

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE
Revised

House Bill 76

(Chairman, Environmental Matters Committee)
(By Request – Departmental – Agriculture)

Environmental Matters

Education, Health, and Environmental Affairs

Agriculture - Animal Health - Administrative Penalties

This departmental bill authorizes the Secretary of Agriculture to levy an administrative penalty of up to \$10,000 on any person who violates provisions of law pertaining to the regulation of infectious and contagious livestock and poultry diseases. The bill also establishes the Animal Health Fund as a nonlapsing fund to defray the Maryland Department of Agriculture's (MDA) cost of issuing orders or conducting site visits and animal testing to prevent the spread of contagious or infectious diseases. The fund consists of administrative penalties established by the bill, money appropriated in the State budget, investment earnings, and any other money from any other source accepted for the benefit of the fund. MDA is required to adopt regulations necessary to implement the provisions of the bill.

Fiscal Summary

State Effect: Potential increase in special fund revenues and expenditures, with a corresponding decrease in general fund expenditures. The amount of any such increase or decrease cannot be reliably estimated and depends on the number of penalties levied each year as a result of the bill.

Local Effect: None.

Small Business Effect: MDA has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services (DLS) concurs with this assessment. The attached assessment does not reflect amendments to the bill.

Analysis

Current Law: The Secretary of Agriculture had no authority to levy penalties on persons who violate animal disease regulations. At present, the only recourse available is to seek prosecution for any violations by the State's Attorney. A violation of the Agriculture Article is a misdemeanor. A first offense is punishable by a fine of up to \$500, up to three months in prison, or both. A second offense is punishable by a fine of up to \$1,000, up to one year in prison, or both.

Background: MDA has responsibility for protecting the State's domestic animals from contagious and infectious diseases. This enforcement has taken on a greater significance in recent years due to increasing concerns of bioterrorism in the wake of September 11, 2001. In addition, a low-path avian influenza outbreak threatened the Maryland and Delaware poultry industries in 2004.

MDA has penalty authority for several of its regulatory programs and advises that penalties can be a more effective means of ensuring compliance with State regulations.

State Fiscal Effect: State special funds would increase by \$10,000 for every penalty that is levied. However, at this time, the number of penalties that could be levied cannot be reliably estimated. The number of prosecutions for violations was not made available to DLS. Any such increase in special funds would be used to offset general fund expenditures.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of Agriculture, Department of Legislative Services

Fiscal Note History: First Reader - January 24, 2005
mll/ljm Revised - House Third Reader - March 17, 2005
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