Department of Legislative Services

Maryland General Assembly 2025 Session

FISCAL AND POLICY NOTE First Reader

House Bill 1448 (Delegate Cullison)

Health and Government Operations

Animal Testing and Research - Alternative Nonanimal Test Methods

This bill prohibits certain research facilities in the State from using a "traditional animal test method" if an "alternative nonanimal test method" has received specified approval or the research facility has been granted a specified waiver. The bill applies only to a research facility that is located in the State and required to submit an Animal and Plant Health Inspection Service (APHIS) Form 7023. By January 20, 2027, and annually thereafter, each research facility must submit a specified report to the Attorney General. By April 20, 2027, and annually thereafter, the Attorney General must make the reported information publicly available. The Attorney General must enforce the bill and may petition the circuit court to (1) issue an order restraining or enjoining a violation of the bill and (2) grant any other relief that the court determines is necessary. **The bill takes effect January 1, 2026.**

Fiscal Summary

State Effect: General fund expenditures for the Office of Attorney General (OAG) increase by \$140,200 in FY 2026 for staff, as discussed below. Future years primarily reflect annualization. Expenditures increase for institutions of higher education subject to the bill by an indeterminate but potentially significant amount beginning in FY 2026, as discussed below. Revenues are not affected.

| (in dollars) | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 |
|----------------|-------------|-------------|-------------|-------------|-------------|
| Revenues | \$0 | \$0 | \$0 | \$0 | \$0 |
| GF Expenditure | 140,200 | 244,900 | 255,700 | 267,000 | 278,500 |
| Higher Ed Exp. | - | - | - | - | - |
| Net Effect | (\$140,200) | (\$244,900) | (\$255,700) | (\$267,000) | (\$278,500) |

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: The bill is not expected to significantly impact local government finances or circuit court operations.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: "Traditional animal test method" means a process, procedure, or experiment using live vertebrate animals to (1) obtain information on the characteristics of a product, including a chemical, an ingredient, a drug, a vaccine, or a product formulation and (2) generate information regarding the ability of the product to produce a specific biological effect under specified conditions. "Alternative nonanimal test method" means a test method that does not use a live vertebrate animal and provides information of equivalent or better scientific quality and relevance compared to a traditional animal test method. "Alternative nonanimal test method" includes (1) computational toxicology and bioinformatics; (2) high-throughput screening methods; (3) testing of categories of chemical substances; (4) tiered testing methods; (5) in vitro studies; and (6) microphysiological systems.

The bill does not apply with respect to:

- animal research conducted for the purposes of biomedical research to investigate the biological process, causes of disease, or how processes in living organisms develop and function; or
- a traditional animal test method used to comply with (1) the requirements of a federal or State agency or (2) a written request from a federal or State agency when the agency has expressly concluded that a traditional animal test method is needed to fully assess the impact on the health or safety of consumers.

A research facility may not use a traditional animal test method if (1) an alternative nonanimal test method has been approved by the federal or State agency responsible for regulating the specific product or activity being tested or (2) the federal or State agency responsible for regulating the specific product or activity being tested has made available or granted a waiver from using a traditional animal test method.

If allowed to use a traditional animal test method, a research facility must use the fewest number of animals possible and reduce the level of pain, suffering, and stress of the animals used for testing.

Required Reporting

By January 20, 2027, and annually thereafter, each research facility must submit a report to the Attorney General with information related to the traditional animal test methods and alternative nonanimal test methods used by the research facility in the immediately preceding calendar year. If the research facility used traditional animal test methods during the reporting period, the report must include a description of each traditional animal test method used, the reason the test method was required, and the number and species of HB 1448/Page 2

animal used. If the research facility used alternative nonanimal test methods during the reporting period, the report must include the types and number of alternative nonanimal test methods used and the number of waivers received by the research facility.

Current Law: Under the federal Animal Welfare Act (AWA), the U.S. Department of Agriculture's (USDA) APHIS regulates commercial animal dealers, exhibitors (circuses, zoos, etc.), research facilities, and commercial businesses that transport animals. Research facilities that use or intend to use live animals in research, tests, or experiments must be registered with USDA and are inspected by APHIS. A facility must also appoint an Institutional Animal Care and Use Committee (IACUC) consisting of at least three members, including a veterinarian and one person who is not in any way affiliated with the facility. IACUC is responsible for, among other things, reviewing the facility's program for humane care and use of animals and inspecting the research facility's animal facilities.

For purposes of AWA, "animal" means any live or dead dog, cat, monkey (nonhuman primate mammal), guinea pig, hamster, rabbit, or such other warm-blooded animal, as the U.S. Secretary of Agriculture may determine is being used, or is intended for use, for research, testing, experimentation, or exhibition purposes, or as a pet. The term excludes, among other animals, birds, rats of the genus *Rattus*, and mice of the genus *Mus*, bred for use in research.

Research facilities must submit an annual report to APHIS providing information that includes the types and numbers of animals used for teaching, testing, experiments, research, or surgery, by specified categories, and the types and numbers of animals being bred, conditioned, or held for use in teaching, testing, experiments, research, or surgery, but not yet used for such purposes during a particular year (Form 7023). In 2023, 34 research facilities in the State were required to submit this form.

By January 15 each year, each research facility that is located in the State and is required to submit an APHIS Form 7023 must make a payment to the Maryland Department of Health based on the total number of animals used in its research. The Secretary of Health must distribute the revenues to the Human-Relevant Research Fund, a special fund in the Maryland Technology Development Corporation to promote State-funded research intended to develop human-relevant alternatives to using nonhuman animals in testing and research through grants and loans.

State Expenditures:

Office of Attorney General

Under the bill, OAG must (1) beginning January 1, 2026, enforce the bill's prohibition on HB 1448/ Page 3

the use of a traditional animal test method, including specified exceptions and (2) beginning in 2027, collect specified information from research facilities and make the reported information publicly available. To enforce the bill, the Attorney General may petition the circuit court to (1) issue an order restraining or enjoining a violation of the bill and (2) grant any other relief that the court determines is necessary.

Therefore, OAG general fund expenditures increase by \$140,213 in fiscal 2026, which accounts for the bill's January 1, 2026 effective date. This estimate reflects the cost of hiring one assistant Attorney General and one paralegal to enforce the bill and, beginning in 2027, collect specified information from approximately 34 research facilities and make the information publicly available. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

| Total FY 2026 State Expenditures | \$140,213 |
|----------------------------------|---------------|
| Operating Expenses | <u>14,185</u> |
| Salaries and Fringe Benefits | \$126,028 |
| Positions | 2.0 |

Future year expenditures reflect full salaries with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

Public Institutions of Higher Education

Expenditures increase for public institutions of higher education subject to the bill by an indeterminate but potentially significant amount beginning in fiscal 2026.

The University of Maryland, College Park Campus (UMCP) advises that the bill creates a significant administrative burden and requires the development of an online software system to capture the information necessary to report to the Attorney General each year. UMCP estimates costs for that online software system of approximately \$300,000 each year, likely beginning in fiscal 2026 to reflect the bill's January 1, 2026 effective date.

The University of Maryland Baltimore County (UMBC) advises that the bill may require additional equipment and technology, facility upgrades, and staff training. Additionally, UMBC estimates costs for complying with the bill's reporting requirements at approximately \$40,000 to \$70,000 annually beginning in fiscal 2026.

The University of Maryland, Baltimore Campus advises that it does not currently track data as it pertains to alternative nonanimal test methods and that the bill requires additional resources in a significant, indeterminate amount, likely beginning in fiscal 2026.

Small Business Effect: Any small business research facilities that use traditional animal test methods must comply with the bill's requirements. Beginning in 2027, each research facility must submit a specified report to the Attorney General.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Office of the Attorney General; Judiciary (Administrative Office of the Courts); University System of Maryland; Maryland Department of Agriculture; Maryland Department of Health; Department of Legislative Services

Fiscal Note History: First Reader - March 10, 2025

km/jc

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