

# THE PRINCE GEORGE'S COUNTY GOVERNMENT Office of Audits and Investigations

April 7, 2021

## FISCAL AND POLICY NOTE

TO:	Robert J. Williams, Jr. Council Administrator
	William M. Hunt Deputy Council Administrator
THRU:	Josh Hamling Senior Legislarive Budget and Policy Analyst
FROM:	Kassandra Fields Legislative Budget and Policy Analyst
RE:	Policy Analysis and Fiscal Note CB-028-2021, Curbside Grocery Trucks

CB-028-2021 (Sponsored by: Councilmembers Turner, Streeter, and Glaros)

Referred to the Committee of the Whole (COW)

AN ACT concerning Curbside Grocery Trucks for the purpose of amending the definition of Mobile Vendors to include a not-for-profit organization providing mobile food options in targeted areas in Prince George's County and the license application requirements.

## **Fiscal Summary**

#### **Direct Impact:**

*Expenditures:* None likely. Any additional administrative costs associated with implementation should be absorbed by the Department of Permitting, Inspections and Enforcement (DPIE).

*Revenues:* None likely.

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### **Indirect Impact:**

Potentially positive, as supplying fresh groceries, and healthy food alternatives to areas that have minimal options promotes overall health and assists with disease management.

#### Legislative Summary:

CB-028-2021, sponsored by Councilmembers Turner, Streeter, Glaros and Hawkins was presented to the County Council on March 30, 2021 and referred to the Committee of the Whole (COW). CB-028-2021 serves amend the definition of Mobile Vendors to include a person who predominantly sells pre-packaged groceries, i.e. dry goods, pantry staples, fresh fruits and vegetables, dairy products, meats and seafood from a vehicle that is affiliated with a not-for-profit organization in targeted areas within the County. It further sets forth the required supplemental information to be included with the application for licensure.

#### **Current Law/Background:**

Subtitle 5. Businesses and Licenses. Division 12. Peddlers and Itinerant Vendors, Section 5-190 of the County Code sets forth the definition for *Mobile Vendors*. These vendors are separate and distinct from those identified as mobile units authorized to participate in designated Food Truck Hubs, as defined by Section 5-189.01 of the same code. As it stands currently, these *Mobile Vendors* are permitted to primarily sell prewrapped ice cream or other frozen novelty products, fresh fruit, and single serving containers of some specified drinks from a motor vehicle that operates with an approved cold plate freezer system. The proposed bill would expand the definition to include pre-packaged grocery type options from a vehicle, in targeted areas of the County, working in conjunction with a not-for-profit organization. The intention is to aid with the ability of the public to purchase healthier food options in areas that have limited access to such. A lack of nutritional choices in these areas can be detrimental to the overall health of residents.

Increases in obesity and diet-related diseases are major public health problems. These problems may be worse in some U.S. communities because access to affordable and nutritious foods is difficult. Previous studies suggest that some areas and households have easier access to fast food restaurants and convenience stores but limited access to supermarkets. Limited access to nutritious food and relatively easier access to less nutritious food may be linked to poor diets and, ultimately, to obesity and diet-related diseases. In the County, there are higher than average rates in diet-related chronic diseases compared to the rest of Maryland. More than two thirds of the adult population in the County is overweight or obese. The obesity rate is on the rise; in the last 20 years it increased from 19 percent to 35 percent<sup>1</sup>.

In November of 2015, the County Planning Department of the Maryland-National Capital Park and Planning Commission (M-NCPPC) conducted the Prince George's County Food System

<sup>&</sup>lt;sup>1</sup> Prince George's County Food System Study, November 2015

Committee of the Whole Policy Analysis and Fiscal Note - CB-028-2021 Page 3

Study. The results of which were most recently presented and discussed at an April 4, 2019 joint meeting of the County Council and Planning, Housing and Economic Development Committee. The Food Equity Council and County Economic Development Corporation highlighted the challenges faced by many County residents in accessing healthy food. It was noted that it is not the lack of supermarkets but the spatial distribution of them and the quality and price of products they carry that create inequity in accessing healthy food within the County<sup>2</sup>. In addition, supermarkets are generally located along major roads, away from where people live, causing hardship to access to healthy food for residents who cannot drive<sup>3</sup>.

One recommendation from that study and subsequent presentation included encouraging alternative food retail models to improve healthy food access, and specifically to allow and promote mobile healthy food market, particularly in underserved communities<sup>4</sup>.

The Capital Area Food Bank has been working with the Council, community and partners to develop a proposal for a program that serves to address the issue of transit barriers to food access. It outlined a plan to sell healthy food not only to fill a need within the community, but, also to test the viability of an alternative grocery store model. Their ultimate goal is to incubate "Curbside as a business and transition its operation to a local social entrepreneur with a shared passion for food justice in our community"<sup>5</sup>. Curbside Groceries is a partnership between the Capital Area Food Bank, Giant Food, J. Willard and Alice S. Marriott Foundation, and the A. James and Alice B. Clark Foundation<sup>6</sup>.

## **Discussion/Policy Analysis:**

CB-028-2021 would amend Subtitle 5. Division 12., Section 5-190 of the Code to include additional language relating to the definition of *Mobile Vendor* in order to allow for the sale of pre-packaged groceries from a motor vehicle. These items include, but are not limited to dry goods, pantry staples, fresh fruits and vegetables, dairy, pre-packed and cooked meats and seafood. The *Mobile Vendor* would have an affiliation with a not-for-profit organization that would be specifically selling his/her wares in targeted areas within the County.

CB-028,2021, as written, proposes to add Subsection 9 to Section 5-192 of the Code relating to application and licensure. It would require that one applying for a Mobile Vendor license under this newly created provision of the Code would be required to include a description of the areas in the County targeted for sales and operations. It may be further prudent to include a requirement for inclusion of evidence of the affiliation with the specific not-for-profit organization.

<sup>6</sup> Id.

<sup>&</sup>lt;sup>2</sup> <u>file:///C:/Users/KEFields/Downloads/M-NCPPC%20Access%20to%20Healthy%20Food.pdf</u>

<sup>&</sup>lt;sup>3</sup> Id.

<sup>&</sup>lt;sup>4</sup> Id.

<sup>&</sup>lt;sup>5</sup> <u>https://curbsidegroceries.org/about-us/</u>

Committee of the Whole Policy Analysis and Fiscal Note - CB-028-2021 Page 4

## **Fiscal Impact:**

### Direct Impact

Enactment of CB-028-2021 should not have a direct fiscal impact on the County relating to inspection and enforcement. There would be a finite number of vendors applying for this particular application. Any additional administrative costs associated with implementation should be absorbed by the Department of Permitting, Inspections and Enforcement (DPIE).

#### Indirect Impact

Enactment of CB-028-2021 could have a positive indirect fiscal impact, as supplying fresh groceries, and healthy food alternatives to areas that have minimal options promotes overall health and assists with disease management.

## Appropriated in the Current Fiscal Year Budget

No.

## **Effective Date of Proposed Legislation:**

This Act shall be effective forty-five days (45) after it becomes law.

If you require additional information, or have questions about this fiscal impact statement, please call me.