

Department of Planning and Budget 2023 Fiscal Impact Statement

1. Bill Number: HB2042

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Shin

3. Committee: Agriculture, Chesapeake and Natural Resources

4. Title: Animal testing; annual report; whistle blower protections created; Animal Welfare Whistle Blower.

5. Summary: Requires state and private facilities using animal test methods to annually submit on or before December 1 to the Department of Agriculture and Consumer Services a report regarding the use of animals in biomedical or behavioral research for the preceding year. The bill also creates whistle blower protections for any violations of any animal care requirements and establishes the Animal Welfare Whistle Blower Reward Fund to provide monetary rewards to persons who have disclosed any such violations. Finally, the bill provides that violations will result in a civil penalty of not less than \$500 nor more than \$2,500.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary. See Item 8.

8. Fiscal Implications: This bill is anticipated to have an indeterminate fiscal impact on the Virginia Department of Agriculture and Consumer Services (VDACS). VDACS anticipates additional requirements for the required annual report as well as necessary oversight, claims processing, revenue management and development, and maintenance of regulations for the fund. However, at this time, VDACS does not have a method of estimating the number of eligible facilities in the Commonwealth. This statement will be updated if and when VDACS receives additional information on the number of research facilities currently being inspected by the United States Department of Agriculture Animal and Plant Health Inspection Service Animal Care Office, but as bill covers additional facilities, the estimate would remain tentative.

There is anticipated to be an indeterminate revenue impact from civil actions brought forth by whistle blowers. Civil penalties shall range, according to the bill, between \$500 and \$2,500. VDACS is unable to determine how many facilities will violate the proposed provisions and is also unable to determine how many reports of these violations will be received. These monies shall be paid into the non-reverting Animal Welfare Whistle Blowers

Reward Fund, which is then used to reward whistle blowers for who have disclosed information of wrongdoing.

Under this bill, employees would have access to the State Grievance Procedure as one remedy for alleged retaliatory or discriminatory actions by their agencies. The Department of Human Resource Management's (DHRM's) grievance procedure and process and Equal Employment Opportunity program services are already available to state employees who face retaliatory or discriminatory actions in the course of their employment. For this reason, there is no fiscal impact to DHRM.

The University of Virginia, Virginia Polytechnic Institute and State University, and Virginia Commonwealth University anticipate additional reporting requirements that can be absorbed with current resources.

The Office of the Attorney General does not anticipate any impact from this bill. Estimated impact to the courts is unavailable at this time.

- 9. Specific Agency or Political Subdivisions Affected:** Virginia Department of Agriculture and Consumer Services, Office of the Attorney General, Department of Human Resource Management, University of Virginia, Virginia Polytechnic Institute and State University, Virginia Commonwealth University, courts, localities

- 10. Technical Amendment Necessary:** No.

- 11. Other Comments:** This is the companion to SB1271.