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114TH CONGRESS
2D SESSION

S. 553

To marshal resources to undertake a concerted, transformative effort that seeks to bring an end to modern slavery, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 24, 2015

Mr. CORKER (for himself, Mr. MENENDEZ, Mr. RUBIO, Mrs. SHAHEEN, Ms. AYOTTE, Mr. COONS, Mr. McCAIN, Mr. BLUMENTHAL, Mr. ALEXANDER, Mr. PORTMAN, Mr. KIRK, Mr. CARDIN, Mr. ISAKSON, Mr. COCHRAN, Mr. UDALL, Ms. HEITKAMP, Mr. PETERS, Mr. SCHATZ, Mr. MARKEY, Ms. COLLINS, Ms. WARREN, Ms. STABENOW, Ms. CANTWELL, Mr. BURR, Ms. HIRONO, Mr. TILLIS, Mr. NELSON, Mr. REED, Mr. BROWN, Mrs. GILLIBRAND, Mrs. FEINSTEIN, Mr. MERKLEY, Mr. MURPHY, and Ms. BALDWYN) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

FEBRUARY 3, 2016

Reported by Mr. CORKER, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To marshal resources to undertake a concerted, transformative effort that seeks to bring an end to modern slavery, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “End Modern Slavery
3 Initiative Act of 2015”.

4 **SEC. 2. SENSE OF CONGRESS.**

5 It is the sense of Congress that—

6 (1) the United States has a long history of do-
7 mestic and international engagement in preventing
8 and responding to modern slavery;

9 (2) modern slavery involves extensive criminal
10 activity and demands the full attention and commit-
11 ment of the United States;

12 (3) the United States Government should con-
13 tinue to coordinate across departments and agencies
14 to prevent and respond to this heinous activity that
15 involves over 21,000,000 people worldwide through
16 sustained investment in integrated, interagency anti-
17 trafficking initiatives;

18 (4) while United States Government efforts
19 continue to address many facets of modern slavery,
20 there is an urgent need today for international pub-
21 lic and private cooperation to increase resources
22 available to programs that can make a measureable
23 impact in reducing the prevalence of modern slavery
24 by building the capacity of foreign governments to
25 sustainably deter perpetrators of modern slavery
26 through—

1 (A) establishing and enforcing the rule of
2 law to hold perpetrators of modern slavery ac-
3 countable, including—

4 (i) those who enslave children and
5 adults in the sex trade; and

6 (ii) those who enslave through forced
7 labor and abusive labor recruitment prac-
8 tices and fees;

9 (B) promoting justice for victims of mod-
10 ern slavery;

11 (C) restoring and protecting survivors of
12 modern slavery; and

13 (D) building partnerships between govern-
14 ments, civil society organizations, private sector
15 entities and individuals, and survivors to seek
16 to bring an end to modern slavery; and

17 (5) countries that fall within the first and sec-
18 ond tiers of the United States Department of State's
19 annual Trafficking in Persons report could qualify
20 as partner countries for the purposes of this Act,
21 and many countries that fall within the Tier 2 watch
22 list may also qualify, and therefore should be eligible
23 for funding as partner countries under this Act,
24 along with key jurisdictions of other countries, such
25 as Tier 3 countries.

1 **SEC. 3. POLICY.**

2 It is the policy of the United States Government—

3 (1) to marshal resources to seek to bring to an
4 end modern slavery through the provision of matching
5 funds to a private grant-making institution, in
6 partnership with private donors and other govern-
7 ments, that selects and supports innovative strate-
8 gies with the aim of verifiably and sustainably reduc-
9 ing the prevalence of modern slavery by 50 percent
10 in targeted populations within partner countries (or
11 jurisdictions thereof) with a high prevalence of mod-
12 ern slavery;

13 (2) to allow such a private grant making insti-
14 tution the flexibility to work in jurisdictions of other
15 countries, where those jurisdictions have dem-
16 onstrated the type of commitment and capabilities
17 otherwise required of partner countries; and

18 (3) to engage other countries with a high preva-
19 lence of modern slavery through the full range of
20 United States Government foreign assistance pro-
21 grams in order to help those countries become eligi-
22 ble as partner countries for the purposes of receiving
23 additional assistance under the End Modern Slavery
24 Initiative established by this Act.

1 SEC. 4. THE END MODERN SLAVERY INITIATIVE FOUNDA-

2 TION.

3 (a) IN GENERAL.—Not later than 60 days after the
4 date of the enactment of this Act, there shall be estab-
5 lished and incorporated under the laws of the District of
6 Columbia an independent, private nonprofit corporation to
7 be known as “End Modern Slavery Initiative Foundation”.

8 (b) PURPOSE.—The purpose of the End Modern
9 Slavery Initiative Foundation shall be to work collabora-
10 tively with government, civil society, and private institu-
11 tions in partner countries and key jurisdictions of other
12 countries with a high prevalence of modern slavery to iden-
13 tify and fund successful strategies to combat modern slav-
14 ery.

15 (e) STATUS OF FOUNDATION.—The End Modern
16 Slavery Initiative Foundation shall not be an agency or
17 establishment of the United States Government.

18 (d) STATUS OF BOARD AND OFFICERS AND EMPLOY-
19 EES.—The members of the Board of Directors of the End
20 Modern Slavery Initiative Foundation shall not, by reason
21 of such membership, be officers or employees of the
22 United States, and the officers or employees of the End
23 Modern Slavery Initiative Foundation shall not be officers
24 or employees of the United States.

(e) TAX STATUS ELIGIBILITY.—The End Modern Slavery Initiative Foundation shall be eligible to be treated

1 as an organization described in section 501(c)(3) of the
2 Internal Revenue Code of 1986 which is exempt from tax-
3 ation under section 501(a) of such code and, if such treat-
4 ment is conferred in accordance with the provisions of
5 such code, shall be subject to all provisions of such code
6 relevant to the conduct of organizations exempt from tax-
7 ation.

8 (f) FUNDING.—The End Modern Slavery Initiative
9 Foundation shall seek to obtain a minimum of
10 \$1,500,000,000 in aggregate funding from foreign govern-
11 ments and private sector organizations and individuals
12 over an initial seven year period, leveraging United States
13 Government grants provided to the Foundation as seed
14 funding and to complement the comprehensive foreign as-
15 sistance programs of the United States Government.

16 (g) ADDITIONAL PRIVATE SECTOR FUNDING
17 PLAN.—The Board of Directors shall, not later than 180
18 days after the date of the enactment of this Act, submit
19 to the appropriate congressional committees a plan to
20 raise an additional \$500,000,000 in commitments from
21 private sector entities to fully fund the End Modern Slav-
22 ery Initiative Foundation.

23 (h) AUTHORIZATION FOR THE RECEIPT OF
24 FUNDS.—The End Modern Slavery Initiative Foundation
25 may accept and utilize, consistent with the policies, prior-

1 ities, and purposes of this Act, any gift, donation, bequest,
2 or devise of real or personal property from any govern-
3 ment or private sector individual or organization, includ-
4 ing the provision of voluntary services or in-kind services
5 or products.

6 (i) GOVERNANCE.—

7 (A) BOARD OF DIRECTORS.—

8 (A) IN GENERAL.—The End Modern Slav-
9 ery Initiative Foundation shall be overseen by a
10 Board of Directors—

11 (i) which shall include individuals with
12 recognized relevant professional expertise
13 and a survivor of modern slavery; and
14 (ii) not more than 11 of whom will be
15 voting members.

16 (B) NON-VOTING ADVISORY DIRECTORS.—

17 The voting directors of the Board may appoint,
18 at their discretion, non-voting advisory direc-
19 tors, which may include a representative of the
20 Secretary of State such as the Ambassador-at-
21 Large and Director of the Office to Monitor
22 and Combat Trafficking in Persons.

23 (C) DECISIONS OF THE BOARD OF DIRECTORS.—Decisions of the Board of Directors

1 shall be made by a simple majority vote of voting
2 directors present.

3 (D) RESPONSIBILITIES.—In addition to
4 other specific responsibilities provided for in
5 this Act, the voting directors of the Board of
6 Directors shall—

7 (i) oversee the monitoring and evaluation of the End Modern Slavery Initiative
8 Foundation efforts and supported projects;
9 and

10 (ii) make prioritized program funding decisions.

11 (E) QUORUM OF THE BOARD OF DIRECTORS.—In order to take official action, the
12 Board shall require a quorum composed of a
13 majority of its voting directors.

14 (F) ADDITIONAL RESPONSIBILITIES OF
15 THE BOARD OF DIRECTORS.—The Board of Directors shall—

16 (i) by majority vote of voting directors
17 delegate relevant authorities to the Chief
18 Executive Officer appointed pursuant to
19 paragraph (2)(A) concerning agreements
20 made with governments or private sector
21 individuals or organizations; programmatic

1 and monitoring and evaluation strategies
2 of the End Modern Slavery Initiative
3 Foundation, and other matters related to
4 the End Modern Slavery Initiative Foundation,
5 consistent with the policies, priorities,
6 and purposes of this Act; and

7 (ii) reserve the right of review and ap-
8 proval of major agreements as appropriate.

9 (G) LONG-TERM STRATEGY REVIEW, AP-
10 PROVAL, AND SUBMISSION.—Not later than five
11 years after the date of the enactment of this
12 Act, the Board of Directors shall review, ap-
13 prove, and submit to governments, entities, or
14 individuals providing funding to the End Mod-
15 ern Slavery Initiative Foundation, as well as the
16 appropriate congressional committees, the strat-
17 egy required to be developed pursuant to para-
18 graph (2)(D).

19 (2) CHIEF EXECUTIVE OFFICER.—

20 (A) IN GENERAL.—The day-to-day oper-
21 ations of the End Modern Slavery Initiative
22 Foundation shall be run by a Chief Executive
23 Officer, who shall be a United States citizen
24 and shall be employed at the exclusive discre-
25 tion of the Board of Directors.

(B) AUTHORITY OF THE CHIEF EXECUTIVE OFFICER.—The Chief Executive Officer of the End Modern Slavery Initiative Foundation shall be authorized to take all actions authorized by the Board of Directors, consistent with the policies, priorities, and purposes of this Act, including the hiring and termination of any employees of the End Modern Slavery Initiative Foundation.

(C) RESPONSIBILITIES OF THE CHIEF EXECUTIVE OFFICER.—The Chief Executive Officer shall be responsible for—

(i) ensuring matching funding requirements pursuant to this Act are met;

(ii) ensuring that foreign government and private sector funding commitments are fully realized;

(iii) developing all necessary strategies and agreements for the End Modern Slavery Initiative Foundation;

(iv) identifying funding requirements:

(v) preparing and presenting to the Board of Directors for approval a portfolio of priority projects to be funded;

1 (vi) administering the End Modern
2 Slavery Initiative Foundation procurement
3 processes;

4 (vii) developing reliable baseline data
5 and ensuring that such data and the process
6 of obtaining such data are subject to
7 outside, independent audits;

8 (viii) developing and administering the
9 monitoring and evaluation of funded pro-
10 grams;

11 (ix) complying with all relevant audit-
12 ing, accounting, taxation, and legal re-
13 quirements;

14 (x) preparing, publicly publishing, and
15 submitting to each government, private in-
16 dividual, or corporation that has contrib-
17 uted funds an annual report of approxi-
18 mately 50 pages with appropriate annexes
19 on the activities and results of the End
20 Modern Slavery Initiative Foundation;

21 (xi) ensuring the sharing, among ap-
22 propriate governmental and nongovern-
23 mental partners and interested parties in
24 the global anti-slavery community, of cor-
25 porate and nonprofit best practices, includ-

ing those developed or identified by the End Modern Slavery Initiative Foundation or others through its supported programs;

(xii) working to encourage partner countries to hold accountable those who enslave children and adults in the sex trade;

(xiii) working to develop best practices to help ensure that corporate supply chains do not involve the use of victims of modern slavery, including ending forced labor and addressing the role of abusive labor recruitment practices and fees; and

(xiv) undertaking consultations, as the Chief Executive Officer deems necessary or is directed by the Board of Directors, with appropriate governmental and nongovernmental partners with respect to End Modern Slavery Initiative Foundation strategies, programs, and projects.

(D) LONG-TERM STRATEGY DEVELOPMENT AND CONSULTATIONS.—Not later than four years after the date of the enactment of this Act, the Chief Executive Officer, in consultation with the Board of Directors, shall initiate dis-

1 eussions with appropriate governmental and
2 nongovernmental partners and begin develop-
3 ment of a strategy that seeks to end modern
4 slavery globally based on empirical evidence and
5 best practices identified by the End Modern
6 Slavery Initiative Foundation, including funding
7 requirements to fully implement such a strat-
8 egy.

9 (j) LIMITATIONS AND PROHIBITIONS.—

10 (1) ISSUANCE OF STOCK AND DIVIDENDS.—The
11 End Modern Slavery Initiative Foundation may not
12 issue any shares of stock or declare or pay divi-
13 dends.

14 (2) CONFLICTS OF INTEREST.—

15 (A) ASSETS.—No part of the assets of the
16 End Modern Slavery Initiative Foundation shall
17 inure to the benefit of any member of the
18 Board of Directors, any officer or employee of
19 the End Slavery Initiative Foundation, or any
20 other individual, except as reasonable salary or
21 compensation for services for officers and em-
22 ployees, reasonable reimbursement for expenses
23 incurred in the course of such employment, or
24 for other individuals, as specific beneficiaries of

1 services provided pursuant to supported
2 projects.

3 (B) RELATIONSHIP TO GRANTEES.—No
4 voting director of the Board of Directors may
5 be a member of the board of directors or an of-
6 ficer, employee, or consultant to, any grantee of
7 the End Modern Slavery Initiative Foundation.

8 (C) COMPENSATION.—No director of the
9 Board of Directors may receive compensation
10 for service on the Board of Directors, other
11 than reasonable reimbursement for expenses in-
12 curred in the course of such service.

13 (3) LOBBYING RESTRICTION.—Any Federal
14 funds provided to the End Modern Slavery Initiative
15 Foundation or any other nonprofit organization pur-
16 suant to the authorization of funding provided under
17 this Act shall be subject to the restrictions and pro-
18 hibitions of section 1352 of title 31, United States
19 Code.

20 (k) RECORDKEEPING, AUDITING, OVERSIGHT, AND
21 REPORTING REQUIREMENTS.—

22 (1) IN GENERAL.—The End Modern Slavery
23 Initiative Foundation shall be subject to the same
24 auditing, recordkeeping, and reporting obligations as
25 required pursuant to subsections (e), (f), (g), and (i)

1 of section 504 of the National Endowment for De-
2 mocracy Act (22 U.S.C. 4413).

3 (2) COMPTROLLER GENERAL AUDIT AUTHOR-
4 ITY.—

5 (A) IN GENERAL.—The Comptroller Gen-
6 eral of the United States may evaluate the fi-
7 nancial transactions of the End Slavery Initia-
8 tive Foundation as well as the programs or ac-
9 tivities the End Slavery Initiative Foundation
10 carries out pursuant to this Act.

11 (B) ACCESS TO RECORDS.—The End Slav-
12 ery Initiative Foundation shall provide the
13 Comptroller General, or his duly authorized
14 representatives, access to such records as the
15 Comptroller General determines necessary to
16 conduct evaluations authorized by this Act.

17 (C) RULE OF CONSTRUCTION.—Nothing in this Act
18 shall be construed to make the End Modern Slavery Initia-
19 tive Foundation an agency or establishment of the United
20 States Government or to make the members of the Board
21 of Directors of the End Slavery Initiative Foundation, or
22 the officers or employees of the End Slavery Initiative, of-
23 ficers or employees of the United States.

1 SEC. 5. AUTHORIZATION FOR GRANTS TO END MODERN

2 **SLAVERY.**

3 (a) GRANT AUTHORIZATION.—The Secretary of
4 State is authorized, subject to the availability of appro-
5 priations and on an annual basis, to make grants of fund-
6 ing for purposes of this Act in the amounts authorized
7 in subsection (b) to the End Modern Slavery Initiative
8 Foundation or other nonprofit organization that—

9 (1) funds programs and projects in partner
10 countries and key jurisdictions of other countries in
11 order to seek to end modern slavery, including by
12 funding programs and projects that—

13 (A) contribute to the freeing and sustain-
14 able recovery of victims of modern slavery;

15 (B) prevent individuals from being subject
16 to modern slavery; or

17 (C) enforce laws that punish both individ-
18 uals and corporate entities that engage in mod-
19 ern slavery, and

20 (2) seeks to receive foreign government con-
21 tributions in a ratio of two-to-one and private sector
22 contributions in a ratio of three-to-one to United
23 States Government funding.

24 (b) AUTHORIZATION OF APPROPRIATIONS FOR FIS-
25 CAL YEARS 2015 THROUGH 2022.—In addition to such
26 sums as may otherwise be available for such purposes,

1 there is authorized to be appropriated to the Department
2 of State for the purpose of making the grants authorized
3 under subsection (a)—

4 (1) for fiscal year 2015, \$1,000,000; and
5 (2) for each fiscal year from 2016 through
6 2022, \$35,714,285.

7 (e) CONDITIONS FOR UNITED STATES GOVERNMENT
8 FUNDING.—

9 (1) MATCHING GOVERNMENT FUNDING.—Ex-
10 cept as provided under paragraphs (4) and (5),
11 funding provided pursuant to grants authorized
12 under subsection (a) shall only be available for ex-
13 penditure by the grantee during a fiscal year if
14 matching funding equal to twice the total amount of
15 such funding has been obtained from one or more
16 other governments in such fiscal year.

17 (2) MATCHING PRIVATE SECTOR FUNDING.—
18 Except as provided under paragraphs (4) and (5),
19 funding provided pursuant to grants authorized
20 under subsection (a) shall only be available for ex-
21 penditure by the grantee during a fiscal year if
22 matching funding equal to the total amount of such
23 funding has been obtained from private sector enti-
24 ties in such fiscal year.

1 (3) LIMITATION ON ADMINISTRATIVE COSTS.—

2 Funding provided pursuant to the grants authorized
3 under subsection (a) shall only be available for ex-
4 penditure by the grantee for a fiscal year in which
5 the prior fiscal year administrative costs are no more
6 than 10 percent of modified total direct costs or oth-
7 erwise meet the administrative cost requirements of
8 section 200.414 of title 2, Code of Federal Regula-
9 tions.

10 (4) INITIAL EXEMPTION.—

11 (A) IN GENERAL.—Notwithstanding the
12 matching funding requirement in paragraphs
13 (1) and (2), funding provided pursuant to
14 grants authorized under subsection (a) shall be
15 available for expenditure by a grantee in fiscal
16 years 2015 and 2016.

17 (B) ADDITIONAL MATCHING REQUIRE-
18 MENT.—To the extent that matching funding is
19 not obtained in fiscal years 2015 or 2016, as
20 generally required by paragraphs (1) and (2),
21 the grantee must obtain such funding no later
22 than September 30, 2018.

23 (C) LIMITATION ON FUNDING.—No fund-
24 ing provided pursuant to grants authorized
25 under subsection (a) shall be available for ex-

1 penditure by the grantee during any fiscal year
2 after 2018 until the requirement in subparagraph
3 (B) is met.

4 **(5) ADDITIONAL EXEMPTIONS.—**

5 **(A) IN GENERAL.**—If during any fiscal
6 year the matching requirement described in
7 paragraph (1) or (2) is not achieved, the Secretary of State may provide a one-year exemption from fulfillment of such requirement provided that—

11 (i) a plan is in place to make up the funding shortfall during the next fiscal year and to meet the matching requirements in future years;

15 (ii) the plan is submitted to the appropriate congressional committees; and

17 (iii) the grantee has obtained matching funding, in the proportion required by such paragraphs, for the total amount of any prior year shortfalls.

21 **(B) LIMITATION ON FUNDING.**—During an exemption provided pursuant to subparagraph (A), funding provided pursuant to grants authorized under subsection (a) shall only be available for expenditure by the grantee during

1 a fiscal year in an amount that is equal in pro-
2 portion to the proportion of matching funds se-
3 cured in accordance with paragraphs (1) and
4 (2).

5 **(C) LIMITED QUANTITY.**—The Secretary of
6 State may provide no more than a total of two
7 exemptions pursuant to subparagraph (A) dur-
8 ing fiscal years 2017 through 2022.

9 **(6) AVAILABILITY OF ADDITIONAL FUNDS.**—In
10 fiscal years in which the grantee obtains matching
11 funding to address a shortfall of funding required by
12 paragraph (1) or (2) from a prior year, the funds
13 previously restricted as a result of such shortfall
14 shall be available for expenditure by the grantee in
15 such later fiscal year in an amount that is equal in
16 proportion, pursuant to such paragraphs, to the
17 amount obtained.

18 **(7) FUNDING ADDITIONAL TO EXISTING AU-**
19 **THORIZATIONS.**—Amounts authorized by this section
20 are in addition to funds otherwise authorized to be
21 appropriated for combatting trafficking in persons,
22 forced labor, or related programs.

23 **(d) DURATION OF FUNDING.**—Funds appropriated
24 pursuant to subsection (b) shall remain available until ex-

1 pended subject to the conditions on such funds described
2 in subsection (e).

3 (e) IMPLEMENTATION OF POLICIES, PRIORITIES,
4 AND PURPOSES.—No funds received pursuant to the pro-
5 visions of this section may be obligated or expended by
6 the Secretary of State or the End Modern Slavery Initia-
7 tive Foundation or other nonprofit organization except to
8 the extent that such obligation and expenditure is con-
9 sistent with the policies, priorities, and purposes of this
10 Act.

11 **SEC. 6. ADDITIONAL SUPPORT FROM MEMBER GOVERN-
12 MENTS.**

13 (a) IN GENERAL.—The United States Government
14 shall seek, and shall encourage other foreign governments
15 providing support to the End Modern Slavery Initiative
16 Foundation, consistent with the individual priorities and
17 policies of such governments, to provide additional support
18 for projects in partner countries and key jurisdictions of
19 other countries supported by the End Modern Slavery Ini-
20 tiative Foundation through the commitment of new re-
21 sources, or the redirection of existing resources, including
22 funding and personnel as appropriate, to efforts that are
23 consistent with the policies, priorities, and purposes of this
24 Act, including the provision of economic, development, law
25 enforcement, rule of law, and training assistance that is

1 aimed, among other things, at strengthening government
2 institutions and providing appropriate services to victims
3 of modern slavery.

4 (b) DIPLOMATIC EFFORTS.—The United States Gov-
5 ernment shall also seek, and shall encourage other foreign
6 governments providing support to the End Modern Slavery
7 Initiative Foundation, consistent with the individual prior-
8 ities and policies of such governments, to undertake diplo-
9 matic efforts in partner countries and key jurisdictions of
10 other countries with a high prevalence of modern slavery
11 that support the policies, priorities, and purposes of this
12 Act and End Modern Slavery Initiative supported projects.

13 (c) PRIORITIZATION OF ADDITIONAL EFFORTS.—
14 The United States Government shall also seek, and shall
15 encourage other foreign governments providing support to
16 the End Modern Slavery Initiative Foundation, consistent
17 with the individual priorities and policies of such govern-
18 ments, to undertake efforts to support partner countries
19 and key jurisdictions of other countries in their efforts to
20 address the areas of key concern highlighted by the De-
21 partment of State's annual Trafficking in Persons Report.

22 **SEC. 7. PRIORITIES AND POLICIES OF THE END MODERN
23 SLAVERY INITIATIVE.**

24 (a) IN GENERAL.—The key priorities of the End
25 Modern Slavery Initiative shall be—

1 (1) to select partner countries and key jurisdictions in other countries;

3 (2) to provide support for programs and projects that collectively or individually seek to achieve a measurable and sustainable reduction of modern slavery in targeted populations within partner countries (or jurisdictions thereof) and key jurisdictions of other countries of at least 50 percent in the prevalence of modern slavery over a seven year period and that are based on goals and outcomes that are capable of being empirically measured;

12 (3) to prioritize programs and projects consistent with this Act;

14 (4) to work with partner countries and entities funded by the End Modern Slavery Initiative to collaboratively establish budgeted national plans that identify and leverage partner country public and private funding and institutions, and leverage current and expected outside assistance, including programs supported by the End Modern Slavery Initiative Foundation; and

22 (5) to establish national coordinators and leadership councils in partner countries.

24 (b) SELECTION OF PARTNER COUNTRIES.—In selecting partner countries, the End Modern Slavery Initiative

1 shall consider and prioritize the funding of projects and
2 programs in countries and jurisdictions where there is—

3 (1) a documented high prevalence of modern
4 slavery within the country as evidenced by assess-
5 ments in the Department of State's annual Traf-
6 ficking in Persons Report; and

7 (2)(A) a demonstrated political motivation and
8 sustained commitment by government entities of
9 such country to undertake meaningful measures to
10 address severe forms of trafficking in persons, in-
11 cluding prevention, protection of victims, and the en-
12 actment and enforcement of anti-trafficking laws
13 against perpetrators; or

14 (B) a demonstrated presence of an active and
15 independent civil society that can and will support
16 the efforts of the End Modern Slavery Initiative.

17 (e) **SELECTION OF KEY JURISDICTIONS OF OTHER**
18 **COUNTRIES.**—In selecting key jurisdictions of other coun-
19 tries, the End Modern Slavery Initiative shall consider and
20 prioritize the funding of projects and programs in key ju-
21 risdictions where there is—

22 (1) a documented high prevalence of modern
23 slavery within the jurisdiction as evidenced by as-
24 sessments in the Department of State's annual Traf-
25 ficking in Persons Report; and

1 (2)(A) a demonstrated political motivation and
2 sustained commitment by government entities of
3 such jurisdiction to undertake meaningful measures
4 to address severe forms of trafficking in persons, in-
5 cluding prevention, protection of victims, and the en-
6 actment and enforcement of anti-trafficking laws
7 against perpetrators; or

8 (B) a demonstrated presence of an active and
9 independent civil society that can and will support
10 the efforts of the End Modern Slavery Initiative.

11 (d) POLICIES FOR END MODERN SLAVERY INITIA-
12 TIVE OPERATIONS AND SUPPORTED PROGRAMS IN PART-
13 NER COUNTRIES.—End Modern Slavery Initiative pro-
14 grams in partner programs shall include strategies that—

15 (1) develop the capacity of national and local
16 government institutions to enforce the law, end im-
17 punity of perpetrators, and sustainably deter the
18 crime;

19 (2) contribute to the freeing and sustainable re-
20 covery of victims of modern slavery, prevent individ-
21 uals from being subject to modern slavery, or create
22 and enforce laws that punish both individual and
23 corporate perpetrators of modern slavery; and

1 (3) set out clear, defined goals and outcomes
2 that are capable of empirical measurement against
3 baseline data.

4 (e) CONSULTATION WITH STATE DEPARTMENT.—In
5 selecting partner countries and key jurisdictions of other
6 countries and funding programs in such countries and ju-
7 risdictions, the End Modern Slavery Initiative should con-
8 sult with the Department of State, including the Office
9 to Monitor and Combat Trafficking in Persons.

10 (f) INTERAGENCY CONSULTATION.—In providing the
11 views of the United States Government to the End Modern
12 Slavery Initiative pursuant to subsection (e), the Depart-
13 ment of State, including the Office to Monitor and Combat
14 Trafficking in Persons, should consult with the United
15 States Department of Justice, the United States Agency
16 for International Development, the United States Depart-
17 ment of Labor, and any other appropriate Federal depart-
18 ments and agencies.

19 **SEC. 8. MONITORING AND EVALUATION OF SUPPORTED
20 PROGRAMS.**

21 (a) IN GENERAL.—The Board of Directors shall re-
22 view, on a no less than annual basis, specific and detailed
23 criteria for the monitoring and evaluation of End Modern
24 Slavery Initiative supported projects.

1 (b) REQUIREMENTS FOR CRITERIA.—The criteria re-
2 quired to be established pursuant to subsection (a) shall
3 be designed to measure progress against baseline data and
4 shall be rigorously designed based on international cor-
5 porate and nongovernmental best practices.

6 (c) SUPPORTED PROJECT REQUIREMENTS.—Each
7 supported project shall be regularly and rigorously mon-
8 itored and evaluated, on a not less than biennial basis,
9 by an independent monitoring and evaluation entity,
10 against the specific and detailed criteria established pursu-
11 ant to subsection (a), and shall have its progress towards
12 its stated goals measured by such entity against baseline
13 data.

14 (d) SURVEY METHODOLOGY.—The End Modern
15 Slavery Initiative shall support the development of a sci-
16 entifically sound, representative survey methodology for
17 measuring prevalence with reference to existing research
18 and experience and shall apply the methodology consist-
19 ently to determine the baseline prevalence in target popu-
20 lations and outcomes in order to periodically assess
21 progress in reducing prevalence.

22 (e) SUSPENSION AND TERMINATION OF SUPPORTED
23 PROJECTS.—The Board of Directors shall establish, and
24 revise on a no less than annual basis, specific and detailed
25 criteria for the suspension and termination, as appro-

1 private, of projects supported by the End Modern Slavery
2 Initiative Foundation that regularly or consistently fail to
3 meet the criteria required by this section.

4 **SEC. 9. DEFINITIONS.**

5 In this Act:

6 (1) APPROPRIATE CONGRESSIONAL COMMIT-
7 TEES.—The term “appropriate congressional com-
8 mittees” means—

9 (A) the Committees on Foreign Relations
10 and Appropriations of the Senate; and

11 (B) the Committees on Foreign Affairs
12 and Appropriations of the House of Representa-
13 tives.

14 (2) KEY JURISDICTIONS OF OTHER COUN-
15 TRIES.—The term “key jurisdictions of other coun-
16 tries” means specific jurisdictions, located in coun-
17 tries that do not qualify to be partner countries, that
18 have a demonstrated commitment to, and institu-
19 tions capable of, achieving a significant reduction in
20 the incidence of modern slavery within a period of
21 seven years and have been determined to be appro-
22 priate to receive funds by the Board of Directors
23 pursuant to the criteria and priorities set forth in
24 this Act.

1 (3) MODERN SLAVERY.—The term “modern
2 slavery” means—

3 (A) the recruitment, harboring, transpor-
4 tation, provision, or obtaining of a person for
5 the purpose of a commercial sex act in which
6 such commercial sex act is induced by force,
7 fraud, or coercion, or in which the person in-
8 duced to perform such act has not attained 18
9 years of age; or

10 (B) the recruitment, harboring, transpor-
11 tation, provision, or obtaining of a person for
12 labor or services, through the use of force,
13 fraud, or coercion for the purpose of subjection
14 to involuntary servitude, peonage, debt bondage,
15 or slavery.

16 (4) PARTNER COUNTRIES.—The term “partner
17 countries” means countries that have a dem-
18 onstrated commitment to, and institutions capable
19 of, achieving a significant reduction in the incidence
20 of modern slavery within a period of seven years and
21 have been determined to be appropriate to receive
22 funds by the Board of Directors pursuant to the cri-
23 teria and priorities set forth in this Act.

24 (5) TERMS DEFINED IN TITLE 18, UNITED
25 STATES CODE.—Terms defined in title 18, United

1 States Code, and not otherwise defined in this sec-
2 tion shall have the meaning provided in such title.

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “End Modern Slavery
5 Initiative Act of 2015”.*

6 **SEC. 2. SENSE OF CONGRESS.**

7 *It is the sense of Congress that—*

8 *(1) the United States has a long history of do-
9 mestic and international engagement in preventing
10 and responding to modern slavery;*

11 *(2) modern slavery involves extensive criminal
12 activity and demands the full attention and commit-
13 ment of the United States;*

14 *(3) with at least 100,000 children in the United
15 States commercially sexually exploited, and calls to
16 the National Human Trafficking Resource Center hot-
17 line rising from 5,748 in 2008 to 20,579 in 2013, in
18 order to set an example internationally, the United
19 States must exert all efforts to eradicate modern-day
20 slavery domestically, including through increased co-
21 operation among all Federal, state and local govern-
22 ments, local law enforcement, non-profit organiza-
23 tions, and private sector stakeholders;*

24 *(4) the United States Government should con-
25 tinue to coordinate across departments and agencies*

1 *to prevent and respond to this heinous activity that*
2 *involves over 21,000,000 people worldwide through*
3 *sustained investment in integrated, interagency anti-*
4 *trafficking initiatives;*

5 *(5) while United States Government efforts con-*
6 *tinue to address many facets of modern slavery, there*
7 *is an urgent need today for international public and*
8 *private cooperation to increase resources available to*
9 *programs that can make a measurable impact in re-*
10 *ducing the prevalence of modern slavery by building*
11 *the capacity of foreign governments to sustainably*
12 *deter perpetrators of modern slavery through—*

13 *(A) establishing and enforcing the rule of*
14 *law to hold perpetrators of modern slavery ac-*
15 *countable, including—*

16 *(i) those who enslave children and*
17 *adults in the sex trade; and*
18 *(ii) those who enslave through forced*
19 *labor and abusive labor recruitment prac-*
20 *tices and fees;*

21 *(B) promoting justice and dignity for vic-*
22 *tims of modern slavery;*

23 *(C) restoring and protecting survivors of*
24 *modern slavery; and*

1 (D) building partnerships between governments, civil society organizations, private sector entities and individuals, and survivors to seek to bring an end to modern slavery; and

5 (6) countries that fall within the first and second tiers of the United States Department of State's annual Trafficking in Persons report could qualify as partner countries for the purposes of this Act, and many countries that fall within the Tier 2 watch list may also qualify, and therefore should be eligible for funding as partner countries under this Act, along with key jurisdictions of other countries, such as Tier 3 countries.

14 **SEC. 3. POLICY.**

15 *It is the policy of the United States Government—*

16 *(1) to marshal resources to seek to bring to an end modern slavery through the provision of matching funds to a private grant-making institution, in partnership with private donors and other governments, that selects and supports innovative strategies with the aim of verifiably and sustainably reducing the prevalence of modern slavery by 50 percent in targeted populations within partner countries (or jurisdictions thereof) with a high prevalence of modern slavery;*

1 (2) to allow such a private grant making institu-
2 tion the flexibility to work in jurisdictions of other
3 countries, where those jurisdictions have demonstrated
4 the type of commitment and capabilities otherwise re-
5 quired of partner countries; and

6 (3) to engage other countries with a high preva-
7 lence of modern slavery through the full range of
8 United States Government foreign assistance pro-
9 grams in order to help those countries become eligible
10 as partner countries for the purposes of receiving ad-
11 ditional assistance under the End Modern Slavery
12 Initiative established by this Act.

13 **SEC. 4. THE END MODERN SLAVERY INITIATIVE FOUNDA-**
14 **TION.**

15 (a) *IN GENERAL.*—Not later than 60 days after the
16 date of the enactment of this Act, there shall be established
17 and incorporated under the laws of the District of Columbia
18 an independent, private nonprofit corporation to be known
19 as “End Modern Slavery Initiative Foundation”.

20 (b) *PURPOSE.*—The purpose of the End Modern Slav-
21 ery Initiative Foundation shall be to work collaboratively
22 with government, civil society, and private institutions in
23 partner countries and key jurisdictions of other countries
24 with a high prevalence of modern slavery to identify and
25 fund successful strategies to combat modern slavery.

1 (c) *STATUS OF FOUNDATION.*—*The End Modern Slav-*
2 *ery Initiative Foundation shall not be an agency or estab-*
3 *lishment of the United States Government.*

4 (d) *STATUS OF BOARD AND OFFICERS AND EMPLOY-*
5 *EES.*—*The members of the Board of Directors of the End*
6 *Modern Slavery Initiative Foundation shall not, by reason*
7 *of such membership, be officers or employees of the United*
8 *States, and the officers or employees of the End Modern*
9 *Slavery Initiative Foundation shall not be officers or em-*
10 *ployees of the United States.*

11 (e) *TAX STATUS ELIGIBILITY.*—*The End Modern Slav-*
12 *ery Initiative Foundation shall be eligible to be treated as*
13 *an organization described in section 501(c)(3) of the Inter-*
14 *nal Revenue Code of 1986 which is exempt from taxation*
15 *under section 501(a) of such code and, if such treatment*
16 *is conferred in accordance with the provisions of such code,*
17 *shall be subject to all provisions of such code relevant to*
18 *the conduct of organizations exempt from taxation.*

19 (f) *FUNDING.*—*The End Modern Slavery Initiative*
20 *Foundation shall seek to obtain a minimum of*
21 *\$1,500,000,000 in aggregate funding from foreign govern-*
22 *ments and private sector organizations and individuals*
23 *over an initial seven year period, leveraging United States*
24 *Government grants provided to the Foundation as seed*

1 funding and to complement the comprehensive foreign as-
2 sistance programs of the United States Government.

3 (g) ADDITIONAL PRIVATE SECTOR FUNDING PLAN.—
4 The Board of Directors shall, not later than 180 days after
5 the date of the enactment of this Act, submit to the appro-
6 priate congressional committees a plan to raise an addi-
7 tional \$500,000,000 in commitments from private sector en-
8 tities to fully fund the End Modern Slavery Initiative
9 Foundation.

10 (h) AUTHORIZATION FOR THE RECEIPT OF FUNDS.—
11 The End Modern Slavery Initiative Foundation may accept
12 and utilize, consistent with the policies, priorities, and pur-
13 poses of this Act, any gift, donation, bequest, or devise of
14 real or personal property from any government or private
15 sector individual or organization, including the provision
16 of voluntary services or in-kind services or products.

17 (i) GOVERNANCE.—

18 (1) BOARD OF DIRECTORS.—

19 (A) IN GENERAL.—The End Modern Slav-
20 ery Initiative Foundation shall be overseen by a
21 Board of Directors—

22 (i) which shall include individuals
23 with recognized relevant professional exper-
24 tise, at least one survivor of modern slavery,

1 *and at least one individual who is a mem-*
2 *ber of civil society; and*

3 *(ii) not more than 11 of whom will be*
4 *voting members.*

5 **(B) NON-VOTING ADVISORY DIRECTORS.—**

6 *The voting directors of the Board may appoint,*
7 *at their discretion, non-voting advisory directors,*
8 *which may include a representative of the Sec-*
9 *retary of State such as the Ambassador-at-Large*
10 *and Director of the Office to Monitor and Com-*
11 *bat Trafficking in Persons.*

12 **(C) DECISIONS OF THE BOARD OF DIRECTORS.—***Decisions of the Board of Directors shall*
13 *be made by a simple majority vote of voting di-*
14 *rectors present.*

16 **(D) RESPONSIBILITIES.—***In addition to*
17 *other specific responsibilities provided for in this*
18 *Act, the voting directors of the Board of Direc-*
19 *tors shall—*

20 *(i) oversee the monitoring and evalua-*
21 *tion of the End Modern Slavery Initiative*
22 *Foundation efforts and supported projects;*
23 *and*

24 *(ii) make prioritized program funding*
25 *decisions.*

(ii) reserve the right of review and approval of major agreements as appropriate.

(G) LONG-TERM STRATEGY REVIEW, APPROVAL, AND SUBMISSION.—Not later than five years after the date of the enactment of this Act, the Board of Directors shall review, approve,

1 *make publicly available, and submit to govern-*
2 *ments, entities, or individuals providing funding*
3 *to the End Modern Slavery Initiative Founda-*
4 *tion, as well as the appropriate congressional*
5 *committees, the strategy required to be developed*
6 *pursuant to paragraph (2)(D).*

7 (2) *CHIEF EXECUTIVE OFFICER.—*

8 (A) *IN GENERAL.—The day-to-day oper-*
9 *ations of the End Modern Slavery Initiative*
10 *Foundation shall be run by a Chief Executive*
11 *Officer, who shall be a United States citizen and*
12 *shall be employed at the exclusive discretion of*
13 *the Board of Directors.*

14 (B) *AUTHORITY OF THE CHIEF EXECUTIVE*
15 *OFFICER.—The Chief Executive Officer of the*
16 *End Modern Slavery Initiative Foundation shall*
17 *be authorized to take all actions authorized by*
18 *the Board of Directors, consistent with the poli-*
19 *cies, priorities, and purposes of this Act, includ-*
20 *ing the hiring and termination of any employees*
21 *of the End Modern Slavery Initiative Founda-*
22 *tion.*

23 (C) *RESPONSIBILITIES OF THE CHIEF EX-*
24 *ECUTIVE OFFICER.—The Chief Executive Officer*
25 *shall be responsible for—*

- 1 (i) ensuring matching funding require-
2 ments pursuant to this Act are met;
- 3 (ii) ensuring that foreign government
4 and private sector funding commitments
5 are fully realized;
- 6 (iii) developing all necessary strategies
7 and agreements for the End Modern Slavery
8 Initiative Foundation;
- 9 (iv) identifying funding requirements;
- 10 (v) preparing and presenting to the
11 Board of Directors for approval a portfolio
12 of priority projects to be funded;
- 13 (vi) administering the End Modern
14 Slavery Initiative Foundation procurement
15 processes;
- 16 (vii) developing reliable baseline data
17 and ensuring that such data and the process
18 of obtaining such data are subject to out-
19 side, independent audits;
- 20 (viii) developing and administering the
21 monitoring and evaluation of funded pro-
22 grams;
- 23 (ix) complying with all relevant audit-
24 ing, accounting, taxation, and legal require-
25 ments;

- 1 (x) preparing, publicly publishing, and
2 submitting to each government, private in-
3 dividual, or corporation that has contrib-
4 uted funds an annual report of approxi-
5 mately 50 pages with appropriate annexes
6 on the activities and results of the End
7 Modern Slavery Initiative Foundation;
- 8 (xi) ensuring the sharing, among ap-
9 propriate governmental and nongovern-
10 mental partners and interested parties in
11 the global anti-slavery community, of cor-
12 porate and nonprofit best practices, includ-
13 ing those developed or identified by the End
14 Modern Slavery Initiative Foundation or
15 others through its supported programs;
- 16 (xii) working to encourage partner
17 countries to hold accountable those who en-
18 slave children and adults in the sex trade;
- 19 (xiii) working to develop best practices
20 to help ensure that corporate supply chains
21 do not involve the use of victims of modern
22 slavery, including ending forced labor and
23 addressing the role of abusive labor recruit-
24 ment practices and fees; and

(xiv) undertaking consultations, as the Chief Executive Officer deems necessary or is directed by the Board of Directors, with appropriate governmental and nongovernmental partners with respect to End Modern Slavery Initiative Foundation strategies, programs, and projects.

(D) LONG-TERM STRATEGY DEVELOPMENT AND CONSULTATIONS.—Not later than four years after the date of the enactment of this Act, the Chief Executive Officer, in consultation with the Board of Directors, shall initiate discussions with appropriate governmental and nongovernmental partners and begin development of a strategy that seeks to end modern slavery globally based on empirical evidence and best practices identified by the End Modern Slavery Initiative Foundation, including funding requirements to fully implement such a strategy.

20 (j) *LIMITATIONS AND PROHIBITIONS.*—

21 (1) *ISSUANCE OF STOCK AND DIVIDENDS.*—The
22 *End Modern Slavery Initiative Foundation* may not
23 issue any shares of stock or declare or pay dividends.

24 (2) CONFLICTS OF INTEREST.—

1 (A) ASSETS.—No part of the assets of the
2 *End Modern Slavery Initiative Foundation* shall
3 inure to the benefit of any member of the Board
4 of Directors, any officer or employee of the *End*
5 *Slavery Initiative Foundation*, or any other in-
6 dividual, except as reasonable salary or com-
7 pensation for services for officers and employees,
8 reasonable reimbursement for expenses incurred
9 in the course of such employment, or for other
10 individuals, as specific beneficiaries of services
11 provided pursuant to supported projects.

12 (B) RELATIONSHIP TO GRANTEES.—No vot-
13 ing director of the Board of Directors may be a
14 member of the board of directors or an officer,
15 employee, or consultant to, any grantee of the
16 *End Modern Slavery Initiative Foundation*.

17 (C) COMPENSATION.—No director of the
18 Board of Directors may receive compensation for
19 service on the Board of Directors, other than rea-
20 sonable reimbursement for expenses incurred in
21 the course of such service.

22 (3) LOBBYING RESTRICTION.—Any Federal funds
23 provided to the *End Modern Slavery Initiative Foun-*
24 *dation* or any other nonprofit organization pursuant
25 to the authorization of funding provided under this

1 *Act shall be subject to the restrictions and prohibi-*
2 *tions of section 1352 of title 31, United States Code.*

3 *(k) RECORDKEEPING, AUDITING, OVERSIGHT, AND RE-*
4 *PORING REQUIREMENTS.—*

5 *(1) IN GENERAL.—The End Modern Slavery Ini-*
6 *tiative Foundation shall be subject to the same audit-*
7 *ing, recordkeeping, and reporting obligations as re-*
8 *quired pursuant to subsections (e), (f), (g), and (i) of*
9 *section 504 of the National Endowment for Democ-*
10 *racy Act (22 U.S.C. 4413).*

11 *(2) COMPTROLLER GENERAL AUDIT AUTHOR-*
12 *ITY.—*

13 *(A) IN GENERAL.—The Comptroller General*
14 *of the United States may evaluate the financial*
15 *transactions of the End Slavery Initiative Foun-*
16 *dation as well as the programs or activities the*
17 *End Slavery Initiative Foundation carries out*
18 *pursuant to this Act.*

19 *(B) ACCESS TO RECORDS.—The End Slav-*
20 *ery Initiative Foundation shall provide the*
21 *Comptroller General, or his duly authorized rep-*
22 *resentatives, access to such records as the Com-*
23 *troller General determines necessary to conduct*
24 *evaluations authorized by this Act.*

(l) RULE OF CONSTRUCTION.—Nothing in this Act shall be construed to make the End Modern Slavery Initiative Foundation an agency or establishment of the United States Government or to make the members of the Board of Directors of the End Slavery Initiative Foundation, or the officers or employees of the End Slavery Initiative, officers or employees of the United States.

8 SEC. 5. AUTHORIZATION FOR GRANTS TO END MODERN
9 SLAVERY.

10 (a) GRANT AUTHORIZATION.—The Secretary of State
11 is authorized, subject to the availability of appropriations
12 and on an annual basis, to make grants of funding for pur-
13 poses of this Act in the amounts authorized in subsection
14 (b) to the End Modern Slavery Initiative Foundation or
15 other nonprofit organization that—

16 (1) funds programs and projects in partner
17 countries and key jurisdictions of other countries in
18 order to seek to end modern slavery, including by
19 funding programs and projects that—

(A) contribute to the freeing and sustainable recovery of victims of modern slavery;

(B) prevent individuals from being subject to modern slavery; or

1 (C) enforce laws that punish both individuals and corporate entities that engage in modern slavery; and

4 (2) seeks to receive foreign government contributions in a ratio of two-to-one and private sector contributions in a ratio of three-to-one to United States Government funding.

8 (b) *AUTHORIZATION OF APPROPRIATIONS FOR FISCAL
9 YEARS 2015 THROUGH 2022.*—In addition to such sums
10 as may otherwise be available for such purposes, there is
11 authorized to be appropriated to the Department of State
12 for the purpose of making the grants authorized under sub-
13 section (a)—

14 (1) for fiscal year 2015, \$1,000,000; and
15 (2) for each fiscal year from 2016 through 2022,
16 \$35,714,285.

17 (c) *CONDITIONS FOR UNITED STATES GOVERNMENT
18 FUNDING.*—

19 (1) *MATCHING GOVERNMENT FUNDING.*—Except
20 as provided under paragraphs (5) and (6), funding
21 provided pursuant to grants authorized under sub-
22 section (a) shall only be available for expenditure by
23 the grantee during a fiscal year if matching funding
24 equal to twice the total amount of such funding has

1 *been obtained from one or more other governments in*
2 *such fiscal year.*

3 (2) *MATCHING PRIVATE SECTOR FUNDING.*—*Ex-*
4 *cept as provided under paragraphs (5) and (6), fund-*
5 *ing provided pursuant to grants authorized under*
6 *subsection (a) shall only be available for expenditure*
7 *by the grantee during a fiscal year if matching fund-*
8 *ing equal to the total amount of such funding has*
9 *been obtained from private sector entities in such fis-*
10 *cal year.*

11 (3) *LIMITATION ON MATCHING PRIVATE SECTOR*
12 *FUNDING.*—*No Federal funds awarded to a private*
13 *entity may be used by that private entity to con-*
14 *tribute to the matching funding requirement under*
15 *paragraph (2).*

16 (4) *LIMITATION ON ADMINISTRATIVE COSTS.*—
17 *Funding provided pursuant to the grants authorized*
18 *under subsection (a) shall only be available for ex-*
19 *penditure by the grantee for a fiscal year in which the*
20 *prior fiscal year administrative costs are no more*
21 *than 10 percent of modified total direct costs or other-*
22 *wise meet the administrative cost requirements of sec-*
23 *tion 200.414 of title 2, Code of Federal Regulations.*

24 (5) *INITIAL EXEMPTION.*—

1 (A) *IN GENERAL.*—Notwithstanding the
2 matching funding requirement in paragraphs (1)
3 and (2), funding provided pursuant to grants
4 authorized under subsection (a) shall be available
5 for expenditure by a grantee in fiscal years 2015
6 and 2016.

7 (B) *ADDITIONAL MATCHING REQUIRE-*
8 *MENT.*—To the extent that matching funding is
9 not obtained in fiscal years 2015 or 2016, as
10 generally required by paragraphs (1) and (2),
11 the grantee must obtain such funding no later
12 than September 30, 2018.

13 (C) *LIMITATION ON FUNDING.*—No funding
14 provided pursuant to grants authorized under
15 subsection (a) shall be available for expenditure
16 by the grantee during any fiscal year after 2018
17 until the requirement in subparagraph (B) is
18 met.

19 (6) *ADDITIONAL EXEMPTIONS.*—

20 (A) *IN GENERAL.*—If during any fiscal year
21 the matching requirement described in para-
22 graph (1) or (2) is not achieved, the Secretary of
23 State may provide a one-year exemption from
24 fulfillment of such requirement provided that—

1 (i) a plan is in place to make up the
2 funding shortfall during the next fiscal year
3 and to meet the matching requirements in
4 future years;

5 (ii) the plan is submitted to the appropriate congressional committees; and

6 (iii) the grantee has obtained matching
7 funding, in the proportion required by such
8 paragraphs, for the total amount of any
9 prior year shortfalls.

10 (B) *LIMITATION ON FUNDING.*—During an exemption provided pursuant to subparagraph (A), funding provided pursuant to grants authorized under subsection (a) shall only be available for expenditure by the grantee during a fiscal year in an amount that is equal in proportion to the proportion of matching funds secured in accordance with paragraphs (1) and (2).

11 (C) *LIMITED QUANTITY.*—The Secretary of State may provide no more than a total of two exemptions pursuant to subparagraph (A) during fiscal years 2017 through 2022.

12 (7) *AVAILABILITY OF ADDITIONAL FUNDS.*—In fiscal years in which the grantee obtains matching funding to address a shortfall of funding required by

1 paragraph (1) or (2) from a prior year, the funds
2 previously restricted as a result of such shortfall shall
3 be available for expenditure by the grantee in such
4 later fiscal year in an amount that is equal in pro-
5 portion, pursuant to such paragraphs, to the amount
6 obtained.

7 (8) *FUNDING ADDITIONAL TO EXISTING AUTHOR-*
8 *IZATIONS.*—Amounts authorized by this section are in
9 addition to funds otherwise authorized to be appro-
10 priated for combatting trafficking in persons, forced
11 labor, or related programs.

12 (d) *DURATION OF FUNDING.*—Funds appropriated
13 pursuant to subsection (b) shall remain available until ex-
14 pended subject to the conditions on such funds described in
15 subsection (c).

16 (e) *IMPLEMENTATION OF POLICIES, PRIORITIES, AND*
17 *PURPOSES.*—No funds received pursuant to the provisions
18 of this section may be obligated or expended by the Sec-
19 retary of State or the End Modern Slavery Initiative Foun-
20 dation or other nonprofit organization except to the extent
21 that such obligation and expenditure is consistent with the
22 policies, priorities, and purposes of this Act.

1 SEC. 6. ADDITIONAL SUPPORT FROM MEMBER GOVERN- 2 MENTS.

3 (a) IN GENERAL.—The United States Government
4 shall seek, and shall encourage other foreign governments
5 providing support to the End Modern Slavery Initiative
6 Foundation, consistent with the individual priorities and
7 policies of such governments, to provide additional support
8 for projects in partner countries and key jurisdictions of
9 other countries supported by the End Modern Slavery Ini-
10 tiative Foundation through the commitment of new re-
11 sources, or the redirection of existing resources, including
12 funding and personnel as appropriate, to efforts that are
13 consistent with the policies, priorities, and purposes of this
14 Act, including the provision of economic, development, law
15 enforcement, rule of law, and training assistance that is
16 aimed, among other things, at strengthening government in-
17 stitutions and providing appropriate services to victims of
18 modern slavery.

19 (b) DIPLOMATIC EFFORTS.—The United States Gov-
20 ernment shall also seek, and shall encourage other foreign
21 governments providing support to the End Modern Slavery
22 Initiative Foundation, consistent with the individual prior-
23 ities and policies of such governments, to undertake diplo-
24 matic efforts in partner countries and key jurisdictions of
25 other countries with a high prevalence of modern slavery

1 that support the policies, priorities, and purposes of this
2 Act and End Modern Slavery Initiative supported projects.

3 (c) **PRIORITIZATION OF ADDITIONAL EFFORTS.**—The
4 United States Government shall also seek, and shall encour-
5 age other foreign governments providing support to the End
6 Modern Slavery Initiative Foundation, consistent with the
7 individual priorities and policies of such governments, to
8 undertake efforts to support partner countries and key ju-
9 risdictions of other countries in their efforts to address the
10 areas of key concern highlighted by the Department of
11 State's annual Trafficking in Persons Report.

12 **SEC. 7. PRIORITIES AND POLICIES OF THE END MODERN**
13 **SLAVERY INITIATIVE.**

14 (a) **IN GENERAL.**—The key priorities of the End Mod-
15 ern Slavery Initiative shall be—

16 (1) to select partner countries and key jurisdic-
17 tions in other countries;

18 (2) to provide support for programs and projects
19 that collectively or individually seek to achieve a
20 measurable and sustainable reduction of modern slav-
21 ery in targeted populations within partner countries
22 (or jurisdictions thereof) and key jurisdictions of
23 other countries of at least 50 percent in the prevalence
24 of modern slavery over a seven year period and that

1 *are based on goals and outcomes that are capable of
2 being empirically measured;*

3 *(3) to prioritize programs and projects consistent
4 with this Act;*

5 *(4) to work with partner countries and entities
6 funded by the End Modern Slavery Initiative to col-
7 laboratively establish budgeted national plans that
8 identify and leverage partner country public and pri-
9 vate funding and institutions, and leverage current
10 and expected outside assistance, including programs
11 supported by the End Modern Slavery Initiative
12 Foundation; and*

13 *(5) to establish national coordinators and leader-
14 ship councils in partner countries.*

15 *(b) SELECTION OF PARTNER COUNTRIES.—In select-
16 ing partner countries, the End Modern Slavery Initiative
17 shall consider and prioritize the funding of projects and
18 programs in countries and jurisdictions where there is—*

19 *(1) a documented high prevalence of modern
20 slavery within the country as evidenced by assess-
21 ments in the Department of State’s annual Traf-
22 ficking in Persons Report; and*

23 *(2)(A) a demonstrated political motivation and
24 sustained commitment by government entities of such
25 country to undertake meaningful measures to address*

1 *severe forms of trafficking in persons, including pre-*
2 *vention, protection of victims, and the enactment and*
3 *enforcement of anti-trafficking laws against perpetra-*
4 *tors; or*

5 *(B) a demonstrated presence of an active and*
6 *independent civil society that can and will support*
7 *the efforts of the End Modern Slavery Initiative.*

8 *(c) SELECTION OF KEY JURISDICTIONS OF OTHER*
9 *COUNTRIES.—In selecting key jurisdictions of other coun-*
10 *tries, the End Modern Slavery Initiative shall consider and*
11 *prioritize the funding of projects and programs in key juris-*
12 *dictions where there is—*

13 *(1) a documented high prevalence of modern*
14 *slavery within the jurisdiction as evidenced by assess-*
15 *ments in the Department of State’s annual Traf-*
16 *ficking in Persons Report; and*

17 *(2)(A) a demonstrated political motivation and*
18 *sustained commitment by government entities of such*
19 *jurisdiction to undertake meaningful measures to ad-*
20 *dress severe forms of trafficking in persons, including*
21 *prevention, protection of victims, and the enactment*
22 *and enforcement of anti-trafficking laws against per-*
23 *petrators; or*

1 (B) a demonstrated presence of an active and
2 independent civil society that can and will support
3 the efforts of the End Modern Slavery Initiative.

4 (d) **POLICIES FOR END MODERN SLAVERY INITIATIVE**
5 **OPERATIONS AND SUPPORTED PROGRAMS IN PARTNER**
6 **COUNTRIES.**—End Modern Slavery Initiative programs in
7 partner programs shall include strategies that—

8 (1) develop the capacity of national and local
9 government institutions to enforce the law, end impu-
10 nity of perpetrators, and sustainably deter the crime;

11 (2) contribute to the freeing and sustainable re-
12 covery of victims of modern slavery, prevent individ-
13 uals from being subject to modern slavery, or create
14 and enforce laws that punish both individual and cor-
15 porate perpetrators of modern slavery; and

16 (3) set out clear, defined goals and outcomes that
17 are capable of empirical measurement against base-
18 line data.

19 (e) **CONSULTATION WITH DEPARTMENT OF STATE.**—
20 In selecting partner countries and key jurisdictions of other
21 countries and funding programs in such countries and ju-
22 risdictions, the End Modern Slavery Initiative shall consult
23 with the Department of State, including the Office to Mon-
24 itor and Combat Trafficking in Persons.

1 (f) *INTERAGENCY CONSULTATION.*—In providing the
2 views of the United States Government to the End Modern
3 Slavery Initiative pursuant to subsection (e), the Depart-
4 ment of State, including the Office to Monitor and Combat
5 Trafficking in Persons, shall consult with the United States
6 Department of Justice, the United States Agency for Inter-
7 national Development, the United States Department of
8 Labor, and any other appropriate Federal departments and
9 agencies.

10 **SEC. 8. MONITORING AND EVALUATION OF SUPPORTED
11 PROGRAMS.**

12 (a) *IN GENERAL.*—The Board of Directors shall re-
13 view, on a no less than annual basis, specific and detailed
14 criteria for the monitoring and evaluation of End Modern
15 Slavery Initiative supported projects.

16 (b) *REQUIREMENTS FOR CRITERIA.*—The criteria re-
17 quired to be established pursuant to subsection (a) shall be
18 designed to measure progress against baseline data and
19 shall be rigorously designed based on international cor-
20 porate and nongovernmental best practices.

21 (c) *SUPPORTED PROJECT REQUIREMENTS.*—Each
22 supported project shall be regularly and rigorously mon-
23 itored and evaluated, on a not less than biennial basis, by
24 an independent monitoring and evaluation entity, against
25 the specific and detailed criteria established pursuant to

1 subsection (a), and shall have its progress towards its stated
2 goals measured by such entity against baseline data.

3 (d) SURVEY METHODOLOGY.—The End Modern Slav-
4 ery Initiative shall support the development of a scientif-
5 ically sound, representative survey methodology for meas-
6 uring prevalence with reference to existing research and ex-
7 perience and shall apply the methodology consistently to de-
8 termine the baseline prevalence in target populations and
9 outcomes in order to periodically assess progress in reduc-
10 ing prevalence.

11 (e) SUSPENSION AND TERMINATION OF SUPPORTED
12 PROJECTS.—The Board of Directors shall establish, and re-
13 vise on a no less than annual basis, specific and detailed
14 criteria for the suspension and termination, as appropriate,
15 of projects supported by the End Modern Slavery Initiative
16 Foundation that regularly or consistently fail to meet the
17 criteria required by this section.

18 (f) ADDITIONAL LIMITATION ON EXPENDITURES.—A
19 grantee receiving funding pursuant to section 5(a) may not
20 expend such funds after September 30, 2022, unless—
21 (1) this Act is reauthorized; and
22 (2) the grantee submits a written certification to
23 the appropriate congressional committees during fis-
24 cal year 2022, which states how and to what degree

1 *the grantee has met the statutory requirements of this*
2 *Act.*

3 **SEC. 9. GAO REVIEW OF EXISTING PROGRAMS AND THE**
4 **END SLAVERY INITIATIVE.**

5 *(a) EXISTING PROGRAMS REPORT.—Not later than*
6 *September 30, 2017, and September 30, 2021, the Com-*
7 *troller General of the United States shall submit to Congress*
8 *a report on all of the programs conducted by the Depart-*
9 *ment of State, the United States Agency for International*
10 *Development, the Department of Labor, the Department of*
11 *Defense, and the Department of the Treasury that address*
12 *human trafficking and modern slavery, including a detailed*
13 *analysis of the effectiveness of such programs in limiting*
14 *human trafficking and modern slavery and specific rec-*
15 *ommendations on which programs are not effective at re-*
16 *ducing the prevalence of human trafficking and modern*
17 *slavery and how the funding for such programs may be re-*
18 *directed to more effective efforts.*

19 *(b) END MODERN SLAVERY INITIATIVE REPORT.—Not*
20 *later than September 30, 2021, the Comptroller General of*
21 *the United States shall submit to the appropriate congres-*
22 *sional committees a report on the specific activities con-*
23 *ducted by entities, programs, and projects funded under this*
24 *Act, including the End Modern Slavery Initiative Founda-*
25 *tion, including detailed analysis of the effectiveness of such*

1 activities in limiting human trafficking and modern slav-
2 ery and specific recommendations on which activities are
3 not effective at reducing the prevalence of human trafficking
4 and modern slavery and how the funding for such activities
5 may be redirected to more effective efforts.

6 (c) CONSIDERATION OF GAO REPORTS.—The Com-
7 troller General of the United States shall brief the appro-
8 priate congressional committees on the reports submitted
9 under subsections (a) and (b). The appropriate congres-
10 sional committees shall review and consider such reports
11 and shall, as appropriate, consider modifications to author-
12 ization levels and programs within the jurisdiction of such
13 committees to address the recommendations made in the re-
14 ports.

15 **SEC. 10. ANNUAL REPORT.**

16 Not later than one year after the date of the enactment
17 of this Act, and annually thereafter, the Board of Directors
18 shall submit a report to the appropriate congressional com-
19 mittees that contains, for the reporting period—

20 (1) a detailed accounting of the Federal funding
21 expended by the End Modern Slavery Initiative
22 Foundation;
23 (2) the names of each of the projects receiving
24 such funding; and

1 (3) the amount of such funding provided for each
2 such project.

3 **SEC. 11. DEFINITIONS.**

4 In this Act:

5 (1) APPROPRIATE CONGRESSIONAL COMMIT-
6 TEES.—The term “appropriate congressional commit-
7 tees” means—

8 (A) the Committees on Foreign Relations
9 and Appropriations of the Senate; and

10 (B) the Committees on Foreign Affairs and
11 Appropriations of the House of Representatives.

12 (2) DEBT BONDAGE.—The term “debt bondage”
13 has the meaning given the term in section 103 of the
14 Victims of Trafficking and Violence Protection Act of
15 2000 (22 U.S.C. 7102).

16 (3) FORCED LABOR.—The term “forced labor”
17 has the meaning attributed to such term pursuant to
18 section 1589 of title 18, United States Code.

19 (4) INVOLUNTARY SERVITUDE.—The term “invol-
20 untary servitude” has the meaning given the term in
21 section 103 of the Victims of Trafficking and Violence
22 Protection Act of 2000 (22 U.S.C. 7102).

23 (5) KEY JURISDICTIONS OF OTHER COUN-
24 TRIES.—The term “key jurisdictions of other coun-
25 tries” means specific jurisdictions, located in coun-

1 tries that do not qualify to be partner countries, that
2 have a demonstrated commitment to, and institutions
3 capable of, achieving a significant reduction in the
4 incidence of modern slavery within a period of seven
5 years and have been determined to be appropriate to
6 receive funds by the Board of Directors pursuant to
7 the criteria and priorities set forth in this Act, but
8 does not include local government entities identified
9 by the Department of State's annual Human Rights
10 Report as "corrupt entities."

11 (6) MODERN SLAVERY.—The term "modern slavery" means—

13 (A) the recruitment, harboring, transportation, provision, or obtaining of a person for
14 the purpose of a commercial sex act in which
15 such commercial sex act is induced by force,
16 fraud, or coercion, or in which the person induced
17 to perform such act has not attained 18
18 years of age; or

20 (B) the recruitment, harboring, transportation, provision, or obtaining of a person for
21 labor or services, through the use of force, fraud,
22 or coercion for the purpose of subjection to invol-
23 untary servitude, peonage, debt bondage, or slav-
24 ery.

1 (7) *PARTNER COUNTRIES.*—The term “partner
2 *countries*” means countries that have a demonstrated
3 *commitment to, and institutions capable of, achieving*
4 *a significant reduction in the incidence of modern*
5 *slavery within a period of seven years and have been*
6 *determined to be appropriate to receive funds by the*
7 *Board of Directors pursuant to the criteria and prior-*
8 *ities set forth in this Act.*

9 (8) *TERMS DEFINED IN TITLE 18, UNITED*
10 *STATES CODE.*—Terms defined in title 18, United
11 *States Code, and not otherwise defined in this section*
12 *shall have the meaning provided in such title.*

Calendar No. 363

114TH CONGRESS
2D SESSION
S. 553

A BILL

To marshal resources to undertake a concerted, transformative effort that seeks to bring an end to modern slavery, and for other purposes.

FEBRUARY 3, 2016

Reported with an amendment