 6.

5 (f) A valid shellfish certificate issued pursuant to  
6 Chapter 5 (commencing with Section 112150) of Part 6.

7 (g) A valid frozen food locker plant license issued  
8 pursuant to Chapter 7 (commencing with Section  
9 112500) of Part 6.

10 (h) A valid winegrower’s license or wine blender’s  
11 license pursuant to Division 9 (commencing with Section  
12 23000) of the Business and Professions Code.

13 (i) A valid milk products plant, margarine, imitation  
14 ice cream, imitation ice milk, or a products resembling  
15 milk products plant license, issued pursuant to Division 15  
16 (commencing with Section 32501) of the Food and  
17 Agricultural Code.

18 (j) A valid permit issued by a local health department  
19 to operate ~~as a food warehouse~~ *a processing*  
20 *establishment, as defined in Section 111955, that only*  
21 *processed food, pursuant to Article 1 (commencing with*  
22 *Section 111950) of Chapter 4 of Part 6, provided that all*  
23 *of the following conditions are met:*

24 (1) The warehouse does not manufacture or pack  
25 processed food.

26 (2) The warehouse ~~holds only food that is not~~  
27 ~~potentially hazardous food~~ *does not hold fresh seafood,*  
28 *frozen seafood held in bulk for further processing, or*  
29 *fresh or frozen raw shellfish.*

30 (3) The warehouse is not operated as an integral part  
31 of a food processing facility ~~registration~~ *required to be*  
32 *registered pursuant to this article Section 110460.*

33 (4) The warehouse facilities are located entirely  
34 within the area under the jurisdiction of the local health  
35 department.

36 (5) The warehouse does not salvage food *as the*  
37 *primary business.*

38 ~~SEC. 17. Section 110482 is added to the Health and~~  
39 ~~Safety Code, to read:~~



1 ~~110482. Notwithstanding Section 110471, a local~~  
2 ~~health department may inspect a warehouse described in~~  
3 ~~subdivision (j) of Section 110480 for compliance with~~  
4 ~~Chapter 4 (commencing with Section 111950), and~~  
5 ~~collect fees for these inspections.~~

6 *SEC. 17. Section 110485 of the Health and Safety Code*  
7 *is amended to read:*

8 110485. (a) Every person who is engaged in the  
9 manufacture, packing, or holding of processed food in this  
10 state shall pay a food safety fee of one hundred dollars  
11 (\$100) to the department in addition to any fees paid  
12 pursuant to Section 110470.

13 (b) Revenue received pursuant to this section shall be  
14 deposited in the Food Safety Fund created pursuant to  
15 Section 110050. A penalty of 10 percent per month shall  
16 be added to any food safety fee not paid when due.

17 (c) Upon appropriation, the food safety fees deposited  
18 in the Food Safety Fund shall be used by the department  
19 to assist in developing and implementing education and  
20 training programs related to food safety. These programs  
21 shall be developed in consultation with representatives of  
22 the food processing industry. Implementation shall  
23 include education and training in the prevention of  
24 microbial contamination.

25 (d) This section does not apply to companies  
26 exclusively involved in flour milling, dried bean  
27 processing, or in the drying or milling of rice, or to those  
28 individual registrants the director determines should not  
29 be assessed because substantial economic hardship would  
30 result to those registrants. For the purposes of this  
31 subdivision, the substantial hardship exemption shall be  
32 extended only to registrants whose wholesale gross  
33 annual income from the registered business is twenty  
34 thousand dollars (\$20,000) or less.

35 (e) This section shall remain in effect only until  
36 January 1, ~~2001~~ 2003, and as of that date is repealed, unless  
37 a later enacted statute, that is enacted before January 1,  
38 ~~2001~~ 2003, deletes or extends that date.

39 *SEC. 18. Section 110661 is added to the Health and*  
40 *Safety Code, to read:*



1 110661. Any food is misbranded if it is manufactured,  
2 packed, or held in this state in a food processing facility  
3 not duly registered as provided in this part.

4 SEC. 19. *SEC. 19. Section 112040 of the Health and*  
5 *Safety Code is amended to read:*

6 112040. ~~The~~—(a) *Prior to January 1, 2001, the*  
7 *department, its inspectors and agents, and all local health*  
8 *officers and inspectors may at all times enter any*  
9 *building, room, basement, cellar, or other place occupied*  
10 *or used, or suspected of being occupied or used, for the*  
11 *production, preparation, manufacture, storage, sale, or*  
12 *distribution of food, and inspect the premises and all*  
13 *utensils, implements, receptacles, fixtures, furniture, and*  
14 *machinery used.*

15 (b) *Commencing January 1, 2001, only the*  
16 *department, its inspectors and agents, and the local*  
17 *health officers and inspectors of Los Angeles, San*  
18 *Bernardino, and Orange Counties and the City of Vernon*  
19 *may exercise the authority to enter and inspect granted*  
20 *in subdivision (a) except as provided in subdivision (c).*

21 (c) *Commencing January 1, 2001, the local health*  
22 *officer or inspector of each city or county, or city and*  
23 *county may exercise the authority to enter and inspect*  
24 *granted in subdivision (a) for the sole purpose of*  
25 *inspecting a food processing establishment that only*  
26 *holds warehouses processed food, provided that:*

27 (1) *The warehouse does not manufacture or pack*  
28 *processed food.*

29 (2) *The warehouse does not hold fresh seafood, frozen*  
30 *seafood held in bulk for further processing, or fresh or*  
31 *frozen raw shellfish.*

32 (3) *The warehouse is not operated as an integral part*  
33 *of a food processing facility required to be registered*  
34 *pursuant to Section 110460.*

35 (4) *The warehouse facilities are located entirely*  
36 *within the area under the jurisdiction of the local health*  
37 *department.*

38 (5) *The warehouse does not salvage food as the*  
39 *primary business.*



1 (d) All inspections of food processing establishments  
2 conducted by local health departments shall be reported  
3 to the department within 60 days. The department shall  
4 consider this information when scheduling the  
5 department's inspection activities.

6 SEC. 20. Section 112115 of the Health and Safety Code  
7 is amended to read:

8 112115. ~~The provisions of this~~ (a) This article, with  
9 the exception of ~~the~~ any licensing provisions, may be  
10 enforced by any local enforcement division, which shall  
11 be construed to mean the local health department,  
12 headed by the duly appointed, qualified and acting health  
13 officer of any county, city or city and county. The  
14 territory may include one or more counties, cities, or  
15 cities and counties.

16 (b) Notwithstanding subdivision (a), commencing  
17 January 1, 2001, no local enforcement division may  
18 exercise the authority granted in subdivision (a) with  
19 respect to inspections.

20 SEC. 21. Section 113355 of the Health and Safety Code  
21 is amended to read:

22 113355. (a) The primary responsibility for  
23 enforcement of this article shall be vested in the local  
24 health officers; county agricultural commissioners may  
25 participate in enforcement. The State Departments of  
26 Health Services, Industrial Relations, and Food and  
27 Agriculture may also enforce this article.

28 ~~Any~~

29 (b) Notwithstanding subdivision (a), commencing  
30 January 1, 2001, authority to perform inspections  
31 pursuant to this article shall be vested in the department.

32 (c) Any agency enforcing this article shall report any  
33 violation to all field offices of the Employment  
34 Development Department located in the county where  
35 the violation occurs. The report shall identify the  
36 employer responsible for the violation, the nature of the  
37 violation, and the location of the food crop growing and  
38 harvesting operation where the violation occurs. The  
39 Employment Development Department shall not refer  
40 persons for employment to any employer or food crop



1 growing and harvesting operation identified in the report  
2 until the agency reporting the violation certifies that the  
3 violation has been corrected.

4 *SEC. 22.* No reimbursement is required by this act  
5 pursuant to Section 6 of Article XIII B of the California  
6 Constitution because the only costs that may be incurred  
7 by a local agency or school district will be incurred  
8 because this act creates a new crime or infraction,  
9 eliminates a crime or infraction, or changes the penalty  
10 for a crime or infraction, within the meaning of Section  
11 17556 of the Government Code, or changes the definition  
12 of a crime within the meaning of Section 6 of Article  
13 XIII B of the California Constitution.

