
OLR Bill Analysis

HB 6601

AN ACT PROMOTING ECONOMIC DEVELOPMENT AND OPTIMIZING STATE SERVICES THROUGH THE USE OF INNOVATIVE TECHNOLOGIES DEVELOPED IN CONNECTICUT.

SUMMARY

This bill expands the types of technologies, products, and processes eligible for pre-market testing by state agencies. It allows the Department of Administrative Services (DAS) commissioner to procure them for use by all state agencies if the Office of Policy and Management (OPM) secretary, in consultation with the commissioner, Connecticut Innovations, Inc. (CI) chief executive officer, and the testing agency head, determines that the test demonstrates specified objectives.

Additionally, the bill makes minor changes concerning the process for participating in testing, the testing's costs, and a related recognition program for participating agencies. Lastly, the bill makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2021

TESTING PROGRAM

Eligibility

Current law allows CI-funded businesses located in Connecticut to test their technology, product, or process in state agencies in order to study its commercial viability if it meets certain criteria. Specifically, it must (1) promote public health and safety, environmental protection, or economic development; (2) be manufactured in Connecticut and be safe; and (3) have the potential for commercialization within two years of completing the test.

The bill extends testing eligibility to small and minority business enterprises certified under the state's set-aside program. It also

expands the types of eligible products to include those that CI finds would reduce administrative burdens or promote efficiency in state services, or otherwise improve them. It eliminates a requirement that the technology, product, or process be manufactured or produced in Connecticut and instead requires that it have a positive economic impact on the state, including prospective job growth and economic activity upon commercialization.

Participation and Costs

Upon an eligible business's application, current law allows CI to recommend that the OPM secretary direct a state agency to test the technology, product, or process in the agency's operations on a trial basis. The bill instead allows CI to recommend that OPM allow (rather than direct) agencies to participate in testing. (However, it retains OPM's authority to direct agencies to participate.) It also specifically includes public higher education institutions as state agencies for purposes of this program.

Under current law, CI, the business, or an investor in the business must pay for the cost of providing the technology, product, or process to the testing agency. The bill requires the OPM secretary, in consultation with the DAS commissioner, CI executive director, and the testing agency head, to determine on a case-by-case basis which of the above entities must bear these costs.

Procurement

The bill allows the DAS commissioner to procure the product, process, or technology for use by all state agencies if the OPM secretary, in consultation with the commissioner, CI chief executive officer, and the testing agency head, determines that the test demonstrates specified objectives. (Presumably, this would occur after the test concludes.) These objectives are (1) promoting public health and safety, environmental protection, economic development, or efficiency; (2) reducing administrative burdens; or (3) otherwise improving state services.

In procuring the product, process, or technology, the bill allows the

DAS commissioner to waive competitive bidding requirements. If the procurement is estimated to cost \$50,000 or more, the waiver must be approved by the Standardization Committee, which consists of the commissioner, the state comptroller and treasurer or their designees, and other department heads (or their agents) designated by the governor.

Recognition Program

Current law allows OPM and CI to develop a program to recognize state agencies that promote public health and safety, environmental protection, or economic development by participating in testing. The bill (1) also makes DAS responsible for developing the recognition program (which remains permissive under the bill) and (2) adds promoting efficiencies, reducing service burdens, and improving state services as activities eligible for recognition. As under existing law, the recognition program may include a fund for any savings achieved by testing agencies using the technologies, products, or processes. The fund must be used only for the recognition program.

COMMITTEE ACTION

Commerce Committee

Joint Favorable

Yea 23 Nay 0 (03/11/2021)