

# HOUSE BILL 1624

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By: **Delegates Cane, Cardin, Eckardt, Haddaway, Kullen, and Stull**

Rules suspended

Introduced and read first time: March 16, 2008

Assigned to: Rules and Executive Nominations

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## A BILL ENTITLED

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  
22 Annotated Code of Maryland  
23 (2005 Replacement Volume and 2007 Supplement)

24 BY repealing and reenacting, without amendments,  
25 Article – Health – General  
26 Section 21–401(a) and (g) and 21–434  
27 Annotated Code of Maryland

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2005 Replacement Volume and 2007 Supplement)

2 BY repealing and reenacting, with amendments,  
3 Chapter 437 of the Acts of the General Assembly of 2007  
4 Section 2

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

7 **Article - Health - General**

8 17-103.

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

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

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

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

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

18 (C) **SUBSECTION (B)(2) OF THIS SECTION DOES NOT APPLY TO THE**  
19 **PRODUCTION OF FARMSTEAD CHEESE.**

20 **17-103.1.**

21 (A) **IN THIS SECTION, "FUND" MEANS THE LABORATORY TESTING**  
22 **FUND.**

23 (B) **THERE IS A LABORATORY TESTING FUND IN THE DEPARTMENT**  
24 **FOR THE PROVISION OF LABORATORY SERVICES ASSOCIATED WITH THE**  
25 **PRODUCTION OF FARMSTEAD CHEESE.**

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

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

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

4           **(E) THE FUND CONSISTS OF ANY LABORATORY TESTING FEES**  
5 **COLLECTED BY THE DEPARTMENT FOR LABORATORY SERVICES ASSOCIATED**  
6 **WITH THE PRODUCTION OF FARMSTEAD CHEESE.**

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

9 21-401.

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

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

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

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

15 21-416.1.

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

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

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

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

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

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

29               (1) Operate a dairy farm with no more than 120 cows in the herd; **AND**

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

1 (3) Meet any other requirements established by the Department by  
2 regulation.

3 21-417.

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

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

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

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

14 (1) Otherwise is entitled to a permit;

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

17 (3) Submits to the Secretary a renewal application on the form that  
18 the Secretary requires.

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

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

27 (d) A permit is not transferable.

28 21-434.

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

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

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