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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 701
133rd General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. Holmes and Crossman

Yosef Schiff, Attorney

SUMMARY

- Establishes the Social Impact Bond Program to achieve certain social impact goals, such as lowering the recidivism rate of offenders released from state correctional institutions.
- Requires contracts entered into under the program to include performance targets against which a contractor's progress will be measured.
- Establishes the Social Impact Bond Fund to fund the program.

DETAILED ANALYSIS

Social Impact Bond Program

The bill establishes the Social Impact Bond Program, which will be funded by the Social Impact Bond Fund established by the bill. Under the program, the Director of Rehabilitation and Correction may enter into multi-year contracts to achieve certain social impact goals, such as lowering the recidivism rate of offenders released from state correctional institutions.

Each such contract must do all of the following:

- Require the Department of Rehabilitation and Correction to specify performance targets to be met by the contractor;
- Require the performance targets to be measured against the experiences of Wisconsin, Illinois, Indiana, and Michigan during the same period and to require Ohio's improved performance to exceed the average improvement of those states;
- Specify the process the Department must use to evaluate the contractor's progress toward meeting each performance target;
- Require the Department, upon a determination that a contractor has met a performance target, to pay the contractor the installment due for meeting that target;

- Designate the maximum amount a contractor may earn for its progress toward achieving each performance target.¹

Social Impact Bond Fund

The Social Impact Bond Fund will consist of all moneys credited to it by the General Assembly or otherwise made available. At the beginning of each fiscal year and subject to Controlling Board approval, the Director may transfer to the fund up to 5% of all funds appropriated to the Department. In addition, the Director must seek and apply for federal funds to the extent that they are available for the fund’s purposes.²

HISTORY

Action	Date
Introduced	06-10-20

H0701-I-133/ks

¹ R.C. 5120.90 and 5120.91.

² R.C. 5120.90.