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## **OLR Bill Analysis**

### **HB 5444**

#### ***AN ACT ESTABLISHING A TEST BED TECHNOLOGIES PROGRAM.***

#### **SUMMARY**

This bill requires each state agency's commissioner to administer pilot test programs for using technologies, products, or processes ("test subjects") that promote operational cost reduction at the agency to validate the test subjects' effectiveness in reducing operational costs. Relatedly, the bill creates a Test Bed Technologies Advisory Board to recommend test subjects to be used in the operations of state agencies on a temporary basis during a pilot test program.

The bill also establishes a process for the state to procure for state agencies test subjects that had been successfully shown to promote operational cost reduction. This process allows certain competitive bid or proposal requirements in existing law to be waived.

EFFECTIVE DATE: July 1, 2024

#### **TEST BED TECHNOLOGIES ADVISORY BOARD**

The bill creates the board as an independent body within the Office of Policy and Management (OPM) for administrative purposes only. Under the bill, the board has four members: one each appointed by the governor, the OPM secretary, the state treasurer, and the state comptroller. All must have experience working in private sector businesses or state agencies. Within available appropriations, the board must meet at least twice each year to exercise its powers and duties.

#### **OPERATIONAL COST REDUCTION PILOT PROGRAMS**

##### ***Applications and Recommendations***

Under the bill, applicants interested in participating in a pilot program must submit an application to the commissioner of the agency

that administers the program and, when applying, pay a \$5,000 fee to OPM, which must be paid to the state treasurer and credited to the General Fund. The application must include an assessment of the potential viability of the test subject to be used in the program that must be done by an independent consulting firm or a market research firm specializing in market research for similar test subjects. (Although the bill does not define “applicant,” it presumably includes businesses that manufacture or market test subjects.)

The commissioner must review the application for completeness within 30 days after receiving it. Then, within 90 days after receiving the application, the commissioner must decide whether to request from the Test Bed Technologies Advisory Board a recommendation to test the application’s test subject. If a request is made, it must include the viability assessment described above.

Within 30 days after receiving a commissioner’s request for a recommendation, the advisory board must evaluate the applicable test subject and make a recommendation as required by the bill. More specifically, the board must recommend that the agency undertake a pilot test program using the test subject in the agency’s operation on a temporary basis if it finds that doing so would promote operational cost reduction, be feasible in the state agency’s operations, and not have any detrimental effect on the operations. However, the bill expressly prohibits the board from making a recommendation unless the business that manufactures or markets the test subject shows that:

1. using it will not adversely affect safety;
2. it is presently available for commercial sale and distribution, or it has potential for commercialization within two years after the pilot test program’s completion; and
3. it was not developed by a business that is eligible to participate in a separate state program in existing law, administered by Connecticut Innovations, Incorporated, for testing new or experimental technologies, products, or processes.

### ***Test Program Implementation***

If the advisory board recommends that a state agency initiate a pilot test program, the bill requires the agency to accept delivery of the test subject and begin the program, regardless of the laws regulating state purchases. The agency must use the test subject in the agency's operations on a temporary basis for 30 to 60 days.

The bill requires the program's applicant to pay any costs associated with the agency acquiring and using the test subject. Under the bill, acquiring the test subject for the program must not be deemed a purchase under the state procurement law's provisions. The applicant must maintain records related to the test program as required by the advisory board. All proprietary information derived from the test program is exempt from the state's Freedom of Information Act.

### ***Post-Testing Procurement***

Under the bill, if the agency's commissioner determines that the pilot test program sufficiently shows that the test subject promotes operational cost reduction, then the agency may ask the Department of Administrative Services (DAS) commissioner to (1) procure the test subject for the agency to use and (2) make the procurement under the law that allows certain competitive bid or proposal requirements to be waived (subject to approval by the Standardization Committee if the procurement will cost at least \$100,000). If the DAS commissioner grants a request to procure a test subject for an agency, she must make information about the procurement available to all state agencies on the DAS website.

### ***Municipal Test Subjects***

The bill also allows a state agency commissioner to identify a test subject that promotes operational cost reduction that a municipality has procured, installed, and tested. The commissioner may file with the advisory board a request for a recommendation to test the test subject. Within 30 days after receiving the request, the board must evaluate the test subject and make a recommendation using the same criteria described above. If the board recommends the test subject, the agency must begin a pilot test program under the same implementation and

procurement provisions described above.

**COMMITTEE ACTION**

Energy and Technology Committee

Joint Favorable

Yea 18 Nay 2 (03/21/2024)