

BILL SUMMARY
1st Session of the 57th Legislature

Bill No.:	HB 2670
Version:	INT
Request Number:	7138
Author:	Rep. Wallace
Date:	2/12/2019
Impact:	\$0
Creates Program Framework	

Funding Included in Executive Budget (\$1.5 Million)

Research Analysis

HB2670, as introduced, creates the Pay for Success Act to allow state agencies to establish public-private partnerships in the form of a pay-for-success contract, which will include specific performance targets and outcome measures that the private entity contracting with an agency must meet in order to receive a success payment from the state. Success payments will come from money appropriated to the newly created Pay for Success Innovation Fund managed by the Office of Management and Enterprise Services.

Prepared By: Quyen Do

Fiscal Analysis

The measure provides the framework for a performance-based Pay for Success program, authorizing agencies to enter into contracts with private entities to receive up-front capital to fund a service or program.

Provisions include the creation of the Pay for Success Innovation Fund for the Office of Management and Enterprise Services (OMES). While no specific funding is included in the measure, the FY-20 Executive Budget includes \$1,500,000 to complete the Pay for Success contract for the Women in Recovery Program. Also, \$500,000 is included in the FY-19 OMES budget for the same arrangement.

Prepared By: Mark Tygret

Other Considerations

None.