

117TH CONGRESS  
2D SESSION

# H. R. 6773

To direct the Director of the Office of Management and Budget to require the disclosure of violations of Federal law with respect to human trafficking or alien smuggling, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 18, 2022

Mr. GOODEN of Texas (for himself, Mr. SESSIONS, Mr. TIFFANY, Mr. WEBER of Texas, Mr. SMITH of Missouri, Mr. KELLER, Mr. GOSAR, Mr. BURGESS, Mr. ROSENDALE, Mr. BABIN, Mr. BUDD, Mr. PFLUGER, Mr. CAWTHORN, Mrs. HARSHBARGER, Mr. CARTER of Georgia, Mr. NORMAN, Mr. TAYLOR, Mr. RODNEY DAVIS of Illinois, Mr. BACON, Ms. STEFANIK, Mr. MOORE of Alabama, Mr. DONALDS, Ms. HERRELL, and Mr. GROTHMAN) introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committees on Oversight and Reform, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To direct the Director of the Office of Management and Budget to require the disclosure of violations of Federal law with respect to human trafficking or alien smuggling, 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 “Protecting Federal  
3 Funds from Human Trafficking and Smuggling Act of  
4 2022”.

5 **SEC. 2. MANDATORY DISCLOSURES OF HUMAN TRAF-**  
6 **FICKING AND ALIEN SMUGGLING.**

7 (a) LIMITATION ON AWARD OF FEDERAL FUNDS.—

8 (1) FUTURE RECIPIENTS.—Beginning not later  
9 than 120 days after the date of the enactment of  
10 this Act, no Federal funds may be awarded to a  
11 non-profit entity unless such entity submits to the  
12 Director of the Office of Management and Budget a  
13 certification that the entity is in compliance with  
14 Federal law with respect to human trafficking, alien  
15 smuggling, fraud, bribery, or gratuity and has not  
16 been convicted of an offense under section 274 of  
17 the Immigration and Nationality Act (8 U.S.C.  
18 1324).

19 (2) CURRENT AND PRIOR RECIPIENTS.—Not  
20 later than 60 days after the date of the enactment  
21 of this Act, each non-profit entity that is in receipt  
22 of awarded Federal funds as of the date of the en-  
23 actment of this Act, or was awarded Federal funds  
24 prior to January 1, 2021, shall submit to the Direc-  
25 tor of the Office of Management and Budget a cer-  
26 tification that the entity is in compliance with Fed-

1       eral law with respect to human trafficking, alien  
2       smuggling, fraud, bribery, or gratuity and has not  
3       been convicted of an offense under section 274 of  
4       the Immigration and Nationality Act (8 U.S.C.  
5       1324). If the entity does not submit the certifi-  
6       cation, or is determined by the Director of the Office  
7       of Management and Budget to have violated section  
8       274 of the Immigration and Nationality Act (8  
9       U.S.C. 1324), the entity shall repay any such funds  
10      awarded.

11      (b) DENIAL OF TAX EXEMPTION.—Section 503 of  
12      the Internal Revenue Code of 1986 is amended by adding  
13      at the end the following new subsection:

14      “(g) DENIAL OF EXEMPTION FOR NOT MEETING  
15      CERTAIN CERTIFICATION REQUIREMENT.—

16           “(1) IN GENERAL.—An organization described  
17      in section 501(c) shall not be exempt from taxation  
18      under section 501(a) if such organization does not  
19      submit the certification required pursuant to section  
20      2(a) of the ‘Protecting Federal Funds from Human  
21      Trafficking and Smuggling Act of 2022’, or is deter-  
22      mined by the Director of the Office of Management  
23      and Budget to have violated section 274 of the Im-  
24      migration and Nationality Act (8 U.S.C. 1324).

1           “(2) RE-APPLICATION FOR EXEMPTION.—Not  
2       sooner than one year after the date on which an or-  
3       ganization described in section 501(c) is not exempt  
4       pursuant to paragraph (1), such organization may  
5       reapply to be exempt from taxation under section  
6       501(a).”.

7       (c) REPORTING REQUIREMENT.—Not later than 120  
8       days after the date of the enactment of this Act, the Sec-  
9       retary of Homeland Security shall—

10           (1) develop a written strategy and best prac-  
11       tices guide for non-profit entities to ensure they are  
12       in compliance with Federal law, including how to de-  
13       tect, deter, and report human trafficking and alien  
14       smuggling;

15           (2) publish on the internet website of the De-  
16       partment of Homeland Security information on vio-  
17       lations of any non-profit entity as it pertains to com-  
18       pliance with State and Federal laws with respect to  
19       human trafficking, and alien smuggling; and

20           (3) develop a written strategy to improve co-  
21       operation with non-profit entities, State, and Fed-  
22       eral law enforcement agencies with respect to im-  
23       proving cooperation on deterring, detecting, report-  
24       ing, and removing aliens.

1       (d) REPORT BY COMPTROLLER GENERAL.—Not later  
2 than 180 days after the date of the enactment of this Act,  
3 and annually thereafter, the Comptroller General of the  
4 United States shall report to Congress on each violation  
5 by a non-profit entity to certify under subsection (a).

6       (e) APPLICABILITY.—The requirement under sub-  
7 section (a) shall apply to any non-profit entity awarded  
8 Federal funding, including a non-profit entity who has an  
9 agreement, contract, award, or relationship with the Fed-  
10 eral Government on the date of the enactment of this Act.

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