

114<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1336

To encourage and support partnerships between the public and private sectors to improve our nation's social programs, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 4, 2015

Mr. YOUNG of Indiana (for himself, Mr. DELANEY, Mr. REED, Mr. LARSON of Connecticut, Mr. REICHERT, Mr. POLIS, Mr. SCHOCK, Mr. KENNEDY, and Mr. DOLD) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To encourage and support partnerships between the public and private sectors to improve our nation's social programs, and for other purposes.

1 Be it enacted by the Senate and House of Representa-  
2 tives of the United States of America in Congress assembled,

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Social Impact Partner-  
5 ship Act”.

1 **SEC. 2. SOCIAL IMPACT PARTNERSHIPS.**

2 Title XX of the Social Security Act (42 U.S.C. 1397)

3 is amended—

4 (1) in the heading, by striking “to States” and  
5 inserting “and Programs for”; and

6 (2) by adding at the end the following:

7 **“Subtitle C—Social Impact**  
8 **Partnerships**

9 **“SEC. 2051. PURPOSES.**

10 “The purposes of this subtitle are the following:

11 “(1) To improve the lives of families and indi-  
12 viduals in need in the United States by funding so-  
13 cial programs that achieve real results.

14 “(2) To redirect funds away from programs  
15 that, based on objective data, are ineffective, and  
16 into programs that achieve demonstrable, measur-  
17 able results.

18 “(3) To ensure Federal funds are used effec-  
19 tively on social services to produce positive outcomes  
20 for both service recipients and taxpayers.

21 “(4) To establish the use of social impact part-  
22 nerships to address some of our nation’s most press-  
23 ing problems.

24 “(5) To facilitate the creation of public-private  
25 partnerships that bundle philanthropic and other  
26 private resources with existing public spending to

1 scale up effective social interventions already being  
2 implemented by private organizations, non-profits,  
3 charitable organizations, and State and local govern-  
4 ments across the country.

5 “(6) To bring pay-for-performance to the social  
6 sector, allowing the United States to improve the im-  
7 pact and effectiveness of vital social services pro-  
8 grams while redirecting inefficient or duplicative  
9 spending.

10 “(7) To incorporate outcomes measurement and  
11 randomized controlled trials or other rigorous meth-  
12 odologies for assessing program impact.

13 **“SEC. 2052. SOCIAL IMPACT PARTNERSHIP APPLICATION.**

14 “(a) NOTICE.—Not later than 1 year after the date  
15 of the enactment of this Act, the Director of the Office  
16 of Management and Budget, in consultation with the Fed-  
17 eral Interagency Council on Social Impact Partnerships,  
18 shall publish in the Federal Register a request for pro-  
19 posals from States or local government for social impact  
20 partnership projects in accordance with this section.

21 “(b) REQUIRED OUTCOMES FOR SOCIAL IMPACT  
22 PARTNERSHIP PROJECT.—To qualify as a social impact  
23 partnership project under this subtitle, a project must  
24 produce measurable, clearly defined outcomes that result

1 in social benefit and Federal savings through any of the  
2 following:

3           “(1) Increasing work and earnings by individ-  
4           uals who have been unemployed in the United States  
5           for more than six consecutive months.

6           “(2) Increasing employment and earnings of in-  
7           dividuals age 16 to 24.

8           “(3) Increasing employment among individuals  
9           receiving Federal disability benefits.

10           “(4) Reducing the dependence of low-income  
11           families on Federal means-tested benefits.

12           “(5) Improving rates of high school graduation.

13           “(6) Reducing teen and unplanned pregnancies.

14           “(7) Improving birth outcomes among low-in-  
15           come families and individuals.

16           “(8) Reducing rates of asthma, diabetes, or  
17           other preventable diseases among low-income fami-  
18           lies and individuals to reduce the utilization of emer-  
19           gency and other high-cost care.

20           “(9) Increasing the proportion of children living  
21           in two-parent families.

22           “(10) Reducing incidences and adverse con-  
23           sequences of child abuse and neglect.

24           “(11) Reducing the number of youth in foster  
25           care by increasing adoptions, permanent guardian-

1 ship arrangements, reunification, or placement with  
2 a fit and willing relative.

3 “(12) Reducing the number of children and  
4 youth in foster care residing in group homes, child  
5 care institutions, agency-operated foster homes, or  
6 other non-family foster homes, unless it is deter-  
7 mined that it is in the interest of the child’s long-  
8 term health, safety, or psychological well-being to  
9 not be placed in a family foster home.

10 “(13) Reducing the number of children return-  
11 ing to foster care.

12 “(14) Reducing recidivism among individuals  
13 released from prison.

14 “(15) Reducing the rate of homelessness among  
15 our most vulnerable populations.

16 “(16) Improving the health and well-being of  
17 those with mental, emotional, and behavioral health  
18 needs.

19 “(17) Improving the educational outcomes of  
20 special-needs or low-income children.

21 “(18) Improving the employment and well-being  
22 of returning U.S. military members.

23 “(19) Increasing the financial stability of low-  
24 income families.

1           “(20) Increasing the independence and employ-  
2           ability of individuals who are physically or mentally  
3           disabled.

4           “(21) Other measurable outcomes defined by  
5           the State or local government that result in positive  
6           social outcomes and Federal savings.

7           “(c) FEASIBILITY STUDY REQUIRED.—The notice  
8           described in subsection (a) shall require a State or local  
9           government to submit a feasibility study for the social im-  
10          pact partnership project that contains the following infor-  
11          mation:

12           “(1) The outcome goals of the project.

13           “(2) A description of each intervention in the  
14           project and anticipated outcomes of such interven-  
15           tion.

16           “(3) Rigorous evidence demonstrating that the  
17           intervention can be expected to produce the desired  
18           outcomes.

19           “(4) The target population that will be served  
20           by the project.

21           “(5) The expected social benefits to participants  
22           who receive the intervention and others who may be  
23           impacted.

24           “(6) Projected Federal, State, and local govern-  
25           ment costs and other costs to conduct the project.

1           “(7) Projected Federal, State, and local govern-  
2           ment savings and other savings, including an esti-  
3           mate of the savings to the Federal, State, and local  
4           government, on a program-by-program basis and in  
5           the aggregate, if the project is implemented and the  
6           outcomes are achieved.

7           “(8) If savings resulting from the successful  
8           completion of the project are estimated to accrue to  
9           the State or local government, the likelihood of the  
10          State or local government to realize those savings.

11          “(9) A plan for delivering the intervention  
12          through a social impact partnership model.

13          “(10) A description of the expertise of each  
14          service provider that will administer the intervention.

15          “(11) An explanation of the experience of the  
16          State or local government, the intermediary, or the  
17          service provider in raising private and philanthropic  
18          capital to fund social service investments.

19          “(12) The detailed roles and responsibilities of  
20          each entity involved in the project, including any  
21          State or local government entity, intermediary, serv-  
22          ice provider, independent evaluator, investor, or  
23          other stakeholder.

24          “(13) A summary of the experience of the serv-  
25          ice provider delivering the proposed intervention or

1 a similar intervention, or a summary demonstrating  
2 the service provider has the expertise necessary to  
3 deliver the proposed intervention.

4 “(14) A summary of the unmet need in the  
5 area where the intervention will be delivered or  
6 among the target population who will receive the  
7 intervention.

8 “(15) The payment terms, the methodology  
9 used to calculate outcome payments, the payment  
10 schedule, and performance thresholds.

11 “(16) The project budget.

12 “(17) The project timeline.

13 “(18) The criteria used to determine the eligi-  
14 bility of an individual for the project, including how  
15 selected populations will be identified, how they will  
16 be referred to the project, and how they will be en-  
17 rolled in the project.

18 “(19) The evaluation design.

19 “(20) The metrics that will be used to deter-  
20 mine whether the outcomes have been achieved and  
21 how such metrics will be measured.

22 “(21) An explanation of how the metrics used  
23 to determine whether the outcomes have been  
24 achieved are independent, objective indicators of im-



1 pact and are not subject to manipulation by the  
2 service provider, intermediary, or investor.

3 “(22) A summary explaining the independence  
4 of the evaluator from the other entities involved in  
5 the project and the evaluator’s experience in con-  
6 ducting rigorous evaluations of program effective-  
7 ness including, where available, well-implemented  
8 randomized controlled trials on the intervention or  
9 similar interventions.

10 “(23) The capacity of the service provider to  
11 deliver the intervention to the number of partici-  
12 pants the State or local government proposes to  
13 serve in the project.

14 “(d) PROJECT INTERMEDIARY INFORMATION RE-  
15 QUIRED.—The feasibility study described in subsection (c)  
16 shall also contain the following information about the  
17 intermediary for the social impact partnership project  
18 (whether the intermediary is the service provider or other  
19 entity):

20 “(1) Experience and capacity for providing or  
21 facilitating the provision of the type of intervention  
22 proposed.

23 “(2) The mission and goals.

24 “(3) Information on whether the intermediary  
25 is already working with service providers that pro-

1       vide this intervention or an explanation of the capac-  
2       ity of the intermediary to begin working with service  
3       providers to provide the intervention.

4               “(4) Experience working in a collaborative envi-  
5       ronment across government and nongovernmental  
6       entities.

7               “(5) Previous experience collaborating with  
8       public or private entities to implement evidence-  
9       based programs.

10              “(6) Ability to raise or provide funding to cover  
11       operating costs (if applicable to the project).

12              “(7) Capacity and infrastructure to track out-  
13       comes and measure results, including—

14                      “(A) capacity to track and analyze pro-  
15       gram performance and assess program impact;  
16       and

17                      “(B) experience with performance-based  
18       contracting and achieving project milestones  
19       and targets.

20              “(8) Role in delivering the intervention.

21              “(9) How the intermediary would monitor pro-  
22       gram success, including a description of the interim  
23       benchmarks and outcome measures.

1 “SEC. 2053. AWARDING SOCIAL IMPACT PARTNERSHIP CON-  
2 TRACTS.

3 “(a) TIMELINE IN AWARDING CONTRACT.—Not later  
4 than six months after receiving an application in accord-  
5 ance with section 2052, the Director, in consultation with  
6 the Federal Interagency Council on Social Impact Part-  
7 nerships, shall determine whether to enter into a contract  
8 for a social impact partnership project with a State or  
9 local government.

10 “(b) CONSIDERATIONS IN AWARDING CONTRACT.—  
11 In determining whether to enter into a contract for a so-  
12 cial impact partnership project (the application for which  
13 was submitted under section 2052) the Director, in con-  
14 sultation with the Federal Interagency Council on Social  
15 Impact Partnerships (established by section 2056) and the  
16 head of any Federal agency administering a similar inter-  
17 vention or serving a population similar to that served by  
18 the project, shall consider each of the following:

19 “(1) The value to the Federal Government of  
20 the outcomes expected to be achieved if the outcomes  
21 specified in the contract are achieved.

22 “(2) The ability of the State or local govern-  
23 ment in collaboration with the intermediary and the  
24 service providers to achieve the outcomes.

25 “(3) The savings to the Federal Government if  
26 the outcomes specified in contract are achieved.

1           “(4) The savings to the State and local govern-  
2           ments if the outcomes specified in the contract are  
3           achieved.

4           “(5) The expected quality of the evaluation that  
5           would be conducted with respect to the contract.

6           “(c) CONTRACT AUTHORITY.—

7           “(1) CONTRACT REQUIREMENTS.—In accord-  
8           ance with this section, the Director, in consultation  
9           with the Federal Interagency Council on Social Im-  
10          pact Partnerships and the head of any Federal agen-  
11          cy administering a similar intervention or serving a  
12          population similar to that served by the project, may  
13          enter into a contract for a social impact partnership  
14          project with a State or local government if the Di-  
15          rector, in consultation with the Federal Interagency  
16          Council on Social Impact Partnerships, determines  
17          that each of the following requirements are met:

18                   “(A) The State or local government agrees  
19                   to achieve an outcome specified in the contract  
20                   in order to receive payment.

21                   “(B) The Federal payment to the State or  
22                   local government for each outcome specified is  
23                   less than or equal to the value of the outcome  
24                   to the Federal Government over a period not to  
25                   exceed 10 years, as determined by the Director,

1 in consultation with the State or local govern-  
2 ment.

3 “(C) The duration of the project does not  
4 exceed 10 years.

5 “(D) The State or local government has  
6 demonstrated, through the application sub-  
7 mitted under section 2052, that, based on prior  
8 rigorous experimental evaluations or rigorous  
9 quasi-experimental studies, the intervention can  
10 be expected to achieve each outcome specified in  
11 the contract.

12 “(E) The State, local government, inter-  
13 mediary, or service provider has experience rais-  
14 ing private or philanthropic capital to fund so-  
15 cial service investments (if applicable to the  
16 project).

17 “(F) The State or local government has  
18 shown that each service provider has experience  
19 delivering the intervention, a similar interven-  
20 tion, or has otherwise demonstrated the exper-  
21 tise necessary to deliver the intervention.

22 “(2) PAYMENT.—The Director shall pay the  
23 State or local government only if the independent  
24 evaluator described in section 2055 determines that  
25 the social impact partnership project has met the re-

1 requirements specified in the contract and achieved an  
2 outcome specified in the contract.

3 “(3) LIMITATION.—The Director may not enter  
4 into a contract for a social impact partnership  
5 project under paragraph (1) after the date that is 10  
6 years after the date of the enactment of the Social  
7 Impact Partnership Act.

8 “(d) NOTICE OF CONTRACT AWARD.—Not later than  
9 30 days after entering into a contract under this section,  
10 the Director shall publish a notice in the Federal Register  
11 that includes, with regard to such contract, the following:

12 “(1) The outcome goals of the social impact  
13 partnership project.

14 “(2) A description of each intervention in the  
15 project.

16 “(3) The target population that will be served  
17 by the project.

18 “(4) The expected social benefits to participants  
19 who receive the intervention and others who may be  
20 impacted.

21 “(5) The detailed roles, responsibilities, and  
22 purposes of each Federal, State, or local government  
23 entity, intermediary, service provider, independent  
24 evaluator, investor, or other stakeholder.

1           “(6) The payment terms, the methodology used  
2           to calculate outcome payments, the payment sched-  
3           ule, and performance thresholds.

4           “(7) The project budget.

5           “(8) The project timeline.

6           “(9) The project eligibility criteria.

7           “(10) The evaluation design.

8           “(11) The metrics that will be used to deter-  
9           mine whether the outcomes have been achieved and  
10          how these metrics will be measured.

11          “(12) The estimate of the savings to the Fed-  
12          eral, State, and local government, on a program-by-  
13          program basis and in the aggregate, if the contract  
14          is entered into and implemented and the outcomes  
15          are achieved.

16 **“SEC. 2054. FEASIBILITY STUDY FUNDING.**

17          “(a) **REQUESTS FOR FUNDING FOR FEASIBILITY**  
18 **STUDIES.**—The Director shall reserve a portion of the  
19 funding provided in section 2057 to assist States or local  
20 governments in developing feasibility studies required by  
21 section 2052. To be eligible to receive funding to assist  
22 with completing a feasibility study, a State or local govern-  
23 ment shall submit an application for feasibility study fund-  
24 ing containing the following information:

1           “(1) A description of the outcome goals of the  
2 social impact partnership project.

3           “(2) A description of the intervention, including  
4 anticipated program design, target population, an  
5 estimate regarding the number of individuals to be  
6 served, and setting for the intervention.

7           “(3) Evidence to support the likelihood that  
8 such intervention will produce the desired outcomes.

9           “(4) A description of the potential metrics to be  
10 used.

11           “(5) The expected social benefits to participants  
12 who receive the intervention and others who may be  
13 impacted.

14           “(6) Estimated costs to conduct the project.

15           “(7) Estimates of Federal, State, and local gov-  
16 ernment savings and other savings if the project is  
17 implemented and the outcomes are achieved.

18           “(8) An estimated timeline for implementation  
19 and completion of the project, which shall not exceed  
20 10 years.

21           “(9) With respect to a project for which the  
22 State or local government selects an intermediary to  
23 operate the project, any partnerships needed to suc-  
24 cessfully execute the project and the ability of the  
25 intermediary to foster such partnerships.



1           “(10) The expected resources needed to com-  
2           plete the feasibility study for the State or local gov-  
3           ernment to apply for social impact partnership fund-  
4           ing under section 2052.

5           “(b) FEDERAL SELECTION OF APPLICATIONS FOR  
6 FEASIBILITY STUDY.—Not later than 6 months after re-  
7 ceiving an application for feasibility study funding under  
8 subsection (a), the Director, in consultation with the Fed-  
9 eral Interagency Council on Social Impact Partnerships  
10 and the head of any Federal agency administering a simi-  
11 lar intervention or serving a population similar to that  
12 served by the project, shall select State or local govern-  
13 ment feasibility study proposals for funding based on the  
14 following:

15           “(1) The likelihood that the proposal will  
16           achieve the desired outcomes.

17           “(2) The value of the outcomes expected to be  
18           achieved.

19           “(3) The potential savings to the Federal Gov-  
20           ernment if the social impact partnership project is  
21           successful.

22           “(4) The potential savings to the State and  
23           local governments if the project is successful.

24           “(c) PUBLIC DISCLOSURE.—Not later than 30 days  
25 after selecting a State or local government for feasibility

1 study funding under this section, the Director shall cause  
2 to be published on the website of the Federal Interagency  
3 Council on Social Impact Partnerships information ex-  
4 plaining why a State or local government was granted fea-  
5 sibility study funding.

6 “(d) FUNDING RESTRICTION.—

7 “(1) FEASIBILITY STUDY RESTRICTION.—The  
8 Director may not provide feasibility study funding  
9 under this section for more than 50 percent of the  
10 estimated total cost of the feasibility study reported  
11 in the State or local government application sub-  
12 mitted under subsection (a).

13 “(2) AGGREGATE RESTRICTION.—Of the total  
14 amount appropriated under section 2057, the Direc-  
15 tor may not use more than \$10,000,000 to provide  
16 feasibility study funding to States or local govern-  
17 ments under this section.

18 “(3) NO GUARANTEE OF FUNDING.—The Direc-  
19 tor shall have the option to award no funding under  
20 this section.

21 “(e) SUBMISSION OF FEASIBILITY STUDY RE-  
22 QUIRED.—Not later than six months after the receipt of  
23 feasibility study funding under this section, a State or  
24 local government receiving such funding shall complete the

1 feasibility study and submit the study to the Federal  
2 Interagency Council on Social Impact Partnerships.

3 **“SEC. 2055. EVALUATIONS.**

4       “(a) **CONTRACT AUTHORITY.**—For each State or  
5 local government awarded a social impact partnership  
6 project approved by the Director under this Act, the head  
7 of the relevant agency, as determined by the Federal  
8 Interagency Council on Social Impact Partnerships, shall  
9 enter into a contract with such State or local government  
10 to pay for the independent evaluation to determine wheth-  
11 er the State or local government project has met an out-  
12 come specified in the contract in order for the State or  
13 local government to receive outcome payments under this  
14 subtitle.

15       “(b) **EVALUATOR QUALIFICATIONS.**—The head of the  
16 relevant agency may not enter into a contract with a State  
17 or local government unless the head determines that the  
18 evaluator is independent of the other parties to the con-  
19 tract and has demonstrated substantial experience in con-  
20 ducting rigorous evaluations of program effectiveness in-  
21 cluding, where available and appropriate, well-imple-  
22 mented randomized controlled trials on the intervention or  
23 similar interventions.

24       “(c) **METHODOLOGIES TO BE USED.**—The evalua-  
25 tion used to determine whether a State or local govern-

1 ment will receive outcome payments under this subtitle  
2 shall use experimental designs using random assignment  
3 or other reliable, evidence-based research methodologies,  
4 as certified by the Federal Interagency Council on Social  
5 Impact Partnerships, that allow for the strongest possible  
6 causal inferences when random assignment is not feasible.

7 “(d) PROGRESS REPORT.—

8 “(1) SUBMISSION OF REPORT.—The inde-  
9 pendent evaluator shall—

10 “(A) not later than two years after a  
11 project has been approved by the Director and  
12 biannually thereafter until the project is con-  
13 cluded, submit to the head of the relevant agen-  
14 cy and the Federal Interagency Council on So-  
15 cial Impact Partnerships a written report sum-  
16 marizing the progress that has been made in  
17 achieving each outcome specified in the con-  
18 tract; and

19 “(B) at the scheduled time of the first out-  
20 come payment and at the time of each subse-  
21 quent payment, submit to the head of the rel-  
22 evant agency and the Federal Interagency  
23 Council on Social Impact Partnerships a writ-  
24 ten report that includes the results of the eval-  
25 uation conducted to determine whether an out-

1           come payment should be made along with infor-  
2           mation on the unique factors that contributed  
3           to achieving or failing to achieve the outcome,  
4           the challenges faced in attempting to achieve  
5           the outcome, and information on the improved  
6           future delivery of this or similar interventions.

7           “(2) SUBMISSION TO CONGRESS.—Not later  
8           than 30 days after receipt of the written report pur-  
9           suant to paragraph (1)(B), the Federal Interagency  
10          Council on Social Impact Partnerships shall submit  
11          such report to each committee of jurisdiction in the  
12          House of Representatives and the Senate.

13          “(e) FINAL REPORT.—

14                  “(1) SUBMISSION OF REPORT.—Within six  
15                  months after the social impact partnership project is  
16                  completed, the independent evaluator shall—

17                          “(A) evaluate the effects of the activities  
18                          undertaken pursuant to the contract with re-  
19                          gard to each outcome specified in the contract;  
20                          and

21                          “(B) submit to the head of the relevant  
22                          agency and the Federal Interagency Council on  
23                          Social Impact Partnerships a written report  
24                          that includes the results of the evaluation and  
25                          the conclusion of the evaluator as to whether

1 the State or local government has fulfilled each  
2 obligation of the contract, along with informa-  
3 tion on the unique factors that contributed to  
4 the success or failure of the project, the chal-  
5 lenges faced in attempting to achieve the out-  
6 come, and information on the improved future  
7 delivery of this or similar interventions.

8 “(2) SUBMISSION TO CONGRESS.—Not later  
9 than 30 days after receipt of the written report pur-  
10 suant to paragraph (1)(B), the Federal Interagency  
11 Council on Social Impact Partnerships shall submit  
12 such report to each committee of jurisdiction in the  
13 House of Representatives and the Senate.

14 “(f) LIMITATION ON COST OF EVALUATIONS.—Of  
15 the amount made available for social impact partnership  
16 projects in section 2057, the Director may not obligate  
17 more than 15 percent to evaluate the implementation and  
18 outcomes of such projects.

19 **“SEC. 2056. FEDERAL INTERAGENCY COUNCIL ON SOCIAL**  
20 **IMPACT PARTNERSHIPS.**

21 “(a) ESTABLISHMENT.—There is established the  
22 Federal Interagency Council on Social Impact Partner-  
23 ships (in this section, referred to as the ‘Council’) to—

24 “(1) coordinate the efforts of social impact  
25 partnership projects funded by this subtitle;

1           “(2) advise and assist the Director in the devel-  
2           opment and implementation of such projects;

3           “(3) advise the Director on specific pro-  
4           grammatic and policy matter related to such  
5           projects;

6           “(4) provide subject-matter expertise to the Of-  
7           fice of Management and Budget with regard to such  
8           projects;

9           “(5) ensure that each State or local government  
10          that has entered into a contract with the Director  
11          for a social impact partnership project under this  
12          subtitle and each evaluator selected by the head of  
13          the relevant agency under section 2055 has access to  
14          Federal administrative data to assist the State or  
15          local government and the evaluator in evaluating the  
16          performance and outcomes of the project;

17          “(6) address issues that will influence the fu-  
18          ture of social impact partnership projects in the  
19          United States;

20          “(7) provide guidance to the executive branch  
21          on the future of social impact partnership projects  
22          in the United States;

23          “(8) review State and local government applica-  
24          tions for social impact partnerships to ensure that  
25          contracts will only be awarded under this subtitle

1 when rigorous, independent data and reliable, evi-  
2 dence-based research methodologies support the con-  
3 clusion that a contract will yield savings to the Fed-  
4 eral Government if the project outcomes are  
5 achieved before such applications are approved by  
6 the Director;

7 “(9) certify, in the case of each approved social  
8 impact partnership, that the project will yield a pro-  
9 jected savings to the Federal Government if the  
10 project outcomes are achieved, and coordinate with  
11 the relevant Federal agency to produce an after-ac-  
12 tion accounting once the project is complete to de-  
13 termine the actual Federal savings realized, and the  
14 extent to which actual savings aligned with projected  
15 savings; and

16 “(10) provide oversight of the actions of the Di-  
17 rector and other Federal officials under this subtitle  
18 and report periodically to Congress and the public  
19 on the implementation of this subtitle.

20 “(b) COMPOSITION OF COUNCIL.—The Chair of the  
21 council shall be the Director of the Office of Management  
22 and Budget. The Council shall be composed of one des-  
23 ignee, designated by the head of the relevant agency, from  
24 each of the following:

25 “(1) Department of Labor.



1           “(2) Department of Health and Human Serv-  
2           ices.

3           “(3) Social Security Administration.

4           “(4) Department of Agriculture.

5           “(5) Department of Justice.

6           “(6) Department of Housing and Urban Devel-  
7           opment.

8           “(7) Department of Education.

9           “(8) Department of Veterans Affairs.

10          “(9) Department of the Treasury.

11          “(10) Corporation for National and Community  
12          Service.

13   **“SEC. 2057. FUNDING.**

14          “(a) IN GENERAL.—Out of any money in the Treas-  
15          ury not otherwise appropriated, there is hereby appro-  
16          priated \$300,000,000, to remain available until 10 years  
17          after the date specified in section 2053(c)(3), to carry out  
18          the activities authorized under this subtitle.

19          “(b) LIMITATION.—Of the amounts made available  
20          under subsection (a), the Director may not use more than  
21          \$2,000,000 in any fiscal year to support the review, ap-  
22          proval, and oversight of social impact partnership projects,  
23          including activities conducted by—

24                  “(1) the Federal Interagency Council on Social  
25          Impact Partnerships; and

1           “(2) any other agency consulted by the Director  
2           before approving a social impact partnership project  
3           or a feasibility study under section 2054.

4           “(c) NO FEDERAL FUNDING FOR CREDIT ENHANCE-  
5           MENTS.—No funding provided under this section shall be  
6           used to provide any insurance, guarantee, or other credit  
7           enhancement to a State or local government under which  
8           a Federal payment would be made to a State or local gov-  
9           ernment as the result of a State or local government fail-  
10          ing to achieve an outcome specified in a contract.

11          “SEC. 2058. WEBSITE.

12          “The Federal Interagency Council on Social Impact  
13          Partnerships shall establish and maintain a public website  
14          that shall display the following:

15                 “(1) A copy of, or method of accessing, each  
16                 notice published regarding a social impact partner-  
17                 ship project pursuant to this subtitle.

18                 “(2) For each State or local government that  
19                 has entered into a contract with the Director for a  
20                 social impact partnership project, the website shall  
21                 contain the following information:

22                         “(A) The outcome goals of the project.

23                         “(B) A description of each intervention in  
24                         the project.

1           “(C) The target population that will be  
2 served by the project.

3           “(D) The expected social benefits to par-  
4 ticipants who receive the intervention and oth-  
5 ers who may be impacted.

6           “(E) The detailed roles, responsibilities,  
7 and purposes of each Federal, State, or local  
8 government entity, intermediary, service pro-  
9 vider, independent evaluator, investor, or other  
10 stakeholder.

11          “(F) The payment terms, methodology  
12 used to calculate outcome payments, the pay-  
13 ment schedule, and performance thresholds.

14          “(G) The project budget.

15          “(H) The project timeline.

16          “(I) The project eligibility criteria.

17          “(J) The evaluation design.

18          “(K) The metrics used to determine wheth-  
19 er the proposed outcomes have been achieved  
20 and how these metrics are measured.

21          “(3) A copy of the progress reports and the  
22 final reports relating to each social impact partner-  
23 ship project.

24          “(4) An estimate of the savings to the Federal,  
25 State, and local government, on a program-by-pro-

1       gram basis and in the aggregate, resulting from the  
2       successful completion of the social impact partner-  
3       ship project.

4       **“SEC. 2059. COMMUNITY REINVESTMENT ACT.**

5       “Section 804 of the Community Reinvestment Act of  
6       1977 (12 U.S.C. 2903) is amended by adding at the end  
7       the following:

8       ““(e) SOCIAL IMPACT PARTNERSHIP PROJECTS.—In  
9       assessing and taking into account, under subsection (a),  
10      the record of a financial institution, the appropriate Fed-  
11      eral financial supervisory agency shall consider, as a fac-  
12      tor, investments made by the financial institution in social  
13      impact partnership projects under subtitle C of title XX  
14      of the Social Security Act.’.

15      **“SEC. 2060. REGULATIONS.**

16      “‘The Director, in consultation with the Federal  
17      Interagency Council on Social Impact Partnerships, may  
18      issue regulations as necessary to carry out this subtitle.

19      **“SEC. 2061. DEFINITIONS.**

20      “‘In this subtitle:

21              “(1) AGENCY.—The term ‘agency’ has the  
22      meaning given that term in section 551 of title 5,  
23      United States Code.

1           “(2) INTERVENTION.—The term ‘intervention’  
2 means a specific service delivered to achieve an im-  
3 pact through a social impact partnership project.

4           “(3) DIRECTOR.—The term ‘Director’ means  
5 the Director of the Office of Management and Budg-  
6 et.

7           “(4) SOCIAL IMPACT PARTNERSHIP PROJECT.—  
8 The term ‘social impact partnership project’ means  
9 a project that finances social services using a social  
10 impact partnership model.

11           “(5) SOCIAL IMPACT PARTNERSHIP MODEL.—  
12 The term ‘social impact partnership model’ means a  
13 method of financing social services in which—

14                   “(A) Federal funds are awarded to a State  
15 or local government only if a State or local gov-  
16 ernment achieves certain outcomes agreed upon  
17 by the State or local government and the Direc-  
18 tor; and

19                   “(B) the State or local government coordi-  
20 nates with service providers, investors (if appli-  
21 cable to the project), and (if necessary) an  
22 intermediary to identify—

23                           “(i) an intervention expected to  
24 produce the outcome;

1                   “(ii) a service provider to deliver the  
2                   intervention to the target population; and  
3                   “(iii) investors to fund the delivery of  
4                   the intervention.

5                   “(6) STATE.—The term ‘State’ means each  
6                   State of the United States, the District of Columbia,  
7                   each commonwealth, territory or possession of the  
8                   United States, and each federally recognized Indian  
9                   tribe.’”.

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