

LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT

LS 6968

BILL NUMBER: HB 1345

NOTE PREPARED: Jan 5, 2026

BILL AMENDED:

SUBJECT: Various Food Matters.

FIRST AUTHOR: Rep. Culp

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: *Indiana Food Protection Panel*: This bill establishes the Indiana Food Protection Panel. The bill provides that a recipient of an enforcement action taken by a local health officer following a food establishment inspection may appeal the action to the panel.

IDOH Guidelines: The bill prohibits the Health and Hospital Corporation or a local health department from imposing requirements or standards that exceed the minimum sanitary standards adopted by the Indiana Department of Health (IDOH). The bill requires the IDOH to:

- (1) provide local health departments with guidelines concerning the interpretation of IDOH rules;
- (2) designate an employee as the point of contact for local health departments on sanitary standards for food establishments; and
- (3) distribute the contact information of the designated employee to the local health departments.

It also requires IDOH to create a business model determination worksheet and distribute the worksheet to all the local health departments.

Meat Sales: The bill permits an individual vendor at a farmers' market or roadside stand to sell certain meat products. It adds provisions concerning limited custom exempt meat product sales.

Misbranding Insect Protein Food Products: The bill prohibits a person from misbranding a food product containing insect protein and selling a misbranded food product containing insect protein as a food product. It requires a person selling a food product containing insect protein to label the food product with a label stating "THIS PRODUCT CONTAINS INSECT PROTEIN".

Personal Produce: The bill also prohibits a county, city, or town (local unit) from adopting or enforcing an ordinance that prevents a person from cultivating a vegetable garden on certain property. It allows a local unit to adopt or enforce an ordinance or regulation that imposes the same standards and requirements as those imposed on certain property.

Effective Date: July 1, 2026; July 1, 2027.

Explanation of State Expenditures: *Summary:* The bill's requirements are expected to increase workload for IDOH and the Board of Animal Health (BOAH), but should be able to be implemented with existing staff and resources. *[The IDOH's administrative expenditures are currently paid from the Tobacco Master Settlement Fund, a dedicated fund.]*

Additional Information:

Indiana Food Protection Panel: This bill establishes the Indiana Food Protection Panel to hear and decide appeals submitted from individuals cited by a local health officer or local health board in response to a food establishment inspection, as prescribed in the bill. The panel will consist of three members of the IDOH. Any increases in workload and expenditures are expected to be covered by fee revenue collected by the panel.

IDOH Guidelines: This bill prohibits local health departments from imposing requirements or standards that exceed the minimum sanitary standards adopted by IDOH, and requires IDOH designate an employee as a point of contact to provide clarification on these standards. It also requires IDOH to create and distribute a business model determination worksheet, as prescribed in the bill.

Meat Sales: The bill provides that requirements applying to food establishments do not apply to meat sold from livestock raised on an individual's farm that was slaughtered, processed, and labeled in compliance with state law, and sold directly to an end consumer at a farmer's market or roadside stand. It also provides that an individual selling custom exempt meat products is not a home-based vendor, and is subject to meat sampling and inspection. This may increase workload for IDOH and BOAH to carry out additional inspections.

Explanation of State Revenues: *Indiana Food Protection Panel:* This bill may increase revenue for the IDOH by up to \$100 per denied appeal. The bill is silent as to where fee revenue will be deposited, but requires all fee revenue be used to administer the Indiana Food Protection Panel.

Cultivated Meat Products: Beginning FY 2028, the bill allows the BOAH to impose a civil penalty of up to \$10,000 per day on a person that misbrands cultivated meat products, with penalty revenue deposited into the state General Fund.

Criminal Penalty: The bill makes it a Class B misdemeanor for a person that recklessly violates or fails to comply with the provisions of the bill regarding the sale of a misbranded insect protein product. If additional criminal court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class B misdemeanor is \$1,000. The total fee revenue per case would range between \$113 and \$138. The amount of court fees deposited will vary depending on whether the case is filed in a court of record or a municipal court. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in criminal, juvenile, and civil violation cases.](#)

Explanation of Local Expenditures: *Indiana Food Protection Panel:* This bill could increase workload for local health departments if local health officers attend hearings on appeals of their citations and enforcement actions.

Meat Sales: The bill allows a local health officer to work with BOAH and IDOH to carry out certain provisions, which could increase workload. It also provides that a local unit may not adopt an ordinance or resolution requiring any licensure, certification, or inspection of a custom exempt meat product under the

provisions of the bill. A local ordinance that does not comply with the bill's provision would need to be amended, potentially increasing workload.

Misbranding Insect Protein Food Products: The bill will increase workload for local health departments to investigate potential violations regarding the sale of misbranded insect protein products. Additionally, court workload could increase if a local health department seeks a court order, as allowed by the bill, to enjoin a person for repeatedly and consistently failing to comply with these requirements.

Criminal Penalty: A Class B misdemeanor is punishable by up to 180 days in jail.

Personal Produce: This bill may increase workload for local units to amend or remove regulations or ordinances that prohibit or have the effect of prohibiting a person from cultivating produce on their as prescribed in the bill.

Explanation of Local Revenues: *Misbranding Insect Protein Food Products:* The bill allows a local health department to assess a civil penalty of up to \$10,000 per day on a person that knowingly or intentionally violates the provisions of the bill regarding the sale of a misbranded insect protein product. All revenue collected is to be deposited in a county's general fund.

Meat Sales: If a local unit currently receives fees from a license, certification, or inspection of a meat product sold at a farmer's market or roadside stand (licensed as a food establishment, since meat products are currently not allowed to be sold from home-based vendors), fee revenue may decrease.

Criminal Penalty: If additional court actions result in a guilty verdict, certain local units will collect more revenue. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in criminal, juvenile, and civil violation cases](#).

State Agencies Affected: Board of Animal Health; Indiana Department of Health.

Local Agencies Affected: Trial courts, local law enforcement agencies; local health departments; local units.

Information Sources: Indiana Supreme Court, Indiana Trial Court Fee Manual.

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