

117TH CONGRESS
1ST SESSION

S. _____

To establish a national and community service pay for results program.

IN THE SENATE OF THE UNITED STATES

Mr. YOUNG (for himself and Mr. REED) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To establish a national and community service pay for results program.

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 “Volunteer Innovation
5 Act”.

6 **SEC. 2. NATIONAL SERVICE PAY FOR RESULTS PILOT PRO-**
7 **GRAM.**

8 Subtitle H of title I of the National and Community
9 Service Act of 1990 (42 U.S.C. 12653 et seq.) is amend-
10 ed—

1 (1) by redesignating parts IV and V as parts V
2 and VI, respectively; and

3 (2) by inserting after part III the following:

4 **“PART IV—NATIONAL SERVICE PAY FOR**
5 **RESULTS PROGRAM**

6 **“SEC. 198L. DEFINITIONS.**

7 “In this part:

8 “(1) B CORPS ENTITY.—The term ‘B Corps en-
9 tity’ means a private for-profit entity that—

10 “(A) has social sustainability or environ-
11 mental performance standards;

12 “(B) has accountability standards; and

13 “(C) is transparent in reporting the enti-
14 ty’s social or environmental performance.

15 “(2) B CORPS PARTNERSHIP.—The term ‘B
16 Corps partnership’ means a partnership between a B
17 Corps entity and one or more community-based enti-
18 ties (as such term is defined in section 101).

19 “(3) ELIGIBLE ENTITY.—The term ‘eligible en-
20 tity’ means—

21 “(A) a B Corps partnership; or

22 “(B) a community-based entity (as defined
23 in section 101).

24 “(4) INTERVENTION.—The term ‘intervention’
25 means a specific service delivered to achieve an im-

1 pact through a national service pay for results
2 project.

3 “(5) NATIONAL SERVICE PAY FOR RESULTS
4 MODEL.—The term ‘national service pay for results
5 model’ means a method of financing national service
6 programs in which—

7 “(A) Federal funds are awarded to a eligi-
8 ble entity, only if the eligible entity achieves
9 certain outcomes agreed on by the entity and
10 the Corporation;

11 “(B) the eligible entity coordinates with
12 the Chief Executive Officer and investors to
13 identify—

14 “(i) an intervention expected to
15 produce the outcome; and

16 “(ii) investors to fund the delivery of
17 the intervention; and

18 “(C) the eligible entity implements the
19 intervention through the use of participants.

20 “(6) NATIONAL SERVICE PAY FOR RESULTS
21 PROJECT.—The term ‘national service pay for re-
22 sults project’ means a project that finances national
23 service programs using a national service pay for re-
24 sults model.

1 “(7) PARTICIPANT.—The term ‘participant’ has
2 the meaning given the term in section 101.

3 **“SEC. 198M. NATIONAL SERVICE PAY FOR RESULTS PILOT**
4 **PROGRAM.**

5 “(a) PLANNING PERIOD.—Not later than 15 days
6 after the date of enactment of this section, the Corpora-
7 tion shall begin a planning and consultation period in
8 order to assess appropriate outreach needed to potential
9 applicants. The Corporation shall conduct an internal re-
10 view and assessment to plan appropriate allocation of staff
11 and other resources needed to ensure successful implemen-
12 tation of the program under this section.

13 “(b) NOTICE.—

14 “(1) IN GENERAL.—Not later than 12 months
15 after the date of enactment of this part, the Chief
16 Executive Officer shall publish in the Federal Reg-
17 ister a request for proposals from eligible entities for
18 national service pay for results projects in accord-
19 ance with this section.

20 “(2) MANNER OF NOTICE.—The Corporation
21 shall provide advance notice to potential eligible enti-
22 ty applicants of any national service priorities to be
23 in effect for a fiscal year, in the same manner as
24 such notice is provided under section 122(f)(2).

1 “(c) REQUIRED OUTCOMES FOR NATIONAL SERVICE
2 PAY FOR RESULTS PROJECT.—To qualify as a national
3 service pay for results project under this part, a project
4 must effectively utilize participants to produce 1 or more
5 measurable, clearly defined outcomes that result in Fed-
6 eral savings and social benefit through any of the activities
7 described in subparagraphs (B) of paragraphs (1) through
8 (5) of section 122(a).

9 “(d) APPLICATION REQUIRED.—The notice described
10 in subsection (b) shall require a eligible entity to submit,
11 not later than 6 months after the date of publication in
12 the Federal Register under subsection (b), an application
13 for the national service pay for results project that ad-
14 dresses each of the following:

15 “(1) The outcome goals of the project.

16 “(2) The anticipated number of participants
17 needed to implement the project.

18 “(3) The criteria used to determine the eligi-
19 bility of a participant for the project, including how
20 the potential participants will be identified, how such
21 participants will be recruited for the project, and
22 how such participants will be trained for their roles
23 in the project.

24 “(4) A description of each intervention in the
25 project and anticipated outcomes of the intervention.

1 “(5) A plan for implementing each intervention
2 through the use of participants.

3 “(6) Rigorous evidence demonstrating that the
4 intervention can be expected to produce the desired
5 outcomes.

6 “(7) The target population that will be served
7 by the project.

8 “(8) The expected social benefits to individuals
9 who receive the intervention, the participants work-
10 ing on the project, and others who may be impacted.

11 “(9) The projected cost to the eligible entity to
12 carry out the project, and any costs to the Federal,
13 State, or local government associated with the
14 project.

15 “(10) Projected Federal, State, and local gov-
16 ernment savings and other savings, including an es-
17 timate of the savings to the Federal Government, on
18 a program-by-program basis and in the aggregate, if
19 the project is implemented and the outcomes are
20 achieved as a result of the intervention.

21 “(11) If savings resulting from the successful
22 completion of the project are estimated to accrue to
23 a State or local government, the likelihood of the
24 State or local government to realize those savings.

1 “(12) A description of the expertise of the eligi-
2 ble entity, including a summary of the experience of
3 the eligible entity in delivering the proposed inter-
4 vention or a similar intervention, or demonstrating
5 that the eligible entity has the expertise necessary to
6 deliver the proposed intervention.

7 “(13) An explanation of the experience of the
8 eligible entity in raising private and philanthropic
9 capital to fund social service investments.

10 “(14) A description of the expertise of investors
11 that the eligible entity intends to partner with, to
12 the extent that the eligible entity may have identified
13 those investors by the time the application is sub-
14 mitted.

15 “(15) A summary of the unmet need in the
16 area where the intervention will be delivered or
17 among the target population who will receive the
18 intervention.

19 “(16) The proposed payment terms, the meth-
20 odology used to calculate outcome payments, the
21 payment schedule, and performance thresholds.

22 “(17) The project budget.

23 “(18) The project timeline, provided that, not-
24 withstanding section 187, all projects shall be lim-
25 ited to a duration of 5 years.

1 “(19) The criteria used to determine the eligi-
2 bility of an individual to be served by the project, in-
3 cluding how selected populations will be identified,
4 how they will be referred to the project, and how
5 they will be enrolled in the project.

6 “(20) The evaluation design.

7 “(21) The metrics that will be used in the eval-
8 uation to determine whether the outcomes have been
9 achieved as a result of the intervention and how the
10 metrics will be measured.

11 “(22) An explanation of how the metrics used
12 in the evaluation to determine whether the outcomes
13 achieved as a result of the intervention are inde-
14 pendent, objective indicators of impact and are not
15 subject to manipulation by the eligible entity or in-
16 vestor.

17 “(23) A summary explaining the independence
18 of the evaluator from the other entities involved in
19 the project and the evaluator’s experience in con-
20 ducting rigorous evaluations of program effective-
21 ness including, where available, well-implemented
22 randomized controlled trials on the intervention or
23 similar interventions.

24 “(24) Any potential payment disputes related to
25 the outcomes of the evaluation.

1 “(25) The capacity of the eligible entity to de-
2 liver the intervention to the number of participants
3 the eligible entity proposes to serve in the project.

4 “(26) The assurances described in sections
5 131(e) and 132(a), except that such assurances shall
6 apply to the project carried out using assistance pro-
7 vided under this part.

8 “(e) PROHIBITED ACTIVITIES AND INELIGIBLE OR-
9 GANIZATIONS.—

10 “(1) COMMUNITY-BASED ENTITY.—Section
11 132A shall apply to community-based entities car-
12 rying out a national service pay for results project
13 under this part and to participants in those projects.

14 “(2) B CORPS ENTITY.—For purposes of sec-
15 tion 132(a)(1) and section 132A(a)(8)(A), a B
16 Corps entity shall not be considered a business orga-
17 nized for profit.

18 **“SEC. 198N. AWARDING NATIONAL SERVICE PAY FOR RE-
19 SULTS PILOT PROGRAM FUNDS.**

20 “(a) TIMELINE IN AWARDING AGREEMENT.—

21 “(1) IN GENERAL.—Not later than 3 months
22 after the deadline for applications in accordance
23 with section 198M has expired, the Chief Executive
24 Officer shall select not less than 4 and not more
25 than 6 community-based entities or eligible entities

1 to participate in national service pay for results
2 projects.

3 “(2) FEWER APPLICANTS.—Notwithstanding
4 paragraph (1), if fewer than 4 community-based en-
5 tities or eligible entities meet the requirements of
6 this part, the Chief Executive Officer may select
7 fewer than 4 entities or partnerships.

8 “(b) CONSIDERATIONS IN AWARDING AGREEMENT.—
9 In determining whether to enter into an agreement for a
10 national service pay for results project (the application for
11 which was submitted under section 198M) the Chief Exec-
12 utive Officer shall—

13 “(1) seek to ensure geographic diversity in se-
14 lected entities, including by selecting not less than 1
15 eligible entity that plans to serve a rural community
16 and not less than 1 eligible entity that plans to serve
17 an urban community; and

18 “(2) consider—

19 “(A) the anticipated utilization of partici-
20 pants, and whether the eligible entity plans to
21 utilize participants who come from a high-risk
22 background;

23 “(B) the value to the Federal Government
24 of the outcomes expected to be achieved if the

1 outcomes specified in the agreement are
2 achieved as a result of the intervention;

3 “(C) the likelihood, based on evidence pro-
4 vided in the application and other evidence, that
5 the eligible entity will achieve those outcomes;

6 “(D) the savings to the Federal Govern-
7 ment if the outcomes specified in the agreement
8 are achieved as a result of the intervention;

9 “(E) the savings to State and local govern-
10 ments if the outcomes specified in the agree-
11 ment are achieved as a result of the interven-
12 tion; and

13 “(F) the expected quality of the evaluation
14 that would be conducted with respect to the
15 agreement.

16 “(c) AGREEMENT AUTHORITY.—

17 “(1) AGREEMENT REQUIREMENTS.—The Chief
18 Executive Officer may enter into an agreement for
19 a national service pay for results project with an eli-
20 gible entity selected under this part if the Chief Ex-
21 ecutive Officer determines that each of the following
22 requirements are met:

23 “(A) The eligible entity agrees to achieve 1
24 or more outcomes as a result of the interven-
25 tion, as specified in the agreement and vali-

1 dated by independent evaluation, in order to re-
2 ceive payment.

3 “(B) The Federal payment to the eligible
4 entity for each specified outcome achieved as a
5 result of the intervention is less than or equal
6 to the value of the outcome to the Federal Gov-
7 ernment over a period not to exceed 10 years,
8 as determined by the Chief Executive Officer, in
9 consultation with the entity.

10 “(C) The project will begin not more than
11 12 months after the eligible entity has been se-
12 lected.

13 “(D) Notwithstanding section 187, the du-
14 ration of the project does not exceed 5 years.

15 “(E) The eligible entity has demonstrated,
16 through the application submitted under section
17 198M, that, based on prior rigorous experi-
18 mental evaluations or rigorous quasi-experi-
19 mental studies, the intervention can be expected
20 to achieve each outcome specified in the agree-
21 ment.

22 “(F) The eligible entity has experience
23 raising private or philanthropic capital to fund
24 social service investments. To the extent the eli-
25 gible entity does not have such experience or is

1 unable to secure private or philanthropic capital
2 prior to its application submission, the Corpora-
3 tion may assist selected programs in attaining
4 such funding.

5 “(G) The eligible entity applying for the
6 program has shown that it has experience deliv-
7 ering the intervention, a similar intervention, or
8 has otherwise demonstrated the expertise nec-
9 essary to deliver the intervention.

10 “(H) The project will utilize participants
11 to implement the intervention.

12 “(2) ABILITY TO FINANCE PROJECT.—

13 “(A) PLAN.—On the date that is 6 months
14 after the date of an agreement under this sub-
15 section—

16 “(i) the eligible entity shall provide
17 the Chief Executive Officer with a plan
18 demonstrating that the entity has the ca-
19 pability to fully fund the up-front costs of
20 the project and will have such funds avail-
21 able and reserved for the project not later
22 than 1 year after the date of such agree-
23 ment; and

24 “(ii) if the Chief Executive Officer
25 finds that the eligible entity is not likely to

1 have the capability to fully fund the up
2 front costs of the project, the Chief Execu-
3 tive Officer may terminate such agreement.

4 “(B) FUNDS RESERVED.— On the date
5 that is 6 months after the date of an agreement
6 under this subsection, if the eligible entity does
7 not have the funds available and reserved to
8 fully fund the up-front costs of the project, the
9 Chief Executive Officer may terminate the
10 agreement under this subsection.

11 “(3) IMPACT OF SELECTION.—Subject to para-
12 graph (2), for purposes of applying provisions of
13 subtitles C, D, and F under this part, if the Cor-
14 poration enters into an agreement with an entity for
15 a project under this section—

16 “(A) the project shall be considered to be
17 a national service program under section
18 122(a); and

19 “(B) the entity shall be considered to be a
20 grant recipient under subtitle C.

21 “(4) PAYMENT.—

22 “(A) IN GENERAL.—The eligible entity se-
23 lected under this part shall pay the entire up-
24 front costs of the project under this part.

1 “(B) OUTCOME PAYMENT.—The Corpora-
2 tion shall pay the selected eligible entity, after
3 completion of the project, only if the inde-
4 pendent evaluator described in section 198N-
5 1(b) determines that the national service pay
6 for results project has met the requirements
7 specified in the agreement and achieved an out-
8 come as a result of the intervention, as specified
9 in the agreement and validated by independent
10 evaluation.

11 “(C) AMOUNT OF PAYMENT.—The Cor-
12 poration shall have discretion in determining
13 the amount of funds awarded for each pay for
14 results project under this part, except that such
15 amount shall be specified as part of the agree-
16 ment with each entity under this section and
17 shall be consistent with the requirements of
18 part III of subtitle C, and subtitle D.

19 “(D) APPLICABILITY OF LIMITATION ON
20 PROGRAM GRANT COSTS.—Section 189 shall not
21 apply to a pay for results project under this
22 part.

23 “(d) NATIONAL SERVICE MEMBERS.—

24 “(1) IN GENERAL.—For purposes of applying
25 subtitles C, D, and F under this part, the Corpora-

1 tion shall consider a participant in a pay for results
2 project under this part to be a participant in a na-
3 tional service program in the same manner as, and
4 under the same conditions as, a participant in a pro-
5 gram under subtitle C. Unless otherwise specified in
6 this part, the terms and conditions applicable to a
7 participant under subtitle C, including the terms and
8 conditions described under part III of that subtitle,
9 shall apply in the same manner to a participant who
10 participates in a pay for results program under this
11 part.

12 “(2) ELIGIBLE ENTITY RESPONSIBILITY.—Each
13 selected eligible entity will be responsible for recruit-
14 ing, selecting, and training the participants partici-
15 pating in projects carried out by that eligible entity
16 under this part, consistent with part III of that sub-
17 title. The entity shall carry out the responsibilities
18 and authorities described in part III of that subtitle
19 for a grant recipient.

20 “(3) ELIGIBILITY FOR EDUCATIONAL AWARD.—
21 Participants in a pay for results project under this
22 part shall be eligible for a national service edu-
23 cational award described in section 146 in the same
24 manner as, and under the same conditions as, indi-

1 individuals who participate in other approved national
2 service positions.

3 **“SEC. 198N-1. EVALUATIONS.**

4 “(a) **AUTHORITY TO ENTER INTO AGREEMENTS.—**

5 For each eligible entity awarded a national service pay for
6 results project approved by the Chief Executive Officer
7 under this part, the Corporation shall enter into an agree-
8 ment with such eligible entity to pay for all or part of
9 the independent evaluation to determine whether the enti-
10 ty’s project has achieved a specific outcome as a result
11 of the intervention in order for the selected entity to re-
12 ceive outcome payments under this part.

13 “(b) **EVALUATOR QUALIFICATIONS.—**The Corpora-
14 tion may not enter into an agreement with an entity under
15 this section unless the Corporation determines that—

16 “(1) the evaluator is independent of the other
17 parties to the agreement; and

18 “(2) the evaluator has demonstrated substantial
19 experience in conducting rigorous evaluations of pro-
20 gram effectiveness including, where available and ap-
21 propriate, well-implemented randomized controlled
22 trials on the intervention or similar interventions.

23 “(c) **METHODOLOGIES TO BE USED.—**The evaluation
24 used to determine whether a eligible entity will receive out-
25 come payments under this part shall use experimental de-

1 signs using random assignment, or other reliable, evi-
2 dence-based research methodologies that allow for the
3 strongest possible causal inferences when random assign-
4 ment is not feasible.

5 “(d) PROGRESS REPORT.—

6 “(1) SUBMISSION OF REPORT.—The eligible en-
7 tity shall ensure that the independent evaluator
8 will—

9 “(A) not later than 2 years after a project
10 has been approved by the Chief Executive Offi-
11 cer and annually thereafter until the project is
12 concluded, submit to the Chief Executive Offi-
13 cer a written report summarizing the progress
14 that has been made in achieving each outcome
15 specified in the agreement; and

16 “(B) before the scheduled time of the first
17 outcome payment and before the scheduled time
18 of each subsequent payment, submit to the
19 Chief Executive Officer a written report that in-
20 cludes the results of the evaluation conducted to
21 determine whether an outcome payment should
22 be made along with information on the unique
23 factors that contributed to achieving or failing
24 to achieve the outcome, the challenges faced in
25 attempting to achieve the outcome, and infor-

1 mation on the improved future delivery of this
2 or similar interventions.

3 “(2) SUBMISSION TO THE CEO AND CON-
4 GRESS.—Not later than 30 days after receipt of the
5 written report pursuant to paragraph (1)(B), the
6 Chief Executive Officer shall submit the report to
7 each of the authorizing committees.

8 “(e) FINAL REPORT.—

9 “(1) SUBMISSION OF REPORT.—The eligible en-
10 tity shall ensure that the independent evaluator will,
11 not later than 6 months after the national service
12 pay for results project is completed—

13 “(A) evaluate the effects of the activities
14 undertaken pursuant to the agreement with re-
15 gard to each outcome specified in the agree-
16 ment; and

17 “(B) submit to the Chief Executive Officer
18 a written report that includes the results of the
19 evaluation and the conclusion of the evaluator
20 as to whether the eligible entity has fulfilled
21 each obligation of the agreement, along with in-
22 formation on the unique factors that contrib-
23 uted to the success or failure of the project, the
24 challenges faced in attempting to achieve the

1 outcome, and information on the improved fu-
2 ture delivery of this or similar interventions.

3 “(2) SUBMISSION TO THE CEO AND CON-
4 GRESS.—Not later than 30 days after receipt of the
5 written report pursuant to paragraph (1)(B), the
6 Chief Executive Officer shall submit the report to
7 each authorizing committees.

8 “(f) LIMITATION ON COST OF EVALUATIONS.—Of
9 the amounts appropriated to carry out this part, the Chief
10 Executive Officer may not obligate more than 15 percent
11 to evaluate the implementation and outcomes of the
12 projects under this part.

13 “(g) APPLICABILITY OF OTHER EVALUATION PROVI-
14 SIONS.—Section 179 shall not apply with respect to a na-
15 tional service pay for results project that is evaluated in
16 accordance with this section.

17 **“SEC. 198N-2. FUNDING.**

18 “(a) PROHIBITION ON FEDERAL FUNDING FOR
19 CREDIT ENHANCEMENTS.—No amount appropriated to
20 carry out this part may be used to provide any insurance,
21 guarantee, or other credit enhancement to an eligible enti-
22 ty under which a Federal payment would be made to an
23 eligible entity, as the result of such entity failing to
24 achieve an outcome specified in an agreement.

1 “(b) MATCHING FUNDS REQUIREMENTS NOT APPLI-
2 CABLE.—An eligible entity awarded an agreement under
3 this part shall not be subject to the matching funds re-
4 quirement in section 121(e) or any other matching funds
5 requirements that are applicable to activities funded under
6 this Act.”.

7 **SEC. 3. CONFORMING AMENDMENTS.**

8 (a) TYPES OF NATIONAL SERVICE POSITIONS.—Sec-
9 tion 123 of the National and Community Service Act of
10 1990 (42 U.S.C. 12573) is amended—

11 (1) by redesignating paragraph (8) as para-
12 graph (9); and

13 (2) by inserting after paragraph (7) the fol-
14 lowing:

15 “(8) A position for a participant in a national
16 service pay for results project that is selected under
17 part IV of subtitle H.”.

18 (b) PROVISION OF APPROVED NATIONAL SERVICE
19 POSITIONS.—Section 129 of such Act (42 U.S.C. 12581)
20 is amended—

21 (1) in the first sentence of subsection (c)—

22 (A) by striking “or as” and inserting “,
23 as”; and

24 (B) by striking “shall receive” and insert-
25 ing “or as a national service member in a na-

1 tional service pay for results project that is se-
2 lected under part IV of subtitle H shall re-
3 ceive”; and

4 (2) in subsections (j)(1) and (k)(3), by striking
5 “501(a)(2)” and inserting “501(a)(2)(A)”.

6 (c) APPROVAL PROCESS FOR APPROVED POSI-
7 TIONS.—Section 149 of such Act (42 U.S.C. 12606) is
8 amended—

9 (1) in subsection (a)(1)(A)(ii), by inserting
10 after “section 123” the following: “or enters into an
11 agreement with an entity to carry out a national
12 service pay for results project under part IV of sub-
13 title H”; and

14 (2) in subsection (b)(1)(B)(ii), by striking “E
15 of this title,” and inserting “E of this title, part IV
16 of subtitle H of this title.”.

17 (d) LIMITATION ON PROGRAM GRANT COSTS.—Sec-
18 tion 189(c) is amended by striking the period at the end
19 and inserting “, and shall not apply to a pay for results
20 project under part IV of subtitle H of title I.”

21 (e) AUTHORIZATION OF APPROPRIATIONS.—Section
22 501(a)(2) of such Act (42 U.S.C. 12681(a)(2)) is amend-
23 ed to read as follows:

24 “(2) SUBTITLES C AND D.—

1 “(A) IN GENERAL.—There are authorized
2 to be appropriated, for each fiscal year, such
3 sums as may be necessary to provide financial
4 assistance under subtitle C of title I and to pro-
5 vide national service educational awards under
6 subtitle D of title I for the number of partici-
7 pants described in section 121(f)(1) for that fis-
8 cal year, subject to subparagraph (B).

9 “(B) PART IV OF SUBTITLE H.—The Cor-
10 poration shall transfer such sums as may be
11 necessary from the funds appropriated under
12 subparagraph (A) for that fiscal year to part IV
13 of subtitle H of title I, and use the funds to
14 provide national service educational awards
15 under subtitle D of title I for participants in
16 national service pay for results projects.

17 “(C) FUNDS AVAILABLE UNTIL EX-
18 PENDED.—Funds obligated under subpara-
19 graph (B) shall remain available until ex-
20 pended, and any funds deobligated from a pay
21 for results project under part IV of subtitle H
22 shall immediately become available for activities
23 authorized under subtitle C.”.

1 **SEC. 4. VISTA.**

2 Title I of the Domestic Volunteer Service Act of 1973
3 (42 U.S.C. 4950 et seq.) is amended by inserting after
4 part C the following:

5 **“PART D—NATIONAL SERVICE PAY FOR RESULTS**
6 **PROGRAM”.**

7

8

9 **“SEC. 131. DEFINITIONS.**

10 “In this part:

11 “(1) B CORPS ENTITY.—The term ‘B Corps en-
12 tity’ means a private for-profit entity that—

13 “(A) has social sustainability or environ-
14 mental performance standards;

15 “(B) has accountability standards; and

16 “(C) is transparent in reporting the enti-
17 ty’s social or environmental performance.

18 “(2) B CORPS PARTNERSHIP.—The term ‘B
19 Corps partnership’ means a partnership between a B
20 Corps entity and one or more community-based enti-
21 ties.

22 “(3) COMMUNITY-BASED ENTITY.—The term
23 ‘community-based entity’ means a public or private
24 nonprofit organization that—

1 “(A) has experience with meeting unmet
2 human, educational, environmental, or public
3 safety needs; and

4 “(B) meets other such criteria as the Di-
5 rector may establish.

6 “(4) ELIGIBLE ENTITY.—The term ‘eligible en-
7 tity’ means—

8 “(A) a B Corps partnership; or

9 “(B) a community-based entity.

10 “(5) INTERVENTION.—The term ‘intervention’
11 means a specific service delivered to achieve an im-
12 pact through a national service pay for results
13 project.

14 “(6) NATIONAL SERVICE PAY FOR RESULTS
15 MODEL.—The term ‘national service pay for results
16 model’ means a method of financing national service
17 programs in which—

18 “(A) Federal funds are awarded to an eli-
19 gible entity, only if the entity achieves certain
20 outcomes agreed on by the entity and the Di-
21 rector;

22 “(B) the eligible entity coordinates with
23 the Director and investors to identify—

24 “(i) an intervention expected to
25 produce the outcome; and

1 “(ii) investors to fund the delivery of
2 the intervention; and

3 “(C) the eligible entity implements the
4 intervention through the use of volunteers.

5 “(7) NATIONAL SERVICE PAY FOR RESULTS
6 PROJECT.—The term ‘national service pay for re-
7 sults project’ means a project that finances national
8 service programs using a national service pay for re-
9 sults model.

10 **“SEC. 132. NATIONAL SERVICE PAY FOR RESULTS PILOT**
11 **PROGRAM.**

12 “(a) NOTICE.—Not later than 3 months after the
13 date of enactment of this part, the Director shall publish
14 in the Federal Register a request for proposals from eligi-
15 ble entities for national service pay for results projects in
16 accordance with this section.

17 “(b) REQUIRED OUTCOMES FOR NATIONAL SERVICE
18 PAY FOR RESULTS PROJECT.—To qualify as a national
19 service pay for results project under this part, a project
20 must effectively utilize volunteers to produce 1 or more
21 measurable, clearly defined outcomes that result in Fed-
22 eral savings and social benefit through any of the activities
23 described in subparagraphs (B) of paragraphs (1) through
24 (5) of section 122(a) of the National and Community

1 Service Act of 1990 (42 U.S.C. 12572(a)) or described
2 in section 103(a).

3 “(c) APPLICATION REQUIRED.—The notice described
4 in subsection (b) shall require an eligible entity to submit,
5 not later than 6 months after the date of publication in
6 the Federal Register under subsection (a), an application
7 for the national service pay for results project that ad-
8 dresses each of the following:

9 “(1) The outcome goals of the project.

10 “(2) The anticipated number of volunteers
11 needed to implement the project.

12 “(3) The criteria used to determine the eligi-
13 bility of a volunteer for the project, including how
14 the potential volunteers will be identified, how such
15 volunteers will be recruited for the project, and how
16 such volunteers will be trained for their roles in the
17 project.

18 “(4) A description of each intervention in the
19 project and anticipated outcomes of the intervention.

20 “(5) A plan for implementing each intervention
21 through the use of volunteers.

22 “(6) Rigorous evidence demonstrating that the
23 intervention can be expected to produce the desired
24 outcomes.

1 “(7) The target population that will be served
2 by the project.

3 “(8) The expected social benefits to individuals
4 who receive the intervention, the volunteers working
5 on the project, and others who may be impacted.

6 “(9) The projected cost to the eligible entity to
7 carry out the project, and any costs to the Federal,
8 State, or local government associated with the
9 project.

10 “(10) Projected Federal, State, and local gov-
11 ernment savings and other savings, including an es-
12 timate of the savings to the Federal Government, on
13 a program-by-program basis and in the aggregate, if
14 the project is implemented and the outcomes are
15 achieved as a result of the intervention.

16 “(11) If savings resulting from the successful
17 completion of the project are estimated to accrue to
18 a State or local government, the likelihood of the
19 State or local government to realize those savings.

20 “(12) A description of the expertise of the eligi-
21 ble entity, including a summary of the experience of
22 the entity in delivering the proposed intervention or
23 a similar intervention, or demonstrating that the en-
24 tity has the expertise necessary to deliver the pro-
25 posed intervention.

1 “(13) An explanation of the experience of the
2 eligible entity in raising private and philanthropic
3 capital to fund social service investments.

4 “(14) A description of the expertise of investors
5 that the eligible entity intends to partner with, to
6 the extent that the eligible entity may have identified
7 those investors by the time the application is sub-
8 mitted.

9 “(15) A summary of the unmet need in the
10 area where the intervention will be delivered or
11 among the target population who will receive the
12 intervention.

13 “(16) The proposed payment terms, the meth-
14 odology used to calculate outcome payments, the
15 payment schedule, and performance thresholds.

16 “(17) The project budget.

17 “(18) The project timeline, provided that all
18 projects shall be limited to a duration of 5 years.

19 “(19) The criteria used to determine the eligi-
20 bility of an individual to be served by the project, in-
21 cluding how selected populations will be identified,
22 how they will be referred to the project, and how
23 they will be enrolled in the project.

24 “(20) The evaluation design.

1 “(21) The metrics that will be used in the eval-
2 uation to determine whether the outcomes have been
3 achieved as a result of the intervention and how the
4 metrics will be measured.

5 “(22) An explanation of how the metrics used
6 in the evaluation to determine whether the outcomes
7 achieved as a result of the intervention are inde-
8 pendent, objective indicators of impact and are not
9 subject to manipulation by the eligible entity or in-
10 vestor.

11 “(23) A summary explaining the independence
12 of the evaluator from the other entities involved in
13 the project and the evaluator’s experience in con-
14 ducting rigorous evaluations of program effective-
15 ness including, where available, well-implemented
16 randomized controlled trials on the intervention or
17 similar interventions.

18 “(24) Any potential payment disputes related to
19 the outcomes of the evaluation.

20 “(25) The capacity of the eligible entity to de-
21 liver the intervention to the number of volunteers
22 the eligible entity proposes to serve in the project.

23 **“SEC. 133. AWARDED NATIONAL SERVICE PAY FOR RE-**
24 **SULTS PILOT PROGRAM FUNDS.**

25 “(a) TIMELINE IN AWARDED AGREEMENT.—

1 “(1) IN GENERAL.—Not later than 3 months
2 after the deadline for applications in accordance
3 with section 132 has expired, the Director shall se-
4 lect not less than 4 and not more than 6 eligible en-
5 tities to participate in national service pay for re-
6 sults projects.

7 “(2) FEWER APPLICANTS.—Notwithstanding
8 paragraph (1), if fewer than 4 eligible entities meet
9 the requirements of this part, the Director may se-
10 lect fewer than 4 entities.

11 “(b) CONSIDERATIONS IN AWARDING AGREEMENT.—
12 In determining whether to enter into an agreement for a
13 national service pay for results project (the application for
14 which was submitted under section 132) the Director
15 shall—

16 “(1) seek to ensure geographic diversity in se-
17 lected entities, including by selecting not less than 1
18 eligible entity that plans to serve a rural community
19 and not less than 1 eligible entity that plans to serve
20 an urban community; and

21 “(2) consider—

22 “(A) the anticipated utilization of volun-
23 teers, and whether the eligible entity plans to
24 utilize volunteers who come from a high-risk
25 background;

1 “(B) the value to the Federal Government
2 of the outcomes expected to be achieved if the
3 outcomes specified in the agreement are
4 achieved as a result of the intervention;

5 “(C) the likelihood, based on evidence pro-
6 vided in the application and other evidence, that
7 the eligible entity will achieve those outcomes;

8 “(D) the savings to the Federal Govern-
9 ment if the outcomes specified in the agreement
10 are achieved as a result of the intervention;

11 “(E) the savings to State and local govern-
12 ments if the outcomes specified in the agree-
13 ment are achieved as a result of the interven-
14 tion; and

15 “(F) the expected quality of the evaluation
16 that would be conducted with respect to the
17 agreement.

18 “(c) AGREEMENT AUTHORITY.—

19 “(1) AGREEMENT REQUIREMENTS.—The Direc-
20 tor may enter into an agreement for a national serv-
21 ice pay for results project with an eligible entity se-
22 lected under this part if the Director determines
23 that each of the following requirements are met:

24 “(A) The eligible entity agrees to achieve 1
25 or more outcomes as a result of the interven-

1 tion, as specified in the agreement and vali-
2 dated by independent evaluation, in order to re-
3 ceive payment.

4 “(B) The Federal payment to the eligible
5 entity for each specified outcome achieved as a
6 result of the intervention is less than or equal
7 to the value of the outcome to the Federal Gov-
8 ernment over a period not to exceed 10 years,
9 as determined by the Director, in consultation
10 with the entity.

11 “(C) The project will begin not more than
12 12 months after the eligible entity has been se-
13 lected.

14 “(D) The duration of the project does not
15 exceed 5 years.

16 “(E) The eligible entity has demonstrated,
17 through the application submitted under section
18 132, that, based on prior rigorous experimental
19 evaluations or rigorous quasi-experimental stud-
20 ies, the intervention can be expected to achieve
21 each outcome specified in the agreement.

22 “(F) The eligible entity has experience
23 raising private or philanthropic capital to fund
24 social service investments. To the extent the eli-
25 gible entity does not have such experience or is

1 unable to secure private or philanthropic capital
2 prior to its application submission, the Director
3 may assist selected programs in attaining such
4 funding.

5 “(G) The eligible entity applying for the
6 program has shown that it has experience deliv-
7 ering the intervention, a similar intervention, or
8 has otherwise demonstrated the expertise nec-
9 essary to deliver the intervention.

10 “(H) The project will utilize volunteers to
11 implement the intervention.

12 “(2) ABILITY TO FINANCE PROJECT.—

13 “(A) PLAN.—On the date that is 6 months
14 after the date of an agreement under this sub-
15 section—

16 “(i) the eligible entity shall provide
17 the Director with a plan demonstrating
18 that the entity has the capability to fully
19 fund the up-front costs of the project and
20 will have such funds available and reserved
21 for the project not later than 1 year after
22 the date of such agreement; and

23 “(ii) if the Director finds that the eli-
24 gible entity is not likely to have the capa-
25 bility to fully fund the up front costs of the

1 project, the Director may terminate such
2 agreement.

3 “(B) FUNDS RESERVED.— On the date
4 that is 6 months after the date of an agreement
5 under this subsection, if the eligible entity does
6 not have the funds available and reserved to
7 fully fund the up-front costs of the project, the
8 Director may terminate the agreement under
9 this subsection.

10 “(3) IMPACT OF SELECTION.—Subject to para-
11 graph (2), for purposes of applying provisions of
12 part A and part C, if the Director enters into an
13 agreement with an entity for a project under this
14 section—

15 “(A) except with respect to provisions that
16 are otherwise specified in this part, the entity
17 shall be considered a sponsoring organization of
18 VISTA; and

19 “(B) subject to subsection (d) and except
20 with respect to provisions that are otherwise
21 specified in this part, the volunteers partici-
22 pating in that project shall be considered
23 VISTA volunteers.

24 “(4) PAYMENT.—

1 “(A) IN GENERAL.—The eligible entity se-
2 lected under this part shall pay the entire up-
3 front costs of the project under this part.

4 “(B) OUTCOME PAYMENT.—The Director
5 shall pay the selected eligible entity, after com-
6 pletion of the project, only if the independent
7 evaluator described in section 134(b) deter-
8 mines that the national service pay for results
9 project has met the requirements specified in
10 the agreement and achieved an outcome as a
11 result of the intervention, as specified in the
12 agreement and validated by independent evalua-
13 tion.

14 “(C) AMOUNT OF PAYMENT.—The Direc-
15 tor shall have discretion in determining the
16 amount of funds awarded for each pay for re-
17 sults project under this part, except that such
18 amount shall be specified as part of the agree-
19 ment with each entity under this section.

20 “(d) VOLUNTEERS.—The assignment of volunteers
21 under this part, and the provision of support for such vol-
22 unteers, including any subsistence allowances and sti-
23 pends, shall be on such terms and conditions as the Direc-
24 tor shall determine to be appropriate, but shall not exceed
25 the level of support provided under section 105. Projects

1 using volunteers who do not receive stipends may also be
2 supported under this part.

3 **“SEC. 134. EVALUATIONS.**

4 “(a) **AUTHORITY TO ENTER INTO AGREEMENTS.—**

5 For each eligible entity awarded a national service pay for
6 results project approved by the Director under this part,
7 the Director shall enter into an agreement with such eligi-
8 ble entity to pay for all or part of the independent evalua-
9 tion to determine whether the entity’s project has achieved
10 a specific outcome as a result of the intervention in order
11 for the selected entity to receive outcome payments under
12 this part.

13 “(b) **EVALUATOR QUALIFICATIONS.—**The Director
14 may not enter into an agreement with an entity under this
15 section unless the Director determines that—

16 “(1) the evaluator is independent of the other
17 parties to the agreement; and

18 “(2) the evaluator has demonstrated substantial
19 experience in conducting rigorous evaluations of pro-
20 gram effectiveness including, where available and ap-
21 propriate, well-implemented randomized controlled
22 trials on the intervention or similar interventions.

23 “(c) **METHODOLOGIES TO BE USED.—**The evaluation
24 used to determine whether an eligible entity will receive
25 outcome payments under this part shall use experimental

1 designs using random assignment, or other reliable, evi-
2 dence-based research methodologies that allow for the
3 strongest possible causal inferences when random assign-
4 ment is not feasible.

5 “(d) PROGRESS REPORT.—

6 “(1) SUBMISSION OF REPORT.—The eligible en-
7 tity shall ensure that the independent evaluator
8 will—

9 “(A) not later than 2 years after a project
10 has been approved by the Director and annually
11 thereafter until the project is concluded, submit
12 to the Director a written report summarizing
13 the progress that has been made in achieving
14 each outcome specified in the agreement; and

15 “(B) before the scheduled time of the first
16 outcome payment and before the scheduled time
17 of each subsequent payment, submit to the Di-
18 rector a written report that includes the results
19 of the evaluation conducted to determine wheth-
20 er an outcome payment should be made along
21 with information on the unique factors that
22 contributed to achieving or failing to achieve
23 the outcome, the challenges faced in attempting
24 to achieve the outcome, and information on the

1 improved future delivery of this or similar inter-
2 ventions.

3 “(2) SUBMISSION TO THE CEO AND CON-
4 GRESS.—Not later than 30 days after receipt of the
5 written report pursuant to paragraph (1)(B), the Di-
6 rector shall submit the report to each of the author-
7 izing committees.

8 “(e) FINAL REPORT.—

9 “(1) SUBMISSION OF REPORT.—The eligible en-
10 tity shall ensure that the independent evaluator will,
11 not later than 6 months after the national service
12 pay for results project is completed—

13 “(A) evaluate the effects of the activities
14 undertaken pursuant to the agreement with re-
15 gard to each outcome specified in the agree-
16 ment; and

17 “(B) submit to the Director a written re-
18 port that includes the results of the evaluation
19 and the conclusion of the evaluator as to wheth-
20 er the eligible entity has fulfilled each obligation
21 of the agreement, along with information on the
22 unique factors that contributed to the success
23 or failure of the project, the challenges faced in
24 attempting to achieve the outcome, and infor-

1 mation on the improved future delivery of this
2 or similar interventions.

3 “(2) SUBMISSION TO THE CEO AND CON-
4 GRESS.—Not later than 30 days after receipt of the
5 written report pursuant to paragraph (1)(B), the Di-
6 rector shall submit the report to each authorizing
7 committees.

8 “(f) LIMITATION ON COST OF EVALUATIONS.—Of
9 the amounts appropriated to carry out this part, the Di-
10 rector may not obligate more than 15 percent to evaluate
11 the implementation and outcomes of the projects under
12 this part.

13 **“SEC. 135. FUNDING.**

14 “(a) PROHIBITION ON FEDERAL FUNDING FOR
15 CREDIT ENHANCEMENTS.—No amount appropriated to
16 carry out this part may be used to provide any insurance,
17 guarantee, or other credit enhancement to an eligible enti-
18 ty under which a Federal payment would be made to an
19 eligible entity, as the result of such entity failing to
20 achieve an outcome specified in an agreement.

21 “(b) MATCHING FUNDS REQUIREMENTS NOT APPLI-
22 CABLE.—An entity awarded an agreement under this part
23 shall not be subject to a matching funds requirement.”.

1 **SEC. 5. AUTHORIZATION OF APPROPRIATIONS.**

2 There are authorized to be appropriated a total of
3 \$5,000,000—

4 (1) to carry out part IV of subtitle H of title
5 I of the National and Community Service Act of
6 1990 (42 U.S.C. 12653 et seq.), as amended by sec-
7 tions 2 and 3 of this Act; and

8 (2) to carry out part D of title I of the Domes-
9 tic Volunteer Service Act of 1973 (42 U.S.C. 4950
10 et seq.).