



795 Wards Hill Road, Warwick MD 21912

Maryland General Assembly
Senate
Chair Feldman and other Members
Education, Energy, and the Environment Committee

Ise America is the largest producer of shell eggs in the state of MD and currently has 87 employees working in various support positions of our operations. A very high percentage of these folks have been with Ise for decades, active in the community with their families.

As the representative of ISE America and these 87 families, I would like to submit the following facts and unanswered questions concerning SB 193.

- * Ise America's Md production footprint for conventional egg layers was 2,117,000 hens
- * To replace all these hens to cage free production to support the mandate would cost ~ \$116,435,000 (today's prices)
- * To add cage free pullet growing to support the mandate would cost ~\$24,300,000 (today's prices)
- * Ise achievements to date towards these goals since 2018 ~ \$35,000 ,000
- * The balance left to achieve the mandate is ~ \$105,735,000
- * If this bill passes, without a phase in, there is no longer a price premium for cage free to go towards any future conversions - nor will we have caged production to generate revenue during the conversions which will make it very difficult, if not impossible, to find lenders
- * Where does the \$105,735,000 come from to pay for these conversions while also being fiscally responsible by 1/1/26?
- * Perhaps avenues of assistance could be made available from MD Dept of AG, USDA or other interested parties?
- * Assuming no agreement is made between all parties and the bill goes into effect on 1/1/26, then we would be euthanizing - for no good reason - 1,500,000 million caged hens and 270,000 replacement pullets for caged production
- * Ise America, with bill passage, would be unable to continue providing a staple food source of protein to consumers inside and outside the state of MD who simply want the most affordable product on the shelf at that moment
- * Ise believes the purchase of Cage free eggs should be a consumer choice and backed by retail demand, but would be willing to phase towards a cage free environment, as long as the timeline is set at a more realistic date of 1/1/2030

* Why is this bill only for "certain" hens (page 1, paragraph 1) that have produced an egg except in a form that is stated in paragraph 3, page 3? To me, this implies that the social value of "other" hens, who have laid their eggs as a part of an ingredient in retail box mixes or some other consumable package (page 3, egg products - paragraph 4), have a different standard. The conventional cage farming practices of those eggs are acceptable on MD retail shelves, but a table shell egg is not?

If the general assembly is actually true to their position on cage free eggs, that these bills are to protect the health and welfare of every consumer in the state of MD - promoting food safety and animal welfare, then this bill needs to be all-inclusive of anything egg.

* What is the plan to monitor, enforce and control the movements of eggs so nothing "conventional" gets inside the marketplace in MD as well as what is the plan for inspections of operator/owner systems of egg production in and out of the state? The general assembly's intent is to pass a bill that will have a price tag as I've stated above by June 2024 and not have a signed plan to enforce it until July 1, 2025?

* Since MD is looking to "require" cage free production as its standard practice from all state operators/owners, shouldn't the state of MD require all of its institutions, at a minimum, to purchase their eggs from state operators/owners at let's say, \$1.50 per dozen over cost?

Kind regards,



Rob Dvorak
Ise America, Inc.
VP Northeast Operations
(Office) 410-755-6300
(Cell) 443-350-3064
Rob-Dvorak@IseAmerica.com