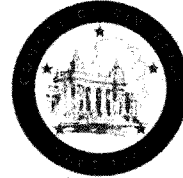


**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM
3.9
(ID # 6206)

MEETING DATE:

Tuesday, January 23, 2018

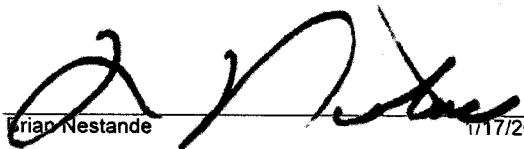
FROM : EXECUTIVE OFFICE:

SUBJECT: EXECUTIVE OFFICE: Report from the Legislative Ad Hoc Committee, regarding a letter of Support to AB862 sent to our Congressional Delegation [All Districts];
[\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file the letter of the Legislative Ad Hoc Committee.

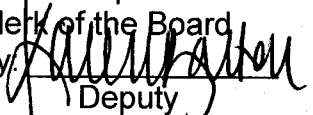
ACTION: Policy


Brian Nestande 1/17/2018

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is received and filed as recommended.

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley
Nays: None
Absent: None
Date: January 23, 2018
xc: EO

Keqia Harper-Ihem
Clerk of the Board
By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$0	\$0	\$0	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS			Budget Adjustment:	No
			For Fiscal Year:	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Pursuant to Board Policy A-27 Section B: Action can be taken by the County Legislative Ad Hoc Committee if the pending legislation is of critical importance and requires immediate action which cannot be facilitated through the formal action process because there is insufficient time for the item to be brought to the attention of the full board for discussion, and, therefore, can be brought to the attention of the Legislative Ad Hoc Committee comprised of the Board Chair and Vice Chair for immediate action.

The Ad Hoc Committee would act on legislation, per the request of the Executive Office, in the form of a letter of support or opposition signed by the Chair and Vice Chair. The Executive Office is then directed to bring the item to the next Board meeting for Board consent.

On December 18, 2018 the Ad Hoc Committee sent a letter of Support for AB 862 to its State Delegation. Action was taken by the Legislative Ad Hoc Committee due to insufficient time to bring the item to the attention of the full Board of Supervisors.

Legislation/Policy: AB 862 – Social Innovation Financing

Position: SUPPORT

Recipient: Assembly member Maienschein

Summary: AB 862 would give counties an opportunity to once again seek funding for innovative programs that are likely to improve outcomes and save public funds over time. Riverside County is interested in the public-private financing model that would be authorized in this measure.

ATTACHMENTS:

AB862 Letter + Bill



COUNTY OF RIVERSIDE

Board of Supervisors

District 1	Kevin Jeffries 951-955-1010
District 2 <i>Chairman</i>	John F. Tavaglione 951-955-1020
District 3	Chuck Washington 951-955-1030
District 4	V. Manuel Perez 951-955-1040
District 5	Marion Ashley 951-955-1050

December 18, 2017

The Honorable Brian Maienschein
Member, California State Assembly
State Capitol, Room 4139
Sacramento CA 95814

RE: AB 862 (Maienschein) – Social Innovation Financing
As amended 3/23/2017 - SUPPORT
Awaiting hearing – Assembly Public Safety Committee

Dear Assembly Member Maienschein:

On behalf of the Riverside County Board of Supervisors, I write in support of AB 862, your measure that would authorize three additional counties to seek financing through a pay-for-success or social innovation financing model. AB 1837 (Atkins, 2014) authorized this financing model for programs that seek to improve social outcomes; programs are underway in three counties, each of which focuses on reducing recidivism among a targeted group of the adult criminal justice population.

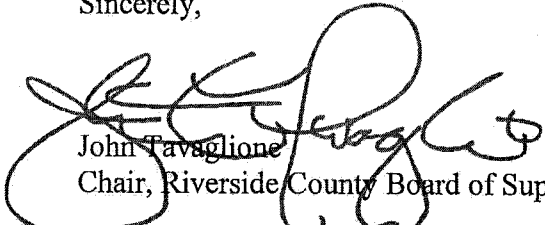
The County of Riverside is committed to a thoughtful response to the county's criminal justice system responsibilities, which have expanded significantly in recent years following legislatively directed and voter-approved corrections reforms. One of the county's areas of interest is examining how to address the intergenerational impacts of justice involvement. As a result of our research, the County is developing a program to deliver wrap-around services to reduce risk factors and develop resiliency among children whose parents are incarcerated. Research shows that this population is more likely to become involved in the justice system, faces more financial and emotional stresses, and encounters more health issues than their peers who do not have an incarcerated parent.

We appreciate that AB 862 would give counties an opportunity to once again seek funding for innovative programs that are likely to improve outcomes and save public funds over time. Riverside County is interested in the public-private financing model that would be authorized in your measure.


The Honorable Brian Maienschein
December 18, 2017
Page 2

For these reasons, Riverside County is in support of AB 862 and is pleased to assist as it makes its way through the legislative process. Should you have any questions regarding our position, please do not hesitate to contact Deputy County Executive Officer, Brian Nestande at (951) 955-1110 or bnestande@rivco.org

Sincerely,



John Favaglione
Chair, Riverside County Board of Supervisors



Chuck Washington
Vice-Chairman, Riverside County Board of Supervisors

cc: Members and Counsel, Assembly Public Safety Committee
Riverside County Delegation

AMENDED IN ASSEMBLY MARCH 23, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 862

Introduced by Assembly Member Maienschein

February 16, 2017

An act to amend ~~Section 97009~~ Sections 97010, 97011, 97013, and 97015 of the Government Code, relating to corrections.

LEGISLATIVE COUNSEL'S DIGEST

AB 862, as amended, Maienschein. Social innovation financing.

Existing law, until January 1, 2022, establishes the Social Innovation Financing Program to award grant funding to 3 counties to reduce recidivism through contracts between the government, private investors, and service providers pursuant to which private investors agree to provide financing to service providers to achieve social outcomes agreed upon in advance, and the government agency agrees to pay a return on the investment to the investors if successful programmatic outcomes are achieved by the service provider. *Existing law, upon appropriation by the Legislature, requires the Board of State and Community Corrections to issue grants in an amount of not less than \$500,000 and not more than \$2,000,000 to each county selected, up to a maximum of \$5,000,000.*

~~This bill would make technical, nonsubstantive changes to those provisions:~~ *require the board to select 6 counties to receive funding and would require the board to issue grants in an amount of not less than \$300,000 and not more than \$2,000,000, up to a maximum of \$10,000,000. The bill would extend the program until January 1, 2025.*

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 97010 of the Government Code is
2 amended to read:
3 97010. (a) There is hereby established the Social Innovation
4 Financing Program.
5 (b) The board shall administer the Social Innovation Financing
6 Program.
7 (c) (1) The board shall solicit proposals for social innovation
8 financing from county boards of supervisors and shall select ~~three~~
9 *six* counties to receive grant funding.
10 (2) Before awarding a grant pursuant to paragraph (1), the board
11 shall evaluate the quality of the proposal for which the grant is to
12 be awarded.
13 (3) At a minimum, each application for a grant shall include all
14 of the following:
15 (A) A description of the proposed social program.
16 (B) A description of the organization's experience in providing
17 the proposed social program.
18 (C) A description of the financial stability of the organization.
19 (D) An identification of each component of the social program
20 to be provided.
21 (E) A description of the manner in which the social program
22 will be provided.
23 (F) A description of the recruitment or selection process, or
24 both, for participants in the social program.
25 (G) The proposed quantifiable results and performance
26 thresholds upon which success of the social program will be
27 measured.
28 (H) An itemization of all expenses proposed to be reimbursed
29 under the contract.
30 (I) The amount of matching funds provided by the county.
31 (J) A description of how the final payments for successful
32 programmatic outcomes will be calculated and structured in the
33 contract.
34 (K) A description of all parties to the proposed contract,
35 including prospective investors and philanthropic foundations.
36 SEC. 2. Section 97011 of the Government Code is amended to
37 read:

1 97011. (a) Upon appropriation of funds by the Legislature for
2 deposit in the Recidivism Reduction Fund for the purposes of this
3 title, the board shall award a grant in an amount of not less than
4 ~~five three~~ hundred thousand dollars ~~(\$500,000)~~ (\$300,000) and
5 not more than two million dollars (\$2,000,000) to each county
6 selected pursuant to Section 97010 for the purposes of entering
7 into a pay for success or social innovation financing contract. The
8 total amount of the grants awarded pursuant to this section shall
9 not exceed ~~five ten~~ million dollars ~~(\$5,000,000)~~ (\$10,000,000).
10 Any unused state moneys shall revert to the General Fund.

11 (b) Each county contract described in subdivision (a) shall
12 include all of the following:

13 (1) A requirement that the payment be conditioned on the
14 achievement of specific outcomes based upon defined performance
15 targets.

16 (2) An objective process by which an independent evaluator,
17 selected by the county, will determine whether the performance
18 targets have been achieved. This process shall include defined
19 performance metrics and a monitoring plan.

20 (3) A calculation of the amount and timing of payments that
21 would be earned by the service provider during each year of the
22 agreement if performance targets are achieved as determined by
23 the independent evaluator.

24 (4) A determination by the county that the contract will result
25 in significant performance improvements, such as a reduction in
26 rearrests or an increase in the number of jail days avoided, and
27 budgetary savings if the performance targets are achieved.

28 (5) A requirement that an amount equal to a minimum of 100
29 percent of the Social Innovation Financing Program grant awarded
30 to the county be matched by other county, federal, private, or
31 philanthropic, funds. The board may adopt regulations allowing
32 in-kind contributions in lieu of monetary contributions for this
33 purpose.

34 (c) Up to 10 percent of the grant funds awarded pursuant to this
35 title may be used by the counties for administrative expenses
36 related to the development of the pay for success or social
37 innovation financing contract. The remainder of the grant shall be
38 contributed toward final payments to investors for successful
39 programmatic outcomes achieved, as stipulated in the contract.

1 (d) If, after receiving a grant pursuant to this title, a county does
2 not enter into a contract for which the grant was awarded, the
3 county shall return all moneys awarded by the board pursuant to
4 this title, to the state.

5 *SEC. 3. Section 97013 of the Government Code is amended to*
6 *read:*

7 97013. (a) Each county receiving an award shall report
8 annually to the board on the status of its ongoing social innovation
9 financing program. The report shall also contain an accounting of
10 the moneys awarded.

11 (b) The board shall compile the county reports and submit a
12 summary report to the Governor and Legislature annually.

13 (c) A report made pursuant to this section shall be made in
14 accordance with the requirements of Section 9795.

15 ~~(d) This section shall remain in effect only until January 1,~~
16 ~~2022, and as of that date is repealed, unless a later enacted statute,~~
17 ~~that is enacted before January 1, 2022, deletes or extends that date.~~

18 *SEC. 4. Section 97015 of the Government Code is amended to*
19 *read:*

20 97015. ~~This title shall remain in effect only until January 1,~~
21 ~~2022, and as of that date is repealed, unless a later enacted statute,~~
22 ~~that is enacted before January 1, 2022, deletes or extends that date.~~

23 *This title shall remain in effect only until January 1, 2025, and*
24 *as of that date is repealed.*

25 ~~SECTION 1. Section 97009 of the Government Code is~~
26 ~~amended to read:~~

27 97009. (a) ~~It is the intent of the Legislature that, as part of the~~
28 ~~package to reduce recidivism in California, the concept of “pay~~
29 ~~for success” or social innovation financing should be included to~~
30 ~~take advantage of available philanthropic and private investment.~~

31 (b) ~~The Legislature hereby declares that a variety of approaches~~
32 ~~have been shown to be successful in reducing recidivism, including~~
33 ~~addressing homelessness, substance use disorder, and~~
34 ~~unemployment among specific demographic groups.~~