STATE SANDBOX · ONE-PAGE BRIEF

A compact of states is forming. Tennessee can join it.

A state sandbox lets a new idea launch as a supervised, time-limited pilot with narrow relief from a specific state regulation or licensing requirement. A compact connects those sandboxes, so a pilot proven in one member state can have a path into the others.

2018
FIRST STATE SANDBOX, ARIZONA

97%
EARLY RESULTS, UTAH*

About 60
BUSINESSES LINED UP, UTAH

2026
CONNECTICUT LAW TO PLAN ONE

How a sandbox works

Apply and name the specific regulation or licensing requirement in the way. The state grants narrow, temporary relief. A pilot runs with real customers and reports results, and what works gives lawmakers the evidence to update the regulation or statute for everyone. Every pilot is time-limited and supervised by the state.

Real pilot: ElizaChat

About 1 in 8 young people ages 12 to 21 already use chatbots for mental health advice (JAMA Network Open, 2025). ElizaChat's school app was "developed with … licensed clinical psychologists and therapists", with a prompt hand-off to a licensed clinician. Utah set aside its therapy licensing requirement for the test; its work led to the state's first law for mental health chatbots (HB 452, 2025).

Real pilot: Dentacor

Utah's dental "supervision requirements can limit how many patients mobile clinics are able to serve". Under its pilot, Dentacor's hygienists diagnose routine problems on site and expect to double patients with the same staff. Picture a 93-year-old in a Tennessee nursing home: care where she lives, before a small problem becomes a trip, sedation and a hospital stay.

Real pilot: Doctronic, and states moving

Doctronic renews routine, non-controlled prescriptions like blood pressure medication: 97% agreement after a primary and secondary physician's review, which is impressive considering the agreement rate between doctors alone is 88% to 95% (the 5 to 12% human error rate in the studies Utah cites, as agreement); no serious safety incidents reported. Arizona opened the first state sandbox in 2018; Utah's began in 2024 and added three pilots on Oct 5, 2026; Connecticut's 2026 law plans one across state lines.

Tennessee can build its own

An innovation sandbox across healthcare, technology, transportation and more, through one framework bill or one per sector. Good for businesses, nonprofits, patients, doctors and providers, students, and rural and distressed counties. The decision belongs to the state.

Innovation draws business

Businesses, entrepreneurs and startups are drawn to states that are clearly innovative in how they review regulations that would otherwise hold new ideas back. A compact makes one pilot a path toward many markets. Utah's letter: "making state sandboxes more attractive to serious innovators", with a long-term goal of "vet once, deploy everywhere" and reciprocal referrals of applicants. "Rather than competing for applicants, participating states can jointly create a larger market for responsible innovation."

One group for federal partners

When federal agencies want to work with states to pilot new programs, a compact can offer a coordinated group of states. Utah's letter: "a clearer pathway for collaboration with federal agencies", naming the FDA and CMS, "by giving federal officials a coordinated group of states with common processes, evidence expectations, and implementation experience."

What Tennessee would need to join

A sandbox of its own · real authority that can reach licensing and scope of practice · the power for the sandbox office or the governor to sign on to the compact · shared terms of reciprocity with the member states. Founding partners shape the shared standards together.

Watch the explainer (3 minutes) and get the assets: statesandbox.com/overview

*Agreement after a primary and secondary physician's review of one pilot's renewals (Utah, May 2026). Sources on the page.

Organized by the Tennessee Innovation Council · colton@tninnovationcouncil.org

Version 1.9.0 · Thu / 2026-10-15 / 1:50 PM CT