

Racial Equity and Social Justice (RESJ) Impact Statement

Office of Legislative Oversight

BILL 25-24: CONTRACTS AND PROCUREMENT - PROHIBITION AGAINST HUMAN TRAFFICKING - ENFORCEMENT

SUMMARY

The Office of Legislative Oversight (OLO) finds the anticipated impact of Bill 25-24 on racial equity and social justice (RESJ) is indeterminant. Black, Indigenous, and Other People of Color (BIPOC) are disproportionately impacted by human trafficking. However, it is unknown how addressing human trafficking through local procurement as proposed in Bill 25-24 will affect human trafficking in the County more broadly and racial disparities in human trafficking specifically.

PURPOSE OF RESJ IMPACT STATEMENTS

The purpose of RESJ impact statements (RESJIS) is to evaluate the anticipated impact of legislation on racial equity and social justice in the County. Racial equity and social justice refer to a **process** that focuses on centering the needs, leadership, and power of communities of color and low-income communities with a **goal** of eliminating racial and social inequities.¹ Achieving racial equity and social justice usually requires seeing, thinking, and working differently to address the racial and social inequities that have caused racial and social disparities.²

PURPOSE OF BILL 25-24

According to Polaris – a national nonprofit that works to end human trafficking – “U.S. law defines human trafficking as the use of force, fraud, or coercion to compel a person into commercial sex acts or labor against their will.”³ The International Labor Organization estimates that 27 million people worldwide are survivors of human trafficking.⁴ In the United States, the Human Trafficking Hotline has identified nearly 200,000 victims of human trafficking since its inception in 2007.⁵ Significant risk factors for human trafficking include “recent migration or relocation, substance use, mental health concerns, involvement with the child welfare system and being a runaway or homeless youth.”⁶

The purpose of Bill 25-24 is to “prohibit the County from working with contractors or subcontractors found to have violated state or federal human trafficking laws.”⁷ If enacted, Bill 25-24 would:⁸

- Require bidders and offerors to County procurement opportunities to certify they have not violated laws against human trafficking;
- Require County contracts to include language explicitly requiring contractors and subcontractors to comply with laws against human trafficking;
- Require contractors and subcontractors to notify the Director of Procurement if they have a criminal charge or civil claim related to human trafficking or if they are found to have violated a law or have a liability related to human trafficking; and
- Require the Director of Procurement to pursue remedies if they find that a contractor or subcontractor has failed to comply with these requirements, which can include termination of the contract or debarment.

The Council introduced Bill 25-24, Contracts and Procurement - Prohibition Against Human Trafficking – Enforcement, on October 29, 2024.

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ANTICIPATED RESJ IMPACTS

To consider the anticipated impact of Bill 25-24 on RESJ in the County, OLO recommends the consideration of two related questions:

- Who would primarily benefit or be burdened by this bill?
- What racial and social inequities could passage of this bill weaken or strengthen?

For the first question, OLO considered the demographics of survivors of human trafficking. If Bill 25-24 works as intended, it could prevent local procurement dollars from funding activities related to human trafficking. This in turn could benefit survivors of human trafficking.

The demographics of local survivors of human trafficking are unknown, including by race and ethnicity. However, national data suggests that BIPOC are disproportionately victimized by human trafficking. One national study of human trafficking incidents between 2008 and 2010 found that 40 percent of sex trafficking victims were Black, while 63 percent and 17 percent of labor trafficking victims were Latinx and Asian.^{9,10} As acknowledged by the U.S. Department of State, racial disparities in human trafficking are rooted in a legacy of racial inequity, including ingrained racial stereotypes that were “created as a way to dehumanize [BIPOC] to justify their exploitation and exclusion.”¹¹

For the second question, OLO considered how Bill 25-24 could improve racial inequities and disparities in human trafficking. The Office of Procurement does not have data to understand the extent to which current and former contractors and subcontractors have had human trafficking violations that Bill 25-24 aims to address. Further, addressing human trafficking through local procurement is a relatively new approach that was first adopted in Prince George’s County in 2024.¹² Thus, it is unknown how effective these policies are in reducing human trafficking more broadly and racial disparities in human trafficking specifically. However, one recent study of human trafficking requirements in federal procurement by the U.S. Government Accountability Office (GAO) suggests there are issues with federal agencies enforcing these policies.¹³

OLO finds the anticipated impact of Bill 25-24 on RESJ is indeterminant. BIPOC are disproportionately impacted by human trafficking. However, it is unknown how addressing human trafficking through local procurement as proposed in Bill 25-24 will affect human trafficking in the County more broadly and racial disparities in human trafficking specifically.

RECOMMENDED AMENDMENTS

The Racial Equity and Social Justice Act requires OLO to consider whether recommended amendments to bills aimed at narrowing racial and social inequities are warranted in developing RESJ impact statements.¹⁴ OLO finds the anticipated impact of Bill 25-24 on RESJ is indeterminant. As such, OLO does not offer recommended amendments.

CAVEATS

Two caveats to this racial equity and social justice impact statement should be noted. First, predicting the impact of legislation on racial equity and social justice is a challenging analytical endeavor due to data limitations, uncertainty, and other factors. Second, this RESJ impact statement is intended to inform the legislative process rather than determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

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¹ Definition of racial equity and social justice adopted from “Applying a Racial Equity Lens into Federal Nutrition Programs” by Marlysa Gamblin, et.al. Bread for the World, and from Racial Equity Tools. <https://www.racialequitytools.org/glossary>

² Ibid.

³ [“Understanding Human Trafficking,”](#) Polaris.

⁴ [“About Human Trafficking,”](#) U.S. Department of State.

⁵ [“National Statistics,”](#) National Human Trafficking Hotline.

⁶ [“Myths, Facts, and Statistics,”](#) Polaris.

⁷ [Introduction Staff Report for Bill 25-24,](#) Montgomery County Council, Introduced October 29, 2024.

⁸ Ibid.

⁹ [“Characteristics of Human Trafficking Incidents, 2008-2010,”](#) Bureau of Justice Statistics, April 28, 2011.

¹⁰ By comparison, 13 percent of the U.S. population in 2010 was Black, 16 percent was Latinx, and 5 percent was Asian. Refer to [“Overview of Race and Hispanic Origin: 2010,”](#) 2010 Census Briefs, U.S. Census Bureau, March 2011.

¹¹ [“Acknowledging Historical and Ongoing Harm: The Connections Between Systemic Racism and Human Trafficking,”](#) Office to Monitor and Combat Trafficking in Persons, U.S. Department of State, July 1, 2021.

¹² [“Prince George’s County Becomes First County in U.S. to Pass Groundbreaking Legislation Aimed at Combating Human Trafficking,”](#) Prince George’s County, July 2024.

¹³ [“Human Trafficking: Agencies Need to Adopt a Systematic Approach to Manage Risks in Contracts,”](#) U.S. Government Accountability Office, July 30, 2024.

¹⁴ Bill 27-19, Administration – Human Rights – Office of Racial Equity and Social Justice – Racial Equity and Social Justice Advisory Committee – Established, Montgomery County Council