

117TH CONGRESS
2D SESSION

H. R. 9433

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

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 6, 2022

Mr. CICILLINE introduced the following bill; which was referred to the
Committee on Oversight and 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 2022” or as the “SEED Commission Act of 2022”.

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”).

3 (b) FEDERAL ADVISORY COMMITTEE ACT.—The
4 Federal Advisory Committee Act (5 U.S.C. App.) does not
5 apply to the Commission.

6 (c) MEMBERS.—The members of the Commission
7 shall be each of the following or their designees:

8 (1) The Administrator of the Small Business
9 Administration.

10 (2) The Administrator of the Economic Devel-
11 opment Administration.

12 (3) The Assistant to the President for Domestic
13 Policy.

14 (4) The Commissioner of Internal Revenue.

15 (5) The Secretary of Labor.

16 (6) The Director of the National Economic
17 Council.

18 (7) The Chair of the Council of Economic Advi-
19 sors.

20 (8) The Secretary of the Treasury.

21 (9) The Secretary of Commerce.

22 (10) The Secretary of Housing and Urban De-
23 velopment.

24 (11) The Chair of the Securities and Exchange
25 Commission.

1 (d) OPERATION.—

2 (1) CHAIR.—The Director of the Domestic Pol-
3 icy Council shall serve as the Chair of the Commis-
4 sion.

5 (2) MEETINGS.—

6 (A) IN GENERAL.—The Commission shall
7 meet at the call of the Chair.

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

11 (3) QUORUM.—A majority of the members of
12 the Commission shall constitute a quorum, but a
13 lesser number of members may hold hearings.

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

18 (e) DUTIES.—

19 (1) IN GENERAL.—The Commission shall exam-
20 ine and make recommendations with respect to ways
21 the Federal Government can support and utilize the
22 transformative power of social enterprises.

23 (2) DEFINING SOCIAL ENTERPRISE.—Not later
24 than 1 year after the initial meeting of the Commis-
25 sion, the Commission shall establish criteria for

1 identifying social enterprises, which may include
2 nonprofit and for-profit organizations, for purposes
3 of Federal programs. The Commission shall consider
4 research and scholarship on social enterprise and the
5 input of practitioners and policy experts within the
6 social enterprise field.

7 (3) STUDY ACTIVITIES.—

8 (A) IN GENERAL.—The Commission shall
9 identify opportunities for the Federal Govern-
10 ment to more effectively engage social enter-
11 prises in creating jobs and strengthening local
12 economies while achieving optimal outcomes in
13 addressing policy challenges at the national,
14 State, and local level. The Commission shall re-
15 ceive and consider reports and testimony from
16 individuals, government departments, State and
17 local elected officials, community-based organi-
18 zations, nonprofit organizations, faith-based or-
19 ganizations, foundations, and other public and
20 private organizations statewide and of national
21 significance on the following:

22 (i) How social enterprise can accel-
23 erate progress on social and environmental
24 issues.

1 (ii) How social enterprises work in a
2 cross-sector manner.

3 (iii) How social enterprise can ad-
4 vance social and economic development
5 goals.

6 (B) AREAS OF STUDY AND RECOMMENDA-
7 TION.—The areas studied and potential rec-
8 ommendations offered by the Commission under
9 this paragraph shall include the following:

10 (i) The role of social enterprises in the
11 United States economy.

12 (ii) The role of social enterprises in
13 addressing economic, social, and environ-
14 mental policy challenges across all levels of
15 government.

16 (iii) The role of social enterprises as
17 community support and development enti-
18 ties.

19 (iv) A statistical and qualitative exam-
20 ination of social enterprise within the
21 United States and the contribution of so-
22 cial enterprise to the social and economic
23 development of the United States.

1 (v) Means through which the Federal
2 Government can assist in enhancing the
3 capacity of social enterprises.

4 (vi) Corporate legal structures that
5 foster or impede the development of social
6 enterprises or the ability of organizations
7 that are not social enterprises to partner
8 with social enterprises.

9 (vii) How to reform the Internal Rev-
10 enue Code of 1986 to reduce obstacles that
11 social enterprises face when addressing so-
12 cial issues and creating economic value
13 through innovative methods.

14 (viii) How to encourage impact invest-
15 ing, including reforming Federal securities
16 laws and fiduciary duty for financial rela-
17 tionships.

18 (ix) How to use financial tools, finan-
19 cial instruments, and financial institutions
20 to promote the development and growth of
21 social enterprise.

22 (x) How the Federal Government can
23 make use of community development finan-
24 cial institutions programs to benefit social
25 enterprises.

1 (xi) How various sectors (including
2 philanthropic, for-profit, and nonprofit sec-
3 tors) and levels of government interact
4 with social enterprises.

5 (xii) Review of the process through
6 which social enterprises (for-profit and
7 nonprofit organizations) obtain Federal
8 loans, grants, and contracts and offer rec-
9 ommendations for improving these proc-
10 esses in light of the special needs and con-
11 tributions of social enterprises.

12 (xiii) Review of the process, policies,
13 and procedures through which social enter-
14 prises (for-profit and nonprofit organiza-
15 tions) access Federal contracting opportu-
16 nities and offer recommendations for im-
17 proving the access of social enterprises to
18 such opportunities.

19 (xiv) How the Federal Government
20 can play a role in developing a purchasing
21 directory of social enterprises within the
22 United States that can be supported by
23 citizens, businesses, and government.

24 (xv) Opportunities for the Federal
25 Government to develop and expand re-

1 search and the collection and analysis of
2 longitudinal data on social enterprises.

3 (xvi) Barriers to social enterprise
4 growth.

5 (xvii) Opportunities for the develop-
6 ment of an entity or initiative to support
7 intermediaries that will promote and invest
8 in social enterprise.

9 (xviii) Identification of the appro-
10 priate entity within the Federal Govern-
11 ment—

12 (I) to prepare and submit to
13 Congress an annual report on the im-
14 pact of social enterprises in the
15 United States and the extent to which
16 the Federal Government interacts
17 with, supports, and invests in social
18 enterprises; and

19 (II) where appropriate, to mon-
20 itor and update the areas of study
21 listed in this subparagraph.

22 (xix) Barriers that prevent corpora-
23 tions or organizations that are not social
24 enterprises from operating like social en-
25 terprises and what incentives or structures

1 would encourage them to operate more like
2 social enterprises.

3 (f) POWERS OF THE COMMISSION.—

4 (1) HEARINGS.—The Commission may hold
5 such hearings and collect such information as appro-
6 priate for carrying out this section.

7 (2) INFORMATION.—Except as otherwise pro-
8 hibited by law, the Commission may secure directly
9 from any agency information the Commission con-
10 siders necessary to carry out this section. Upon the
11 request of the Commission, the head of the agency
12 shall furnish information requested under this para-
13 graph to the Commission.

14 (3) CONTRACT AUTHORITY.—The Commission
15 may enter into contracts for research to inform the
16 deliberations of the Commission.

17 (4) MAILS.—The Commission may use the
18 United States mails in the same manner and under
19 the same conditions as other agencies.

20 (5) ADVISORY COUNCIL.—The Commission may
21 establish an advisory council of relevant nonprofit
22 organizations and for-profit organizations.

23 (g) COMMISSION PERSONNEL MATTERS.—

24 (1) DETAIL OF FEDERAL EMPLOYEES.—On the
25 affirmative vote of $\frac{2}{3}$ of the members of the Com-

1 mission and the approval of the appropriate head of
2 the agency, an employee of the Federal Government
3 at GS-13 level or higher may be detailed to the
4 Commission without reimbursement, and such detail
5 shall be without interruption or loss of civil service
6 status, benefits, or privileges.

7 (2) STAFF.—

8 (A) IN GENERAL.—

9 (i) APPOINTMENT AND COMPENSA-
10 TION.—The Chair of the Commission, in
11 accordance with rules agreed upon by the
12 Commission, may appoint and fix the com-
13 pensation of a staff director and such
14 other personnel as may be necessary to en-
15 able the Commission to carry out its func-
16 tions, without regard to the provisions of
17 title 5, United States Code, governing ap-
18 pointments in the competitive service, and
19 without regard to the provisions of chapter
20 51 and subchapter III of chapter 53 of
21 such title relating to classification and
22 General Schedule pay rates, except that no
23 rate of pay fixed under this subsection may
24 exceed the equivalent of that payable for a
25 position at Level V of the Executive Sched-

1 ule under section 5316 of title 5, United
2 States Code.

3 (ii) PERSONNEL AS FEDERAL EM-
4 PLOYEES.—

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

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

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

20 (h) CONTRACTS FOR RESEARCH.—

21 (1) RESEARCHERS AND EXPERTS.—On an af-
22 firmative vote of $\frac{2}{3}$ of the members of the Commis-
23 sion, the Commission may select nongovernmental
24 researchers and experts to assist the Commission in

1 carrying out the duties of the Commission under this
2 section.

3 (2) OTHER ORGANIZATIONS.—Nothing in this
4 subsection limits the ability of the Commission to
5 enter into contracts with any other entity or organi-
6 zation to carry out research necessary to carry out
7 the duties of the Commission under this section.

8 (i) REPORT.—Not later than 1 year after the Com-
9 mission establishes criteria by which to identify social en-
10 terprise, the Commission shall submit to the President and
11 Congress a report on the findings, conclusions, and rec-
12 ommendations of the Commission. The report shall iden-
13 tify the Federal programs recommended and shall in-
14 clude—

15 (1) reports on all matters described in sub-
16 section (e); and

17 (2) how existing Federal Government programs
18 can be expanded to take advantage of the social and
19 economic benefits of social enterprises.

20 (j) TERMINATION.—The Commission shall terminate
21 90 days after the date on which the Commission submits
22 the report of the Commission under subsection (i).

23 (k) DEFINITIONS.—In this section:

1 (1) AGENCY.—The term agency has the mean-
2 ing given that term in section 551 of title 5, United
3 States Code.

4 (2) IMPACT INVESTING.—The term “impact in-
5 vesting” means investing made with the intention to
6 generate positive, measurable, social, and environ-
7 mental impact alongside a financial return.

8 (3) NONPROFIT ORGANIZATION.—The term
9 “nonprofit organization” means an organization de-
10 scribed in section 501(c)(3) of the Internal Revenue
11 Code of 1986 and exempt from taxation under sec-
12 tion 501(a) of such Code.

13 (l) AUTHORIZATION OF APPROPRIATIONS.—There
14 are authorized to be appropriated to the Commission such
15 funds as are necessary to carry out its duties under this
16 section. Such funds shall remain available until the date
17 on which the Commission terminates pursuant to subjec-
18 tion (j).

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