

**To: Contract & Grants Officers**

**Subject: Federal Clauses on Trafficking in Persons, Prostitution, and Related Activities**

**Background**

Federal agencies are required to implement federally legislated restrictions against sex trafficking, prostitution, and related activities via contract clauses and grant terms. As the sources of these restrictions may be in different pieces of federal legislation, the clauses and their requirements may differ accordingly.

**Contract Clauses and Grant Terms**

The federal grants and cooperative agreements award term for Trafficking in Persons is published at [2 CFR Part 175](#). This grant term requires that the recipient employees and subrecipients under the award may not:

- i. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
- ii. Procure a commercial sex act during the period of time that the award is in effect; or
- iii. Use forced labor in the performance of the award or subawards under the award.

The award can be terminated if a recipient or subrecipient employee under the award engages in such practices. The recipient must immediately inform the federal funding agency "...of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term." This grant term is included in all subawards.

Federal Acquisition Regulation [FAR 52.222-50, Combating Trafficking in Persons](#), sets forth the requirements below for federal contractors. Under this contract clause, the Contractor shall:

- (1) Notify its employees of—
  - (i) The United States Government's zero tolerance policy described in paragraph (b) of this clause; and
  - (ii) The actions that will be taken against employees for violations of this policy. Such actions may include, but are not limited to, removal from the contract, reduction in benefits, or termination of employment; and
- (2) Take appropriate action, up to and including termination, against employees or subcontractors that violate the policy in paragraph (b) of this clause.
- (d) *Notification.* The Contractor shall inform the Contracting Officer immediately of—

- (1) Any information it receives from any source (including host country law enforcement) that alleges a Contractor employee, subcontractor, or subcontractor employee has engaged in conduct that violates this policy; and
- (2) Any actions taken against Contractor employees, subcontractors, or subcontractor employees pursuant to this clause.

This above clause is a required flow-down in subcontracts.

The Department of Health and Human Services (DHHS) Acquisition Regulation (HHSAR) [352.270-8, Prostitution and Related Activities](#), is inserted in solicitations and contracts

in connection with the implementation of HIV/AIDS programs under the President's Emergency Plan for AIDS Relief; or where the contractor will receive funding under the United States Leadership Against HIV/AIDS, Tuberculosis and Malaria Act of 2003. ([HHSAR 370.701.](#))

This HHSAR contract clause requires the Contractor to have “a policy explicitly opposing prostitution and sex trafficking.” The Contractor must have and maintain “‘objective integrity and independence’ from any organization that engages in activities inconsistent with a policy opposing prostitution and sex trafficking.” Finally, the clause requires the Contractor to certify: 1) this previous statement; 2) that any subcontractor will certify the same; and 3) acknowledge the certification as a prerequisite to receipt of funding under this contract. The clause must be flowed-down to subcontractors and does not “affect the applicability of the FAR clause at 52.222-50...”

## Guidance

As set forth in the terms and clauses described above, federal law prohibits trafficking in persons, procuring commercial sex acts, or using forced labor in the performance of a federal award. California law also prohibits prostitution (both engaging in and soliciting prostitution), and individuals who violate the law may be subject to criminal prosecution. Federal contracts and grants condition the receipt and funding of awards on compliance with specific federal requirements. The awarding agency may terminate the award for violations. Employees who violate these requirements may be subject to removal from the contract, disciplinary action up to and including termination of employment, and criminal prosecution.

University of California's [Statement of Ethical Values](#) sets forth its “*Standards of Ethical Conduct*,” which include “Compliance with Applicable Laws and Regulations.” This encompasses an expectation of compliance with the applicable federal laws and regulations referenced in this Memo, and generally affirms the University's commitment to ethical, legal and professional behavior in all its dealings inside and outside the University. This Standard, along with the rest of this Memo, may be cited, as needed, by campuses that choose to accept awards containing the DHHS language cited above.

In addition to the above statements of the University's compliance with federal and State laws, employees under federal contracts which contain [FAR 52.222-50, Combating Trafficking in Persons](#) must receive a notification of "the United States Government's zero tolerance policy described in paragraph (b) of this clause."

The attachment to this Memo provides a sample letter for campuses to give to any University employee paid under federal contracts with this FAR clause.

Contact:

Andrew C. Boulter

[Andrew.Boulter@ucop.edu](mailto:Andrew.Boulter@ucop.edu)

(510) 987-9840

A handwritten signature in black ink, reading "Wendy D Streitz". The signature is fluid and cursive, with the first name "Wendy" and last name "Streitz" clearly legible.

Wendy Streitz  
Executive Director  
Research Policy Analysis & Coordination

**Attachment: Sample Notification Letter**

cc: Vice Chancellors for Research  
Campus Material Managers  
Ellen Auriti, OP OGC  
Luana Putney, OP Research Compliance  
Alan Moloney, OP Procurement Services

Date: [Insert Date]

To: All University of California, [Campus Name] employees directly engaged in performance of work under the [Project Name and Contract/Award Number]

From: [Name]  
Principal Investigator

[Name]  
Vice President for Research Administration [or Designee]

Re: Mandatory Compliance Requirement

The Federal government has placed a requirement on the University in connection with the receipt and funding of the [Project Title] that you are expected to comply with. Specifically, the [Agency] requires that the University notify employees working on the [Project Title] contract of the provisions of the Trafficking Victims Protection Act of 2000 as amended by The Trafficking Victims Protection Reauthorization Act of 2003 (PL 108-193) and 2005 (PL 109-164) and the Federal policy adopted pursuant to it. This law establishes a Federal zero tolerance policy toward coerced and severe trafficking in human beings.

Specifically,

1. The Federal government has adopted a strong policy against trafficking in persons. Those persons performing work under this contract shall not engage in severe forms of trafficking in persons or procure commercial sex acts during the period of performance of this contract, and shall not use forced labor in the performance of this contract.
2. Any violations of these requirements may result in the [Agency] terminating funding for the [Project Title]. Actions taken by the University of California, [Campus Name] against employees for violations of this policy may include, but are not limited to, removal from the contract, reduction in benefits, or termination of employment.

The [Agency] contract requires the University to notify all employees and contract workers who perform work on this contract (other than contract workers with minimal involvement) of this policy.

Should you have any questions, these can be directed to [Contact Name].