

SENATE No. 234

The Commonwealth of Massachusetts

PRESENTED BY:

Karen E. Spilka

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>Karen E. Spilka</i> | <i>Second Middlesex and Norfolk</i> |
| <i>Ann-Margaret Ferrante</i> | <i>5th Essex</i> |
| <i>Jason M. Lewis</i> | <i>Fifth Middlesex</i> |
| <i>Michael F. Rush</i> | <i>Norfolk and Suffolk</i> |
| <i>Jeffrey N. Roy</i> | <i>10th Norfolk</i> |
| <i>Carolyn C. Dykema</i> | <i>8th Middlesex</i> |
| <i>Aaron Vega</i> | <i>5th Hampden</i> |
| <i>Jay R. Kaufman</i> | <i>15th Middlesex</i> |
| <i>Danielle W. Gregoire</i> | <i>4th Middlesex</i> |
| <i>Tackey Chan</i> | <i>2nd Norfolk</i> |
| <i>Eric P. Lesser</i> | <i>First Hampden and Hampshire</i> |
| <i>Barbara L'Italien</i> | <i>Second Essex and Middlesex</i> |
| <i>Daniel A. Wolf</i> | <i>Cape and Islands</i> |
| <i>Tom Sannicandro</i> | <i>7th Middlesex</i> |
| <i>John V. Fernandes</i> | <i>10th Worcester</i> |
| <i>Anne M. Gobi</i> | <i>Worcester, Hampden, Hampshire and Middlesex</i> |
| <i>Edward F. Coppinger</i> | <i>10th Suffolk</i> |

| | |
|---------------------------|------------------------------|
| <i>Thomas M. Stanley</i> | <i>9th Middlesex</i> |
| <i>Kate Hogan</i> | <i>3rd Middlesex</i> |
| <i>Kevin J. Kuros</i> | <i>8th Worcester</i> |
| <i>Benjamin Swan</i> | <i>11th Hampden</i> |
| <i>Chris Walsh</i> | <i>6th Middlesex</i> |
| <i>Sal N. DiDomenico</i> | <i>Middlesex and Suffolk</i> |
| <i>Carmine L. Gentile</i> | <i>13th Middlesex</i> |
| <i>Kay Khan</i> | <i>11th Middlesex</i> |

SENATE No. 234

By Ms. Spilka, a petition (accompanied by bill, Senate, No. 234) of Karen E. Spilka, Ann-Margaret Ferrante, Jason M. Lewis, Michael F. Rush and other members of the General Court for legislation relative to create an innovative communities program. Economic Development and Emerging Technologies.

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

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

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

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

31 (c) The secretary shall:

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

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

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

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

52 (5) engage municipalities and startups through marketing and outreach to promote the
53 benefits of participating in the program, including soliciting entrepreneurial proposals for

54 reshaping government services through various platforms, and encouraging participation from
55 women and minority owned businesses;

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

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

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

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

68 (10) develop a pre-qualification process for participating startups to expedite the purchase
69 of innovative technologies under chapter 7;

70 (11) establish collective purchasing, under section 22A of chapter 7, to be updated on a
71 regular basis, but not less often than annually, whereby municipalities may make purchases of
72 identified innovative technologies from the startups approved by the secretary under this section;
73 and

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

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

90 SECTION 3. There shall be a special commission to conduct an investigation and study
91 potential barriers to the adoption of innovative technologies by state and local governments and
92 entities created or exacerbated by existing procurement laws in the Commonwealth. The
93 commission shall consist of the following 20 members: 2 members of the Senate, 1 of whom
94 shall be the Chair of the Joint Committee on Economic Development and Emerging
95 Technologies, and one of whom shall be appointed by the minority leader of the Senate; 2
96 members of the House of Representatives, 1 of whom shall be the Chair of the Joint Committee

97 on Economic Development and Emerging Technologies, and 1 of whom shall be appointed by
98 the minority leader of the House of Representatives ; 1 member shall be the Secretary of
99 Administration and Finance or a designee; 1 member shall be the secretary of Housing and
100 Economic Development or a designee; 1 member shall be the Assistant Secretary for Operational
101 Services or a designee; 1 member shall be the Inspector General or a designee; 1 member shall
102 be the Commissioner of the Division of Capital Asset Management or a designee; 1 member
103 shall be the CEO of the Massachusetts Clean Energy Center or a designee; 1 member shall be the
104 Commissioner of the Department of Energy Resources or a designee; 1 member shall be the
105 CEO of MassDevelopment or a designee; 1 member shall be the CEO of the Massachusetts
106 Technology Collaborative; 6 members shall be appointed by the governor, 1 of whom shall be
107 the CEO of a clean energy company or a designee, 1 of whom shall be the CEO of an innovative
108 information technology company or a designee and 1 of whom shall be the CEO of an innovative
109 startup company or a designee; 1 of whom shall be an investor in new technology companies; 2
110 of whom shall be CEO's of associations representing emerging technology industries; and the
111 executive director of the Massachusetts Municipal Association, or a designee.

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

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

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