

**Department of Legislative Services**  
Maryland General Assembly  
2008 Session

**FISCAL AND POLICY NOTE**

House Bill 227

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

Environmental Matters

Education, Health, and Environmental  
Affairs

---

**Agriculture - Animal Health - Administrative Penalties**

---

This departmental bill expands the Secretary of Agriculture’s administrative penalty authority to apply to violations of State laws generally regulating livestock and poultry. Currently, such authority is limited to violations of State laws governing infectious and contagious livestock and poultry diseases.

---

**Fiscal Summary**

**State Effect:** The expanded penalty authority is not expected to materially affect State finances.

**Local Effect:** None.

**Small Business Effect:** The Maryland Department of Agriculture has determined that the bill has minimal or no impact on small business (attached). Legislative Services generally concurs with this assessment as discussed below.

---

**Analysis**

**Current Law:** The Secretary may impose administrative penalties in lieu of or in addition to any penalties under State laws regulating infectious and contagious livestock and poultry diseases. Penalties may not exceed \$10,000 and all penalties collected are distributed to the Animal Health Fund to defray MDA’s cost of issuing orders or

conducting site visits and animal testing to prevent the spread of contagious or infectious diseases.

A person who violates State agriculture laws or regulations is generally guilty of a misdemeanor and, unless otherwise provided, upon conviction is subject to a fine of up to \$500 and/or imprisonment for up to three months. If a person is convicted of a specified second or subsequent offense occurring within two years of a prior violation, the person is subject to a fine of up to \$1,000 and/or imprisonment for up to one year.

**Background:** Chapter 353 of 2005 established the Secretary's authority to impose administrative penalties in lieu of or in addition to penalties under State laws regulating infectious and contagious livestock and poultry diseases. Chapter 353 also established the Animal Health Fund.

Where MDA does not have administrative penalty authority, the department advises that most violations are handled through informal means and the only option for enforcement of serious violations is to refer the violation(s) to the State's Attorney where the matter may compete with other cases given higher priority. Administrative penalties allow a larger penalty to be assessed in relation to available criminal fines, creating an incentive for violators to comply with the law and allow for intermediate, alternative penalty options in addition to the currently available options of issuing a warning letter or criminal prosecution. MDA, however, expects expanded administrative penalty authority to serve primarily as an incentive to comply with the law and does not expect to collect many administrative penalties.

**Small Business Effect:** Legislative Services concurs with MDA's assessment that the bill's changes would not impose a cost on small businesses. However, Legislative Services notes MDA's indication that the bill's changes could help promote the economic viability of animal agriculture and prevent a catastrophic animal health event, which would benefit small businesses.

---

### **Additional Information**

**Prior Introductions:** HB 1290 of 2007, a similar bill, received a hearing in the House Environmental Matters Committee but no further action was taken.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - February 4, 2008  
ncs/lgc

---

Analysis by Scott D. Kennedy

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510