

HOUSE BILL 1624

J1, M4

8lr3514

By: **Delegates Cane, Cardin, Eckardt, Haddaway, Kullen, ~~and Stull~~ Stull, Riley, Beitzel, and Montgomery**

Rules suspended

Introduced and read first time: March 16, 2008

Assigned to: Rules and Executive Nominations

Re-referred to: Health and Government Operations, March 19, 2008

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 28, 2008

CHAPTER _____

1 AN ACT concerning

2 **Milk Products – Farmstead Cheese Production**

3 FOR the purpose of providing an exception to a certain prohibition on the imposition of
4 certain fees by the Secretary of Health and Mental Hygiene for certain services;
5 establishing a Laboratory Testing Fund for farmstead cheese laboratory testing
6 purposes; authorizing the Secretary to establish a certain pilot farmstead cheese
7 program under certain circumstances; authorizing the Secretary to issue a
8 certain number of farmstead cheese permits under certain circumstances;
9 altering certain requirements for obtaining a farmstead cheese permit; altering
10 the terms and renewal of certain farmstead cheese permits; defining a certain
11 term; altering the termination provision of a certain Act; providing for the
12 termination of this Act; and generally relating to the production of farmstead
13 cheese.

14 BY repealing and reenacting, with amendments,
15 Article – Health – General
16 Section 17–103, 21–416.1, and 21–417
17 Annotated Code of Maryland
18 (2005 Replacement Volume and 2007 Supplement)

19 BY adding to
20 Article – Health – General
21 Section 17–103.1

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Annotated Code of Maryland
2 (2005 Replacement Volume and 2007 Supplement)

3 BY repealing and reenacting, without amendments,
4 Article – Health – General
5 Section 21–401(a) and (g) and 21–434
6 Annotated Code of Maryland
7 (2005 Replacement Volume and 2007 Supplement)

8 BY repealing and reenacting, with amendments,
9 Chapter 437 of the Acts of the General Assembly of 2007
10 Section 2

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
12 MARYLAND, That the Laws of Maryland read as follows:

13 **Article – Health – General**

14 17–103.

15 (a) Except as otherwise provided, the Secretary may set a fee for any service
16 of a public health and clinical laboratory in accordance with § 2–104 of this article.

17 (b) [The] **EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION,**
18 **THE** Secretary may not impose any fee for any service of a public health and clinical
19 laboratory in connection with:

20 (1) An examination or analysis of a water supply;

21 (2) An examination or analysis of milk; or

22 (3) An inquiry that any health officer or physician makes about a
23 communicable disease.

24 (c) **SUBSECTION (B)(2) OF THIS SECTION DOES NOT APPLY TO THE**
25 **PRODUCTION OF FARMSTEAD CHEESE.**

26 **17–103.1.**

27 (A) **IN THIS SECTION, “FUND” MEANS THE LABORATORY TESTING**
28 **FUND.**

29 (B) **THERE IS A LABORATORY TESTING FUND IN THE DEPARTMENT**
30 **FOR THE PROVISION OF LABORATORY SERVICES ASSOCIATED WITH THE**
31 **PRODUCTION OF FARMSTEAD CHEESE.**

1 **(C) THE DEPARTMENT SHALL ADMINISTER THE FUND.**

2 **(D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**
3 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

4 **(2) ANY UNSPENT PORTION OF THE FUND AND ANY INVESTMENT**
5 **EARNINGS OF THE FUND MAY NOT BE TRANSFERRED OR REVERT TO THE**
6 **GENERAL FUND OF THE STATE, BUT SHALL REMAIN IN THE FUND.**

7 **(E) THE FUND CONSISTS OF ANY LABORATORY TESTING FEES**
8 **COLLECTED BY THE DEPARTMENT FOR LABORATORY SERVICES ASSOCIATED**
9 **WITH THE PRODUCTION OF FARMSTEAD CHEESE.**

10 **(F) THE FUND SHALL ONLY BE USED TO SUPPORT THE OPERATIONS OF**
11 **THE LABORATORIES ADMINISTRATION ESTABLISHED IN THIS SUBTITLE.**

12 21-401.

13 (a) In this subtitle the following words have the meanings indicated.

14 (g) “Farmstead cheese” means cheese made on a farm:

15 (1) Using only the raw milk produced by the herd on the farm; and

16 (2) That meets the definitions and standards of a hard cheese
17 established in 21 C.F.R. 133.

18 21-416.1.

19 [(a) The Secretary shall issue milk processor – farmstead cheese producer
20 permits.]

21 **(A) THE SECRETARY MAY ESTABLISH A 5-YEAR PILOT FARMSTEAD**
22 **CHEESE PROGRAM AFTER THE SECRETARY:**

23 **(1) ADOPTS REGULATIONS TO IMPLEMENT THE PROGRAM; AND**

24 **(2) ISSUES A MILK PROCESSOR – FARMSTEAD CHEESE PRODUCER**
25 **PERMIT TO A SELECTED PARTICIPANT.**

26 **(B) SUBJECT TO THE AVAILABILITY OF SUFFICIENT INSPECTION AND**
27 **TESTING STAFF, EQUIPMENT, AND OTHER RESOURCES, THE SECRETARY MAY**
28 **ISSUE UP TO FIVE MILK PROCESSOR – FARMSTEAD CHEESE PRODUCER PERMITS**
29 **UNDER THE PILOT PROGRAM.**

1 [(b)] (C) To qualify for a milk processor – farmstead cheese producer permit
2 the applicant shall:

3 (1) Operate a dairy farm with no more than 120 cows OR GOATS in
4 the herd; AND

5 (2) [Be located in Talbot County; and

6 (3)] Meet any other requirements established by the Department by
7 regulation.

8 21–417.

9 (a) (1) Except for a milk producer permit [and a milk processor –
10 farmstead cheese producer permit], a permit expires on the first anniversary of its
11 effective date, unless the permit is renewed for a 1–year term as provided in this
12 section.

13 (2) A milk producer permit does not expire.

14 [(3) A milk processor – farmstead cheese producer permit expires 5
15 years after its effective date.]

16 (b) [Before] **EXCEPT FOR A MILK PROCESSOR – FARMSTEAD CHEESE**
17 **PRODUCER PERMIT, BEFORE** the permit expires, its holder may renew it for an
18 additional 1–year term, if the holder:

19 (1) Otherwise is entitled to a permit;

20 (2) Pays to the Secretary a renewal fee equal to the fee for an original
21 permit of the same type; and

22 (3) Submits to the Secretary a renewal application on the form that
23 the Secretary requires.

24 (c) (1) [The] **EXCEPT FOR A MILK PROCESSOR – FARMSTEAD CHEESE**
25 **PRODUCER PERMIT, THE** Secretary shall renew the permit of each applicant for
26 renewal who meets the requirements of this section.

27 (2) **SUBJECT TO THE ONGOING AVAILABILITY OF SUFFICIENT**
28 **INSPECTION AND TESTING STAFF, EQUIPMENT, AND OTHER RESOURCES, THE**
29 **SECRETARY MAY RENEW A MILK PROCESSOR – FARMSTEAD CHEESE PRODUCER**
30 **PERMIT FOR UP TO FOUR ADDITIONAL 1–YEAR TERMS IF THE HOLDER MEETS**
31 **THE REQUIREMENTS ESTABLISHED BY REGULATION.**

32 (d) A permit is not transferable.

1 21-434.

2 Except for sale of raw milk by a holder of a milk producer permit to a holder of a
3 milk processor permit or the sale of a farmstead cheese, a person may not sell raw
4 milk for human consumption.

5 **Chapter 437 of the Acts of 2007**

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
7 October 1, 2007. It shall remain effective for a period of [5] **7** years and, at the end of
8 September 30, [2012] **2014**, with no further action required by the General Assembly,
9 this Act shall be abrogated and of no further force and effect.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 October 1, 2008. It shall remain effective for a period of 6 years and, at the end of
12 September 30, 2014, with no further action required by the General Assembly, this Act
13 shall be abrogated and of no further force and effect.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.