

Bill Summary
1st Session of the 57th Legislature

Bill No.:	SB 978
Version:	INT
Request No.:	871
Author:	Sen. Stanislawski
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Bill Analysis

SB 978 creates the Pay for Success Act. The measure authorizes agencies to enter into public-private partnerships contingent upon services or programs meeting specified performance targets and outcome measures. To pay for these services, the measure creates the Pay-for-Success Innovation Fund. The Office of Management and Enterprise Services will administer the Fund.

After an agency head determines that a contract will result in a public benefit, an agency may contract a private entity to secure up-front capital from private investors to fund a state service or program. In addition to securing private funding, the pay-for success contracts must contain a method to secure a third-party to provide status reports, identify a payment schedule, and identify success metrics for a project.

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