

# AB 1245

Preventing Trafficking through  
Public Procurement



ASSEMBLYMEMBER

DISTRICT 19

**Catherine Stefani**

## SUMMARY

Forced labor continues to plague supply chains across industries. California is known to procure goods that are at high risk of being produced with human trafficking, forced labor, and/or child labor. Despite spending over \$56 billion on purchasing and contracts, the state has not updated its procurement policies since 2007. This bill would align state law with the federal standards set forth in 2016 that adopt more specific and detailed guidance for businesses who sell to or contract with the state to prevent human trafficking and mitigate exploitation.

## BACKGROUND

With over a \$300 billion budget, California is one of the few economies capable of reshaping supply chains through procurement reform.<sup>1</sup> Public procurement represents 13–20% of global GDP.<sup>2</sup> From 2021 to 2023, California spent \$56.25 billion on public contracts.<sup>3</sup>

California's current procurement practices reveal significant exposure to forced labor risk. From 2022–23, the state awarded 3,879 contracts for commodities commonly associated with exploited labor—including garments, electronics, agricultural products, and raw minerals.<sup>4</sup> These findings illustrate how state purchasing inadvertently perpetuates trafficking and forced labor across multiple industries.

In 2016, the federal government adopted detailed measures to prevent human trafficking, forced labor, and commercial sex in its procurement system, requiring contractors and subcontractors to certify

compliance and prohibiting the purchase of goods made with forced labor.<sup>5</sup>

Nearly a decade later as enforcement erodes under the Trump Administration, leaving corporate supply chains largely unchecked—California must act. By enacting procurement reforms that align with federal standards, the state can leverage its vast purchasing power to catalyze global corporate accountability, disrupt entrenched systems of exploitation, and guarantee that public funds are not used to support child labor or labor trafficking.

## THIS BILL

AB 1245, The Human Trafficking Procurement Prevention Act, would do the following:

- Create clear definitions of what constitutes human trafficking and forced labor, recruitment fees, and who qualifies as a contractor and subcontractor.
- Provides further guidance to contractors and subcontractors on prohibited actions that include fraud or misinterpretation for government solicitations and contracts, including failing to provide key terms of employment in a native worker's language, charging recruitment fees, and failing to provide a means of returning to their home country.
- Requires a state government contractor to certify a compliance plan for itself and all its subcontractors for contracts of \$550,000 or more.
- Details actions companies must take if they identify potential human trafficking, forced

<sup>1</sup> California lawmakers approve \$325 billion budget 'passed on hope', CalMatters (June, 2025)

<sup>2</sup> World Bank, Global Public Procurement Database: Share, Compare, Improve! (March 23, 2020)

<sup>3</sup> In 2021, CA spent \$21.23B due to the COVID-19 pandemic, wildfires and drought. In 2022-2023 CA spent \$18.98 billion, and in FY 2023-2024 CA spent \$16.04 billion. See Department of General Services (DGS), Consolidated Annual Report 2022-2023, available [here](#) and [here](#); Department of General Services

(DGS), Consolidated Annual Report 2023-2024; Department of General Services (DGS), Consolidated Annual Report 2020-21.

<sup>4</sup> Loyola L. Sch., Sunita Jain Anti-Trafficking Initiative, Goods at High Risk for Forced Labor in California State Contracts (Nov. 2024).

<sup>5</sup> 48 CFR Part 22 - Subpart 22.17 - Combating Trafficking in Persons [available here](#).

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labor, or child labor issues in their supply chains.

The provisions of this bill would only apply to contracts entered or renewed on or after January 1, 2027.

## **SUPPORTERS**

- Sunita Jain Anti-Trafficking Initiative at Loyola Law School (**Sponsor**)

*The support list will be updated as new letters are submitted for the amended version of this bill.*

## **STAFF CONTACT**

Office of Asm. Catherine Stefani  
Melissa Sagun  
(916) 319-2019, ext. 2659