

BILL SUMMARY
1st Session of the 57th Legislature

Bill No.:	SB 210
Version:	Engrossed
Request Number:	
Author:	Rep. Fetgatter and Sen. Thompson
Date:	3/25/2019
Impact:	no direct fiscal impact

Research Analysis

SB 210 creates the Pay for Success Act, which allows an agency to enter into a contract with a private entity to receive upfront capital to fund a service or program, so long as the contract results in a public benefit to the state. Each contract must require the private entity to underwrite or otherwise secure upfront capital, identify a specific service or program to be funded, identify performance targets against which the service or program can be measured, specify an independent third-party evaluator, and state that the amount of funds to be reimbursed to the private entity is contingent upon the degree to which the service or program has met its performance targets.

Prepared By: Sean Webster

Fiscal Analysis

SB 210 in its current form creates the Pay-for-Success Innovation Fund and provides parameters for pay-for-success contracts and success payments. The measure does not itself provide funding for the Innovation Fund. The measure provides permissive language for agencies to enter into pay-for-success contracts. It is assumed that agencies will not enter into such contracts requiring success payments until the Innovation Fund is adequately funded. SB 210 creates a framework whereby a program may generate costs upon the subsequent funding of the Innovation Fund, however, the measure itself has no direct fiscal impact.

Prepared By: John McPhetridge

Other Considerations

None.