HOUSE BILL 951

P2 3lr2676

By: **Delegates Waldstreicher and Hough**
Introduced and read first time: February 7, 2013
Assigned to: Appropriations

A BILL ENTITLED

AN ACT concerning

Task Force to Study Social Impact Bonds

FOR the purpose of establishing the Task Force to Study Social Impact Bonds; providing for the composition and chair of the Task Force; prohibiting a member of the Task Force from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the Task Force to study and make recommendations regarding certain matters; requiring the Task Force to report its findings and recommendations on or before a certain date; defining a certain term; providing for the termination of this Act; and generally relating to social impact bonds.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That:

(a) In this section, "social impact bond" means a contract between the State and a private or nonprofit organization in which the organization provides up–front funding for a project aimed at a particular social objective, with repayment and earned interest contingent on achievement of specified social outcomes and financial savings to the State.

(b) There is a Task Force to Study Social Impact Bonds.

(c) The Task Force shall consist of:

(1) two members of the Senate, appointed by the President of the Senate;

(2) two members of the House of Delegates, appointed by the Speaker of the House;

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**
[Brackets**]** indicate matter deleted from existing law.

(3) a representative of the Department of Business and Economic Development;

(4) a representative of the Office of the Comptroller;

(5) a representative of the Maryland Association of Nonprofit Organizations; and

(6) two individuals appointed by the Governor with knowledge of and expertise in:

(i) foundation–based philanthropy and grant making;

(ii) private equity; and

(iii) socially responsible investment or impact investment.

(d) The Governor shall designate the chair of the Task Force.

(e) A member of the Task Force:

(1) may not receive compensation as a member of the Task Force; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(f) The Task Force shall study and develop recommendations, including proposed legislation and policy initiatives concerning the generation, promotion, and implementation of social impact bonds in the State.

(g) On or before January 1, 2015, the Task Force shall report its findings and recommendations to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013. It shall remain effective for a period of 3 years and, at the end of June 30, 2016, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.