



**Kelly Brough**  
*President and CEO,*  
Denver Metro Chamber of Commerce

**House Bill 15-1317**  
**Sponsors: Rep. Garnett and Rankin and**  
**Sen. Johnston and Martinez Humenik**  
**House Business Affairs and Labor**  
**April 14, 2015**

Good afternoon Madam Chair and members of the Committee. My name is Kelly Brough and I am President and CEO of the Denver Metro Chamber of Commerce. The Denver Metro Chamber is a business association of over 3000 members, large and small, across diverse industries, for profit and non-profit and up and down the Front Range. These organizations employ more than 300,000 workers across Colorado. Our mission is to put Coloradans to work.

I am here today to testify in support of HB 1317, concerning Pay for Success Contracts.

We are supportive of this bill's authorization to the state to identify and enter into performance contracts that could save taxpayer resources and result in positive movement on key social issues.

This bill brings the discipline, the financial rigor and the risk of the market into social issues that are extremely challenging to impact.

We believe the bill invites innovation and allows the market to assess and invest in that innovation. In the instances where the investors are accurate, the state receives the long term benefit of reducing future costs for taxpayers and investors achieve their rate of return. When it isn't successful taxpayers continue to pay the same revenue stream for the services and investors are at risk to not gain the return they had wanted.

This approach has been implemented in Europe and with growing interest in the United States. For programs to fit into this opportunity it requires very clear revenue streams and that a strong correlation exist between the action and the results. We know that this type of program only makes sense in a few instances and we shouldn't miss those opportunities. Programs in other states and countries have looked at reducing recidivism for released convicts, reducing the placement of children into special education programs and increasing mental health and housing services to reduce the cost of homelessness.

This bill allows us to bring the best public, non-profit and private sector thinking together to address some of the social challenges we still face in Colorado.

Please vote Yes on HB1317.