



## **TESTIMONY PRESENTED TO THE SENATE FINANCE COMMITTEE**

### **SENATE BILL 560 - ANIMAL TESTING AND RESEARCH – HUMAN-RELEVANT RESEARCH FUNDING AND ANIMAL TESTING AND RESEARCH LICENSURE**

**MARCH 3, 2023  
POSITION STATEMENT**

The Maryland Technology Development Corporation (TEDCO) is dedicated to economic growth through the fostering of an inclusive entrepreneurial and innovation ecosystem. TEDCO discovers, invests in, and helps build great Maryland-based, technology companies.

As drafted, SB 560 - Animal Testing and Research – Human-Relevant Research Funding and Animal Testing and Research Licensure requires TEDCO to establish a grant and loan program for State-funded, human-relevant animal testing alternatives research. The legislation also requires TEDCO to contract with an independent scientific review board composed of recognized scientific experts in the field of human-relevant animal testing alternatives to act as the human-relevant research review board.

TEDCO appreciates being considered as the implementing agency for the Human-Relevant Research Funding program and appreciates the support of the bill sponsor. TEDCO recognizes that the program like the one established by SB 560, is not a part of TEDCO's current strategic plan, and would require adequate planning time for TEDCO to collaborate with key entities in the ecosystem to effectively develop and advance the related program. Importantly, alternatives must be accepted by NIH and FDA to meet federally established standards.

For example, the U.S. Food and Drug Administration (FDA) has established standards and requirements for approving medical devices, biologics, and new drugs. These standards and requirements currently drive much of the testing in animal models in companies and universities developing products for improving human health and advancing the field of life sciences and bioscience. For research and development to be accepted and/or approved by these agencies, it must comply with the related standards and requirements. Additionally, animal research is highly regulated by organizations like the National Institutes of Health (NIH). Protocols for research involving animals must be approved through an Institutional Animal Care and Use Committee (IACUC), which reviews the humane treatment of animals used in research. Institutions receiving grants from the NIH and other agencies must adhere to the requirements of IACUC approval of all research involving the use of animals.

As reflected in the policy and fiscal note for SB 560, TEDCO would need to expand our staffing resources to adequately support, develop, and launch an effective, successful program. While it is unclear at this time, the related staffing and funding needs the program would require, at a minimum, TEDCO assumes the program will require a program manager and a coordinator. TEDCO estimates \$300,000 in annual costs for the two positions, including salary and benefits, plus \$162,000 annually for overhead and indirect expenses including office space, auditing, IT, marketing, etc. Based on these assumptions, TEDCO estimates that it will cost about \$440,000 annually or \$2,200,000 over five years.

TEDCO appreciates the opportunity to provide a position statement on this legislation.