

## HB 1324 -- SOCIAL IMPACT BONDS

SPONSOR: Rowden

This bill creates the Human Investment Commission within the Department of Social Services and instructs the department through the Human Investment Commission, to conduct a feasibility study into the utility and cost of developing and using social impact bonds. The commission must include two members of the House of Representatives, one appointed by the Speaker of the House and the other by the Minority Floor Leader. The remaining member appointments are specified in the bill and a majority of the members will make a quorum.

The commission will be responsible for:

- (1) Researching the Pay for Success federal program and similar state program to determine whether a similar program would be beneficial to Missouri;
- (2) Determining whether social impact bonds are a beneficial financial tool for Missouri;
- (3) Determining whether social impact bond agreements would use public resources more efficiently and improve services for disadvantaged populations;
- (4) Identifying third party providers that create and implement prevention-based social service programs and service that results in positive impacts for individuals and families that are cost beneficial and that efficiently utilize government resources;
- (5) Developing and approving metrics to evaluate the third party provider's fiscal impact and project efficacy;
- (6) Identifying third party evaluators to determine whether a social impact bond agreement has been successfully performed; and
- (7) Submitting a full report on social impact bonds to the General Assembly by January 30 of each year that the General Assembly convenes in regular session.

The provisions of this section will expire on January 30, 2020.