Bond Case Briefs

Municipal Finance Law Since 1971

<u>Evidence-Based Programs Risk Losing Funding Under</u> <u>Trump.</u>

A federal fund that supports evidence-based social programs in state and local government may end under President Donald Trump.

The Social Innovation Fund, an Obama-era initiative, has issued nearly \$300 million in government grants since its inception in 2009. The money has gone to projects aimed at housing the chronically homeless, employing jobless adults and providing health care to the uninsured, among other things. Because the program requires grantees to seek additional matching dollars, it has <u>generated</u> more than \$1 billion in combined public and private investment.

But late last month, *The New York Times* reported that a memo from the White House Office of Management and Budget recommended the elimination of nine federal agencies. Among them was the Corporation for National and Community Service, which is best known for running AmeriCorps but also operates the Social Innovation Fund.

The Trump administration has not commented on the report, but the president's budget blueprint calls for roughly \$54 billion in cuts to nondefense programs.

Under the Social Innovation Fund, proposals can't receive funding unless research suggests they would work, and every project must undergo evaluation to see if it gets the intended result. It's a radical change in how federal dollars are spent.

"Success has often been determined by how much money did we spend or how many people did we serve instead of the outcomes that we got," says Jeremy Ayers, vice president of policy for Results for America, a nonprofit that promotes the use of evidence in government.

If Trump's budget does call for the elimination of the Social Innovation Fund, Congress could ignore his recommendation, and there are reasons to think that might happen. Past efforts to discontinue the fund failed, and Republicans, including House Speaker Paul Ryan, have championed the broad idea of evidence-based policy.

Still, the fund's advocates are working to protect it.

"We're rallying the troops to show Congress that there is support for this work and also there is a real impact and consequences if this work does not continue to be funded," says Ayers.

Results for America has sent a <u>letter</u> in support of the fund — as well as several other evidencebased programs — to the ranking members of the House and Senate appropriations committees. Most of the 187 signatories are nonprofits and academic groups, but the list includes the mayors of Philadelphia and Salt Lake County, several public school districts, the chief of performance improvement for Louisville, Ky.; the cities of Boise, Idaho, and Menlo Park, Calif.; and Cook County, Ill. A number of former federal officials also signed the letter, including former directors of the White House Domestic Policy Council under presidents George W. Bush and Barack Obama. A long list of state and local governments have benefited from the fund, particularly in getting "payfor-success" programs up and running. Pay-for-success programs minimize the government's risk by leveraging private funding for evidence-based experiments aimed at solving public problems. If the project works — for example, if prisoner recidivism is reduced — then outside funders get reimbursed for their investment. The arrangements are still new and complex, requiring nonprofits and academic centers with experience in the field to assist government partners.

Not all of the recipients have been for pay-for-success projects though.

The Mayor's Fund to Advance New York City, a nonprofit started by then-New York City Mayor Rudy Giuliani, has been awarded \$34.5 million from the federal fund for a range of antipoverty initiatives. One such program, Family Rewards, provided cash assistance to low-income families in exchange for fulfilling certain tasks, such as having the children score proficient on standardized tests, attend school regularly and stay up-to-date on health and dental checkups.

GOVERNING.COM

BY J.B. WOGAN | MARCH 1, 2017

Copyright © 2025 Bond Case Briefs | bondcasebriefs.com