



**House Bill 5444**

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

**Joint Testimony of Commissioner Michelle Gilman and Secretary Jeffrey Beckham**

**Department of Administrative Services and the Office of Policy and Management**

**Energy and Technology Committee**

**March 14, 2024**

Good morning, Senator Needleman, Representative Steinberg, Senator Fazio, Representative Buckbee, and distinguished members of the Energy and Technology Committee. Thank you for the opportunity to testify **in opposition to HB 5444, An Act Establishing a Test Bed Technologies Program**. HB 5444 is nearly identical to last year's HB 6496, which the Governor returned to the General Assembly without his signature.

The Department of Administrative Services (DAS) and Office of Policy and Management (OPM) strongly oppose HB 5444 as the concerns raised in the Governor's veto of HB 6496 last year remain. As noted in the veto message, the proposed testbed program under this bill undermines the successes of the existing Connecticut Innovation Inc's (CII) program and deters competition, which is the foundation for public procurement. In addition, the proposed bill creates significant administrative mandates for DAS, OPM, and other state agencies.

The CII program established pursuant to C.G.S § 32-39e, authorizes the State to test a technology, product, or process by employing it to validate the commercial viability. The CII program promotes Connecticut-based businesses and/or small contractors or minority business enterprises that could address an agency's identified need. The current process outlined in statute provides sufficient time to evaluate the success of a solution based on agency-identified needs. This program is operated within OPM and DAS, in cooperation with CII. Since 2021, several pilots have been launched, including six pilots within the past year.

Connecticut agencies also frequently deploy innovative products in our procurement process from companies outside the state without the changes outlined in this bill. These solutions are put into operation after careful due diligence including the evaluation of efficiency, data privacy, security, operational cost, company track record of success and many other factors.

The proposed bill would undermine and erode our competitive procurement processes as it would allow a pilot to be conducted for product already existing in the marketplace from any vendor, regardless of novelty or origin. It would encourage vendors to solicit their existing goods and

**450 Columbus Boulevard | Hartford, CT 06103**

*Affirmative Action/Equal Opportunity Employer*

services to every agency – this approach is counter to Connecticut’s procurement policies, that are grounded in a level playing field. A vendor-driven, time-limited, partial evaluation process is insufficient to protect the interests of the State, CT businesses and residents.

Further, given the significant number of vendors that would be reaching out to agencies, as well as the proposed timelines for agency responses to those vendors, this proposal creates a huge administrative burden for agencies. The burden placed on state government would not be alleviated by the addition of a \$5,000 application fee, and even if it did, the application fee would likely serve as a barrier to entry for small businesses.

CII has the statutory power to outline requirements, perform necessary due diligence, and establish guardrails that must be adhered to by vendors seeking participation in the program. The existing statute also adds guardrails for OPM and DAS to consider before a pilot is implemented on a permanent basis. This bill, on the other hand, is silent on any effective oversight and constraints for evaluating or administering any program.

For these reasons, DAS and OPM **strongly oppose HB 5444, An Act Establishing a Test Bed Technologies Program.**