

Amendment No.

CHAMBER ACTION

Senate

House

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Representative Williams, A. offered the following:

Amendment (with title amendment)

Between lines 1431 and 1432, insert:

Section 24. The Department of Management Services, in consultation with the Chief Financial Officer, shall prepare and submit a report by December 1, 2013, to the Governor, the President of the Senate, and the Speaker of the House of Representatives recommending policies and statutory changes necessary to ensure that companies doing business with the state are taking necessary actions to identify and eradicate human trafficking, slavery, and exploitive labor from their supply chains for tangible goods offered for sale to the state. The report shall address the following factors:

(1) Minimum actions that companies should be required to take to identify and eradicate human trafficking, slavery, and

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17 exploitive labor from their supply chains for tangible goods
18 offered for sale to the state. Such minimum actions should
19 include the adoption and enforcement of minimum company
20 standards regarding human trafficking, slavery, and exploitive
21 labor and public disclosure, either on the company's website
22 through a conspicuous and easily understandable link or through
23 an alternative method if the company does not have a website, of
24 the extent to which the company:

25 (a) Engages in verification of the supply chain to
26 evaluate and address the supply chain's possible involvement in
27 human trafficking, slavery, or exploitive labor. The disclosure
28 should specify whether such verification is conducted by a third
29 party.

30 (b) Conducts audits of suppliers to evaluate supplier
31 compliance with the company's standards regarding human
32 trafficking, slavery, or exploitive labor in supply chains. The
33 disclosure should specify whether such audits are conducted as
34 independent, unannounced audits.

35 (c) Requires suppliers to certify that materials
36 incorporated into the product comply with laws regarding human
37 trafficking, slavery, and exploitive labor in the country or
38 countries in which they are doing business.

39 (d) Maintains internal accountability standards and
40 procedures for employees or contractors who fail to meet the
41 company's standards regarding human trafficking, slavery, and
42 exploitive labor.

43 (e) Provides training on human trafficking, slavery, and
44 exploitive labor to employees and managerial staff who have

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Approved For Filing: 4/1/2013 1:44:34 PM

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45 direct responsibility for supply chain management, particularly
46 with respect to mitigating risks within the supply chain.

47 (2) Whether as a condition of doing business with the
48 state all companies or only those companies doing some threshold
49 level of business with the state should be required to take
50 minimum actions to identify and eradicate human trafficking,
51 slavery, and exploitive labor from their supply chains for
52 tangible goods offered for sale to the state.

53 (3) The most efficient and effective mechanisms for the
54 state to monitor and enforce compliance with recommended
55 requirements for companies to take minimum actions to identify
56 and eradicate human trafficking, slavery, and exploitive labor
57 from their supply chains for tangible goods offered for sale to
58 the state.

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61 **T I T L E A M E N D M E N T**

62 Remove line 105 and insert:
63 references; requiring the Department of Management
64 Services, in consultation with the Chief Financial
65 Officer, to prepare and submit a report to the
66 Governor and Legislature relating to the eradication
67 of human trafficking, slavery, and exploitive labor
68 from supply chains for tangible goods offered for sale
69 to the state; providing effective dates.