

HOUSE No. 2737

The Commonwealth of Massachusetts

PRESENTED BY:

Ann-Margaret Ferrante

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to innovative communities.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Ann-Margaret Ferrante</i>	<i>5th Essex</i>
<i>Karen E. Spilka</i>	<i>Second Middlesex and Norfolk</i>
<i>Carmin L. Gentile</i>	<i>13th Middlesex</i>

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By Ms. Ferrante of Gloucester, a petition (accompanied by bill, House, No. 2737) of Ann-Margaret Ferrante, Karen E. Spilka and Carmine L. Gentile for legislation to establish an innovative communities program within the Executive Office for Administration and Finance. State Administration and Regulatory Oversight.

The Commonwealth of Massachusetts

**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**

An Act relative to innovative communities.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 7 of the General Laws, as appearing in the 2012 Official Edition, is
2 hereby amended by inserting after section 22O, the following new section: -

3 Section 22P. Innovative Communities Program

4 There shall be within the executive office for administration and finance, an innovative
5 communities program, hereinafter known as the program, to serve as a common place of access,
6 education, and point of connection for startups and municipalities seeking innovative technology
7 solutions. The secretary shall consult with the secretary of housing and economic development to
8 design and operate the program. To implement the program, the secretary shall contract with
9 state agencies, authorities, business associations, and other entities, including but not limited to,
10 the commonwealth’s information technology division, the commonwealth’s operational services
11 division, the Massachusetts Clean Energy Center, regional planning organizations, and the

12 Executive Office of Housing and Economic Development. The contracts and reimbursements
13 shall be designed to support municipalities and startups seeking to utilize innovative technology.

14 The innovative communities program shall support the introduction of cutting-edge
15 technologies into the marketplace and incentivize the adoption of such technologies by
16 municipalities. The secretary shall ensure that participants in the program represent innovative
17 technology companies, including but not limited to those that are seeking a first or early-
18 customer to validate the commercial readiness of their technologies by deployment of said
19 technology within a participating innovative community.

20 (b) To qualify as an innovative community, a municipality or other local governmental
21 body shall: (1) pass a resolution, upon the vote of the local governmental body, accepting the
22 principles described in this section; (2) make electronically available to the public municipal data
23 sets maintained by the municipality, excluding any data set containing information that identifies
24 individual persons or is protected by law; (3) commit to attend the technology marketing events
25 and expositions organized by the secretary; (4) commit to beta testing at least one technology
26 annually that has been vetted and approved by the secretary and shall share the results of the trial
27 with other municipalities participating in the program. Municipalities that meet the requirements
28 of this section shall be designated by the secretary of housing and economic development as
29 Innovative Communities and shall be eligible for the assistance provided for in sub-section (d).

30 (c) The secretary shall:

31 (1) develop, in consultation with the inspector general, an education program for
32 municipalities regarding purchasing innovative technology from startups within the existing
33 procurement structure, including purchasing options under chapter 7 and chapter 30B;

34 (2) develop, in consultation with the inspector general, an education program for startups
35 that includes methods to understand the municipal purchasing process and the requirements and
36 standards that must be fulfilled by startups in order to sell to municipalities, including
37 opportunities to participate in the Commonwealth's efforts to coordinate purchasing for
38 government entities;

39 (3) create a plain language summary, in consultation with the inspector general, of how
40 procurement exceptions operate for contracts negotiated by municipalities under section 22A of
41 chapter 7, subsection 20 of section 1 of chapter 30B, subsection (a) of section 4 of chapter 30B,
42 subsection (c) of section 4 of chapter 30B, section 7 of chapter 30B, section 22 of chapter 30B,
43 section 23 of chapter 30B and develop standardized information materials to communicate
44 consistent practices across municipalities for this program to enable startups and municipalities
45 to contract under chapters 7 and 30B of the General Laws;

46 (4) organize marketing events and expositions for (1) startups to showcase their
47 technology and conduct statewide innovation competitions to solicit proposals for innovative
48 uses of technology that allow municipalities to better serve their residents or promote efficient
49 use of resources and (2) participating municipalities to make known to startups their technology
50 needs and share the results of the beta test required under subsection (b);

51 (5) engage municipalities and startups through marketing and outreach to promote the
52 benefits of participating in the program, including soliciting entrepreneurial proposals for
53 reshaping government services through various platforms, and encouraging participation from
54 women and minority owned businesses;

55 (6) organize pilots, subject to appropriation, of the most promising ideas from the
56 technology marketing events, expositions, and innovation competitions and establish procedures
57 to implement said pilots in innovative communities;

58 (7) provide financial assistance, subject to appropriation, in the form of grants to
59 municipalities that qualify as innovative communities under this section. These grants shall be
60 used to finance all or a portion of the costs associated with the adoption of a program approved
61 innovative technology;

62 (8) provide municipalities and startups with technical assistance to enter into agreements
63 under chapter 7 and chapter 30B that assess the need, cost, and feasibility of employing the
64 chosen technology

65 (9) develop a streamlined program for startups to contract with municipalities under
66 subsection (c) of section 4 of chapter 30B;

67 (10) develop a pre-qualification process for participating startups to expedite the purchase
68 of innovative technologies under chapter 7; establish collective purchasing, under section 22A of
69 chapter 7, to be updated on a regular basis, but not less often than annually, whereby
70 municipalities may make purchases of identified innovative technologies from the startups
71 approved by the secretary under this section;

72 (11) establish evaluation, audit, and compliance procedures for participating startups,
73 including a technology readiness assessment, self-audit, and standardized due diligence
74 investigation of participating startup business profiles.

75 SECTION 2. There shall be established an innovative communities advisory board
76 within, but not subject to the control of, the executive office for administration and finance. The
77 advisory board shall consist of the following members appointed by the governor: 1 CEO of a
78 clean energy company or a designee; 1 CEO of an innovative information technology company
79 or a designee; 1 CEO of an innovative startup company or a designee; 1 investor in new
80 technology companies; 2 CEO's of associations representing emerging technology industries; 2
81 individuals who have experience with business incubators or shared workspaces; 1 representative
82 of a regional planning organization; 1 representative of the Massachusetts Association of Public
83 Purchasing Officials; and the executive director of the Massachusetts Municipal Association, or
84 a designee. All appointments to the advisory board shall be made not later than 30 days after the
85 effective date of this section. Any vacancy shall be filled by the appointing authority. The
86 advisory board shall elect a chairperson who shall schedule the first meeting of the advisory
87 board, which shall be held not later than 60 days after the effective date of this section.

88 SECTION 3. There shall be a special commission to conduct an investigation and study
89 potential barriers to the adoption of innovative technologies by state and local governments and
90 entities created or exacerbated by existing procurement laws in the Commonwealth. The
91 commission shall consist of the following 20 members: 2 members of the Senate, 1 of whom
92 shall be appointed by the Senate President, and one of whom shall be appointed by the minority
93 leader of the Senate; 2 members of the House of Representatives, 1 of whom shall be appointed
94 by the Speaker of the House, and 1 of whom shall be appointed by the minority leader of the
95 House of Representatives ; 1 member shall be the Secretary of Administration and Finance or a
96 designee; 1 member shall be the secretary of Housing and Economic Development or a designee;
97 1 member shall be the Assistant Secretary for Operational Services or a designee; 1 member

98 shall be the Inspector General or a designee; 1 member shall be the Commissioner of the
99 Division of Capital Asset Management or a designee; 1 member shall be the CEO of the
100 Massachusetts Clean Energy Center or a designee; 1 member shall be the Commissioner of the
101 Department of Energy Resources or a designee; 1 member shall be the CEO of
102 MassDevelopment or a designee; 1 member shall be the CEO of the Massachusetts Technology
103 Collaborative; 6 members shall be appointed by the governor, 1 of whom shall be the CEO of a
104 clean energy company or a designee, 1 of whom shall be the CEO of an innovative information
105 technology company or a designee and 1 of whom shall be the CEO of an innovative startup
106 company or a designee; 1 of whom shall be an investor in new technology companies; 2 of
107 whom shall be CEO's of associations representing emerging technology industries; and the
108 executive director of the Massachusetts Municipal Association, or a designee.

109 (b) The commission shall examine, but shall not be limited to, the following: (1) the ways
110 in which existing procurement rules may unnecessarily exclude less established companies from
111 obtaining contracts; particularly innovative startup companies; (2) opportunities for establishing
112 a method for pre-qualification of companies offering innovative technology solutions; (3)
113 opportunities for state wide programs designed to encourage state or local government
114 procurement of innovative technologies; (4) opportunities for public/private collaboration; and
115 (5) any regulatory changes which could encourage the adoption of innovative technologies
116 without compromising the competitive bid process.

117 (c) The commission may hold hearings and invite testimony from experts and the public.
118 The commission shall review and identify best practices learned from similar efforts in other
119 states.

120 (d) The commission shall report to the general court the results of its investigation and
121 study and make recommendations together with drafts of legislation necessary to carry out its
122 recommendations by filing the report with the clerks of the house of representatives and the
123 senate not later than January 1, 2017.