

Bush Grant Brief: Wisconsin Department Merger

The goal of this grant is to make the licensing and regulation system easier to navigate for small-scale entrepreneurs while maintaining food safety and compliance. During these first 6 months of this grant project, it has become clear that there are many different options with varying difficulty that could address these issues. This document examines the potential challenges and benefits of merging the licensing and regulatory departments of MDA and MDH.

Bush Grant Deliverables:

- An improved climate for the regulated community of farmers and local food entrepreneurs to understand and comply with food regulations.
- An increased focus on food safety by both regulators and the regulated community.
- Decreased complexity and increased efficiency and transparency in licensing and inspection activities for food entrepreneurs.
- Improved and increased systemic support for regulators from their agencies and from the regulated community to do education and outreach work.

Potential Strategies to Explore:

1. **Merging** - MDH & MDA merge into a single body with regulatory oversight over food
 - a. Example: Wisconsin model
2. **Coordinated System** - Streamline system by coordinating all food regulatory units
 - a. Example: Minneapolis 311 system
3. **Improved Self-Navigation** - Make a more intuitive system for food entrepreneurs
 - a. Examples: 1) Turbotax idea, 2) Coach/trainer/ombuds person 3) Resource directory/annotated bibliography

Merging MDH & MDA: What can we learn from Wisconsin's experiences?

The state of Wisconsin is currently merging their Department of Health Services (DHS) and Department of Agriculture, Trade, and Consumer Protection (DATCP); their experience helps evaluate the feasibility, potential benefits, and potential concerns of this strategy for Minnesota.

How did the merger come about?

DATCP secretary Ben Brancel pushed for the merger because, due to his personal connections to the farm and dairy industry, he understands the importance of a simplified licensing and regulatory system. The merger will transfer 35 employees and \$3.4 million from DHS to DATCP. As a result, DATCP will adopt all inspections previously done by DHS, such as the licensing and regulation of swimming pools, hotels, and campgrounds.

How does it affect current state employees?

- All 35 DHS employees are keeping their positions in the merger.
- After the merger was approved, DHS and DATCP immediately partnered to prepare for the changes. Working groups were formed to engage employees in the changes; they focused on creating training plans, merging human resources, merging budgeting/finances, coordinating technology, ensuring agency contracts and policies were updated, and merging two food codes into one large food code.

- DATCP held monthly webinars to update employees on the merger, allowing them to ask questions and ensuring transparency throughout the process.
- Employees must prepare for and explain to businesses how new licenses will be under the DATCP division of food safety and rec licensing.
- DHS is bringing with them their training modules and health surveys; this will benefit DATCP by giving them opportunities to learn differently and survey businesses served to understand successes and challenges of the merger for these businesses.
- Employees have financial incentive to support the merger: DATCP will raise current DHS employee salaries to the level of pay of DATCP health inspectors. This financial incentive helps relieve some of the hesitations about the merger, and encourages employee engagement in the new training and learning needed.
- Employees are able to diversify their job experience and have increased professional development opportunities.

How are businesses responding?

Overall, the businesses are not in opposition to the merger, believing “it can’t be any worse than it is.” The idea of only having to work with one inspector and one agency is attractive to many. The restaurant associations, specifically, are very excited about the idea of a one-stop-shop and are therefore supportive of the merger. Other support came from local health department agents because it results in only one set of codes, one agency to license from, and one place to call with questions.

What are current and anticipated challenges?

Training inspectors to be able to do all types of inspections and ironing out merger details without adequate budgeting are two great challenges of this merger. The first is being addressed by a two year transition period, during which there will be additional training for all staff. The second issue exists because DHS and DATCP must iron out details (logistics for moving staff over to DATCP, creating one food code from two, merging the state fleet vehicles, and merging data management programs, etc.) without assigned additional capacity.

What are current and anticipated benefits?

Additional benefits exist beyond the financial incentive to DHS workers of increased pay, greater professional development opportunities, and a one stop shop for food business inquiries. Wisconsin now has a farm-to-table focused food safety program in which ~70% of inspectors reside within local jurisdictions where they are administering licenses and inspection. In the new licensing model, businesses will have a base license fee and additional license fees will be added to this base depending on the operation (e.g. a restaurant with a food truck would have a base fee for being a restaurant and a small additional fee for inspecting the food truck). This flexible model will give DATCP better ability to address innovative food businesses models as they come about. Although the merger has challenges, the anticipated benefits to state employees, local jurisdictions, and food businesses have counterbalanced many frustrations.

Bush Grant Brief: Turbotax System

The goal of this grant is to make the licensing and regulation system easier to navigate for small-scale entrepreneurs while maintaining food safety and compliance. During these first 6 months of this grant project, it has become clear that there are many different options with varying difficulty that could

address these issues. The purpose of this document is to outline one of three possible strategies discussed in previous meetings. This document will examine the potential challenges and benefits of creating a “Turbotax” model for determining what license is needed by a food business.

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Potential Strategies to Explore:

4. **Merging** - MDH & MDA merge into a single body with regulatory oversight over food
 - a. Example: Wisconsin model
5. **Coordinated System** - Streamline system by coordinating all food regulatory units
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6. **Improved Self-Navigation** - Make a more intuitive system for food entrepreneurs
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How would this strategy work?

Turbotax would allow individual food businesses to calculate the food license needed based on their business details. It would include step by step instructions for how-to navigate the system, a username and password so you can save-as-you-go, and questions about the business’s financial situation. Additionally, if you get stuck or have a question, you could call a tax pro via the phone, online chat, or email. There is also a FAQ community forum (support section) that can be consulted during non-business hours. Lastly, the system will always be up to date with latest laws, statutes, and exemptions.

****TurboTax Explanation (from TurboTax site)***

TurboTax works like an interview—we ask you easy-to-answer questions about your life that affect your tax situation (i.e., Are you married? Do you have kids?) and fill in all the right tax forms behind the scenes. Your answers tell us which deductions and credits to look for, and what to ask next. If you're ever unsure about how to answer a question, we're here to help.

The result: You'll be coached along the way as you do your taxes and get the help you need, when you need it. Meanwhile, we'll find every deduction and credit that applies to you. We make sure you'll keep every hard-earned dollar you deserve. See our guarantees.

Our Version - using TurboTax Language

FoodBizAssist (made up name) works like an interview—we ask you easy-to-answer questions about your business that affect the permits and licenses you need (i.e., What city do you live in? What sort of food business are you starting?). Your answers tell us which regulations you need to follow, what licenses

and permits you need, and who your local contacts are. If you're ever unsure about how to answer a question, we're here to help. The result: You'll be coached along the way as you navigate your way to starting or expanding a food business.

What are anticipated challenges?

A main concern is that the Turbotax system would be too complicated; given Minnesota's current licensing & regulatory system, it is predicted that there would be too many yes/no questions to ask on the Turbotax system. This would deter food businesses from using this resource. Another concern is the language barrier that would exist for non-English speakers and immigrants. For example, the Hmong community is a very oral culture that does not heavily utilize the alphabet. Furthermore, the language used might be difficult to understand for individuals who do understand English but whose native language is not English; the language of the licensing and regulatory system is more complex and difficult for even a person who is fluent in English. The system would need to include a way to combat these language barrier concerns. Additionally, businesses might be hesitant to share their business plans with a government-run system because of the fear of violating an unknown rule, and they might not yet know all the details needed of their business to complete the Turbotax system process.

Wisconsin has tried a "turbo tax" strategy before and it was unsuccessful. Their laws and regulations (much like those in MN) are so complicated that it never became helpful; it was composed of 50+ yes/no questions had to be answered in order to get your license. In addition, the large number of license exemptions added to the complications. Wisconsin discontinued this system but created an alternative; DATCP created jobs for two employees whose entire responsibility is to answer and direct licensing and regulation questions to the correct resources. They share a central email mailbox and the state made sure the two employees in these positions had substantial field experience and were familiar with all sorts of food businesses, HAACP plans, inspection processes, etc. This strategy has proven helpful in Wisconsin and they plan to continue these positions with the merger.

What are anticipated benefits?

A potentially very easily navigable, fast system that will give food businesses the answers they need. They will no longer make multiple phone calls trying to get one answer to a question; instead, it can all be done online, ideally in a short amount of time. It would provide a one-stop-shop for food businesses to have their questions answered, determine the type of license, and apply for a license.