
OLR Bill Analysis

HB 5247 (as amended by House "A")*

AN ACT CONCERNING A TEST BED TECHNOLOGIES PROGRAM AND THE JOBSCT TAX REBATE PROGRAM.

SUMMARY

This bill creates a process for state agencies to administer pilot test programs to test the effectiveness of certain technologies, products, or processes ("projects") at reducing operating costs. The bill creates an application process for small contractor or minority business enterprise applicants to submit projects for consideration, and allows an agency to temporarily use any project that the Department of Administrative Service (DAS) commissioner evaluates and recommends, subject to certain criteria. Under the bill, if an agency implements a pilot test program, the project applicant must pay any costs associated with the agency acquiring and using the project.

The bill also establishes a (1) process for procuring projects that a pilot test program has shown to promote operational cost reduction, including a waiver of competitive bidding or proposal requirements, and (2) way for agencies to ask the DAS commissioner to evaluate and recommend projects that have been tested by a municipality and shown to promote operational cost reduction.

*House Amendment "A" replaces the underlying bill and, among other things, (1) allows the governor to require the DAS commissioner to create an online application portal for project applicants, (2) requires the DAS commissioner (rather than a board the underlying bill created) to evaluate and recommend projects, (3) requires post-testing procurements of projects to be made under a law that generally allows the DAS commissioner to waive competitive bidding or proposal requirements, and (4) removes provisions from the underlying bill that would have made changes to the JobsCT Tax Rebate Program.

EFFECTIVE DATE: October 1, 2026

APPLICATIONS

Until January 1, 2027, the bill allows the governor to direct the DAS commissioner, within available appropriations and in consultation with Connecticut Innovations, Inc. (CI), to create and administer an online portal to facilitate programs to pilot test projects in any state agency to determine whether they may reduce the agency's operational costs. The portal must be available on the DAS website.

Under the bill, a person who wants to participate in a pilot test program must apply to the DAS commissioner through the online portal, and the commissioner must set the application form and manner. 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 described 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.

Under the bill, any applicant selected to participate in a pilot test program can only participate in one program for one state agency.

DAS EVALUATIONS AND RECOMMENDATIONS

Within 90 days after receiving the application, the DAS commissioner, in consultation with CI, must evaluate the project and recommend it for an agency pilot program if it meets the criteria described below and the commissioner deems the recommendation warranted.

Under the bill, the commissioner, in consultation with CI, must recommend that an agency have a pilot test to temporarily use a project if she finds that the project 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. The pilot test's purpose is to validate the project's effectiveness in reducing operational costs.

However, the bill expressly prohibits the commissioner from recommending a 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 CI 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).

DAS Report

The bill requires the DAS commissioner to evaluate the effectiveness of any pilot test held under the bill and submit a report on its findings to the Energy and Technology Committee by October 1, 2030.

TEST PROGRAM IMPLEMENTATION

The bill allows the commissioner of each state agency to administer a program for pilot testing projects that promote operational cost reduction.

Under the bill, if the DAS commissioner recommends that a state agency start a pilot test program for a project, the agency may temporarily use it in the agency's operations. The agency's commissioner must determine how long to use the project, but it must be for between 30 and 60 days. The agency may 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 project. Under the bill, acquiring the 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 DAS commissioner 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 project promotes operational cost reduction, then he or she may ask the DAS commissioner to (1) procure the test project for any agency to use and (2) make the procurement under a law that generally allows the DAS commissioner to waive competitive bidding or proposal requirements. If the DAS commissioner grants a request to procure a 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 project that (1) meets the criteria the DAS commissioner must use to review other applications and (2) has been tested by a municipality and shown to promote operational cost reduction. The commissioner may file a request to test the project with the DAS commissioner through the online portal. Within 30 days after receiving the request, the DAS commissioner, in consultation with CI, must evaluate the project and make a recommendation using the same criteria described above. If the DAS commissioner recommends the 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

By law, a "small contractor" is generally a:

1. contractor or subcontractor that (a) maintains its principal place of business in the state and (b) is registered as a small business in the federal database maintained by the U.S. General Services Administration, as required to do business with the federal government, or
2. nonprofit entity that (a) maintains its principal place of business in the state, (b) had gross revenues of \$20 million or less during its most recent fiscal year, and (c) is independent (generally not reliant on another entity in order to operate).

“Minority Business Enterprises” are generally small contractors with majority ownership by women, minorities, or people with disabilities. The owner must have (1) managerial and technical competence, (2) experience directly related to his or her principal business activities, and (3) the power to direct the enterprise’s management or policies (CGS § 4a-60g(a)).

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable

Yea 23 Nay 3 (03/17/2026)