

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE

House Bill 676 (Delegate Otto, *et al.*)
Environmental Matters

Maryland Livestock and Poultry Care Advisory Board

This bill establishes a Maryland Livestock and Poultry Care Advisory Board to meet at least twice a year to study, develop, and make recommendations concerning standards for the care and well-being of livestock and poultry. The Maryland Department of Agriculture (MDA) must provide staff for the board.

Fiscal Summary

State Effect: General fund expenditures increase by \$66,300 in FY 2012 to cover minimal expenses of the board and to hire a part-time veterinarian and part-time administrative staff person to backfill responsibilities of existing staff diverted to the work of the board. Future year expenditures reflect ongoing salaries and operating expenses. Revenues are not affected.

(in dollars)	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	66,300	85,200	85,200	89,400	93,800
Net Effect	(\$66,300)	(\$85,200)	(\$85,200)	(\$89,400)	(\$93,800)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: The bill does not directly affect local government finances.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: The board must:

- compile and review science-based standards that have been adopted by the agricultural industry;
- develop and maintain standards for educational purposes to aid producers and local animal welfare officers; and
- make recommendations to the Secretary of Agriculture for publication and dissemination of generally accepted standards that consider: (1) agricultural best management practices for animal care and well-being; (2) herd health; and (3) safe, affordable, and healthy food supplies for consumers.

The bill establishes provisions relating to membership and terms of board members, among others. A board member may not receive compensation but is entitled to reimbursement for expenses under the standard State travel regulations, as provided in the State budget.

Current Law: MDA has various responsibilities and authority related to animal health and welfare carried out by the department's Animal Health Program. The department's responsibilities and authority largely relate to prevention and control of infectious and contagious diseases in livestock and poultry. The department does not currently develop comprehensive standards for the care and well-being of livestock and poultry, but it does have a limited regulatory role in protecting and promoting animal welfare in livestock auctions and certain aspects of animal transport and exhibition.

Background: MDA indicates there is considerable interest in livestock and poultry husbandry standards at the national, state, and local levels. According to the American Veterinary Medical Association (AVMA), a number of states have recently adopted legislation establishing boards or commissions, or extending the authority of existing agencies, to address livestock/poultry care standards, including Illinois, Indiana, Kentucky, Louisiana, Ohio, Utah, Vermont, and West Virginia. AVMA indicates that differing standards have also been established by organizations promoting the humane treatment of animals and retailers and industry groups.

State Fiscal Effect: General fund expenditures increase by \$66,257 in fiscal 2012, which accounts for the bill's October 1, 2011 effective date. This estimate reflects minimal expenses of the newly created board and the cost of hiring a part-time veterinarian and part-time administrative staff person to backfill responsibilities resulting from the diversion of the State Veterinarian (assumed to likely represent the Secretary of Agriculture on the board and/or provide support to the board) and a senior administrative staff to the board's activities. The estimate includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses. The estimate does not account for any costs that might be associated with subcommittee work, which is authorized by the bill. The information and assumptions used in calculating the estimate are stated below:

- six to eight meetings will be held in the first two years, as the standards are developed, and two meetings per year will be held in following years as the role of the board shifts from development of standards to reevaluating, improving, and refining standards over time;
- the State Veterinarian and a senior administrative staff person will devote time to the board before and after meetings for preparation and follow up as well as an allotment of time each month to support the board's activities;
- the additional effort cannot be absorbed within existing resources and newly hired staff will be necessary to backfill responsibilities resulting from the diversion of the State Veterinarian and a senior administrative staff person to the board's activities; and
- while the responsibilities that will be necessary to backfill are not expected to occupy 100% of each part-time position, half-time positions are believed to be the most limited positions that could be realistically filled.

Positions (full-time equivalent)	1.0
Salaries and Fringe Benefits	\$57,884
Operating Expenses and Start-up Costs	<u>8,373</u>
Total FY 2012 State Expenditures	\$66,257

Future year expenditures reflect full salaries with 4.4% annual increases and 3% employee turnover as well as 1% annual increases in ongoing operating expenses.

Local Fiscal Effect: While the bill does not directly affect local governments, MDA indicates that the standards developed by the board would likely impact local enforcement of State laws prohibiting animal cruelty. State law provisions prohibiting animal cruelty under the Criminal Law Article (Title 10, Subtitle 6) do not apply to "customary and normal veterinary and agricultural husbandry practices." MDA indicates there is currently confusion among animal control officials, farmers, and others about what are customary and normal practices. The standards developed by the board would give local animal control/law enforcement agencies the detail the agencies currently lack in defining those practices, potentially affecting the enforcement efforts of those local agencies.

Small Business Effect: Most farms in Maryland are small businesses, and those farms may be meaningfully impacted by the standards developed by the board. The extent of any impact would depend on the restrictiveness of the standards, which cannot be predicted. MDA indicates that a very high standard of care would force some farmers to make significant investments to comply with the standards, while a low standard would have no fiscal impact on farmers but would likely fail to meet the intent of the bill. To the extent small business farmers are appointed to serve on the board, their business could be minimally affected by the time dedicated to the board.

Additional Information

Prior Introductions: None.

Cross File: SB 254 (Senator Middleton, *et al.*) - Education, Health, and Environmental Affairs.

Information Source(s): Maryland Department of Agriculture, American Veterinary Medical Association, Department of Legislative Services

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