

**Regulatory Analysis**  
LSA Document #24-375**I. Description of Rule****a. History and Background of the Rule**

The Food Protection Division (FPD) is a unit of the Public Health and Prevention Commission within the Indiana Department of Health (IDOH). It is responsible for safeguarding the Indiana food supply chain by partnering with federal, state, and local agencies in setting food safety practices standards, coordinating food safety inspection efforts, educating industry and consumers, focusing on prevention, and responding to outbreaks. FPD strives to protect the public health with the latest scientific based food safety recommendations, providing a safe food supply system to all Hoosiers, and promoting a thriving food industry.

Indiana was among the first states to champion food safety by referencing the 1906 Pure Food and Drug Act in authorizing the state health department acts against unsafe food practices. This commitment materialized in the establishment of the Indiana Retail Food Code, first established in the 1980s. The rule drafting process has always been a collaborative activity that requires the FPD to work closely with local stakeholders, state agencies, industry representatives, and federal partners to ensure alignment with the U.S. Food and Drug Administrative (FDA) model food code while remaining vigilant in meeting state-specific food production practices. Partners include representatives from Local Health Departments (LHDs), the IDOH Office of Legislative Affairs, Indiana Egg Board, Indiana State Chemist, Indiana Board of Animal Health, Indiana Restaurant and Lodging Association, Purdue University Food Science Department, and Federal partners to name a few.

Recognizing the 5 public health interventions identified by the Center for Disease Control and Prevention (CDC) as contributors for preventing foodborne illness, the new Indiana Retail Food Code focuses on risk factors such as:

- Food from unsafe sources
- Inadequate cooking
- Improper holding temperatures
- Contaminated equipment, and
- Poor personal hygiene

Furthermore, the rule consists of compliance and enforcement provisions that authorize LHDs to conduct pre-operation inspections, to issue citation(s) when necessary, and to remove unsafe foods from the market.

**b. Scope of the Rule**

The current rule [410 IAC 7-24](#), adopted in 2002, was drafted based on the 2001 FDA Model Food Code. This proposed rule aims to repeal and replace the [410 IAC 7-24](#) due to its significant disconnect with the current federal food safety standard.. The current rule is considered out of date by federal and industry partners as it is not in concert with current retail operation practices, and some requirements that are more stringent than the latest scientific recommendations. This outdatedness creates confusion for multi-state restaurant operators across different states and imposes administrative burdens on local health department regulators. Furthermore, inconsistencies between the Indiana code and the national training curriculum lead to misunderstandings and potentially increases food safety risks within the state's food supply chain. This proposed rule seeks to address these issues by adopting a more up-to-date and harmonized approach to food safety.

Since Indiana's last adoption, five new versions have been released, with the 2022 Model Food Code being the most recent. The proposed rule adopts the latest version of the FDA Model Food Code, and has undergone extensive reviews from focus groups, received comments and votes by from retail food inspectors, and has been presented to representatives from restaurant and grocery chains. Final input from these groups will be elicited during the public comment period tentatively scheduled for mid-February to Mid-March 2025.

**Statement of Need**

The purpose of this rule is to adopt the 2022 Model Food Code that was developed by the U.S. Food and Drug Administration. The Model Food Code serves as industry recognized food safety standards, but Indiana has not updated its food standards in over twenty years, which has been creating regulatory uncertainty throughout the state and increasing compliance and training costs for food establishments. The majority of the approximately 42,000 food establishments in Indiana already comply with the 2022 Model Food Code because that is the standard utilized by ServSafe. ServSafe is a national recognized food safety training course, operated by the

National Restaurant Association, for retail food managers and its curriculum is developed on the FDA Model Food Code.

### **c. Statutory Authority for the Proposed Rule**

Pursuant to [IC 16-42-5-5](#), the Department may adopt rules on minimum sanitary standards for the operation of food establishments.

### **d. Fees, Fines, and Civil Penalties**

The civil penalties for violations of [410 IAC 7-24](#) are set forth in rule [410 IAC 7-23](#). Civil penalties vary from \$500 to \$1000 per violation depending on the risk associated with the violation. The risk of the violation is reflected by the notation in [410 IAC 7-24](#) that the violation is a critical or noncritical item. The Department adopted the FDA's determination in the 2001 Model Food Code on whether a violation was a critical or noncritical item.

In 2009, the FDA replaced the critical and non-critical violation system with a three-tier violation approach. With the repeal of [410 IAC 7-23](#) and 7-24, a new civil penalty schedule has been developed for [410 IAC 7-26](#). Like with [410 IAC 7-24](#), the Department has adopted the determinations in the 2022 Model Food Code to determine whether a violation is a priority, priority foundation or core violation. Although the citations and terminology has changed, the amounts of the civil penalties have not changed.

## **II. Fiscal Impact Analysis**

### **a. Anticipated Effective Date of the Rule- September 1, 2025**

### **b. Estimated fiscal impact on State and Local Government**

- FPD will offer free virtual training to affected agencies and local health departments using the existing Tuesday Trainings platform, with recordings available for reference. As Tuesday Trainings are already used regularly by at least 86 participants each month, there will be no additional fiscal impact on the local health departments.
- A new "At-a-Glance" document will be released to all regulators to ensure all personnel are up to date on essential information of the new rule. This document, compiled by "superuser local health department peers," will provide a concise overview of recently added or revised sections and definitions. The FPD field specialist are tasked to discuss the document and ask any clarifying questions during their quarterly standing in-person meeting with the LHDs. Therefore, there will be no additional fiscal impact on the LHD.

In addition to informing field staff, the "At-a-Glance" document will be refined with the help of the Indiana Restaurant and Lodging Association. This collaboration aims to tailor the information to the industry's needs and ensure its accessibility. While most establishment owners likely already possess a solid understanding of the material due to their training and practices, the electronic distribution of this document will serve as a refresher and provide an easily accessible reference point.

- The most significant cost associated with the new rule pertains to electronic inspection system updates. Local health departments are encouraged to utilize the FPD hosted electronic food safety inspection system. This system is free for local health departments, and the FPD covers maintenance, infrastructure, and updates. Cost associated with the new food code is expected to be covered by the annual maintenance contract but with a \$5,000 design fee for additional customizations.

For local health departments that choose to use their own third-party inspection and permitting electronic systems, FPD will assist these local health departments with their system updates and provide the necessary information to meet their IT requirements, though additional costs may be incurred for third-party systems. The goal is for FPD to provide the local health departments with as much information as possible to help lower their cost.

- 16-42-5-23 mandates all local health departments and other regulatory units to enforce food protection rules promulgated by the Department. It's anticipated that local health departments will receive many inquiries from regulated entities. To assist with disseminating information, FPD is working on creating sample webpages and social media content. By mirroring these templates, local health departments can minimize their costs associated with implementing the new rule.

### **c. Sources of Expenditure or Revenues Affected by the Rule**

Implementing the new rule will undoubtedly come with a learning curve, impacting both the regulator and the

industry. This may initially lead to longer inspections, potentially increasing costs. However, we anticipate this impact to be minimal and short-lived, dissipating within the first two months. This optimism stems from the industry's familiarity with the existing FDA Model Food Code, which shares significant similarities with the new rule. This familiarity will minimize confusion, reducing the likelihood of non-compliance and enabling businesses to better prepare for inspections, ultimately leading to smoother and more efficient processes. In addition to furthering our goal and mission here of food safety for Hoosiers.

### III. Impacted Parties

Retail food establishments encompass a diverse range of entities involved in the storage, preparation, packaging, repackaging, serving, vending, or provision of food directly to consumers. This definition extends beyond traditional restaurants and catering businesses to include grocery stores, food markets, mobile food trucks, food banks, bed and breakfasts, licensed day cares, licensed nursing homes, and residential facilities for acute and subacute care. It is estimated that there are 32,000+ facilities currently inspected by local health departments, and an additional 10,000+ institutional facilities regulated by various state entities such as the Department of Education, Department of Correction, Family and Social Services Administration, and the IDOH Long Term Care Division.

### IV. Changes in the Proposed Rule

Appendix A provides a comprehensive list of all changes made to the existing [410 IAC 7-24](#) rule. The majority of these changes are intended to implement the differences between the currently promulgated 2001 Model Food Code and the 2022 Model Food Code.

The provisions listed below are newly drafted rules specific to **Indiana's** industry needs.

- **Section 14 Certified Food Protection Manager (CFPM) definition:** This definition is aligned with the 2020 amendment of [IC 16-42-5.2](#) "Food Handler." It requires all Retail Food Establishments (RFEs) to have at least one CFPM responsible for the entire operation. However, the CFPM does not need to be physically present at the establishment during all operating hours. To qualify as a CFPM, an individual must pass an accredited examination recognized by the Conference for Food Protection or an equivalent national program, such as ServSafe offered by the National Restaurant Association.
- **Section 73 Micro Market definition:** This definition aligns with [IC 16-42-5-32](#), which defines "Micro Markets" and exempts them from requiring a person-in-charge to be present. This exemption also includes specific requirements and removes the need for pre-plan review. The FDA Model Food Code doesn't address sanitation requirements for micro market operations.
- **Section 78 (Outdoor Food Operation definition) and Section 489 (Outdoor Food Operations' sanitation requirement):** These new sanitation requirements for outdoor food operations provide LHDs with more flexibility in approving outdoor cooking and patio dining. This streamlines the process for business openings and reduces administrative burdens at the state level. Refer to Section V (below) for details on outdoor cooking and patios.
- **Section 121 (Special Processes definition):** This definition establishes parameters for when a non-commercially processed TCS food may require variance approval, product testing, and an approved HACCP plan for production within a retail food establishment.

The following is a list of additions that addresses the gap between the 2001 and 2022 FDA Food Code. The majority of these additions are terminology clarifications.

Codes released prior **2001** but not adopted into the Indiana [410 IAC 7-24](#):

- Section 31: Definition of "Dealer" to align with the FDA National Shellfish Sanitation Program model ordinance terminology.
- Section 432: "Handwashing signage" to remind food employees to wash hands prior handling food items.

Codes that were released during the **2005** release are:

- Section 8: Definition of "Asymptomatic" to provide clarification on employee health policy.
- Section 10: Definition of "Balut" to align with the FDA Egg Safety Rule.
- Section 22: Definition of "Conditional Employee" to provide clarification on employee health policy.
- Section 27: Definition of "Counter Mounted Equipment" was introduced to replace "Table-Mounted Equipment".
- Section 38: Definition of "Egg" to align with the FDA Egg Safety Rule.
- Section 39: Definition of "Egg Product" to align with the FDA Egg Safety Rule.
- Section 55: Definition of "Handwashing Sink" added during the 2005 code release.

- Section 57: Definition of "Health Practitioner" to provide clarification on employee health policy.
- Section 62: Definition of "In-Shell product" to align with the FDA Egg Safety Rule.
- Section 69: Definition of "Major Food Allergen" to align with the FDA Food Allergen Labeling and Consumer Protection Act.
- Section 95: Definitions of "Ratite" to align with the FDA Egg Safety Rule.
- Section 101: Definitions of "Re-Service" to provide clarification of foods serve requirement at clinical settings.
- Section 103: Definitions of "Restricted Egg" to align with the FDA Egg Safety Rule.
- Section 379 "Establishment drainage system" and Section 380 "Backflow prevention, Direct Connection Prohibited" to specific plumbing requirements for retail food establishments. This also align with the Indiana Plumbing code [675 IAC 16](#).

Codes that were released during the **2009** release are:

- Section 25: Definition of "Core" to align with FDA risk-based inspection principle.
- Section 30: Definition of "Cut Leafy green" to align with the FDA Produce Safety Rule terminology.
- Section 63: Definition of "Intact Meat" to align with the USDA Food Safety Inspection Service standards.
- Section 68: Definition of "Leafy Green" to align with the FDA Produce Safety Rule 21 CFR 112 terminology.
- Section 71: Definition of "Mechanically Tenderized Meat" to align with USDA Food Safety Inspection Service standards.
- Section 77: Definitions of "Non-continuous Cooking" and Section 201: "Non-Continuous cooking of raw animal food" to align with food temperature control measures. This allows industry to par-cook or batch cook animal products prior to a labor-intensive dining event.
- Section 92: Definitions of "Priority Item" to align with FDA risk-based inspection principle.
- Section 93: Definitions of "Priority Foundation Item" to align with FDA risk-based inspection principle.
- Section 333: "Rinsing Equipment and Utensils After Sanitizing" to enhance cleaning and sanitization practices.
- Section 475: "Timely Correction for P or Pf items" to align with FDA risk-based inspection principle.
- Section 476: "Timely Correction for Core Item" to align with FDA risk-based inspection principle.

Codes that were released during the **2013** release are:

- Section 125: Definitions of "TCS Temperature Control For Food Safety" to align with the scientific time temperature research and to FDA risk-based inspection principle.

Codes that were released during the **2017** release are:

- Section 150: "Bandages, finger cots, or finger stalls" to align with communicable disease prevention practices.
- Section 153: "Clean up of diarrheal and vomiting events" to align with communicable disease prevention practices.
- Section 282: "Cleaning agents and sanitizers, availability" to require cleaning and sanitizing chemicals be available during all operation hours.

Codes that were released during the **2020** release are:

- Section 126: Definitions of "Tobacco Product" to align with the Tobacco Control Act terminology.

Codes that were released during the **2022** release are:

- Section 2: Definition of "Accredited Program" to provide clarification to the CFPM certification requirement.
- Section 19: Definition of "Commingle" to align with the FDA National Shellfish Sanitation Program model ordinance.
- Section 169: "Molluscan Shellfish Packaging and Identification" to align with FDA National Shellfish Sanitation Program model ordinance.
- Section 202: "Manufactures Cooking Instructions" to align with commercially packaged food safety practices.
- Section 317: "When to sanitize food contact surfaces" to align with retail food safety practices.
- Section 449: "Cleaning of plumbing fixtures" to align with plumbing code.

## V. Benefit Analysis

The new Retail Food Safety rules aims to enhance public health, streamline inspection processes, and foster fairness among industry members. It will have multiple goals such as keeping unsafe products out of circulation, minimizing foodborne illness and its associated costs for both businesses and consumers, and prioritizing worker safety through improved health assessments and training. To ensure minimal disruption to businesses, the

proposed provisions are designed to unify safe food practice among the industry and some are drafted to meet specific Indiana industry practices and current IC code requirement. Furthermore, aligning with the latest FDA recommendations and national food safety training programs, such as ServSafe, creates consistency and simplifies compliance for retail food establishments. This comprehensive approach promises to safeguard public health, empower employees, and strengthen the food service industry.

Overall, most costs cannot be monetized, and should be considered the costs of doing usual business as all retail food establishments are responsible to protect their customers from unsafe foods. Below are 7 key updates with potential impact on the inspection process, which deserve more in-depth analysis.

**Violation citation system:** In 2009, the FDA introduced a revamped three-tier violation system for food safety inspections, replacing the previous "Critical" and "Non-Critical" approach. This shift aimed to transform inspections from reactive assessments to proactive and more objective observations. The new system, categorized as "Priority," "Priority Foundation," and "Core," prioritizes immediate risks to food safety while granting flexibility for addressing less critical issues.

"Priority" violations directly impact the elimination or reduction of foodborne illness hazards, requiring immediate corrective action like discarding contaminated food or reheating products to safe temperatures. It is often associated with defined minimum or maximum parameters to control microbial growth and to prevent foodborne illness. Examples include setting minimum internal cooking temperatures, when handwashing is required to prevent cross-contamination, and how long dishes should be submerged into sanitize solution to achieve maximum benefits.

"Priority Foundation" violations support and facilitate adherence to "Priority" items. This category focuses on implementing training programs, monitoring procedures like Hazard Analysis Critical Control Point (HACCP) plans, and recording internal cooking temperatures. Operators have 3-15 calendar days after inspection to address these violations depending on the complexity of the corrective action needed.

"Core" violations pertain to general sanitation, operational control, maintenance, and facility/equipment design. These violations pose minimal health risks and allow for 90 calendar days corrective action periods, or a further extended period provided no imminent health hazards exist.

The integration of the three-tier violation system into the revised retail code presents a strategic opportunity to minimize financial burdens on both regulatory bodies and the industry itself. By ensuring clear comprehension and consistent application of violation citations, the system empowers operators to rectify non-compliance within established timeframes. This, in turn, reduces the need for repeat inspections, leading to a more efficient and cost-effective regulatory environment for both parties.

**Time Temperature control for safety food (TCS):** In 2009, the Food and Drug Administration (FDA) implemented a significant shift in food safety practices with the introduction of "Time/Temperature Control for Safety (TCS) Foods." This replaced the previous, broader term "Potentially Hazardous Foods" by establishing specific time and temperature requirements to control the growth and toxin formation of harmful microorganisms. Notably, the system incorporates a "Product Assessment" requirement, often involves a lab-based testing, based on a combination of the food's water activity (Aw) and acidity (pH).

The TCS system is recognized by academics as a superior hazard control system compared to its predecessor. The adoption of TCS offers several benefits to both the industry and the regulatory agencies. First it helps to eliminate confusion in terminology for food operators, potentially reducing unnecessary product assessments and discarding low-risk foods. Second, there are abundant national training materials readily available for both regulatory bodies and operators to determine when a product assessment is necessary. Third, many product assessments have already been conducted by research facilities, further streamlining the process for operators, and lowering the operating cost.

**Time Temperature Control Parameters:** The proposed rule establishes a new, extended timeframe for food holding temperature and time. Under specific criteria, certain foods can now be held for six hours instead of the current four. These changes will significantly reduce labor and food costs without jeopardizing food safety. Additionally, they offer greater flexibility to catering and mobile food truck operations, allowing them to manage their products in less controlled environments.

**Employee illness policies and reporting:** This policy marks one of the most significant updates to the Indiana's food code since 2001, driven by the alarming statistics of foodborne illness in the United States. Among the



illnesses, highly susceptible populations are disproportionately likely to suffer from foodborne disease due to immunocompromised condition or immature immune system. Recognizing the vulnerability of certain populations, the FDA and other federal agencies have crafted comprehensive employee illness policies and reporting systems. These aim to prevent sick employees from handling food, serving customers, and potentially spreading dangerous illnesses.

The rule language enhances the employee illness evaluation process and aligns the state's food code with the state's existing Communicable Disease Rule in [410 IAC 1-2.5](#). The rule mandates employees report illnesses to supervisors, who then assess potential risks and restrict or exclude individuals based on illness type and client susceptibility. This extends to "conditional employees," allowing evaluation of job applicants' pre-existing health conditions.

This policy is lauded for its medical basis, drawing upon recent epidemiological findings and the tragic burden of preventable deaths. Experts across the medical community, consumer groups, and retail food operators recognize it as a crucial step towards curbing foodborne disease transmission. The adoption of the employee health reporting policy offers several benefits. First, it mitigates foodborne illness, potentially saving lives and reducing healthcare costs. Second, readily available electronic flowcharts, created by the FDA, can assist both regulators and operators in determining necessary restrictions or exclusions. This comprehensive approach prioritizes public health and empowers both employees and employers to ensure safe food handling practices.

While considerations around workforce strain are valid, the potential benefits of preventing healthcare-associated infections through this policy far outweigh the challenges. Further, similar policies are already mandated in many healthcare settings so there will be no additional fiscal impact on institutes that are serving high risk clients.

**Allergens labeling:** Passed in 2004, the FDA Food Allergy Labeling and Consumer Protection Act laid the groundwork for food allergen labeling requirements. The FDA Model Food Code, published in 2005, adopted the same language. However, Indiana's current code, based on the 2001 version, lacked specific regulations on allergen sanitation and labeling and behind on national practices. The proposed rule provides detailed requirements for employee allergen training, sanitation methods to avoid cross contamination, and instructions for informing the public on the 9 major food allergens.

Discussions with the Indiana Restaurant and Lodging Association revealed that members already follow these "new" requirements due to federal regulations and consumer demands. This suggests minimal impact on the industry and potential benefits for consumer safety.

**Training and knowledge requirement of the Person in Charge (PIC):** To ensure a retail food establishment is monitoring food safety practices and always preparing safe food, the FDA model food code requires each facility must have a designated individual present (also known as the Person-in-charge) during all hours of operation. This person is expected to possess the proper knowledge either by attending and passing a nationally accredited Food Safety Manager Certification program (such as ServeSafe®) or is otherwise qualified through job experience to demonstrate the knowledge. Due to the high turnover within the industry, many owners opt to have the PIC attend a 1-day training to fulfill this requirement.

The current Indiana Retail Food Code, enacted two decades ago, faces criticism for its dissonance with the FDA Model Food Code and national training standards. This outdated framework presents challenges that undermine both food safety and operational efficiency. First, the code predates advancements in safe food production practices, failing to align with the FDA's new violation citation system, definition of time/temperature sensitive (TCS) foods, extended temperature control parameters, allergen labeling, and employee health monitoring programs as discussed above. This discrepancy leaves Indiana establishments vulnerable to outbreaks and erodes consumer confidence. Second, the mismatch between state and national training standards creates hurdles for employees seeking certification. Corporate trainers and independent consultants have been redesigning curricula and documentation to support participants comply with Indiana's code, increasing industry burden and hindering workforce mobility. Finally, outdated regulations stifle innovation and growth, and discourage operators from utilizing readily available science-based and tested recipes to introduce new foods. Aligning with national standards would streamline the regulatory environment, fostering business development and attracting skilled workers.

**Outdoor Cooking and Patios:** Twenty years ago, the adoption of the [410 IAC 7-24](#) did not address food safety practices associated with outdoor cooking and patio dining. Consequently, retail food establishments must apply for a variance, based on the authority of 16-42-5-5.2, and submit a written Standard Operating Procedure (SOP) to the IDOH FPD. A 30-day minimum review process that requires extensive coordination between the owner, the

local health department inspector, and the FPD Retail Food Managers. While this rule is specific to Indiana, its principles are derived from best practices and recommendations established by federal agencies.

**a. Estimate of Primary and Direct Benefits of the Rule**

Food services in Indiana is a significant employer and source of revenue for the State. The main goal of updating the [410 IAC 7-24](#) is to enhance food safety practices and to mitigate unnecessary food borne illnesses.

The 2015 study by Robert L. Scharff highlights the significant impact of foodborne illness in Indiana, indicating an estimated annual cost exceeding \$1.6 billion. The number of foodborne illness investigations conducted by the Rapid Response Team within the FPD totaled 49 cases between 2020 and 2023; however, local health departments may also have conducted additional investigations into foodborne illnesses within their jurisdiction, thereby leaving the total number of investigations not fully known. To address this public health concern and protect consumers, this new rule, once implemented, promotes a risk-based inspection approach. This systematic evaluation focuses on systematic potential hazards rather than isolated incidents, promoting a more collaborative and cost-effective food safety environment for Indiana's restaurant industry.

**b. Estimate of secondary or indirect benefits of the Rule**

Important indirect benefits include supporting the national goals of promoting a culture of food safety, improving overall quality of the American dietary intake, and building a more resilient food supply chain system.

- Many Americans live with the threat of food allergies, particularly to common ingredients such as milk, eggs, and nuts etc. The new rule brings food allergen awareness to the forefront to promote safety and prevent cross-contamination in food establishments, especially within small facilities due to its limited food preparation space. Several national resources like AllergyEats.com, FoodAllergy.org, SafeFare.org, the National Restaurant Association, and Allertrain are readily available to educate both industry professionals and regulators, empowering them to navigate this "new to Indiana" issue effectively.
- The Rule champions a culture of food safety, emphasizing active managerial control and regular training for both managers and employees. The FDA and Indiana actively promote this concept, recognizing the importance of everyone playing a role, including regulators and operators. Food safety requires a "top-down" approach, where everyone understands their responsibilities through proper training. This means active involvement from top management in promoting safe practices, alongside accountability from everyone else involved. This system aligns with the Food Safety Modernization Act prevention model.
- This new rule facilitates the implementation of a Risk-Based Inspection System (RBIS), a national initiative, that reform inspection practices known to contribute to foodborne illness ("those uncontrolled factors that may cause disease"). RBIS prioritizes efficient inspector time allocation by evaluating on systematic illness risk factors and observing overall management practices (i.e. Active Managerial Control) within production. Importantly, RBIS takes into account a facility's prior non-compliance record, prompting targeted and more frequent monitoring when necessary. This approach fosters deeper understanding of the "why" behind violations and promotes long-term compliance through educational guidance alongside inspections.

**c. Estimate of any cost savings to regulated industries**

The new approach offers several advantages for restaurants. Firstly, it reduces the likelihood of citations arising from minor infractions, minimizing potential fines, and allowing appropriate businesses time to address issues. This translates to significant cost savings for restaurant operations. Secondly, the rule aligns with the latest national food safety training curriculum, eliminating the need for translating training material between the outdated code language and the latest national requirement. This consistency streamlines inspections, saves time, minimizing confusion and fostering a more positive inspection experience for both inspectors and restaurant staff.

A survey conducted in 16 counties and 3 state funded universities, total of 11,621 establishment, suggests that 74.27% of retail food establishments fall within the definition of a "small business" in Indiana. Small businesses that are franchise owners of national or regional chains will benefit from the rule's alignment with national standards. Modernizing food safety standards can present challenges for independent, family-owned businesses, particularly those lacking significant resources or technical expertise to comply with the new food code. Fortunately, in many cases, the updated regulations are manageable, and the associated compliance costs represent a worthwhile investment (see Section VI for detail cost analysis). It is important to note that to comply with current Indiana law, [IC 42-42-5.2-4](#), all food service establishments are required to have an individual on staff that passes an accredited food safety program. These certified food safety programs teach and test the most up to date federal food code. To support small business owners, the updated food code includes provisions, like Sections 476 and 479, offer extended corrective action periods and allow for retrofitting, providing additional time for updating high-cost equipment or renovating outdated operation layout. It is important to note that many small businesses source their food from national distributors, like Gordon Food Service, Ecolab, and US Foods, these distributors operate under the latest federal food safety guidelines. This code updated can be a big advantage for

small businesses as national distributors often employ established preventive food safety quality assurance systems. This system and terminology alignment (see Section IV Changes in proposed rule), incorporating practices on electronic invoicing for traceability and automatic chemical measuring for consistency, can be readily adopted by smaller businesses, ensuring optimal food safety standards and compliance with other relevant federal food safety regulation system.

This food code update can not only maintain and improve market access for small businesses but also position them for long-term competitiveness and potentially safeguard their reputation from negative foodborne illness outbreaks. First, outbreaks can lead to a sharp decline in customers, lost revenue, and additional costs associated with the investigation and potential recalls. Small businesses often lack the financial reserves to weather such a storm. Second, negative media coverage and public fear can severely damage a small business's reputation, making it difficult to regain customer trust. Third, lawsuits from affected customers can be costly and time-consuming, further straining resources.

**VI. Cost Analysis**

**a. Estimate of Compliance Costs for Regulated Entities**

According to the cost analysis in Appendix A "Master sheet" worksheet, the majority of compliance expenses for regulated entities will stem from education & training cost, internal policy update cost, and equipment and other material cost. Total industry impact is estimated to be \$844,977. The cost per establishment will vary from \$15 to \$41.17 with an average per establishment cost of approximately \$20. A detailed breakdown of these costs and their associated benefits is provided below the table.

As discussed above, it is estimated that 74.27% per cent of retail food establishments are classified as small businesses. Assuming that the compliance costs are equally distributed, the total economic impact to small businesses is estimated to be \$627,564.

IDOH considered the following the following methods of minimizing the economic impact of the proposed rule on small businesses:

- (A) The establishment of less stringent compliance or reporting requirements for small businesses.
- (B) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses.
- (C) The consolidation or simplification of compliance or reporting requirements for small businesses.
- (D) The establishment of performance standards for small businesses instead of design or operational standards imposed on other regulated entities by the rule.
- (E) The exemption of small businesses from part or all of the requirements or costs imposed by the rule.

Establishing different requirements for small businesses is not practical. Different standards would be confusing and add complexity. More importantly, less stringent standards would undermine the health and safety concerns underlying the rule.

The proposed food code aims to establish consistent food safety practices across all Indiana retail food establishments. This will ensure a high level of public health protection, regardless of business size or location. While the code applies to all establishments, Indiana's local, independent food businesses may face some technical challenges in implementation. Discussions with the Indiana Restaurant & Lodging Association and local health departments suggest these challenges, such as record keeping or procedural updates, are manageable and very likely already put in place. However, it's important to remember that the benefits of uniform food safety standards outweigh these potential hurdles.

Item number	Items	Cost	Est. % of RFE affected	Estimated cost for regulated entities	Cost saving
<b>Education &amp; Training related cost</b>					
1.	Online training to person-in-charge	1 hour training at \$15 per hour	100	\$630,000	
<b>RFE internal policy update cost</b>					
2.	Employee Health	10 minutes at \$15	70%	\$73,500	Ranging from \$3,968



	Policy Updates	per hour			to \$2.6 million per each foodborne incident
3.	Time temperature record keeping policy updates	10 minutes at \$15 per hour	10%	\$10,710	Labor cost and food cost
4.	Reduced Oxygen Food policy updates	10 minutes at \$15 per hour	5%	\$5,355	Reduce in variance application related administrative cost
5.	Pest Management policy updates	5 Minutes at \$15 per hour	100%	\$52,500	Prevention in food waste, civic penalty, and reputational damage
<b>Equipment and other material cost</b>					
6.	Folder for Wild mushroom tag	\$0.12 per facility	5%	\$252	
7.	Irreversible thermometer for manual dishwasher	\$17 per facility	10%	\$71,400	
8.	Handwashing poster	\$0.10 per copy (3 copies per establishment)	10%	\$1,260	
<b>Cost saving benefits</b>					
9.	Serving of recreationally caught fish		20%	\$0	Bolster of fishing tourism and enhance of dining experience
10.	Shell eggs receiving temperature reduced		100%	\$0	Energy and maintenance savings
11.	Handwashing temperature reduced		100%	\$0	Energy and maintenance savings
12.	Lighting intensity reduced		100%	\$0	Energy and maintenance savings
13.	Special Processing Variance		100%	\$0	Labor cost & time saving for both RFE, LHDs and IDOH
14.	Time allowed for corrective action		100%	\$0	Labor and administrative saving for more flexibility in conducting corrective action
15.	Mobile Retail Food Establishment		100%	\$0	Labor cost and fuel saving for more flexibility in returning to servicing area or commissary
16.	Outdoor Food Establishment Variance		100%	\$0	Labor cost & time saving for both RFE, LHDs and IDOH

### Education & Training Cost

Because the demonstration of knowledge requirement in section 135 only requires the PIC to know the food establishment's policies, the industry standard is to only train the PIC on these policies. Therefore, there is no additional training cost to these sections beyond the cost to train the PIC.

**1. Online recorded training:** This rule aligns with the 2022 FDA Model Food Code. It incorporates revisions to 119 existing [410 IAC 7-24](#) provisions and introduces 12 new regulations specific to the Indiana Retail Food Code. To facilitate understanding of these changes, IDOH FPD, in collaboration with the Indiana Restaurant and Lodging Association, will produce a one-hour recorded online training video outlining the key modifications. Among the 131 code changes, 119 updated and 12 new, 18 of which are updates from the 2017 FDA Food Code and covered by the ServSafe curriculum. Based on the discussion in Section VII (b) "Sources relied upon in Determining and Calculating Costs and Benefits" of this document, FPD is confident

that a one-hour online training is sufficient in educating the RFE operators about the details of the new code.

This translates to a cost of approximately \$630,000 based on an assumed hourly wage of \$15 for a PIC.

### **RFE Internal Policy Update Cost**

**2. Health Policy:** In accordance with Section 137's "Responsibility Section 138's "Exclusions and restrictions" the requirement necessitates updating employee health policies. This update clarifies when to exclude or restrict a food employee due to potential illness. IDOH FPD will provide a flowchart, available via webpage, to simplify implementation. It is estimated that the update in inserting the IDOH flow chart into the current health policy is 10 minutes per facility. Since all health care related facilities and all national chain restaurants already have this policy in-place, approximately 30% of total Indiana RFE establishments.

This translates to a cost of approximately \$73,500 based on an assumed hourly wage of \$15 for a PIC.

*Cost saving to the industry:* A study published in Public Health Reports, a journal of the U.S. Surgeon General, found that a single foodborne illness outbreak can cost restaurants significantly, ranging from \$3,968 to \$2.6 million. The cost varies by restaurant type, with fine-dining establishments facing the highest potential losses.

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5958383>

**3. Time temperature policy & monitoring records updates:** In accordance with Section 216's "Time as a Public Health Control" requirement, facilities like catering businesses and outdoor food vendors are more likely the entities will have to update their time/temperature control policies and procedures. This update reflects the extended safe holding time for time-temperature control foods in the danger zone. Specifically, the previously established 4-hour limit will be increased to 6 hours. To ensure adherence to this change, revisions will be made to food holding temperature monitoring records. The average time required for the PIC to update record template is estimated at approximately 10 minutes.

This translates to a cost of approximately \$10,710 based on an assumed hourly wage of \$15 for a PIC. It is the industry standard that the person-in-charge or the chef will be monitoring and recording the food holding temperature. Therefore, additional internal training cost for other employees within the establishment of this specific policy is not necessary. Additionally, since 2005, this temperature parameter has been incorporated into the FDA Retail Food code, it is safe to assume that all current ServSafe certificate holders are already aware of it.

*Cost saving to the industry:* Beyond public health benefits, the extended holding time offers significant cost advantages to the industry. Reduced food waste is a key benefit as the 6-hour allowance provides greater flexibility in serving schedules. Additionally, staff workload will decrease due to less frequent food replenishment, leading to labor cost savings.

**4. Reduced Oxygen Food policy updates:** In accordance with Section 218, "Reduced Oxygen Packaging Without a Variance," facilities that prepare cook-chill/sous vide products meeting specific preconditions are exempt from obtaining a variance from the IDOH FPD. Under these conditions, facilities must submit a Hazard Analysis Critical Control Point (HACCP) plan to their local health department for recordkeeping purposes. To ensure compliance, the person-in-charge (PIC) is responsible for electronically transmitting the HACCP plan to the local regulator. It is estimated that cook-chill/sous vide process is mainly utilized by the fine-dining restaurants due to its associated equipment cost. The average time required for the PIC to revise records is estimated at approximately 10 minutes.

This translates to a cost of approximately \$5,355 based on an assumed hourly wage of \$15 for a PIC. It is the industry standard that the person-in-charge or the chef will be monitoring and recording the food holding temperature. Therefore, additional internal training cost for other employees within the establishment of this specific policy is not necessary.

*Cost-Saving Benefits:* Previously, the variance application process for ROP methods was time-consuming and involved significant communication between the IDOH and facility owners. This code update streamlines the process, eliminating approximately 20 hours of administrative burden associated with preparing the application package, filing for the variance, and engaging in communication with the IDOH.

**5. Pest Management policy updates:** In accordance with Section 450, "Controlling Pests," facilities are required to update their pest management goal from "minimize" to "eliminate." This change reflects a heightened focus on preventing pest infestations and mitigating the risk of cross-contamination, particularly those associated with rodents. A pest management program is not mandated under this update. However, facilities will need to revise their pest management monitoring records to reflect the new "eliminate" goal. The estimated administrative burden associated with this update is minimal. The average time required for the PIC to revise records is estimated at approximately 5 minutes.

This translates to a cost of approximately \$52,500, based on an assumed hourly wage of \$15 for a PIC.

*Cost-Saving Benefits:* According to the Grocery Manufacturers Association, inadequate pest management practices are a significant contributor to food waste and financial losses within the retail food industry. This is further emphasized by real-world examples, a Walmart store off Pendleton Pike Indianapolis, which resulted in the disposal of thousands of food products, lost business due to a suspended food license, and reputational damage.

### Equipment and other material cost

**6. Wild mushroom identification tag storage:** In accordance with Section 160's "Wild Mushrooms", facilities purchasing wild mushrooms must retain identification tags for at least one year after the product's final sale. This necessitates designating a specific folder for storing these documents. The estimated cost per folder is minimal, at approximately \$0.12 based on information from office supply retailers. It's important to note that less than 5% of RFEs serve wild mushrooms, primarily concentrated in fine dining restaurants.

This translates to a cost of approximately \$252.

**7. Irreversible registering temperature indicator:** In accordance with Section 280 "Temperature Measuring Devices, Manual Warewashing," facilities employing manual warewashing dishwashers require an irreversible registering temperature indicator (IRTI). This IRTI ensures the final rinse water temperature reaches a minimum of 160 degrees Fahrenheit, a critical step for proper dish sanitization and optimal cleaning and sanitizing agent performance. The estimated cost per device is \$17.00 from culinary supply retailers. Since this requirement was introduced during the 2013 FDA Model Food Code release, it is estimated that only 10% might have to purchase a "new" thermometer.

This translates to a cost of approximately \$71,400.

**8. Handwashing signage:** In accordance with Section 432's "Handwashing signage" requirement, all food operations in Indiana must now display a sign or poster at each handwashing sink used by employees. This signage reminds food employees of the importance of proper handwashing practices. IDOH will be distributing handwashing signage through inspectors or making it available for pickup at local health departments (95 locations statewide). A digital copy will also be available online for establishments that prefer to print it themselves.

Based on discussions with the Indiana Restaurant & Lodging Association and major national chain operators, it's estimated that over 90% of establishments already have signage in place that meets this new requirement. The estimated cost for color printing the signage is \$0.10 per copy, and 3 copies per facility (2 restrooms and 1 production handwashing sinks) for those that currently do not have the signage.

This translates to a cost of approximately \$1,260.

### Cost Saving Benefits

**9. Serving of recreationally caught fish:** In accordance with Section 158 "Fish", a food establishment is permitted to serve recreationally caught fish as long as it is only served to the fisherman and their guests at the table, and the operation can safely accommodate such items. This new practice will bolster fishing tourism for the State of Indiana. For instance, tourists who come for the "catch-and-cook" experience are more likely to spend money on other local services, such as tackle shops, boat rentals, and accommodation. In addition, Satisfied tourists who enjoy this unique dining option are likely to share their experiences with friends and family, generating positive word-of-mouth promotion for Indiana's fishing tourism industry and the retail food establishment.

**10. Shell eggs receiving temperature reduced:** In accordance with Section 162's "Specifications for receiving temperatures of food" provision, a food establishment is permitted to receive raw shell eggs that maintain an ambient air temperature of 45-degree, 4 degrees higher than the current code. As indicated by discussions with the Indiana State Egg Board and poultry producers, recent research suggests that 45°F is sufficient to control bacteria growth and even improve egg quality and shelf life. The current Indiana Retail Code for receiving shell eggs is more stringent than the national recommendations set by the FDA. The FDA has endorsed a receiving temperature of 45°F for shell eggs for over a decade.

*Cost-saving Benefits:* Allowing a higher receiving temperature of 45°F could lead to significant cost savings through reduced energy consumption during transportation and storage. Additionally, it could potentially decrease food waste by mitigating issues arising from improper temperature control.

**11. Handwashing temperature reduced:** In accordance with Section 347's "handwashing sink, Installation" provision, a food establishment is permitted to lower the minimum handwashing sink water temperature to 85°F. Discuss among the members of Conference of Food Protection concluded that handwashing with water at 85°F remains highly effective in removing harmful bacteria and pathogens, as long as proper handwashing techniques are employed. This temperature change will post no additional cost to the facility.

*Cost-saving Benefits:* Reducing hot water heater temperature settings to maintain 85°F handwashing water can lead to significant energy cost savings for RFEs. This translates to a positive environmental impact through reduced energy consumption. In addition, lower hot water temperatures decrease wear and tear on plumbing fixtures and hot water heaters, potentially leading to fewer maintenance issues and associated costs.

**12. Lowering of lighting intensity:** In accordance with Section 436's "Lighting intensity" provision, a food establishment is permitted to lower the minimum light intensity to 10 foot-candles. This requirement was updated by the FDA during the 2005 food code release. Aligning the Indiana Retail Food Code with the national standards release all food establishment from the 23 year outdated 70 food-candles requirements. The light intensity change will post no additional cost to the facility.

*Cost-saving benefits:* Lowering the lighting intensity to 10 food-candles presents a significant opportunity for cost reduction. This change will result in lower energy consumption, leading to direct financial savings on our utility bills.

**13. Clarification of variance requirement for "Special Processing" food:** Currently, less than a dozen retail food establishments, annually, utilize production methods not covered by the FDA Model Code. If a retail food establishment chooses to utilize special production methods, the establishment is required to apply for a "Special Processing" variance with the Indiana Department of Health (IDOH) Food Protection Division. This process can be lengthy and delay production schedules due to the need for detailed reviews by the FPD Special Processing Scientist. The review involves assessing the proposed technique, recipe, and associated risks, followed by the recommendation of control measures. Since the variance requirement already exists in policy, there is no new fiscal impact to retail food establishments currently utilizing special processing or for retail food establishments who may avail themselves of special processing.

*Cost-saving benefits:* Clarifying the "Special Processing" variance requirement will benefit both Local Health Departments (LHDs) and food establishment operators by mitigate confusion for both LHDs and operators regarding when a variance is, and potentially shorten application preparation times by reducing unnecessary variance requests.

The updating of the following sections supports this cost saving procedure:

Section 123 "Special Processes" definition

Section 114 "Specialized processing methods; variance requirement"

Section 195 "Reduced Oxygen packing without a variance"

Section 483 "Variance"

**14. Time allowed for corrective action:** In 2009, the FDA introduced a revamped three-tier violation system for food safety inspections, replacing the previous "Critical" and "Non-Critical" approach. This shift aimed to transform inspections from reactive assessments to proactive and more objective observations. The new system, categorized as "Priority," "Priority Foundation," and "Core," prioritizes immediate risks to food safety while granting flexibility for addressing less critical issues.

**Cost Saving Benefits:** The integration of the three-tier violation system into the revised retail code presents a strategic opportunity to minimize financial burdens on both regulatory bodies and the industry itself. By ensuring clear comprehension and consistent application of violation citations, the system empowers operators to rectify non-compliance within established timeframes. This, in turn, reduces the need for repeat inspections, leading to a more efficient and cost-effective regulatory environment for both parties.

The introduction of the following sections supports this cost saving procedure:

Section 25 "Core" Definition

Section 92 "Priority Item" Definition

Section 93 "Priority Foundation Item" Definition

Section 475 "Timely Correction for P or Pf Item"

Section 476 "Timely Correction for Core Item"

**15. Mobile Retail Food Establishment:** In Section 488 "Retail Mobile Food Establishments," regulatory entities can grant exemptions to retail food establishments so that they do not have to return to a servicing area or commissary daily. Currently, food trucks are required to conduct daily in-depth cleaning or apply for a variance with the State of Indiana. The new exemption allows Local Health Departments (LHDs), who have greater knowledge about the operation of the truck and its food sanitization requirements, to work with the owner of the unit. This will reduce both labor and fuel expenses for the industry.

**16. Outdoor Food Operations variance:** The introduction of section 489 "Outdoor food operations" sanitation requirement is projected to significantly reduce the need for variance approvals from the Food Protection Division (FPD). Data from 2022 and 2023 indicates a demand for variance approvals, with 24 applications submitted in 2022 and 26 in 2023. As discussed above at Section V Benefit Analysis, this will benefit the industry by avoiding delay in starting the operation, and improve efficiency for the operators, the LHDs and FPD.

#### **b. Estimate of Administrative Expenses Imposed by the Rules**

The administrative cost imposed by the proposed regulations on the industry is estimated at \$844,977 (see section (a) above for details). However, as the industry's letters of support highlight, the outdated food code is currently a burden on their operations and discourages innovation. While the initial implementation of these updated regulations may require some upfront investment in training and administrative adjustments, the consensus suggests that the long-term benefits will significantly outweigh these costs. Specifically, the new food codes incorporate best practices and technological advancements that will instantly lead to smoother workflows, reduced food waste, and optimized resource use, translating to cost savings for businesses. Additionally, practicing the most up-to-date food safety practices can help businesses mitigate the likelihood of foodborne illness outbreaks, resulting in substantial cost savings by avoiding costly lawsuits, product recalls, and lost productivity.

The majority of the administrative expenses for regulators are being covered by the Department. That includes personnel cost in developing training materials and updating material for the electronic inspection system. There will be a slight increase in local health departments' inspection time during the beginning of the implementation period. However, the Department anticipates this impact to be minimal and short-lived, dissipating within the first two months. This optimism stems from the industry's familiarity with the existing FDA Model Food Code, which shares significant similarities with the new rule. Additional administrative costs should only occur if the local health departments decided not to utilize the FDP hosted inspection program or choose to not to participate in FPD offered online training. Otherwise, administrative costs are expected to be minimal, primarily involving activities they already undertake regularly.

The additional costs incurred by other regulatory entities, such as Local Health Departments, will depend on its decision to use the IDOH-prepared materials and the electronic inspection system. (For more details, please refer to the "estimated fiscal impact on state and local government" section above.) For regulatory agencies, compliance costs are expected to be minimal, primarily involving activities they already undertake regularly, such as printing new paper inspection forms and the new rule itself. Therefore, these shouldn't be considered "extra" costs solely due to the new rule's implementation.

#### **c. The fees, fines, and civil penalties analysis required by [IC 4-22-2-19.6](#).**

Civil penalties for violating Indiana's food safety regulations were previously outlined in rule [410 IAC 7-23](#), with fines ranging from \$500 to \$1000 per violation depending on the severity. Violations were classified as "critical" or "noncritical" based on the potential food safety risk to public health. A new civil penalty schedule will be developed based on the proposed [410 IAC 7-26](#). Similarly to the previous system, the new approach will categorize



violations as "Priority", "Priority foundation", or "Core" based on potential food safety risks. This alignment with the 2022 Model Food Code, developed by the FDA, ensures consistency, and leverages the expertise of the leading authority on food safety standards. Although the citations and terminology has changed, the amounts of the civil penalties have not changed.

## VII. Sources of Information

### a. Independent Verification or Studies

Because of the fluctuating number of retail food establishments that would be affected by this rule, it is impossible for FPD to independently verify the impact of this rule.

### b. Sources relied upon in Determining and Calculating Costs and Benefits

The ServSafe training program aligns with the current FDA Model Food Code and remains the industry standard for ensuring food facilities comply with Indiana Code (IC) 16-42-5.2-3.7 and [410 IAC 7-24-118](#). While the five-year renewal cycle for ServSafe certifications limits precise calculation of the program's financial impact, data suggests significant industry participation within the State of Indiana.

Further, according to the National Restaurant Association (NRA), the operator of ServSafe, over 8,100 ServSafe Manager Certification Exams were administered in Indiana when the 2022 codes are incorporated in the curriculum in October 2022. The NRA also hosted nationwide webinars on the topic of 2022 FDA Model Food Code updates, with resources available on the Indiana Restaurant & Lodging Association ServSafe Training website. Numerous presentations were conducted during food shows and via virtual meetings as well. This information indicates that Indiana retail food establishments likely received training based on the 2017 Food Code and were subsequently informed about the 2022 revisions through ServSafe's communication channels.

## VIII. Regulatory Analysis

It is estimated that this rule will impact an estimated 32,000+ retail food establishments inspected by local health departments, with an estimated 10,000+ facilities regulated by various state entities such as the Department of Education, Department of Correction, Family and Social Services Administration, and the IDOH Long Term Care Division. However, because we cannot get an exact number of retail food establishments or other facilities that will be impacted by this rule, it is impossible for FPD to quantify the total fiscal impact for both the regulators and the industry.

However, based on the analysis from the "Food Code Line-by-line Analysis" document (Attachment A), the positive impact of the modernization of the Indiana Food Code for the retail food industry are:

- **Protect Hoosier from preventable foodborne illness:** The significant impact of foodborne illness in Indiana, highlighted by a 2015 study by Robert L. Scharff with an estimated annual cost exceeding \$1.6 billion, necessitates a multi-pronged approach to ensure public health. Combining the promotion of the latest science-based food safety practices with the implementation of new employee illness policies and reporting provisions is essential to stop the spread of dangerous illnesses through foodservice establishments. First, an updated food code provides a clear and standardized framework for safe food handling practices. This includes outlining proper handwashing techniques, establishing safe cooking temperatures, and outlining proper cooling procedures. Second, by incorporating more updated requirements for food worker training on foodborne illness prevention, the code ensures employees possess the necessary knowledge to identify and mitigate risks. Third, the food code serves as a comprehensive set of science-based regulations that govern all aspects of food safety within a restaurant setting. It goes beyond just sick employee protocols, encompassing everything from receiving ingredients to storing leftovers.
- **Protect operators from costs associated with a foodborne illness:** A robust up-to-date food code minimizes the risk of foodborne illness outbreaks, promoting public confidence and a booming retail restaurant industry. This translates to happy customers, loyal patronage, and a strong reputation for Indiana's food industry. The updated code will equip food establishments, especially small businesses, with the tools and knowledge to prevent costly outbreak disruptions. As per Sarah Bartsch's "Estimated cost to a Restaurant of a Foodborne Illness Outbreak" article, the estimated cost associated with a foodborne illness ranges from \$3,968 to \$2.6 million per each foodborne incident. Updating the food code reduces the burden of investigations, recalls, and potential lawsuits, allowing businesses to focus on growth and success.
- **Regulatory consistencies promote harmonization between regulatory personnel and the industry:** Standardizing food safety training for retail workers presents a valuable opportunity to strengthen collaboration between regulatory agencies and the industry, thus improve inspection efficiency and cost

saving to both. First, it enhanced food service employee mobility by ensuring their food safety knowledge is readily transferable between states. This would benefit national corporations and small businesses alike, particularly those operating near state lines. A more mobile workforce allows businesses to efficiently utilize their talent pool and open new business locations in Indiana. Second, aligning food codes with best industry practices would create a shared understanding of safe food handling procedures and help facilitate an effective inspection routine. Third, streamlined inspection would lead to more uniform interpretations by inspectors, within the LHD and between the LHDs. This, in turn, would streamline the inspection process, making it less disruptive for businesses that have locations across multiple counties.

• **Support Indiana Retail Food Industry maintain compliance with federal regulations:** Building on the previous explanation, the majority of the "new" to Indiana food code align with the other relevant FDA regulatory terminology, and acts as a one-stop shop for understanding and implementing best practices across these key areas. First, currently, Indiana food operators are required to refer to both state and federal regulations to ensure compliance. By mirroring relevant FDA terminology, the updated code acts as a single source of resources. This reduces confusion and simplifies the compliance process for businesses. Second, aligning with FDA regulations promotes consistency across the entire Indiana food supply chain system. This ensures food labeling, allergen identification, and shellfish handling practices, are carried out in a similar way, and minimizes the risk of errors and ultimately leads to a safer food supply. Third, with a single, streamlined code to reference, training for food employees becomes more efficient. Employees don't need to juggle separate sets of regulations, making it easier to understand best practices and ensure proper food safety procedures are followed. Fourth, clear and consistent labeling, accurate allergen identification, and proper handling of shellfish are all crucial for protecting consumers from potential foodborne illnesses and allergic reactions.

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