



# House of Representatives

General Assembly

**File No. 359**

January Session, 2025

Substitute House Bill No. 7018

*House of Representatives, March 31, 2025*

The Committee on Energy and Technology reported through REP. STEINBERG of the 136th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

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

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective July 1, 2025*) (a) (1) There is established a
- 2 test bed technologies advisory board, which shall, within available
- 3 appropriations, meet not less than twice a year to undertake the
- 4 advisory board's powers and duties pursuant to this section. The
- 5 advisory board shall be an independent body within the Department of
- 6 Economic and Community Development for administrative purposes
- 7 only. The advisory board shall consist of the following members, who
- 8 shall have experience working in private sector businesses or in state
- 9 agencies: (A) One appointed by the Governor; (B) one appointed by the
- 10 Commissioner of Economic and Community Development; (C) one
- 11 appointed by the Treasurer; (D) one appointed by the Comptroller; and
- 12 (E) one appointed by the Commissioner of Administrative Services in
- 13 consultation with the chief executive officer of a nonprofit organization
- 14 that operates an applied technology demonstration and training center.

15       (2) If, in the exercise of the advisory board's powers and duties  
16 pursuant to this section, the advisory board finds that (A) the use of a  
17 certain technology, product or process would promote operational cost  
18 reduction, and (B) the use of such technology, product or process would  
19 be feasible in the operations of a state agency and would not have any  
20 detrimental effect on such operations, the advisory board shall  
21 recommend that such agency undertake a pilot test program during  
22 which such agency shall use such technology, product or process in the  
23 operations of such agency on a temporary basis. The purpose of such  
24 pilot test program shall be to validate the effectiveness of such  
25 technology, product or process in reducing operational costs.

26       (3) The advisory board shall not recommend a pilot test program by  
27 a state agency for any such technology, product or process unless the  
28 business that manufactures or markets the technology, product or  
29 process demonstrates that (A) the use of such technology, product or  
30 process by such agency will not adversely affect safety, (B) the  
31 technology, product or process is presently available for commercial  
32 sale and distribution or has potential for commercialization not later  
33 than two years following the completion of such pilot test program by  
34 such agency pursuant to this section, (C) such technology, product or  
35 process was not developed by a business that is eligible to participate in  
36 such pilot test program established pursuant to section 32-39e of the  
37 general statutes, (D) such business maintains documentation  
38 concerning any patent for such technology, product or process and any  
39 related intellectual property, and (E) such business is certified as a small  
40 contractor or a minority business enterprise by the Commissioner of  
41 Administrative Services pursuant to section 4a-60g of the general  
42 statutes.

43       (b) (1) The commissioner of each state agency shall administer pilot  
44 test programs at state agencies for the use of technologies, products or  
45 processes that promote operational cost reduction. The purpose of such  
46 pilot test programs shall be to validate the effectiveness of such  
47 technologies, products or processes in reducing operational costs.

48       (2) An applicant interested in participating in such a program shall  
49 submit an application to the advisory board. The advisory board shall  
50 prescribe the form and manner of such application. Each such  
51 application shall include an assessment of the potential viability of a  
52 pilot test program of such technology, product or process at such agency  
53 conducted by an independent consulting firm or a market research firm  
54 that specializes in market research for technologies, products or  
55 processes similar to those specified in such application. Such consulting  
56 or market research firm shall be a provider of services under the  
57 Department of Administrative Services industry code of 6000 for  
58 research and development services or the North American Industry  
59 Classification System code of 541910 for marketing research and public  
60 opinion polling.

61       (c) (1) Not later than thirty days after receipt of an application  
62 pursuant to subdivision (2) of subsection (b) of this section, the advisory  
63 board shall evaluate any technology, product or process that is the  
64 subject of such application and make a recommendation pursuant to  
65 subdivision (2) of subsection (a) of this section.

66       (2) The advisory board shall not recommend or otherwise approve an  
67 applicant to participate in more than one pilot test program established  
68 pursuant to this section.

69       (d) If the advisory board recommends that a state agency undertake  
70 a pilot test program, such agency, notwithstanding the requirements of  
71 chapter 58 of the general statutes, shall accept delivery of such  
72 technology, product or process and undertake such a pilot test program  
73 during which such agency shall use such technology, product or process  
74 in the operations of such agency on a temporary basis. The duration of  
75 such pilot test program shall be not less than thirty days and not more  
76 than sixty days.

77       (e) Any costs associated with the acquisition and use of such  
78 technology, product or process by a state agency for a pilot test program  
79 pursuant to this section shall be borne by the applicant. The acquisition  
80 of any technology, product or process for a pilot test program pursuant

81 to this section shall not be deemed to be a purchase under the provisions  
82 of state procurement law. The applicant shall maintain records related  
83 to any such pilot test program, as required by the advisory board. All  
84 proprietary information derived from such pilot test program shall be  
85 exempt from the provisions of subsection (a) of section 1-210 of the  
86 general statutes.

87 (f) If the commissioner of the state agency that tested such  
88 technology, product or process determines that the pilot test program  
89 sufficiently demonstrates that the technology, product or process  
90 promotes operational cost reduction, such testing agency may request  
91 that the Commissioner of Administrative Services (1) procure such  
92 technology for use by such state agency, and (2) make such procurement  
93 pursuant to subsection (b) of section 4a-58 of the general statutes. If the  
94 Commissioner of Administrative Services grants a request to procure  
95 such technology for any state agency, the Commissioner of  
96 Administrative Services shall make information regarding such  
97 procurement available to all state agencies on the Internet web site of  
98 the Department of Administrative Services.

99 (g) The commissioner of a state agency may identify a technology,  
100 product or process that meets the criteria described in subdivision (3) of  
101 subsection (a) of this section and that is tested by a municipality that  
102 promotes operational cost reduction. Such commissioner may file a  
103 request to the advisory board for a recommendation to test such  
104 technology, product or process. Not later than thirty days after receipt  
105 of such request, the advisory board shall evaluate the technology,  
106 product or process and make a recommendation pursuant to  
107 subdivision (2) of subsection (a) of this section. If the advisory board  
108 recommends such technology, product or process, such agency shall  
109 undertake a pilot test program in accordance with the provisions of  
110 subsections (d) to (f), inclusive, of this section.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	July 1, 2025	New section
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***Statement of Legislative Commissioners:***

In Subsec. (a)(3)(C), "the test program" was changed to "such pilot test program" for consistency and in Subsec. (e) "such test program" was changed to "such pilot test program" for consistency.

***ET***      *Joint Favorable Subst.*

*The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.*

## **OFA Fiscal Note**

### **State Impact:**

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Department of Economic & Community Development	GF - Potential Cost	See Below	See Below

Note: GF=General Fund

### **Municipal Impact:** None

### **Explanation**

The bill results in potential cost to the state by creating an advisory board within the Department of Economic and Community Development (DECD) to review and obtain potential technology, products, or processes ("test projects") to determine their effectiveness and potential to create cost savings to the state.

There is a potential cost to this advisory board to the extent that expert third party consultation is needed by the board to fully evaluate an applicant's proposed test project. The actual cost will depend upon the type of project in the application. It is anticipated that the board will consult with experts in state agencies, such as Connecticut Innovations or the Department of Administrative Services, when applicable at no cost to the state.

The bill has no fiscal impact by creating the advisory board within DECD. It is anticipated that DECD can accommodate the operation of the advisory board within existing resources. The bill requires the board to meet at least two times per year.

The bill requires any costs associated with the acquisition and use of a test project to be borne by the applicant. Any cost to implement a test

project will therefore be incurred by the applicant and not the state.

***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

**OLR Bill Analysis****sHB 7018*****AN ACT ESTABLISHING A TEST BED TECHNOLOGIES PROGRAM.*****SUMMARY**

This bill requires each state agency's commissioner to administer a pilot test program to test the effectiveness of certain technologies, products, or processes ("test projects") at reducing operating costs. Under the pilot program, the agency must temporarily use any test project recommended to it by an advisory board the bill establishes. This board, the Test Bed Technologies Advisory Board, may recommend test projects that (1) are manufactured or marketed by a certified small business or minority-owned enterprise and (2) may promote operational cost reductions at the agency, and meet other criteria.

The bill also establishes a process for the state to procure for state agencies test projects 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, 2025

**TEST BED TECHNOLOGIES ADVISORY BOARD**

The bill creates the board as an independent body within the Department of Economic and Community Development (DECD) for administrative purposes only. Under the bill, the board has five members: one each appointed by the governor, the DECD commissioner, the treasurer, the comptroller, and the Department of Administrative Services (DAS) commissioner in consultation with the chief executive officer of a nonprofit operating an applied technology demonstration and training center. All members 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***

Under the bill, applicants interested in participating in a pilot program must submit an application to the Test Bed Technologies Advisory Board, in a form and way the board sets. (The bill does not define “applicant.” Presumably, it includes a business that manufactures or markets the test project.)

The application must include an assessment of the test project’s viability for a pilot program, which must be done by an independent consulting firm or a market research firm that (1) specializes in technologies, products, or processes similar to those specified in the application and (2) is a DAS research and development services provider or marketing research and public opinion polling provider under the North American Industry Classification System.

### ***Recommendation Criteria***

Within 30 days after receiving the application, the board must evaluate the test project and recommend it for an agency pilot program if it meets certain criteria. The bill prohibits the board from recommending or approving an applicant to participate in more than one test program.

Under the bill, the board must recommend a test project if it finds that doing so would (1) promote operational cost reduction, (2) be feasible in the state agency’s operations, and (3) not have any detrimental effect on the operations. However, the bill expressly prohibits the board from recommending a test project unless the business that manufactures or markets it 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 concludes;

3. it was not developed by a business that is eligible to participate in an existing state statutory program administered by Connecticut Innovations, Incorporated for testing new or experimental technologies, products, or processes; and
4. if the test project or any related intellectual property is patented, the business maintains the associated documentation on it.

Additionally, the business that manufactures or markets it must be DAS-certified as a small contractor or a minority business enterprise (see BACKGROUND).

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

Under the bill, if the advisory board recommends that a state agency initiate a pilot program for the test project, the agency must use it in the agency's operations for not less than 30 days or more than 60 days. The agency must also accept delivery of the test project and begin the program, regardless of the laws on state purchases.

The bill requires the applicant to pay any costs associated with the agency acquiring and using the test project. Under the bill, acquiring the test project for the program is not a purchase under the state procurement law's provisions. The applicant must maintain records related to the test program as the advisory board requires. 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 project promotes operational cost reduction, then the agency may ask the DAS commissioner to (1) procure the test project for the agency to use and (2) make the procurement under the law that allows a waiver of certain competitive bid or proposal requirements (subject to approval by the Standardization Committee if it will cost at least \$100,000). If the DAS commissioner grants a request to procure a test project for an agency, she must make information about the procurement available to all state

agencies on the DAS website.

### ***Municipal Test Projects***

The bill also allows a state agency commissioner to identify a test project that (1) a municipality tested and (2) meets the criteria the Test Bed Advisory Committee must use to review other applications (see *Recommendation Criteria* above). The commissioner may request that the advisory board recommend the project for testing and within 30 days after receiving the request, the board must evaluate the test project and make a recommendation using the same criteria described above. If the board recommends the test project, the agency must begin a pilot test program under the same implementation and procurement provisions described above.

## **BACKGROUND**

### ***Small Contractors and Minority Business Enterprises***

A small contractor is a contractor, subcontractor, manufacturer, service company, or nonprofit corporation that (1) maintains its principal place of business in Connecticut; (2) meets the threshold as a small business, which depends on whether it is a not-for-profit or for-profit; and (3) is independent. Minority business enterprises are small contractors owned by women, racial or ethnic minorities, or people with disabilities.

## **COMMITTEE ACTION**

Energy and Technology Committee

Joint Favorable Substitute

Yea 21      Nay 4      (03/13/2025)