



Maryland Farm Bureau

3358 Davidsonville Road | Davidsonville, MD 21035
410-922-3426 | www.mdfarmbureau.com

February 12th, 2024

To: House Environment and Transportation Committee

From: Maryland Farm Bureau

Re: **Oppose HB0357 Agriculture - Confinement of Egg-Laying Hens in Commercial Egg Production - Prohibitions**

On behalf of our nearly 9,500 Farm Bureau families in Maryland, I submit this written testimony in opposition to HB0357. This bill bans the use of cages in egg-laying farms in Maryland starting January 1, 2026.

The economic impact to an existing farm to make these changes is a 41% increase in cost of production to retrofit the existing barns and an 119% increase in labor. By moving to a cage-free operation, the hen mortality rate increases significantly due to more bacterial habitat being introduced in the barn. Also, these farms are contracted with out-of-state companies that will just drop their contracts in Maryland and then these farms will have to create a new demand for their eggs in a market where there is already an oversupply of cage-free eggs. This bill would put the egg-laying farms, that farm this way, out of business or at a competitive disadvantage.

State regulations, retailer pledges, and consumer demand have contributed to a rising share of egg-laying hens housed in cage-free systems over the past decade. Nonetheless, conversion from conventional to cage-free housing is costly for both egg producers and consumers. As such, there remains uncertainty about the extent to which egg producers will be willing and/or able to continue the transition to cage-free housing at a rate commensurate with retailers' cage-free pledges. Shell egg producers understand the importance of retailer demand driving the evolution of the market to cage-free. However, several barriers still remain, such as; higher costs and labor requirements, challenges obtaining financing to convert or build new facilities, and skepticism that retailer pledges can be met by January 2026 without significant financial incentives.

MDFB Policy: We strongly oppose any ban of the use of cages in layer operations.

Maryland Farm Bureau Respectfully Opposes HB0357

Tyler Hough
Director of Government Relations

Please reach out to Tyler Hough, (443) 878-4045 with any questions