

116TH CONGRESS
1ST SESSION

H. R. 3385

To provide for the establishment of a Commission on the Advancement of
Social Enterprise, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 20, 2019

Mr. CICILLINE introduced the following bill; which was referred to the
Committee on Oversight and Reform

A BILL

To provide for the establishment of a Commission on the
Advancement of Social Enterprise, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Social Enterprise Eco-
5 system and Economic Development Commission Act of
6 2019” or as the “SEED Commission Act of 2019”.

7 **SEC. 2. COMMISSION ON THE ADVANCEMENT OF SOCIAL**
8 **ENTERPRISE.**

9 (a) **ESTABLISHMENT.**—There is established a com-
10 mission to be known as the Commission on the Advance-

1 ment of Social Enterprise (referred to in this section as
2 the “Commission”). The purpose of the Commission is to
3 examine and make recommendations with respect to ways
4 the Federal Government can support and utilize the trans-
5 formative power of social enterprises.

6 (b) FEDERAL ADVISORY COMMITTEE ACT.—The
7 Federal Advisory Committee Act does not apply to the
8 Commission established under this section.

9 (c) MEMBERSHIP.—The membership of the Commis-
10 sion shall be composed of the following or their designees:

11 (1) The Administrator of the Small Business
12 Administration.

13 (2) The Administrator of the Economic Devel-
14 opment Administration.

15 (3) The Assistant to the President for Domestic
16 Policy.

17 (4) The Commissioner of Internal Revenue.

18 (5) The Secretary of Labor.

19 (6) The Director of the National Economic
20 Council.

21 (7) The Chair of the Council of Economic Advi-
22 sors.

23 (8) The Secretary of the Treasury.

24 (9) The Secretary of Commerce.

1 (10) The Secretary of Housing and Urban De-
2 velopment.

3 (d) OPERATION.—

4 (1) CHAIRPERSON.—The Director of the Do-
5 mestic Policy Council shall serve as the Chairperson
6 of the Commission.

7 (2) MEETINGS.—

8 (A) IN GENERAL.—The Commission shall
9 meet at the call of the Chairperson.

10 (B) INITIAL MEETING.—The initial meet-
11 ing shall take place not later than 30 days after
12 the date of enactment of this Act.

13 (3) QUORUM.—A majority of the members of
14 the Commission shall constitute a quorum, but a
15 lesser number of members may hold hearings.

16 (4) RULES.—The Commission may establish, by
17 majority vote, any rules for the conduct of Commis-
18 sion business, in accordance with this Act and other
19 applicable law.

20 (e) DUTIES.—

21 (1) DEFINING SOCIAL ENTERPRISE.—Not later
22 than 1 year after the initial meeting of the Commis-
23 sion, the Commission shall establish criteria for
24 identifying social enterprises for purposes of Federal
25 programs. The Commission will draw upon existing

1 leading research and scholarship in this area as well
2 as the input of practitioners and policy experts with-
3 in the social enterprise field.

4 (2) STUDY ACTIVITIES.—

5 (A) IN GENERAL.—The Commission shall
6 identify opportunities for the Federal Govern-
7 ment to more effectively engage social enter-
8 prises in creating jobs and strengthening local
9 economies while achieving optimal outcomes in
10 addressing policy challenges at the national,
11 State, and local level. The Commission shall re-
12 ceive and consider reports and testimony from
13 individuals, government departments, State and
14 local elected officials, community-based organi-
15 zations, nonprofit organizations, faith-based or-
16 ganizations, foundations, and other public and
17 private organizations statewide and of national
18 significance on the following:

19 (i) How social enterprise can accel-
20 erate progress on social issues.

21 (ii) How social enterprises work in a
22 cross-sector manner.

23 (iii) How social enterprise can ad-
24 vance social and economic development
25 goals.

1 (B) AREAS OF STUDY AND RECOMMENDA-
2 TION.—The areas studied and potential rec-
3 ommendations offered by the Commission under
4 this paragraph shall include the following:

5 (i) The role of social enterprises in the
6 United States economy.

7 (ii) The role of social enterprises in
8 addressing economic, social, and environ-
9 mental policy challenges across all levels of
10 government.

11 (iii) The role of social enterprises as
12 community support and development enti-
13 ties.

14 (iv) A statistical and qualitative exam-
15 ination of social enterprise within the
16 United States and its contribution to the
17 social and economic development of the
18 United States.

19 (v) Means through which the Federal
20 Government can assist in enhancing the
21 capacity of social enterprises.

22 (vi) Corporate legal structures that
23 foster or impede the development of social
24 enterprises.

1 (vii) How to reform the Internal Rev-
2 enue Code to reduce obstacles that social
3 enterprises face when addressing social
4 issues and creating economic value through
5 innovative methods.

6 (viii) How to reform Federal securi-
7 ties laws to encourage impact investing.

8 (ix) How the Federal Government can
9 leverage existing Community Development
10 Financial Institutions programs.

11 (x) How various sectors (including but
12 not limited to philanthropic, for-profit, and
13 nonprofit sectors) and levels of government
14 currently interact with social enterprises.

15 (xi) Review of the current process
16 through which social enterprises—both for-
17 profit and nonprofit organizations—can
18 obtain Federal loans, grants, and contracts
19 and offer recommendations for improving
20 these processes in light of the special needs
21 and contributions of social enterprises.

22 (xii) Review of the current process,
23 policies, and procedures through which so-
24 cial enterprises—both for-profit and non-
25 profit organizations—can access Federal

1 contracting opportunities and offer rec-
2 ommendations for improving the access of
3 social enterprises to Federal procurement
4 opportunities.

5 (xiii) How the Federal Government
6 can play a role in developing a purchasing
7 directory of social enterprises within the
8 United States that can be supported by
9 citizens, businesses, and government.

10 (xiv) Opportunities for the Federal
11 Government to develop and expand re-
12 search and the collection and analysis of
13 longitudinal data on social enterprises.

14 (xv) Barriers to social enterprise
15 growth.

16 (xvi) Opportunities for the develop-
17 ment of an entity or initiative to support
18 intermediaries that will promote and invest
19 in social enterprise.

20 (xvii) Identification of the appropriate
21 entity within the Federal Government that
22 shall be charged with the responsibility of
23 preparing an annual report to Congress on
24 the impact of social enterprises in the
25 United States and the extent to which the

1 Federal Government interacts with, sup-
2 ports, and invests in social enterprises.
3 And, where appropriate, this entity shall
4 monitor and update the areas of study list-
5 ed in this subparagraph.

6 (f) POWERS OF THE COMMISSION.—

7 (1) HEARINGS.—The Commission may hold
8 such hearings and collect such information as appro-
9 priate for carrying out this section.

10 (2) INFORMATION.—Except as otherwise pro-
11 hibited by law, the Commission may secure directly
12 from any Federal department or agency information
13 the Commission considers necessary to carry out this
14 section. Upon the request of the Commission, the
15 head of the any Federal agency shall furnish infor-
16 mation requested under this paragraph to the Com-
17 mission.

18 (3) CONTRACT AUTHORITY.—The Commission
19 may enter into contracts for research to inform the
20 deliberations of the Commission.

21 (4) MAILS.—The Commission may use the
22 United States mails in the same manner and under
23 the same conditions as other agencies of the Federal
24 Government.

25 (g) COMMISSION PERSONNEL MATTERS.—

1 (1) DETAIL OF FEDERAL EMPLOYEES.—On the
2 affirmative vote of $\frac{2}{3}$ of the members of the Com-
3 mission and the approval of the appropriate Federal
4 agency head, an employee of the Federal Govern-
5 ment at GS-13 level or higher may be detailed to
6 the Commission without reimbursement, and such
7 detail shall be without interruption or loss of civil
8 service status, benefits, or privileges.

9 (2) STAFF.—

10 (A) IN GENERAL.—

11 (i) APPOINTMENT AND COMPENSA-
12 TION.—The chairperson, in accordance
13 with rules agreed upon by the Commission,
14 may appoint and fix the compensation of a
15 staff director and such other personnel as
16 may be necessary to enable the Commis-
17 sion to carry out its functions, without re-
18 gard to the provisions of title 5, United
19 States Code, governing appointments in
20 the competitive service, and without regard
21 to the provisions of chapter 51 and sub-
22 chapter III of chapter 53 of such title re-
23 lating to classification and General Sched-
24 ule pay rates, except that no rate of pay
25 fixed under this subsection may exceed the

1 equivalent of that payable for a position at
2 Level V of the Executive Schedule under
3 section 5316 of title 5, United States
4 Code.

5 (ii) PERSONNEL AS FEDERAL EM-
6 PLOYEES.—

7 (I) IN GENERAL.—Any personnel
8 of the Commission who are employees
9 shall be employees under section 2105
10 of title 5, United States Code, for
11 purposes of chapters 63, 81, 83, 84,
12 85, 87, 89, and 90 of that title.

13 (II) MEMBERS OF THE COMMIS-
14 SION.—Subparagraph (I) shall not be
15 construed to apply to members of the
16 Commission.

17 (B) VOLUNTEER SERVICES.—Notwith-
18 standing section 1342 of title 31, United States
19 Code, the Commission may accept and use vol-
20 untary and uncompensated services as the Com-
21 mission determines necessary.

22 (h) CONTRACTS FOR RESEARCH.—

23 (1) RESEARCHERS AND EXPERTS.—On an af-
24 firmative vote of $\frac{2}{3}$ of the members of the Commis-
25 sion, the Commission may select nongovernmental

1 researchers and experts to assist the Commission in
2 carrying out the duties of the Commission under this
3 section.

4 (2) OTHER ORGANIZATIONS.—Nothing in this
5 subsection limits the ability of the Commission to
6 enter into contracts with any other entity or organi-
7 zation to carry out research necessary to carry out
8 the duties of the Commission under this section.

9 (i) REPORT.—Not later than 1 year after the Com-
10 mission establishes criteria by which to identify social en-
11 terprise, the Commission shall submit to the President and
12 Congress a report on the Commission’s findings, conclu-
13 sions, and recommendations. The report shall identify the
14 Federal programs recommended and shall include—

15 (1) reports on all matters studied as described
16 in subsection (e); and

17 (2) how existing Federal Government programs
18 can be expanded to take advantage of the social and
19 economic benefits of social enterprises.

20 (j) TERMINATION.—The Commission shall terminate
21 90 days after the date on which the Commission submits
22 the report of the Commission under subsection (i).

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