

113TH CONGRESS  
1ST SESSION

# H. R. 2043

To provide for the establishment of a Commission on the Advancement of  
Social Enterprise.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 17, 2013

Mr. CICILLINE (for himself, Ms. WILSON of Florida, Mr. ENYART, Mr. WELCH, Ms. MCCOLLUM, Ms. HANABUSA, Mr. LANGEVIN, Mr. NADLER, and Mr. CONNOLLY) introduced the following bill; which was referred to the Committee on Oversight and Government Reform

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## A BILL

To provide for the establishment of a Commission on the  
Advancement of Social Enterprise.

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 2013” or as the “SEED Commission Act of 2013”.

1 **SEC. 2. COMMISSION ON THE ADVANCEMENT OF SOCIAL**  
2 **ENTERPRISE.**

3 (a) **ESTABLISHMENT.**—There is established a com-  
4 mission to be known as the Commission on the Advance-  
5 ment of Social Enterprise (referred to in this section as  
6 the “Commission”). The purpose of the commission is to  
7 examine and make recommendations with respect to ways  
8 the Federal Government can support and utilize the trans-  
9 formative power of social enterprises.

10 (b) **FEDERAL ADVISORY COMMITTEE ACT.**—The  
11 Federal Advisory Committee Act does not apply to the  
12 Commission established under this subsection.

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

15 (1) The Administrator of the Small Business  
16 Administration.

17 (2) The Administrator of the Economic Devel-  
18 opment Administration.

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

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

23 (5) The Assistant to the President for Domestic  
24 Policy.

25 (6) The Director of the Office of Management  
26 and Budget.

1 (7) The Commissioner of Internal Revenue.

2 (8) The Secretary of Labor.

3 (9) The Director of the Census.

4 (10) The Director of the National Economic  
5 Council.

6 (11) The Attorney General.

7 (12) The Secretary of State.

8 (13) The Secretary of Education.

9 (14) The Secretary of the Treasury.

10 (15) The Secretary of Health and Human Serv-  
11 ices.

12 (16) The Commissioner of Social Security.

13 (17) The Secretary of Agriculture.

14 (18) The Secretary of Commerce.

15 (19) The Secretary of Housing and Urban De-  
16 velopment.

17 (20) The Chair of the Council of Economic Ad-  
18 visors.

19 (21) The Administrator of the General Services  
20 Administration.

21 (d) OPERATION.—

22 (1) CHAIRPERSON.—The Director of the Office  
23 of Social Innovation and Civic Participation shall  
24 serve as the Chairperson of the Commission.

25 (2) MEETINGS.—

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

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

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

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

13 (e) DUTIES.—

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

22 (2) STUDY ACTIVITIES.—

23 (A) IN GENERAL.—The Commission shall  
24 identify opportunities for the Federal Govern-  
25 ment to more effectively engage social enter-

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

12                   (i) How social enterprise can accel-  
13                   erate progress on social issues.

14                   (ii) How social enterprises work in a  
15                   cross-sector manner.

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

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

23                   (i) The role of social enterprises in the  
24                   United States economy.

1           (ii) The role of social enterprises in  
2           addressing economic, social, and environ-  
3           mental policy challenges across all levels of  
4           government.

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

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

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

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

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

24          (viii) How to reform Federal securi-  
25          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 non-profit sectors) and levels of govern-  
7 ment currently interact with social enter-  
8 prises.

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

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

24 (xiii) How the Federal Government  
25 can play a role in developing a purchasing

1 directory of social enterprises within the  
2 United States that can be supported by  
3 citizens, businesses, and government.

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

8 (xv) Barriers to social enterprise  
9 growth.

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

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

25 (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) TRAVEL EXPENSES.—A member of the  
19           Commission shall be allowed travel expenses, includ-  
20           ing per diem in lieu of subsistence, at rates author-  
21           ized for an employee of an agency under subchapter  
22           I of chapter 57 of title 5, United States Code, while  
23           away from the home or regular place of business of  
24           the member in the performance of the duties of the  
25           Commission.

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

9           (3) STAFF.—

10           (A) IN GENERAL.—

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

1 equivalent of that payable for a position at  
2 Level V of the Executive Schedule under  
3 section 5316 of title 5, United States  
4 Code.

5 (ii) PERSONNEL AS FEDERAL EM-  
6 PLOYEES.—

7 (I) IN GENERAL.—Any personnel  
8 of the Commission who are employees  
9 shall be employees under section 2105  
10 of title 5, United States Code, for  
11 purposes of chapters 63, 81, 83, 84,  
12 85, 87, 89, and 90 of that title.

13 (II) MEMBERS OF THE COMMIS-  
14 SION.—Subparagraph (I) shall not be  
15 construed to apply to members of the  
16 Commission.

17 (B) VOLUNTEER SERVICES.—Notwith-  
18 standing section 1342 of title 31, United States  
19 Code, the Commission may accept and use vol-  
20 untary and uncompensated services as the Com-  
21 mission determines necessary.

22 (4) PROCUREMENT OF TEMPORARY AND INTER-  
23 MITTENT SERVICES.—On request of the Commis-  
24 sion, the Attorney General shall provide to the Com-  
25 mission, on a reimbursable basis, reasonable and ap-

1 appropriate office space, supplies, and administrative  
2 assistance.

3 (h) CONTRACTS FOR RESEARCH.—

4 (1) RESEARCHERS AND EXPERTS.—On an af-  
5 firmative vote of  $\frac{2}{3}$  of the members of the Commis-  
6 sion, the Commission may select nongovernmental  
7 researchers and experts to assist the Commission in  
8 carrying out the duties of the Commission under this  
9 section.

10 (2) OTHER ORGANIZATIONS.—Nothing in this  
11 subsection limits the ability of the Commission to  
12 enter into contracts with any other entity or organi-  
13 zation to carry out research necessary to carry out  
14 the duties of the Commission under this section.

15 (i) REPORT.—Not later than 1 year after the Com-  
16 mission establishes criteria by which to identify social en-  
17 terprise, the Commission shall submit to the President and  
18 Congress a report on the Commission's findings, conclu-  
19 sions, and recommendations. The report shall identify the  
20 Federal programs recommended and shall include—

21 (1) reports on all matters studied as described  
22 in subsection (b); and

23 (2) how existing Federal Government programs  
24 can be expanded to take advantage of the social and  
25 economic benefits of social enterprises.

1           (j) TERMINATION.—The Commission shall terminate  
2 90 days after the date on which the Commission submits  
3 the report of the Commission under subsection (i).

4           (k) AVAILABILITY OF APPROPRIATIONS.—Funds ap-  
5 propriated to the Commission shall be available for the  
6 duration of the Commission.

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