

Performance-Based Contracting for Homeless Service Providers

SECTION 1. Title and Purpose.

- A. This Act shall be known and may be cited as the "Rewarding Positive Outcomes in Homelessness Treatment Act of 202[X]."
- B. The Purpose of this Act is to ensure that public funds given to non-governmental entities for the purpose of providing shelter and services to homeless populations are used responsibly and support identified outcomes.

SECTION 2. Definitions.

- A. "Department" shall mean the [Homelessness Department/HHS/Office of Homeless Services].
- B. "Homelessness grant" shall mean any disbursement of state monies to non-governmental entities for the provision of homeless services or shelter, notwithstanding such grants that the Department narrowly determines to be incompatible with a performance-based payment model, such as grants supporting food banks.

SECTION 3. Pay for Performance Grant Requirements.

- A. All homelessness grants, unless otherwise determined by the Department subject to Section 2(B), shall be performance-based.
- B. Prior to the award of a homelessness grant, the Department shall determine the minimum expected outcome of performance objectives, based on one or more of the following metrics:
 - a. The number of homeless individuals and families securing [housing other than emergency shelter /or/ stable and independent housing] following participation in programs offered by the grantee.
 - b. The number of homeless individuals securing part-time or full-time employment following participation in programs offered by the grantee.
- C. Prior to the award of a homelessness grant, the Department shall determine performance bonuses. Such performance bonuses shall be paid out per the following calculation:

- a. For each number of homeless individuals and families who achieves one or more of the metrics specified in subsection (B), subject to that grant's determined objectives, beyond the minimum expected outcome of such grant, the Department shall award the grantee a bonus equal to the total amount of the grant divided by the number of each minimum expected outcome. The performance bonus for each outcome shall be calculated independently of the other, if applicable.
- D. Following the conclusion of the grant period, the Department shall determine whether the grantee has met the minimum expected outcome of the specified performance objectives for such grant.
- a. The Department shall also determine the number of unique persons or families served who achieved each applicable performance metric beyond the minimum expected outcome and award the grantee the earned performance bonus as calculated subject to subsection (C) (a).
- E. The Department shall consider prior grantee performance, if any, in determining future grant awards.
- F. The Department shall, no less than quarterly, publish the outcomes of each grantee for each grant accepted, including, at minimum:
- a. The grant award amount;
 - b. The service or shelter provided;
 - c. The minimum expected outcome per each applicable metric;
 - d. The calculated performance bonus for each metric;
 - e. The number of performance bonuses given, if any; and
 - f. The total award amount, calculated as the grant award amount in addition to any amount received as a performance bonus.

SECTION 4. Severability and Effective Date.

- A. If any provision of this chapter, or the application of any provision to any person or circumstance, is held to be invalid, the remainder of this chapter and the application of its provisions to any other person or circumstance shall not be affected thereby.
- B. This Act shall be fully enforceable January 1, 202[X].