The following is the text of the pay-for-success provisions of the Bipartisan Budget Act of 2018 (PL 115-123), enacted February 9, 2018. More information about this legislation is available on the Social Innovation Research Center web site at: www.socialinnovationcenter.org

TITLE VIII--SUPPORTING SOCIAL IMPACT PARTNERSHIPS TO PAY FOR RESULTS

SEC. 50801. SHORT TITLE.

This subtitle may be cited as the Social Impact Partnerships to Pay for Results Act.

SEC. 50802. SOCIAL IMPACT PARTNERSHIPS TO PAY FOR RESULTS.

Title XX of the Social Security Act (42 U.S.C. 1397 et seq.) is amended--
(1) in the title heading, by striking TO STATES and inserting AND PROGRAMS; and
(2) by adding at the end the following:

Subtitle C--Social Impact Demonstration Projects

Purposes

Sec. 2051. The purposes of this subtitle are the following:

(1) To improve the lives of families and individuals in need in the United States by funding social programs that achieve real results.

(2) To redirect funds away from programs that, based on objective data, are ineffective, and into programs that achieve demonstrable, measurable results.

(3) To ensure Federal funds are used effectively on social services to produce positive outcomes for both service recipients and taxpayers.

(4) To establish the use of social impact partnerships to address some of our Nation’s most pressing problems.

(5) To facilitate the creation of public-private partnerships that bundle philanthropic or other private resources with existing public spending to scale up effective social interventions already being implemented by private organizations, nonprofits, charitable organizations, and State and local governments across the country.

(6) To bring pay-for-performance to the social sector, allowing the United States to improve the impact and effectiveness of vital social services programs while redirecting inefficient or duplicative spending.

(7) To incorporate outcomes measurement and randomized controlled trials or other rigorous methodologies for assessing program impact.

Social impact partnership application

Sec. 2052. (a) Notice.--Not later than 1 year after the date of the enactment of this subtitle, the Secretary of the Treasury, in consultation with the Federal Interagency Council on Social Impact Partnerships, shall publish in the Federal Register a request for proposals from States or local governments for social impact partnership projects in accordance with this section.
(b) Required Outcomes for Social Impact Partnership Project.—To qualify as a social impact partnership project under this subtitle, a project must produce one or more measurable, clearly defined outcomes that result in social benefit and Federal, State, or local savings through any of the following:

1. Increasing work and earnings by individuals in the United States who are unemployed for more than 6 consecutive months.

2. Increasing employment and earnings of individuals who have attained 16 years of age but not 25 years of age.


4. Reducing the dependence of low-income families on Federal means-tested benefits.

5. Improving rates of high school graduation.

6. Reducing teen and unplanned pregnancies.

7. Improving birth outcomes and early childhood health and development among low-income families and individuals.

8. Reducing rates of asthma, diabetes, or other preventable diseases among low-income families and individuals to reduce the utilization of emergency and other high-cost care.


10. Reducing incidences and adverse consequences of child abuse and neglect.

11. Reducing the number of youth in foster care by increasing adoptions, permanent guardianship arrangements, reunifications, or placements with a fit and willing relative, or by avoiding placing children in foster care by ensuring they can be cared for safely in their own homes.

12. Reducing the number of children and youth in foster care residing in group homes, child care institutions, agency-operated foster homes, or other non-family foster homes, unless it is determined that it is in the interest of the child's long-term health, safety, or psychological well-being to not be placed in a family foster home.

13. Reducing the number of children returning to foster care.

14. Reducing recidivism among juvenile offenders, individuals released from prison, or other high-risk populations.

15. Reducing the rate of homelessness among our most vulnerable populations.

16. Improving the health and well-being of those with mental, emotional, and behavioral health needs.

17. Improving the educational outcomes of special-needs or low-income children.

18. Improving the employment and well-being of returning United States military members.

19. Increasing the financial stability of low-income families.
(20) Increasing the independence and employability of individuals who are physically or mentally disabled.

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

(c) Application Required.--The notice described in subsection (a) shall require a State or local government to submit an application for the social impact partnership project that addresses the following:

(1) The outcome goals of the project.

(2) A description of each intervention in the project and anticipated outcomes of the intervention.

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

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

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

(6) Projected Federal, State, and local government costs and other costs to conduct the project.

(7) Projected Federal, State, and local government savings and other savings, including an estimate of the savings to the Federal Government, on a program-by-program basis and in the aggregate, if the project is implemented and the outcomes are achieved as a result of the intervention.

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

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

(10) A description of the expertise of each service provider that will administer the intervention, including a summary of the experience of the service provider in delivering the proposed intervention or a similar intervention, or demonstrating that the service provider has the expertise necessary to deliver the proposed intervention.

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

(12) The detailed roles and responsibilities of each entity involved in the project, including any State or local government entity, intermediary, service provider, independent evaluator, investor, or other stakeholder.

(13) A summary of the experience of the service provider in delivering the proposed intervention or a similar intervention, or a summary demonstrating the service provider has the expertise necessary to deliver the proposed intervention.

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

(15) The proposed payment terms, the methodology used to
calculate outcome payments, the payment schedule, and performance thresholds.

(16) The project budget.

(17) The project timeline.

(18) The criteria used to determine the eligibility of an individual for the project, including how selected populations will be identified, how they will be referred to the project, and how they will be enrolled in the project.

(19) The evaluation design.

(20) The metrics that will be used in the evaluation to determine whether the outcomes have been achieved as a result of the intervention and how the metrics will be measured.

(21) An explanation of how the metrics used in the evaluation to determine whether the outcomes achieved as a result of the intervention are independent, objective indicators of impact and are not subject to manipulation by the service provider, intermediary, or investor.

(22) A summary explaining the independence of the evaluator from the other entities involved in the project and the evaluator's experience in conducting rigorous evaluations of program effectiveness including, where available, well-implemented randomized controlled trials on the intervention or similar interventions.

(23) The capacity of the service provider to deliver the intervention to the number of participants the State or local government proposes to serve in the project.

(24) A description of whether and how the State or local government and service providers plan to sustain the intervention, if it is timely and appropriate to do so, to ensure that successful interventions continue to operate after the period of the social impact partnership.

(d) Project Intermediary Information Required.—The application described in subsection (c) shall also contain the following information about any intermediary for the social impact partnership project (whether an intermediary is a service provider or other entity):

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

(2) The mission and goals.

(3) Information on whether the intermediary is already working with service providers that provide this intervention or an explanation of the capacity of the intermediary to begin working with service providers to provide the intervention.

(4) Experience working in a collaborative environment across government and nongovernmental entities.

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

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

(7) Capacity and infrastructure to track outcomes and measure results, including—
(A) capacity to track and analyze program performance and assess program impact; and
(B) experience with performance-based awards or
performance-based contracting and achieving project milestones and targets.

(8) Role in delivering the intervention.

(9) How the intermediary would monitor program success, including a description of the interim benchmarks and outcome measures.

(e) Feasibility Studies Funded Through Other Sources.--The notice described in subsection (a) shall permit a State or local government to submit an application for social impact partnership funding that contains information from a feasibility study developed for purposes other than applying for funding under this subtitle.

Awarding social impact partnership agreements

Sec. 2053. (a) Timeline in Awarding Agreement.--Not later than 6 months after receiving an application in accordance with section 2052, the Secretary, in consultation with the Federal Interagency Council on Social Impact Partnerships, shall determine whether to enter into an agreement for a social impact partnership project with a State or local government.

(b) Considerations in Awarding Agreement.--In determining whether to enter into an agreement for a social impact partnership project (the application for which was submitted under section 2052) the Secretary, in consultation with the Federal Interagency Council on Social Impact Partnerships and the head of any Federal agency administering a similar intervention or serving a population similar to that served by the project, shall consider each of the following:

(1) The recommendations made by the Commission on Social Impact Partnerships.

(2) The value to the Federal Government of the outcomes expected to be achieved if the outcomes specified in the agreement are achieved as a result of the intervention.

(3) The likelihood, based on evidence provided in the application and other evidence, that the State or local government in collaboration with the intermediary and the service providers will achieve the outcomes.

(4) The savings to the Federal Government if the outcomes specified in the agreement are achieved as a result of the intervention.

(5) The savings to the State and local governments if the outcomes specified in the agreement are achieved as a result of the intervention.

(6) The expected quality of the evaluation that would be conducted with respect to the agreement.

(7) The capacity and commitment of the State or local government to sustain the intervention, if appropriate and timely and if the intervention is successful, beyond the period of the social impact partnership.

(c) Agreement Authority.--

(1) Agreement requirements.--In accordance with this section, the Secretary, in consultation with the Federal Interagency Council on Social Impact Partnerships and the head of any Federal agency administering a similar intervention or serving a population similar to that served
by the project, may enter into an agreement for a social impact partnership project with a State or local government if the Secretary, in consultation with the Federal Interagency Council on Social Impact Partnerships, determines that each of the following requirements are met:

(A) The State or local government agrees to achieve one or more outcomes as a result of the intervention, as specified in the agreement and validated by independent evaluation, in order to receive payment.

(B) The Federal payment to the State or local government for each specified outcome achieved as a result of the intervention is less than or equal to the value of the outcome to the Federal Government over a period not to exceed 10 years, as determined by the Secretary, in consultation with the State or local government.

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

(D) The State or local government has demonstrated, through the application submitted under section 2052, that, based on prior rigorous experimental evaluations or rigorous quasi-experimental studies, the intervention can be expected to achieve each outcome specified in the agreement.

(E) The State, local government, intermediary, or service provider has experience raising private or philanthropic capital to fund social service investments (if applicable to the project).

(F) The State or local government has shown that each service provider has experience delivering the intervention, a similar intervention, or has otherwise demonstrated the expertise necessary to deliver the intervention.

(2) Payment.--The Secretary shall pay the State or local government only if the independent evaluator described in section 2055 determines that the social impact partnership project has met the requirements specified in the agreement and achieved an outcome as a result of the intervention, as specified in the agreement and validated by independent evaluation.

(d) Notice of Agreement Award.--Not later than 30 days after entering into an agreement under this section the Secretary shall publish a notice in the Federal Register that includes, with regard to the agreement, the following:

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

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

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

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

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

(6) The payment terms, the methodology used to calculate outcome payments, the payment schedule, and performance thresholds.

(7) The project budget.

(8) The project timeline.
(9) The project eligibility criteria.

(10) The evaluation design.

(11) The metrics that will be used in the evaluation to determine whether the outcomes have been achieved as a result of each intervention and how these metrics will be measured.

(12) The estimate of the savings to the Federal, State, and local government, on a program-by-program basis and in the aggregate, if the agreement is entered into and implemented and the outcomes are achieved as a result of each intervention.

(e) Authority to Transfer Administration of Agreement.--The Secretary may transfer to the head of another Federal agency the authority to administer (including making payments under) an agreement entered into under subsection (c), and any funds necessary to do so.

(f) Requirement on Funding Used to Benefit Children.--Not less than 50 percent of all Federal payments made to carry out agreements under this section shall be used for initiatives that directly benefit children.

Feasibility study funding

Sec. 2054. (a) Requests for Funding for Feasibility Studies.--The Secretary shall reserve a portion of the amount made available to carry out this subtitle to assist States or local governments in developing feasibility studies to apply for social impact partnership funding under section 2052. To be eligible to receive funding to assist with completing a feasibility study, a State or local government shall submit an application for feasibility study funding addressing the following:

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

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

(3) Evidence to support the likelihood that the intervention will produce the desired outcomes.

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

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

(6) Estimated costs to conduct the project.

(7) Estimates of Federal, State, and local government savings and other savings if the project is implemented and the outcomes are achieved as a result of each intervention.

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

(9) With respect to a project for which the State or local government selects an intermediary to operate the project, any partnerships needed to successfully execute the project and the ability of the intermediary to foster the partnerships.

(10) The expected resources needed to complete the feasibility study for the State or local government to apply
for social impact partnership funding under section 2052.

(b) Federal Selection of Applications for Feasibility Study.--Not later than 6 months after receiving an application for feasibility study funding under subsection (a), the Secretary, in consultation with the Federal Interagency Council on Social Impact Partnerships and the head of any Federal agency administering a similar intervention or serving a population similar to that served by the project, shall select State or local government feasibility study proposals for funding based on the following:

1. The recommendations made by the Commission on Social Impact Partnerships.
2. The likelihood that the proposal will achieve the desired outcomes.
3. The value of the outcomes expected to be achieved as a result of each intervention.
4. The potential savings to the Federal Government if the social impact partnership project is successful.
5. The potential savings to the State and local governments if the project is successful.

(c) Public Disclosure.--Not later than 30 days after selecting a State or local government for feasibility study funding under this section, the Secretary shall cause to be published on the website of the Federal Interagency Council on Social Impact Partnerships information explaining why a State or local government was granted feasibility study funding.

(d) Funding Restriction.--

1. Feasibility study restriction.--The Secretary may not provide feasibility study funding under this section for more than 50 percent of the estimated total cost of the feasibility study reported in the State or local government application submitted under subsection (a).
2. Aggregate restriction.--Of the total amount made available to carry out this subtitle, the Secretary may not use more than $10,000,000 to provide feasibility study funding to States or local governments under this section.
3. No guarantee of funding.--The Secretary shall have the option to award no funding under this section.

(e) Submission of Feasibility Study Required.--Not later than 9 months after the receipt of feasibility study funding under this section, a State or local government receiving the funding shall complete the feasibility study and submit the study to the Federal Interagency Council on Social Impact Partnerships.

(f) Delegation of Authority.--The Secretary may transfer to the head of another Federal agency the authorities provided in this section and any funds necessary to exercise the authorities.

Evaluations

Sec. 2055. (a) Authority to Enter Into Agreements.--For each State or local government awarded a social impact partnership project approved by the Secretary under this subtitle, the head of the relevant agency, as recommended by the Federal Interagency Council on Social Impact Partnerships
and determined by the Secretary, shall enter into an agreement with the State or local government to pay for all or part of the independent evaluation to determine whether the State or local government project has achieved a specific outcome as a result of the intervention in order for the State or local government to receive outcome payments under this subtitle.

(b) Evaluator Qualifications.--The head of the relevant agency may not enter into an agreement with a State or local government unless the head determines that the evaluator is independent of the other parties to the agreement and has demonstrated substantial experience in conducting rigorous evaluations of program effectiveness including, where available and appropriate, well-implemented randomized controlled trials on the intervention or similar interventions.

(c) Methodologies to Be Used.--The evaluation used to determine whether a State or local government will receive outcome payments under this subtitle shall use experimental designs using random assignment or other reliable, evidence-based research methodologies, as certified by the Federal Interagency Council on Social Impact Partnerships, that allow for the strongest possible causal inferences when random assignment is not feasible.

(d) Progress Report.--

(1) Submission of report.--The independent evaluator shall--

(A) not later than 2 years after a project has been approved by the Secretary and biannually thereafter until the project is concluded, submit to the head of the relevant agency and the Federal Interagency Council on Social Impact Partnerships a written report summarizing the progress that has been made in achieving each outcome specified in the agreement; and

(B) before the scheduled time of the first outcome payment and before the scheduled time of each subsequent payment, submit to the head of the relevant agency and the Federal Interagency Council on Social Impact Partnerships a written report that includes the results of the evaluation conducted to determine whether an outcome payment should be made along with information on the unique factors that contributed to achieving or failing to achieve the outcome, the challenges faced in attempting to achieve the outcome, and information on the improved future delivery of this or similar interventions.

(2) Submission to the secretary and congress.--Not later than 30 days after receipt of the written report pursuant to paragraph (1)(B), the Federal Interagency Council on Social Impact Partnerships shall submit the report to the Secretary and each committee of jurisdiction in the House of Representatives and the Senate.

(e) Final Report.--

(1) Submission of report.--Within 6 months after the social impact partnership project is completed, the independent evaluator shall--

(A) evaluate the effects of the activities undertaken pursuant to the agreement with regard to each outcome specified in the agreement; and

(B) submit to the head of the relevant agency and the Federal Interagency Council on Social Impact Partnerships a written report that includes the results of the evaluation
and the conclusion of the evaluator as to whether the State or local government has fulfilled each obligation of the agreement, along with information on the unique factors that contributed to the success or failure of the project, the challenges faced in attempting to achieve the outcome, and information on the improved future delivery of this or similar interventions.

(2) Submission to the secretary and congress.--Not later than 30 days after receipt of the written report pursuant to paragraph (1)(B), the Federal Interagency Council on Social Impact Partnerships shall submit the report to the Secretary and each committee of jurisdiction in the House of Representatives and the Senate.

(f) Limitation on Cost of Evaluations.--Of the amount made available under this subtitle for social impact partnership projects, the Secretary may not obligate more than 15 percent to evaluate the implementation and outcomes of the projects.

(g) Delegation of Authority.--The Secretary may transfer to the head of another Federal agency the authorities provided in this section and any funds necessary to exercise the authorities.

Federal interagency council on social impact partnerships

Sec. 2056. (a) Establishment.--There is established the Federal Interagency Council on Social Impact Partnerships (in this section referred to as the `Council') to--

(1) coordinate with the Secretary on the efforts of social impact partnership projects funded under this subtitle;

(2) advise and assist the Secretary in the development and implementation of the projects;

(3) advise the Secretary on specific programmatic and policy matter related to the projects;

(4) provide subject-matter expertise to the Secretary with regard to the projects;

(5) certify to the Secretary that each State or local government that has entered into an agreement with the Secretary for a social impact partnership project under this subtitle and each evaluator selected by the head of the relevant agency under section 2055 has access to Federal administrative data to assist the State or local government and the evaluator in evaluating the performance and outcomes of the project;

(6) address issues that will influence the future of social impact partnership projects in the United States;

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

(8) prior to approval by the Secretary, certify that each State and local government application for a social impact partnership contains rigorous, independent data and reliable, evidence-based research methodologies to support the conclusion that the project will yield savings to the State or local government or the Federal Government if the project outcomes are achieved;

(9) certify to the Secretary, in the case of each approved social impact partnership that is expected to yield
savings to the Federal Government, that the project will yield a projected savings to the Federal Government if the project outcomes are achieved, and coordinate with the relevant Federal agency to produce an after-action accounting once the project is complete to determine the actual Federal savings realized, and the extent to which actual savings aligned with projected savings; and

(10) provide periodic reports to the Secretary and make available reports periodically to Congress and the public on the implementation of this subtitle.

(b) Composition of Council.--The Council shall have 11 members, as follows:

(1) Chair.--The Chair of the Council shall be the Director of the Office of Management and Budget.

(2) Other members.--The head of each of the following entities shall designate one officer or employee of the entity to be a Council member:

(A) The Department of Labor.
(B) The Department of Health and Human Services.
(C) The Social Security Administration.
(D) The Department of Agriculture.
(E) The Department of Justice.
(F) The Department of Housing and Urban Development.
(G) The Department of Education.
(H) The Department of Veterans Affairs.
(I) The Department of the Treasury.
(J) The Corporation for National and Community Service.

Commission on social impact partnerships

Sec. 2057. (a) Establishment.--There is established the Commission on Social Impact Partnerships (in this section referred to as the 'Commission').

(b) Duties.--The duties of the Commission shall be to--

(1) assist the Secretary and the Federal Interagency Council on Social Impact Partnerships in reviewing applications for funding under this subtitle;

(2) make recommendations to the Secretary and the Federal Interagency Council on Social Impact Partnerships regarding the funding of social impact partnership agreements and feasibility studies; and

(3) provide other assistance and information as requested by the Secretary or the Federal Interagency Council on Social Impact Partnerships.

(c) Composition.--The Commission shall be composed of nine members, of whom--

(1) one shall be appointed by the President, who will serve as the Chair of the Commission;

(2) one shall be appointed by the Majority Leader of the Senate;

(3) one shall be appointed by the Minority Leader of the Senate;

(4) one shall be appointed by the Speaker of the House of Representatives;

(5) one shall be appointed by the Minority Leader of the House of Representatives;
(6) one shall be appointed by the Chairman of the Committee on Finance of the Senate;

(7) one shall be appointed by the ranking member of the Committee on Finance of the Senate;

(8) one member shall be appointed by the Chairman of the Committee on Ways and Means of the House of Representatives; and

(9) one shall be appointed by the ranking member of the Committee on Ways and Means of the House of Representatives.

(d) Qualifications of Commission Members.--The members of the Commission shall—

(1) be experienced in finance, economics, pay for performance, or program evaluation;

(2) have relevant professional or personal experience in a field related to one or more of the outcomes listed in this subtitle; or

(3) be qualified to review applications for social impact partnership projects to determine whether the proposed metrics and evaluation methodologies are appropriately rigorous and reliant upon independent data and evidence-based research.

(e) Timing of Appointments.--The appointments of the members of the Commission shall be made not later than 120 days after the date of the enactment of this subtitle, or, in the event of a vacancy, not later than 90 days after the date the vacancy arises. If a member of Congress fails to appoint a member by that date, the President may select a member of the President's choice on behalf of the member of Congress. Notwithstanding the preceding sentence, if not all appointments have been made to the Commission as of that date, the Commission may operate with no fewer than five members until all appointments have been made.

(f) Term of Appointments.--

(1) In general.--The members appointed under subsection (c) shall serve as follows:
   (A) Three members shall serve for 2 years.
   (B) Three members shall serve for 3 years.
   (C) Three members (one of which shall be Chair of the Commission appointed by the President) shall serve for 4 years.

(2) Assignment of terms.--The Commission shall designate the term length that each member appointed under subsection (c) shall serve by unanimous agreement. In the event that unanimous agreement cannot be reached, term lengths shall be assigned to the members by a random process.

(g) Vacancies.--Subject to subsection (e), in the event of a vacancy in the Commission, whether due to the resignation of a member, the expiration of a member's term, or any other reason, the vacancy shall be filled in the manner in which the original appointment was made and shall not affect the powers of the Commission.

(h) Appointment Power.--Members of the Commission appointed under subsection (c) shall not be subject to confirmation by the Senate.
**Limitation on use of funds**

Sec. 2058. Of the amounts made available to carry out this subtitle, the Secretary may not use more than $2,000,000 in any fiscal year to support the review, approval, and oversight of social impact partnership projects, including activities conducted by—

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

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

**No federal funding for credit enhancements**

Sec. 2059. No amount made available to carry out this subtitle may be used to provide any insurance, guarantee, or other credit enhancement to a State or local government under which a Federal payment would be made to a State or local government as the result of a State or local government failing to achieve an outcome specified in an agreement.

**Availability of funds**

Sec. 2060. Amounts made available to carry out this subtitle shall remain available until 10 years after the date of the enactment of this subtitle.

**Website**

Sec. 2061. The Federal Interagency Council on Social Impact Partnerships shall establish and maintain a public website that shall display the following:

(1) A copy of, or method of accessing, each notice published regarding a social impact partnership project pursuant to this subtitle.

(2) A copy of each feasibility study funded under this subtitle.

(3) For each State or local government that has entered into an agreement with the Secretary for a social impact partnership project, the website shall contain the following information:

(A) The outcome goals of the project.

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

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

(D) The expected social benefits to participants who receive the intervention and others who may be impacted.

(E) The detailed roles, responsibilities, and purposes of each Federal, State, or local government entity, intermediary, service provider, independent evaluator, investor, or other stakeholder.

(F) The payment terms, methodology used to calculate outcome payments, the payment schedule, and performance thresholds.

(G) The project budget.
(H) The project timeline.

(I) The project eligibility criteria.

(J) The evaluation design.

(K) The metrics used to determine whether the proposed outcomes have been achieved and how these metrics are measured.

(4) A copy of the progress reports and the final reports relating to each social impact partnership project.

(5) An estimate of the savings to the Federal, State, and local government, on a program-by-program basis and in the aggregate, resulting from the successful completion of the social impact partnership project.

Regulations

Sec. 2062. The Secretary, in consultation with the Federal Interagency Council on Social Impact Partnerships, may issue regulations as necessary to carry out this subtitle.

Definitions

Sec. 2063. In this subtitle:

(1) Agency.--The term 'agency' has the meaning given that term in section 551 of title 5, United States Code.

(2) Intervention.--The term 'intervention' means a specific service delivered to achieve an impact through a social impact partnership project.

(3) Secretary.--The term 'Secretary' means the Secretary of the Treasury.

(4) Social impact partnership project.--The term 'social impact partnership project' means a project that finances social services using a social impact partnership model.

(5) Social impact partnership model.--The term 'social impact partnership model' means a method of financing social services in which:

(A) Federal funds are awarded to a State or local government only if a State or local government achieves certain outcomes agreed on by the State or local government and the Secretary; and

(B) the State or local government coordinates with service providers, investors (if applicable to the project), and (if necessary) an intermediary to identify--

(i) an intervention expected to produce the outcome;

(ii) a service provider to deliver the intervention to the target population; and

(iii) investors to fund the delivery of the intervention.

(6) State.--The term 'State' means each State of the United States, the District of Columbia, each commonwealth, territory or possession of the United States, and each federally recognized Indian tribe.

Funding

Sec. 2064. Out of any money in the Treasury of the United States not otherwise appropriated, there is hereby appropriated $100,000,000 for fiscal year 2018 to carry out this subtitle.