

Department of Legislative Services  
Maryland General Assembly  
2013 Session

FISCAL AND POLICY NOTE

House Bill 502 (Delegate Glass, *et al.*)  
Economic Matters

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**Owner or Operator of Livery Stable - Lien on Dairy Animal**

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This bill grants an owner or operator of a livery stable or other similar establishment a specified lien on the livestock under the care or custody of the livery stable or establishment. The lien is in the amount of any reasonable charge incurred for milking a dairy animal to provide unpasteurized milk to an individual with a partial or complete ownership interest in the dairy animal.

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**Fiscal Summary**

**State Effect:** The bill does not directly affect State governmental operations or finances.

**Local Effect:** The bill does not directly affect local governmental operations or finances.

**Small Business Effect:** Minimal.

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**Analysis**

**Current Law:** The owner or operator of a livery stable or other similar establishment has a lien on the livestock under the care and custody of the stable or establishment for any reasonable charge incurred for (1) board and custody; (2) training; (3) veterinarians' and blacksmiths' services; and (4) other proper maintenance expenses. If the aforementioned charges are due and unpaid for 30 days and the owner or operator is in possession of the applicable livestock, the owner or operator may sell the livestock at a public sale.

The owner or operator must publish notice of the sale once a week for two successive weeks in at least one newspaper of general circulation in the county where the livestock

is located. In addition, the owner or operator must also send notice by registered or certified mail at least 30 days before the sale to the last known address of the livestock's owner. If the address is unknown, the notice requirement may be fulfilled by posting it on the courthouse door or on a bulletin board in the immediate vicinity of the courthouse of the county where the livestock is located. Any proceeds from the sale are first applied to the expenses of the sale then the amount of the lien claim. The remaining balance, if any, is paid to the livestock owner.

Generally, a person is prohibited from selling raw milk for human consumption. The Department of Health and Mental Hygiene (DHMH) regulations define "sale" or "sell" as a transaction that involves the (1) transfer or dispensing of milk and milk products or (2) right to acquire milk and milk products, including the sale of shares or interest in a dairy animal.

**Background:** A common example of partial ownership interest in livestock, otherwise known as a "herdshare," is the right to use milk from a dairy animal. Owning a herdshare allows a person to obtain raw milk in a state that prohibits its sale. According to the Farm-to-Consumer Legal Defense Fund, herdshares are legal in Alaska, Tennessee, Ohio, and Colorado by statute, regulation, or court decision. In six states (Alabama, Indiana, Kentucky, Michigan, Virginia, and Wyoming) there are no laws either prohibiting or authorizing herdshares.

According to DHMH, the consumption of raw milk and raw milk products increases the risk of gastrointestinal illness caused by those pathogens. Raw milk has been implicated in illness outbreaks in several other states.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** State Department of Assessments and Taxation, Maryland Department of Agriculture, Office of the Attorney General (Consumer Protection Division), Judiciary (Administrative Office of the Courts), Department of Health and Mental Hygiene, Farm-to-Consumer Legal Defense Fund, Department of Legislative Services

**Fiscal Note History:** First Reader - March 4, 2013  
ncs/kdm

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