



**Senate Bill 585 – Human-Relevant Research Fund -
Collection of Contributions – Responsible Entity**

Senate Finance Committee
Support

February 27, 2026

The Maryland Technology Development Corporation (TEDCO) respectfully submits this letter of support for Senate Bill 585. TEDCO is a public instrumentality of the State of Maryland created to advance technology-based economic development, innovation, and entrepreneurship. Serving Maryland's innovation ecosystem, TEDCO discovers, invests in, and helps build Maryland-based technology companies and is dedicated to economic growth through the fostering of an inclusive entrepreneurial and innovation ecosystem.

Following the 2023 Legislative Session, [CH448 \(HB626/SB560\)](#) was signed into law, establishing the "Human-Relevant Research Fund" (HRRF) in TEDCO. The bill established an annual fee on all Maryland research facilities located in the State and required to submit an Animal and Plant Health Inspection Service (APHIS) Form 7023, to be collected by the Maryland Department of Health (MDH) based on the number of animals used, with payments ranging from \$5,000 to \$75,000. Collected funds are transferred to TEDCO and are to be used to establish a program that promotes research focused on developing alternatives to animal testing.

As we understand, the Maryland Department of Health (MDH) encountered initial challenges in the collection of the fees, given that APHIS is a form submitted to the U.S. Department of Agriculture and not a form that the Department of Health collects. As such, the Department of Health created a list of all Maryland entities that submitted Form 7023 to the USDA that is publicly available on their website. In early January, MDH sent letters, through certified mail, to all entities that submitted a Form 7023 that were listed on the USDA Annual Report Search page notifying them of the required fee. In response, approximately 1/3 of the entities noted that they are associated with the federal government and are exempt from the requirement. Several other facilities have responded that their facility does not conduct animal research but rather is a veterinary program that provides veterinary care and supports the local shelter with spay and neuter services and as such, not subject to the fee. It is our understanding that \$185,000 in fees were collected in total rather than the initially anticipated amount of \$915,000.

In November 2025, the funds were transferred to TEDCO, and TEDCO is in the process of contracting a Scientific Review Board and will begin promulgation of Regulations as required by

statute. By required by statute, the Scientific Review Board must review and approve the draft regulations prior to submission.

TEDCO anticipates the first HHR program Request for Proposals (RFA) to be issued around the Summer 2026.

Senate Bill 585 requires research facilities that are located in the State to submit an Animal and Plant Health Inspection Service Form 7023 to pay contributions for the Human-Relevant Research Fund to the Department of Agriculture, rather than the Maryland Department of Health. To the extent the change in fee collections from the Maryland Department of Health to the Maryland Department of Agriculture results in improved identification of related research facilities and collection of fees, this change could result in more effective and targeted fee collection, potentially increasing the amount of available funds and programmatic awards.

For these reasons, TEDCO supports SB 585 and urges a favorable report.