



# Funding the **Incarceration to Incorporation** Entrepreneurship Program

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## BACKGROUND

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The Incarceration to Incorporation Entrepreneurship Program Act of 2016 (“IIEP”) became D.C. Law on August 18, 2016.<sup>2</sup> This innovative law seeks to assist returning citizens in their entrepreneurial pursuits and efforts to obtain gainful employment so they can contribute to the D.C. community, support themselves and their families, and successfully reintegrate into civilian life. The program has two main features, first providing training programs and entrepreneurship apprenticeship opportunities, and second providing grants and loan funding for returning citizens to finance their businesses.

In reintegrating into communities, returning citizens face a number of challenges, including the stigma of being incarcerated, which makes it difficult to find gainful employment, regardless of their business training. A lack of assets and credit history that are necessary to obtain traditional means of start-up business capital, like bank loans, is also a problem for returning citizens. Often starting their own business is the only way for a returning citizen to obtaining meaningful employment. The lack of employment opportunities leaves many returning citizens vulnerable to recidivism or dependent on government services, making D.C. less safe and placing unnecessary burdens on the District’s social resources. The IIEP provides an opportunity to make the District safer, reduce the number of citizens dependent on social benefits, and most importantly support the economic development of the District in areas where it is most needed. By providing business training and then microbusiness loans on reasonable terms to returning citizens with legitimate business plans, who could not obtain loans from traditional lenders, the IIEP seeks to provide the start up support returning citizen entrepreneurs need to be successful. Unlike traditional job training or workforce development programs, the IIEP will provide extensive business training, access to community college education and entrepreneurship mentoring and coaching from the D.C. business community, as well as assistance with the nearly unachievable hurdle, securing initial capital for businesses. While *Aspire to Entrepreneurship* (“Aspire”), a government program sponsored by the D.C. Department of Employment Services, provides a short six month entrepreneurship incubation program, the IIEP offers much more.

## CURRENT STATE OF THE LAW

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Despite a unanimous City Council vote, the IIEP was not included in the City’s 2017 Budget and, to date, has yet to be funded. Sources have estimated that there are approximately 67,000<sup>3</sup> individuals that reside in D.C. with a prior conviction, which is about 10% of the D.C. population of 681,180<sup>4</sup>. This number is challenging to estimate because no organization is charged with collecting and reporting the statistic and the precision of the methods that have been used to estimate it have been questioned.<sup>5</sup> The effects of the challenges returning citizens face span much further than the 67,000 returning citizens themselves—it affects their families that struggle financially, their neighborhoods that suffer the cost of recidivism, and District residents at large who are deprived of the goods and services returning citizens are capable and eager to provide if given the opportunity.

This program, if funded, could be one of the first of its kind in the United States. Washington D.C. has been a leader in efforts to assist returning citizens. Through the creation of the Mayor’s Office on Returning Citizens Affairs in 2013<sup>6</sup>, Ban the Box Laws<sup>7</sup>, and the Diversion Program,<sup>8</sup> among other initiatives, the District’s Council and Mayor’s Office have been innovators in addressing the needs of this marginalized group. The District has an opportunity to continue this innovation, pioneer

publicly-supported entrepreneurship training and education to enable returning citizens to be economically self-sufficient, and realize the prison system’s goal of social reintegration.

The District currently has the legislative framework to provide returning citizens with the opportunity to keep the communities safer, grow the local economy, and contribute to society in a meaningful way by funding the IIEP.

## THE BUDGET PROCESS IN THE DISTRICT OF COLUMBIA

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The yearly budget process in D.C. begins in October with the provision of a target budget to local agencies, which return their own individual draft budgets to the Mayor, Muriel Bowser.<sup>9</sup> Mayor Bowser then consults with the D.C. Council Members for input on this budget.<sup>10</sup> The City’s Chief Financial Officer will subsequently provide the Mayor with a revenue estimate, which requires the Mayor to evaluate each agency’s request while taking into consideration the new cap on expenditures.<sup>11</sup> Next, the Mayor will propose a budget, as the D.C. Council committees evaluate each of the agencies they oversee.<sup>12</sup> After these evaluations are completed, the Mayor will release a final budget proposal in April.<sup>13</sup> In May, the full Council will meet as the Committee of the Whole to review the full budget proposal and make suggestions for modifications, as appropriate.<sup>14</sup>

After the review of the full budget proposal, the Council will vote on the Budget Request Act, which designates budgets for each agency.<sup>15</sup> In the case of the IIEP, the D.C. Department of Employment Services (“DOES”), the agency responsible for administering the IIEP, must request funding from the annual budget to secure the initial funding required to commence the program.<sup>16</sup> After the budget request is made, the Mayor has the option to sign the Budget Request Act.<sup>17</sup> If she fails to sign the budget, she can be vetoed by a two-thirds vote of the Council, at which point the budget will be sent to the United States Congress for review.<sup>18</sup>

Once legislation is passed, the law may go unfunded for up to two years before it becomes subject to repeal under the Budget Support Act, beginning in the third fiscal year.<sup>19</sup> All laws that are subject to repeal after two years without funding are compiled into a list and given to the Chairman, who has the option to include the bill in the Budget Support Act.<sup>20</sup>

## POTENTIAL SOURCES OF FUNDING FOR THE IIEP LEGISLATION

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The funding provided by the Mayor and the D.C. Council would allow the creation of a non-lapsing special fund permitting the deposit of up to \$10 million into the IIEP Fund from the D.C. Council, as well as from outside sources, including public and private entities, and through sponsorship agreements.<sup>21</sup> Thus, funding provided for the IIEP Fund would constitute a portion of the total program budget. Among the various options for supplemental funding for the IIEP legislation, one viable source of funding is through Social Impact Bonds (“SIBs”).

SIBs, also known as pay-for-success contracts,<sup>22</sup> are already utilized by the District as evidenced by the D.C. Pay-for-Success Contract Authorization Emergency Act of 2014.<sup>23</sup> A SIB is a contract between investors and a governmental entity, where investors provide capital for projects aimed at tackling

pervasive social issues, such as homelessness and poor education that are anticipated to provide cost-savings to the local government.<sup>24</sup> In return for their initial investment, investors recoup profits directly from the government as the cost-savings are realized.<sup>25</sup> Under the IIEP, one significant source of cost-savings would come in the form of reduced recidivism rates.

As of February 2017, the existing SIB programs in the United States are anticipated to deliver more than \$130 million in services to more than 20,000 people.<sup>26</sup> In addition to pursuing the implementation of SIBs, mission-based foundations and trusts could be a promising source of funding, as many of these organizations specifically delegate funds intended to support mission-based programs like the IIEP. For example, the Coleman Foundation<sup>27</sup> and the W.K. Kellogg Foundation<sup>28</sup> are among the many organizations that provide financial support to programs that are designed to promote entrepreneurship education and community empowerment. Finally, the IIEP may engage in sponsorship contracts whereby corporate entities may provide financial support to the IIEP in exchange for recognition of sponsorship by the Fund.<sup>29</sup>

In essence, any funds budgeted for the IIEP would provide a catalyst for financing the project through the collaboration of multiple external funding sources. The initial funding would provide a mechanism for the program to begin operating and soliciting funding from outside donors. This could potentially alleviate some of the financial burden caused by the initially deposited funds provided by the Mayor and Council, but would still allow the District to enjoy the extensive social and economic benefits the IIEP program would provide to the D.C. community.

## JUSTIFICATIONS FOR FUNDING THE IIEP LEGISLATION

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Once funding for IIEP is secured, the benefits anticipated for the D.C. community are exponential. The economic and social success of returning citizens impacts the entire community. Entrepreneurship is a significant tool for returning citizens who are faced with difficulties in finding employment upon release due to the employment barriers that accompany a criminal record. If returning citizens are unable to find work, self-employment can be an important tool for economic freedom when traditional employment opportunities are foreclosed. When returning citizens are unable to secure gainful employment, their families and communities experience the effects. When returning citizens cannot find jobs, they also cannot provide for the families they return to, experience higher recidivism rates, and are unable to contribute to their communities through active participation in the local economy. Conversely, returning citizens-turned-entrepreneurs provide relief to the welfare system and help cultivate the local economy, not only because employed returning citizens can provide financial support for themselves and their families, but also because returning citizens frequently start businesses that provide goods or services that would otherwise be provided by larger corporate enterprises, thereby keeping the monetary returns local.

With an estimated one-eighth (approximately 12.5%) of the D.C. population with prior convictions in 2012,<sup>30</sup> and more returning each year, the sheer number of returning citizens, families, and individuals in the D.C. community who are affected by the success of returning citizens makes funding the IIEP crucial for facilitating a thriving D.C.

## SIMILAR PROGRAMS

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There are a few successful nonprofit initiatives supporting the goals of the IIEP, but they are not legally mandated by state or local governments. These organizations have successfully helped members of disadvantaged populations and, specifically, returning citizens start their own small businesses.

Rising Tide Capital<sup>31</sup> (RTC) is a Jersey City, New Jersey organization that provides knowledge capital, social capital, and financial capital to struggling individuals to help build stronger communities. Since 2012, Rising Tide Capital has had 1,770 graduates from its Community Business Academy. These graduates have 916 collective businesses currently in operation, and have yielded a return of \$3.80 of economic impact for every \$1 invested in RTC.

Defy Ventures<sup>32</sup> was founded in New York City to provide leadership and business development education to “Entrepreneurs-in-Training (EITs).” The organization’s work has had a substantial impact on its entrepreneurs, boasting less than a five percent recidivism rate and a ninety-five percent employment rate for EITs within seven months of enrolling in the program. Further, there are currently 165 active startups founded by EITs.

Life Asset<sup>33</sup> is a Washington, D.C.-based nonprofit that provides microloans, training, and business opportunities to lower-income residents to aid them in starting their own businesses. Life Asset has provided 100 microloans in the past year that have resulted in the creation of 250 jobs. Life Asset’s clients have seen a thirty-three percent increase in revenue after receiving Life Asset support, and ninety-seven percent of the micro-businesses supported by the organization are still in business.

The Appendix contains selected case studies of entrepreneurship programs that assist returning citizens.

## ASPIRE TO ENTREPRENEURSHIP PROGRAM (“ASPIRE”)

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Aspire is an existing reentry program in the District of Columbia. While Aspire bears some similarity to the IIEP, there are differences in the programs that will allow both programs to coexist and aid returning citizens in the community. One notable difference between the programs is that Aspire currently receives seed funding from D.C.’s Department of Small and Local Business Development and each participant in the program receives a stipend through the DOES Project Empowerment program.<sup>34</sup>

The IIEP builds on the benefits to returning citizens that *Aspire* already provides. The IIEP will serve as a longer-term program, as compared to the six-month development program that *Aspire* offers.<sup>35</sup> Further, the IIEP provides access to GED preparation courses and ongoing mentorship, which eligible participants can utilize throughout the program and beyond.<sup>36</sup> Notably, the IIEP will place participants in apprenticeships and provide them with networking opportunities to continue to develop their business acumen.<sup>37</sup> While *Aspire* does provide benefits to returning citizens, funding the IIEP would allow the programs to work together to make a greater difference in the D.C. community.

## CONCLUSION

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The District of Columbia has a unique opportunity to be a forerunner in the area of returning citizen community reintegration. Programs with similar concepts have proven successful in the past, though no program with the same reach or potential for success in creating entrepreneurial opportunities for returning citizens has been implemented in D.C. With such a high rate of returning citizens, D.C. is in the ideal position to cultivate and enjoy the benefits that come with the implementation of IIEP. Funding the IIEP will lower recidivism rates, decrease costs associated with high rates of returning citizens unemployment, support local families, and keep our communities safer. For those reasons, we encourage you to support funding the IIEP program for the next fiscal year.

## KEY TAKEAWAYS

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- Returning citizens make up a notable size of the Washington, D.C. community.
- The IIEP is the first of its kind in a government entity supporting its returning citizen community by providing entrepreneurship opportunities.
- The IIEP has the potential to serve the D.C. community in a substantial way and reduce recidivism among D.C. Returning Citizens.
- The IIEP cannot serve its intended purpose without support and funding from the Mayor's Office.

# Appendix

## ACKNOWLEDGEMENT

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Special thanks to the spring 2018 members of the Small Business & Community Economic Development Clinic for research, analysis and preparation of the attached case studies.

- Jonathan Abrams
- Eric Albers-Fiedler
- Devron Brown
- Janisse Bruno
- Daniela Estrada
- Lily Gebru
- Suzanne Hart
- Andrea Johnson
- Brian Miller
- Farhad Mirzadeh
- Basel Musharbash
- Nonye Ukoh



*Leverage public platforms (media and national speaking engagements) and showcase Entrepreneurs-in-Training (“EIT”) humanity and brilliant potential. Defy challenges public perceptions and changes the national conversation about the criminal justice system. Defy inspires people to use their influence to create private sector solutions to America’s prison problem.<sup>38</sup>*

### SUCCESS METRICS

**1,950+**

currently or formerly incarcerated people served

**<5%**

recidivism rate

**95%**

employment rate for formerly incarcerated clients

**165+**

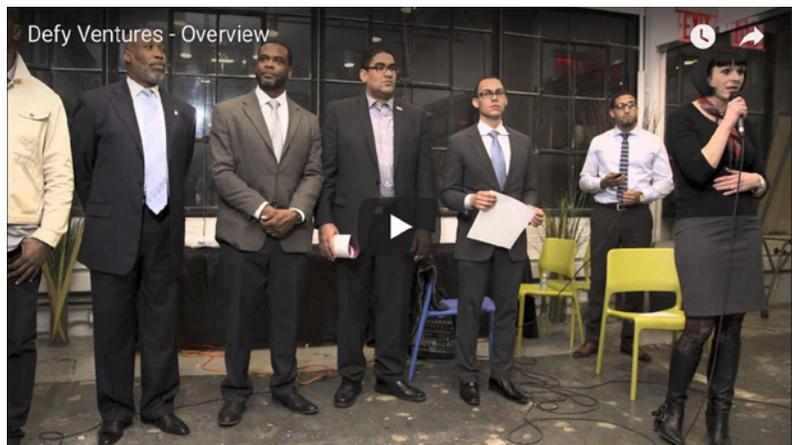
incubated startups founded by graduates that have created 350+ jobs

**3,500+**

executive volunteers

**15,000+**

hours of coaching and mentoring donated



- ▣ Bring Justice
- ▣ Partner (Not Pity)
- ▣ Love Hard
- ▣ Transform Legacies
- ▣ Challenge Perceptions
- ▣ Grow Courageously
- ▣ Honor Commitments
- ▣ Own Mistakes
- ▣ Stay Scrappy

## OUR IMPACT

**At enrollment, 90% of EITs live in poverty; they averaged 10 years in prison. They suffer the stigma of being known for the worst thing they've done, instead of who they are today. Defy changes that.**

- “Defy Ventures transforms the lives of business leaders and people with criminal histories through their collaboration along the entrepreneurial journey.”<sup>39</sup>
- Launched 2010 in New York, New York, with additional programing in California, Colorado, Nebraska, and Connecticut.
- Around 50 staff members and almost 3,000 volunteers
- Positions: Financial Officer; People Officer; Development; Program; Prison Program; Marketing; Monitoring; Executive Director of locations; Grant writers; post prison release staff.
- Over 20,000 social media followers across all platforms
  - <https://www.facebook.com/DefyVentures>
  - <https://twitter.com/DefyVentures>



Catherine Hoke  
Founder & CEO



John Garofolo  
Chief Financial Officer



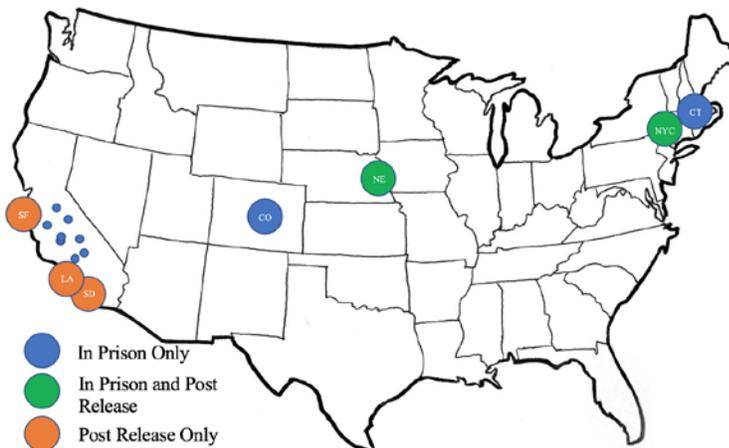
Andrew Glazier  
Chief Program Officer



Charles Hoke  
Chief Development Officer



Marina Thompson  
Chief People Officer



## TRACK RECORD

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- As of 2015, over 100 companies have been started by Defy’s Entrepreneurs in Training (“EIT”)<sup>40</sup> and over 3,000 business people have become involved as volunteers, judges, and mentors.<sup>41</sup>
- In 2015, Google.org (a nonprofit branch of Google) invested \$500,000 in Defy to bring the program to the Bay Area.<sup>42</sup>

Professional Services Partners <sup>43</sup>	Re-Entry Partners <sup>44</sup>	Faith-Based Partners <sup>45</sup>
Paul, Weiss, Rifkin, Wharton & Garrison	U.S. Probation Office	Fairfax Community Church
Capital IQ	Southern District-New York	Fellowship Missionary Baptist Church (Chicago)
Archehos Capital Management	New York State Office of Probation and Correctional Alternatives (OPCA)	New Canaan Society
Open Hands Legal Services	Com-Alert, King’s County District Attorney Office	New Song Church
Maverick Capital	Goodwill Industries	Redeemer Ei Forum
CIP Creation Corp.	Doe Fund	
BBP Bags	Osborne Association	
Sandler Sales Training	The College Initiative	
Kiva Zip		
Network for Teaching Entrepreneurship		

## IN APPLICATION

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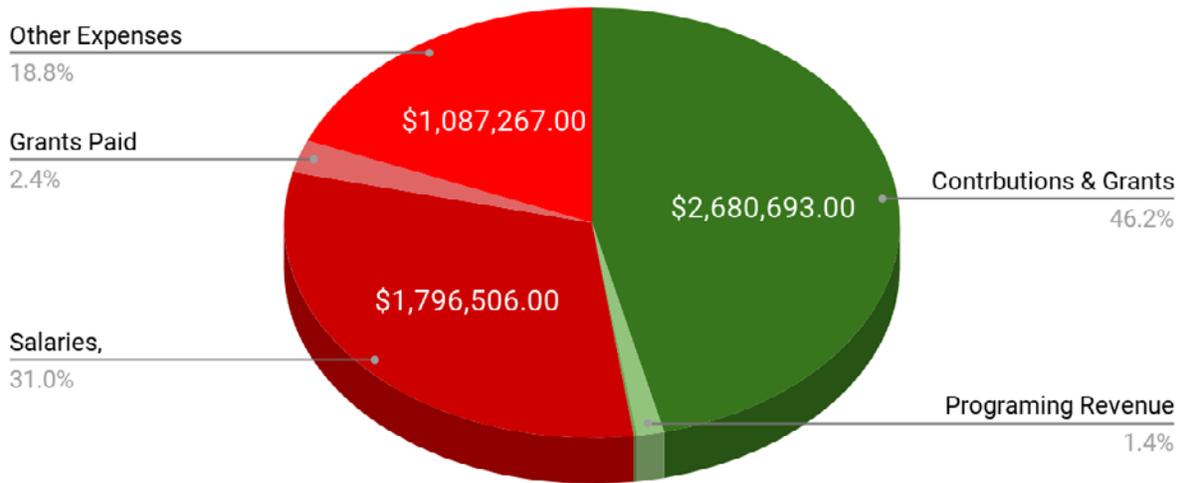
### Graduate Program:

- Defy pairs senior business executives, entrepreneurs, and other influencers with EITs to “defy” the odds by coaching EITs to become successful business owners, employers, parents and community leaders. Additionally, Defy provides EITs with “intense, no-bull, life-transforming, MBA-like training, executive coaching, mentoring, parenting education, character development and career opportunities.” Defy’s signature entrepreneurship program engages EITs in a series of Shark Tank-style business plan competitions judged by renowned thought leaders.<sup>46</sup>

Graduate	Company	Description
 <p data-bbox="241 905 368 930">Coss Marte</p>	 <sup>47</sup>	<p data-bbox="846 705 1089 730">Prison Style Bootcamp</p>
 <p data-bbox="241 1152 368 1178">Kim Morris</p>	 <sup>48</sup>	<p data-bbox="846 953 1344 978">Residential and Commercial Cleaning Service</p>
 <p data-bbox="222 1400 388 1425">Seth Sundberg</p>	 <sup>49</sup>	<p data-bbox="846 1201 1403 1226">Healthy, Nutritious, Criminally Delicious Snack Bars</p>

Financial Outlook

### Defy's Jan. 2015 990 Revenue and Expenses



The logo for the Prison Entrepreneurship Program (PEP) features the words "prison entrepreneurship" in white lowercase letters on a red rectangular background. Below this, the word "program" is written in a smaller, grey lowercase font on a white background.

prison  
entrepreneurship  
program

The Prison Entrepreneurship Program (PEP) is a 501(c)(3) nonprofit organization that was established in 2004. PEP is based in and works in Texas.

## People



**CEO**  
**Bert Smith**

Mr. Smith started volunteering with PEP in 2005, shortly after the organization was founded. Prior to joining PEP as CEO in 2010, Mr. Smith held various directorial and executive positions primarily in the energy industry. Mr. Smith continues to be involved with the business community in Houston, and is an active volunteer and board member for multiple other nonprofits.



**Founder**  
**Catherine Hoke (née Rohr)**

Ms. Hoke started her career in private equity and venture capital firms, founded PEP after touring prisons in Texas and seeing that the inmates she met exhibited the same entrepreneurial qualities as the business owners she worked with. She led PEP to graduate close to 500 students in its first five years. Ms. Hoke resigned from PEP in 2009, and went on to found Defy Ventures in New York City.

## Mission & Work

PEP works to train, educate, and mentor incarcerated men so that they can build new lives and contribute to their communities after they serve their sentences. PEP’s mission is to “transform inmates and executives by unlocking human potential through entrepreneurial passion, education and mentoring.”

PEP utilizes a rigorous selection process to find inmates close to release that possess entrepreneurial qualities and strong work ethic. Selected participants begin the program with a 3-month character development program called the Leadership Academy, which is followed by a 6-month “mini-MBA program” centered around the Business Plan Competition, where participants formulate, refine, and

and ultimately pitch business plans. After graduation from the program, each participant receives a Certificate of Entrepreneurship from the Baylor Hankamer School of Business. After release, participants can become eligible for business financing through PEP if they complete the requisite number of assignments and workshops in PEP's entrepreneurship school. PEP also offers a mentoring program and transitional housing to assist participants in their reentry into society.

### Impact<sup>50</sup>

- Since its founding in 2004, over 1,450 returning citizens have completed the program.
- 100% of PEP graduates are employed within 90 days of release from prison, and the average length of time “from prison to paycheck” is 20 days. PEP graduates average starting wages 60% higher than the minimum wage.
- Close to 100% of PEP graduates are still employed after 12 months, compared to the average national unemployment rate for ex-offenders which is close to 50%.
- Over 200 businesses have been started by PEP graduates, six of which gross over \$1 million in annual revenue.
- PEP graduates have an average three-year recidivism rate of less than 7%, compared to a close to 25% state average and nearly 50% national average. PEP estimates that this reduced recidivism saves the state about \$6 million per year.<sup>51</sup>
- Based on data from PEP's 2012 programs, each dollar invested in PEP yields a 340% return on investment after five years due to participants' reduced recidivism, generation of tax revenue, and decreased reliance on social services.<sup>52</sup>



*Business development services designed to transform lives by helping individuals start and grow successful businesses; build communities through collaborations with other non-profits, higher education institutions, corporations, and public agencies; and create a scalable program model with measurable impact which can be replicated in communities of need across the U.S.<sup>53</sup>*

## Basic Information

**WHO:** Rising Tide Capital (“RTC”) is dedicated to the development of economically underserved communities through entrepreneurship. RTC equips entrepreneurs in low-income neighborhoods with the skills, tools and resources they need to start and grow successful businesses.<sup>54</sup>

- Rising Tide Capital, Inc.
  - Website <<https://www.risingtidecapital.org>>.
  - Address: 384 Martin Luther King Drive Jersey City, NJ 07305
- Motto
  - “Transforming Lives and Communities through Entrepreneurship.”
- Promotional video
  - “Our Mission At Work” <[https://youtu.be/oMsk\\_WQAYN4](https://youtu.be/oMsk_WQAYN4)>.
- Positions
  - Investors, Partners, Trustees, Strategic Advisory Board
- Key members of staff
  - Alfa Demmelash, Chief Executive Officer, Co-founder
    - Compensation: \$122,829+
  - Alex Forrester, Chief Strategy & Innovation Officer, Co-founder
    - Compensation: \$110,649+
  - Michael Caslin, Managing Director, Development
    - Compensation: \$125,000
  - Michelle Osorio, Office Manager

## WHAT

- RTC is a 501(c)(3) non-profit organization, headquartered in New Jersey, dedicated to building economically sustainable communities by assisting individuals and groups to build strong businesses.<sup>55</sup> RTC provides business development services designed to help individuals start and grow successful businesses, and create a replicable model with measurable impact, which can be used in other communities of need across America.

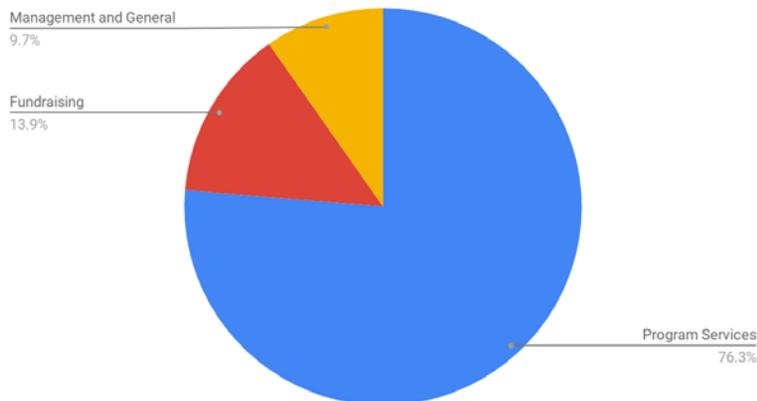
## WHY

- RTC provides development services aimed at job creation, employment, income security, and a stronger local economy by providing entrepreneurial opportunities in unemployed, underemployed, and underserved urban communities.<sup>56</sup> It provides business management information, networking, mentorship, business opportunities, and access to financial capital.

## IMPACT

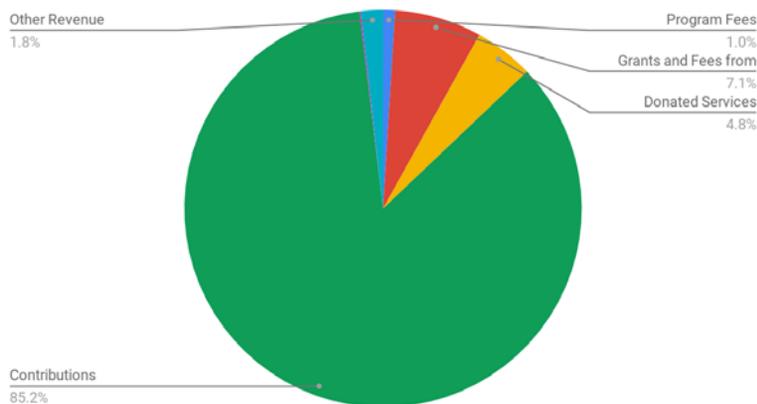
- RTC employs a data driven approach to measure the performance and progress of its business development opportunities, and uses data tracking and analysis to help expand economic opportunities to social entrepreneurs everywhere.
- Over the years, RTC's social investors have educated over 1,000 entrepreneurs in multiple cities, promoting businesses, job creation and economic growth in urban neighborhoods by providing long-term support through RTC. These investors have created a powerful and replicable model for community and economic development that can be adapted in other cities, impacting thousands of lives.<sup>57</sup>

Total Expenses 2016: \$3,597,341



58

RTC's Total Revenue 2016: \$5,691,431\*



59

\* \$2,051,214 of contributions remain temporarily restricted.

## TESTIMONIALS

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“Rising Tide Capital is offering a much-needed service that many people don’t have access to. They help entrepreneurs actualize their dreams by providing the support to help them along their journey and give them hope.”

—Charles Venti, Executive Director, Nicholson Foundation



Capitalism For The Poor: A Rising Tide In Jersey City [*Forbes*, Oct. 2016]

“Rising Tide has graduated 1,500 current and prospective entrepreneurs in Jersey City, Elizabeth, Orange, Union City and Newark (most recently helping to support a similar program on Chicago’s South Side). The results go far beyond completing the course: 682 of those graduates have started new businesses, while some 460 have seen expansions in businesses they already operated when they enrolled with Rising Tide. Another 645 new businesses are in the planning stage.”

“On average, those with businesses who have completed the 12-week program have seen a 64% increase in sales and a 47% increase in income (from \$38,375 to \$56,412). Use of public-assistance programs by participants has declined, from 27% to 12%. Enrollees have started and expanded preschools, pest control, home repair, home cleaning and auto-repair businesses.”

## ENDNOTES

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<sup>1</sup> Elle Collins, Yaffa Meeran and Jessica Miller, third year law students enrolled in the GW Law School Small Business and Community Economic Development Clinic (fall 2017) wrote this white paper as part of an action research project on entrepreneurship for returning citizens. Action research is a pedagogical approach to educating students while helping communities. *See generally*, Susan R. Jones, *Representing Returning Citizen Entrepreneurs in the Nation's Capital*, 25 J. Affordable Housing & Community Dev. L. 45 (2016).

<sup>2</sup> D.C. CODE §§ 2-1210.51-.55 (2016).

<sup>3</sup> Clinton Yates, *'Returning citizens' are still one of D.C.'s most marginalized and motivated groups*, Wash. Post, January 16, 2015.

<sup>4</sup> *United States Census Bureau Population Estimates, July 1, 2016 (V2016)*.

<sup>5</sup> Marina Duane et. al., *Criminal Background Checks and Access to Jobs: A Case Study of Washington, D.C.*, (3) July 2017, [https://www.urban.org/sites/default/files/publication/91456/2001377\\_criminal\\_background\\_checks\\_and\\_access\\_to\\_jobs\\_dc\\_case\\_study.pdf](https://www.urban.org/sites/default/files/publication/91456/2001377_criminal_background_checks_and_access_to_jobs_dc_case_study.pdf).

<sup>6</sup> Mayor's Office on Returning Citizen Affairs, <https://orca.dc.gov>.

<sup>7</sup> *"Ban the Box": Fair Criminal Record Screening Act of 2014*, D.C. Law 2-38; D.C. Code §§ 2-1403.01 et seq.

<sup>8</sup> *Alternatives to Court Diversion Program*, <https://dhs.dc.gov/page/alternatives-court-experience-ace-diversion-program>.

<sup>9</sup> *See* Council of the District of Columbia, *Council 101: Understanding the Budget Process*, <http://dccouncil.us/news/entry/council-101-understanding-the-budget-process1> (accessed Oct. 24, 2017).

<sup>10</sup> *See id.*

<sup>11</sup> *Id.*

<sup>12</sup> *Id.*

<sup>13</sup> *Id.*

<sup>14</sup> *Id.*

<sup>15</sup> *Id.*

<sup>16</sup> *Id.*

<sup>17</sup> *Id.*

<sup>18</sup> *Id.*

<sup>19</sup> D.C. Council Rule 736, Repeal of Laws Subject to Appropriations.

<sup>20</sup> *Id.*

<sup>21</sup> *See* Incarceration to Incorporation Entrepreneurship Program (IIEP), D.C. Code § 2-1210.51-55.

<sup>22</sup> A "pay-for-success contract" is defined in the D.C. Pay-for-Success Contract Authorization Emergency Act of 2014 as: "a contract between the District and a social service intermediary that establishes outcome-based performance standards for social programs performed by nonprofit service providers and initially funded by private investors through a social impact funding instrument and provides a mechanism by which investors shall receive a return of their investment and earnings thereon only if outcome-based performance standards are met by the social service intermediary." D.C. Code § 2-211.01.

<sup>23</sup> D.C. Code § 2-211.01.

<sup>24</sup> *See* Investopedia, *Social Impact Bond (SIB)*, <http://www.investopedia.com/terms/s/social-impact-bond.asp#ixzz4v2gvdJfV>.

<sup>25</sup> *Id.*

<sup>26</sup> Harvard Kennedy School: Government Performance Lab, *Social Impact Bonds 101*, Dec. 16, 2016, [http://govlab.hks.harvard.edu/files/siblab/files/sibs\\_101\\_hks\\_gpl\\_2017.pdf](http://govlab.hks.harvard.edu/files/siblab/files/sibs_101_hks_gpl_2017.pdf).

- <sup>27</sup>The Coleman Foundation, *Entrepreneurship Education*, [https://colemanfoundation.org.presencehost.net/what\\_we\\_fund/entrepreneurship/overview.html](https://colemanfoundation.org.presencehost.net/what_we_fund/entrepreneurship/overview.html) (accessed Oct. 24, 2017).
- <sup>28</sup>The W.K. Kellogg Foundation, *What We Do*, <https://www.wkkf.org/what-we-do/overview> (accessed Oct. 30, 2017).
- <sup>29</sup>Incarceration to Incorporation Entrepreneurship Program (IIEP), D.C. Act 21-487 § 4(b)(4).
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