#### HOUSE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

<u>April 14, 2015</u> Date

Committee on **Business Affairs and Labor**.

After consideration on the merits, the Committee recommends the following:

<u>HB15-1317</u> be amended as follows, and as so amended, be referred to the Committee on <u>Appropriations</u> with favorable recommendation:

- 1 Amend printed bill, page 3, after line 15 insert:
- 2 "(3) "INVESTOR" MEANS A PERSON OR ENTITY THAT IS NOT A LEAD
  3 CONTRACTOR OR PROVIDER AND THAT PROVIDES WORKING CAPITAL TO
  4 FUND THE PROVISION OF SERVICES UNDER A CONTRACT.".
- 5 Renumber succeeding subsections accordingly.
- 6 Page 4, line 4, strike "SOCIAL SERVICES" and substitute 7 "PROGRAM-ELIGIBLE INTERVENTIONS".
- 8 Page 4, line 6, strike "SOCIAL SERVICES" and substitute
  9 "PROGRAM-ELIGIBLE INTERVENTIONS".

Page 4, line 9, strike the first "SOCIAL SERVICES," and substitute
"PROGRAM-ELIGIBLE INTERVENTIONS THROUGHOUT THE CONTRACT AS
NEGOTIATED BY THE PARTIES" and strike the second "SOCIAL SERVICES"
and substitute "PROGRAM-ELIGIBLE INTERVENTIONS".

14 Page 4, after line 13 insert:

15 "(6) "PROGRAM-ELIGIBLE INTERVENTIONS" MEANS SERVICES
16 PROVIDED IN ORDER TO IMPROVE THE LIVES AND LIVING CONDITIONS OF
17 INDIVIDUALS BY INCREASING ECONOMIC OPPORTUNITY AND THE

# \*HB1317\_C.001\*

- LIKELIHOOD OF HEALTHY FUTURES AND PROMOTING CHILD AND YOUTH
   DEVELOPMENT.".
- 3 Renumber succeeding subsections accordingly.
- 4 Page 4, line 15, strike "SOCIAL SERVICES" and substitute 5 "PROGRAM-ELIGIBLE INTERVENTIONS".
- 6 Page 4, line 17, strike "SOCIAL SERVICES" and substitute7 "PROGRAM-ELIGIBLE INTERVENTIONS".
- 8 Page 4, line 19, strike "SERVICES;" and substitute "INTERVENTIONS;".
- 9 Page 4, line 21, strike "SOCIAL SERVICES" and substitute 10 "PROGRAM-ELIGIBLE INTERVENTIONS".
- 11 Page 4, line 22, strike "SOCIAL SERVICES." and substitute 12 "PROGRAM-ELIGIBLE INTERVENTIONS.".
- 13 Page 5, line 12, strike "SOCIAL SERVICES." and substitute 14 "PROGRAM-ELIGIBLE INTERVENTIONS.".

Page 5, line 26, "SOCIAL SERVICES." and substitute "PROGRAM-ELIGIBLE
INTERVENTIONS. ENTRY INTO SUCH A CONTRACT IS GENERALLY SUBJECT
TO THE REQUIREMENTS OF THE "PROCUREMENT CODE", ARTICLES 101 TO
112 OF THIS TITLE, AND THE OFFICE IS ENCOURAGED, BUT NOT REQUIRED,
TO USE THE COMPETITIVE SEALED PROPOSALS PROCESS SPECIFIED IN
SECTION 24-103-203.".

21 Page 6, line 12, strike "SOCIAL SERVICES" and substitute 22 "PROGRAM-ELIGIBLE INTERVENTIONS".

Page 6, line 16, strike "TARGETS;" and substitute "TARGETS. THE
INTERVENTIONS THAT A LEAD CONTRACTOR DIRECTLY OR INDIRECTLY
PROVIDES MUST NOT SUPPLANT ANY EXISTING STATE, LOCAL
GOVERNMENT, OR SCHOOL DISTRICT EMPLOYEE WHO IS PROVIDING THE
SAME INTERVENTIONS THAT THE LEAD CONTRACTOR WILL DIRECTLY OR
INDIRECTLY PROVIDE.".

Page 6, line 18, strike "CONTRACT;" and substitute "CONTRACT AND
IDENTIFIED SUBCONTRACTORS;".

### \*HB1317\_C.001\*

-2-

1 Page 6, after line 18 insert:

2 "(c) STATE THAT ONCE THE CONTRACT IS EXECUTED, AN INVESTOR 3 THAT IS FUNDING THE ACTIVITIES OF A LEAD CONTRACTOR UNDER THE 4 TERMS OF THE CONTRACT IS PROHIBITED FROM DICTATING THE MANNER OF 5 DELIVERY OF SERVICES TO BE PROVIDED UNDER THE TERMS OF THE 6 CONTRACT BY THE LEAD CONTRACTOR OR ANY OTHER PROVIDER THAT ARE 7 NOT RELATED TO THE POTENTIAL FOR THE PROJECT TO DELIVER THE 8 SUCCESS MEASURES IN THE CONTRACT. THIS PARAGRAPH (c) DOES NOT 9 PROHIBIT AN INVESTOR FROM PERFORMING DUE DILIGENCE ON ITS 10 INVESTMENT OR MANAGING THE INVESTMENT.".

- 11 Page 6, line 19, strike "(c)" and substitute "(d)".
- 12 Page 6, after line 21 insert:

13 SPECIFY THAT THE PROVISION OF PROGRAM-ELIGIBLE "(e) 14 INTERVENTIONS PROVIDED BY THE LEAD CONTRACTOR MAY NOT EXCEED 15 A PERIOD OF SEVEN YEARS UNLESS ONE OR MORE DEFINED PERFORMANCE 16 TARGETS SPECIFIED IN THE CONTRACT IS MET WITHIN THE FIRST SEVEN 17 YEARS IN WHICH THE INTERVENTIONS ARE PROVIDED, BUT THE 18 EVALUATION OF THE SUCCESS OF THE CONTRACT MAY TAKE INTO 19 ACCOUNT OUTCOMES THAT OCCUR AT ANY TIME AFTER THE PROVISION OF 20 PROGRAM-ELIGIBLE INTERVENTIONS HAS BEEN COMPLETED.".

- 21 Reletter succeeding paragraphs accordingly.
- 22 Page 7, strike lines 1 through 4 and substitute:

"(h) INCLUDE A CLAUSE THAT SPECIFIES ANY CAUSES FOR AND THE
PROCEDURES FOR EARLY TERMINATION OF A CONTRACT, REQUIRES AT
LEAST NINETY DAYS NOTICE TO EACH PARTY TO THE CONTRACT AND ANY
SERVICE PROVIDER OF A PROPOSED TERMINATION, AND REQUIRES A
TRANSITION PLAN THAT MINIMIZES ANY NEGATIVE IMPACT ON THE
INDIVIDUALS BEING SERVED BY THE LEAD CONTRACTOR SHOULD EARLY
TERMINATION OCCUR.".

30 Page 7, line 17, strike "AT THE END OF A PILOT";

31 Page 7, line 18, strike "PERIOD FOR THOSE PROGRAMS AND SERVICES" and

32 substitute "FOR THOSE PROGRAM-ELIGIBLE INTERVENTIONS".

# \*HB1317\_C.001\*

Page 7, line 22, after "REVIEW." add "THE OFFICE SHALL ANNUALLY MAKE
 PUBLICLY AVAILABLE A SUMMARY THAT IDENTIFIES THE DEFINED
 PERFORMANCE TARGETS MET AND NOT MET AND AMOUNTS OF SUCCESS
 PAYMENTS PAID.".

5 Page 8, line 2, strike "SOCIAL SERVICES" and substitute 6 "PROGRAM-ELIGIBLE INTERVENTIONS".

Page 8, line 20, strike "NOTHING" and substitute "UNLESS OTHERWISE
SPECIFICALLY PROVIDED, NOTHING".

9 Page 8, strike lines 24 through 27 and substitute: "ANY APPLICABLE
10 FEDERAL, STATE, OR LOCAL LAW OR RULE.".

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# \*HB1317\_C.001\*