

114TH CONGRESS
2D SESSION

H. R. 6232

To provide for the establishment of a Commission on the Advancement of
Social Enterprise, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 28, 2016

Mr. CICILLINE (for himself and Mr. MACARTHUR) introduced the following
bill; which was referred to the Committee on Oversight and Government
Reform

A BILL

To provide for the establishment of a Commission on the
Advancement of Social Enterprise, and for other purposes.

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 “Social Enterprise Eco-
5 system and Economic Development Commission Act of
6 2016” or as the “SEED Commission Act of 2016”.

7 **SEC. 2. COMMISSION ON THE ADVANCEMENT OF SOCIAL**
8 **ENTERPRISE.**

9 (a) **ESTABLISHMENT.**—There is established a com-
10 mission to be known as the Commission on the Advance-

1 ment of Social Enterprise (referred to in this section as
2 the “Commission”). The purpose of the commission is to
3 examine and make recommendations with respect to ways
4 the Federal Government can support and utilize the trans-
5 formative power of social enterprises.

6 (b) FEDERAL ADVISORY COMMITTEE ACT.—The
7 Federal Advisory Committee Act does not apply to the
8 Commission established under this subsection.

9 (c) MEMBERSHIP.—The membership of the Commis-
10 sion shall be composed of the following or their designees:

11 (1) The Administrator of the Small Business
12 Administration.

13 (2) The Administrator of the Economic Devel-
14 opment Administration.

15 (3) The Director of the Office of Social Innova-
16 tion and Civic Participation.

17 (4) The Chief Executive Officer of the Corpora-
18 tion for National and Community Service.

19 (5) The Assistant to the President for Domestic
20 Policy.

21 (6) The Director of the Office of Management
22 and Budget.

23 (7) The Commissioner of Internal Revenue.

24 (8) The Secretary of Labor.

25 (9) The Director of the Census.

1 (10) The Director of the National Economic
2 Council.

3 (11) The Attorney General.

4 (12) The Secretary of State.

5 (13) The Secretary of Education.

6 (14) The Secretary of the Treasury.

7 (15) The Secretary of Health and Human Serv-
8 ices.

9 (16) The Commissioner of Social Security.

10 (17) The Secretary of Agriculture.

11 (18) The Secretary of Commerce.

12 (19) The Secretary of Housing and Urban De-
13 velopment.

14 (20) The Chair of the Council of Economic Ad-
15 visors.

16 (21) The Administrator of the General Services
17 Administration.

18 (d) OPERATION.—

19 (1) CHAIRPERSON.—The Director of the Office
20 of Social Innovation and Civic Participation shall
21 serve as the Chairperson of the Commission.

22 (2) MEETINGS.—

23 (A) IN GENERAL.—The Commission shall
24 meet at the call of the Chairperson.

1 (B) INITIAL MEETING.—The initial meet-
2 ing shall take place not later than 30 days after
3 the date of enactment of this Act.

4 (3) QUORUM.—A majority of the members of
5 the Commission shall constitute a quorum, but a
6 lesser number of members may hold hearings.

7 (4) RULES.—The Commission may establish, by
8 majority vote, any rules for the conduct of Commis-
9 sion business, in accordance with this Act and other
10 applicable law.

11 (e) DUTIES.—

12 (1) DEFINING SOCIAL ENTERPRISE.—Not later
13 than 1 year after the initial meeting of the Commis-
14 sion, the Commission shall establish criteria for
15 identifying social enterprises for purposes of Federal
16 programs. The Commission will draw upon existing
17 leading research and scholarship in this area as well
18 as the input of practitioners and policy experts with-
19 in the social enterprise field.

20 (2) STUDY ACTIVITIES.—

21 (A) IN GENERAL.—The Commission shall
22 identify opportunities for the Federal Govern-
23 ment to more effectively engage social enter-
24 prises in creating jobs and strengthening local
25 economies while achieving optimal outcomes in

1 addressing policy challenges at the national,
2 State, and local level. The Commission shall re-
3 ceive and consider reports and testimony from
4 individuals, government departments, State and
5 local elected officials, community-based organi-
6 zations, nonprofit organizations, faith-based or-
7 ganizations, foundations, and other public and
8 private organizations statewide and of national
9 significance on the following:

10 (i) How social enterprise can accel-
11 erate progress on social issues.

12 (ii) How social enterprises work in a
13 cross-sector manner.

14 (iii) How social enterprise can ad-
15 vance social and economic development
16 goals.

17 (B) AREAS OF STUDY AND RECOMMENDA-
18 TION.—The areas studied and potential rec-
19 ommendations offered by the Commission under
20 this paragraph shall include the following:

21 (i) The role of social enterprises in the
22 United States economy.

23 (ii) The role of social enterprises in
24 addressing economic, social, and environ-

1 mental policy challenges across all levels of
2 government.

3 (iii) The role of social enterprises as
4 community support and development enti-
5 ties.

6 (iv) A statistical and qualitative exam-
7 ination of social enterprise within the
8 United States and its contribution to the
9 social and economic development of the
10 United States.

11 (v) Means through which the Federal
12 Government can assist in enhancing the
13 capacity of social enterprises.

14 (vi) Corporate legal structures that
15 foster or impede the development of social
16 enterprises.

17 (vii) How to reform the Internal Rev-
18 enue Code to reduce obstacles that social
19 enterprises face when addressing social
20 issues and creating economic value through
21 innovative methods.

22 (viii) How to reform Federal securi-
23 ties laws to encourage impact investing.

1 (ix) How the Federal Government can
2 leverage existing Community Development
3 Financial Institutions programs.

4 (x) How various sectors (including but
5 not limited to philanthropic, for-profit, and
6 nonprofit sectors) and levels of government
7 currently interact with social enterprises.

8 (xi) Review of the current process
9 through which social enterprises—both for-
10 profit and nonprofit organizations—can
11 obtain Federal loans, grants, and contracts
12 and offer recommendations for improving
13 these processes in light of the special needs
14 and contributions of social enterprises.

15 (xii) Review of the current process,
16 policies, and procedures through which so-
17 cial enterprises—both for-profit and non-
18 profit organizations—can access Federal
19 contracting opportunities and offer rec-
20 ommendations for improving the access of
21 social enterprises to Federal procurement
22 opportunities.

23 (xiii) How the Federal Government
24 can play a role in developing a purchasing
25 directory of social enterprises within the

1 United States that can be supported by
2 citizens, businesses, and government.

3 (xiv) Opportunities for the Federal
4 Government to develop and expand re-
5 search and the collection and analysis of
6 longitudinal data on social enterprises.

7 (xv) Barriers to social enterprise
8 growth.

9 (xvi) Opportunities for the develop-
10 ment of an entity or initiative to support
11 intermediaries that will promote and invest
12 in social enterprise.

13 (xvii) Identification of the appropriate
14 entity within the Federal Government that
15 shall be charged with the responsibility of
16 preparing an annual report to Congress on
17 the impact of social enterprises in the
18 United States and the extent to which the
19 Federal Government interacts with, sup-
20 ports, and invests in social enterprises.
21 And, where appropriate, this entity shall
22 monitor and update the areas of study list-
23 ed in this subparagraph.

24 (f) POWERS OF THE COMMISSION.—

1 (1) The Commission may hold such hearings
2 and collect such information as appropriate for car-
3 rying out this section.

4 (2) Except as otherwise prohibited by law, the
5 Commission may secure directly from any Federal
6 department or agency information the Commission
7 considers necessary to carry out this section. Upon
8 the request of the Commission, the head of the any
9 Federal agency shall furnish information requested
10 under this paragraph to the Commission.

11 (3) The Commission may enter into contracts
12 for research to inform the deliberations of the Com-
13 mission.

14 (4) The Commission may use the United States
15 mails in the same manner and under the same con-
16 ditions as other agencies of the Federal Government.

17 (g) COMMISSION PERSONNEL MATTERS.—

18 (1) DETAIL OF FEDERAL EMPLOYEES.—On the
19 affirmative vote of $\frac{2}{3}$ of the members of the Com-
20 mission and the approval of the appropriate Federal
21 agency head, an employee of the Federal Govern-
22 ment at GS-13 level or higher may be detailed to
23 the Commission without reimbursement, and such
24 detail shall be without interruption or loss of civil
25 service status, benefits, or privileges.

1 (2) STAFF.—

2 (A) IN GENERAL.—

3 (i) APPOINTMENT AND COMPENSA-
4 TION.—The chairperson, in accordance
5 with rules agreed upon by the Commission,
6 may appoint and fix the compensation of a
7 staff director and such other personnel as
8 may be necessary to enable the Commis-
9 sion to carry out its functions, without re-
10 gard to the provisions of title 5, United
11 States Code, governing appointments in
12 the competitive service, and without regard
13 to the provisions of chapter 51 and sub-
14 chapter III of chapter 53 of such title re-
15 lating to classification and General Sched-
16 ule pay rates, except that no rate of pay
17 fixed under this subsection may exceed the
18 equivalent of that payable for a position at
19 Level V of the Executive Schedule under
20 section 5316 of title 5, United States
21 Code.

22 (ii) PERSONNEL AS FEDERAL EM-
23 PLOYEES.—

24 (I) IN GENERAL.—Any personnel
25 of the Commission who are employees

1 shall be employees under section 2105
2 of title 5, United States Code, for
3 purposes of chapters 63, 81, 83, 84,
4 85, 87, 89, and 90 of that title.

5 (II) MEMBERS OF THE COMMIS-
6 SION.—Subparagraph (I) shall not be
7 construed to apply to members of the
8 Commission.

9 (B) VOLUNTEER SERVICES.—Notwith-
10 standing section 1342 of title 31, United States
11 Code, the Commission may accept and use vol-
12 untary and uncompensated services as the Com-
13 mission determines necessary.

14 (h) CONTRACTS FOR RESEARCH.—

15 (1) RESEARCHERS AND EXPERTS.—On an af-
16 firmative vote of $\frac{2}{3}$ of the members of the Commis-
17 sion, the Commission may select nongovernmental
18 researchers and experts to assist the Commission in
19 carrying out the duties of the Commission under this
20 section.

21 (2) OTHER ORGANIZATIONS.—Nothing in this
22 subsection limits the ability of the Commission to
23 enter into contracts with any other entity or organi-
24 zation to carry out research necessary to carry out
25 the duties of the Commission under this section.

1 (i) REPORT.—Not later than 1 year after the Com-
2 mission establishes criteria by which to identify social en-
3 terprise, the Commission shall submit to the President and
4 Congress a report on the Commission’s findings, conclu-
5 sions, and recommendations. The report shall identify the
6 Federal programs recommended and shall include—

7 (1) reports on all matters studied as described
8 in subsection (b); and

9 (2) how existing Federal Government programs
10 can be expanded to take advantage of the social and
11 economic benefits of social enterprises.

12 (j) TERMINATION.—The Commission shall terminate
13 90 days after the date on which the Commission submits
14 the report of the Commission under subsection (i).

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