

Grant No.: \_\_\_\_\_  
Federal CFDA number: 21.019

**CITY OF KIRKLAND**  
**KIRKLAND CARES SMALL BUSINESS RELIEF FUND AGREEMENT**

This Kirkland CARES Small Business Relief Fund Agreement (“Agreement”) is entered into by and between the City of Kirkland, Washington, a municipal corporation hereinafter referred to as the “City,” and \_\_\_\_\_, a \_\_\_\_\_ operating within the city of Kirkland, hereinafter referred to as the “Grant Recipient.”

WHEREAS, the U.S. Congress enacted the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public Law 116-136, which provides funding to assist individuals, businesses, and government with responding to the COVID-19 health crisis;

WHEREAS, the City has received an allocation of CARES Act Funds from the State of Washington under a portion of which the City Council has allocated for the support of small businesses located within Kirkland;

WHEREAS, the City has established a Kirkland CARES Small Business Relief Fund to provide funding for certain expenses that are necessary expenditures incurred due to the public health emergency with respect to COVID-19 for small businesses that were impacted by the COVID-19 public health emergency and did not receive sufficient relief funding from federal or state programs;

WHEREAS, the Grant Recipient submitted a proposal for grant funding as set forth in Exhibit A and, the City has determined said Grant Recipient and proposal satisfies the eligibility-based criteria for the Kirkland CARES Small Business Relief Fund;

WHEREAS, the City hereby awards the Grant Recipient a grant in the total amount of \$5,000, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intended to be bound hereby, it is mutually agreed as follows:

**A. Grant Award.**

1. The total grant awarded to the Grant Recipient is \$5,000 disbursed in one (1) payment.
2. The Grant Recipient acknowledges that this a one-time award of funding and that no additional funding will be provided by the City.
3. Grant Recipient shall complete and return a W-9 tax form to the City prior to disbursement of the Grant Award.

**B. Grant Recipient Responsibilities.**

1. Grant Recipient shall maintain a current and active Unified Business Identification Number (UBI) for the length of the Grant Term.

2. Grant Recipients shall be located in Kirkland (including home based businesses) with a current and active Unified Business Identification Number (UBI) and City of Kirkland business license endorsement.
3. Grant Recipient's business or property shall not be subject to any City of Kirkland code enforcement actions during the Grant Term.
4. Grant Recipient certifies that the Grant Recipient's business is not currently in bankruptcy, does not have unpaid code enforcement judgments, liens, or outstanding penalties, or in violation of any state, federal, or local law.
5. Grant Recipient certifies that it is not suspended, debarred, proposed for debarment, declared ineligible or otherwise excluded from contracting with the federal government, or from receiving contracts paid for with federal funds.
6. Grant Recipient shall certify they have not already received federal funds for the same expenses for which the Grant Award will be used.
7. Grant Recipient certifies compliance with the Washington State Health Department directives and guidelines related to reducing the transmission of COVID-19.
8. Grant Recipient certifies that no owner, officer, partner, or principal actor of the business is currently employed by the City of Kirkland or has an immediate family member who is a current City of Kirkland employee.
9. Grant Recipient certifies the information provided in its application and the information provided in all supporting documents and forms are true and accurate in all material respects.
10. Grant Recipient certifies they have read the criteria for funding and the use of the funds and will comply with such criteria.
11. Grant Recipient certifies the business loss of revenue reported in its application for Grants is due to negative impacts by the COVID-19 pandemic during Quarter 2 - April 1 to June 30, 2020 and makes this grant request necessary to support the ongoing operations of the Grant Recipient.
12. Grant Recipient shall only utilize the Grant Award for authorized, eligible business expenses. If the Grant Recipient does not utilize the Grant Award for such expenses, then the Grant Recipient shall be required to reimburse the City for those unauthorized expenditures.
  - a. Eligible expenses are the following:
    - i. Rent, mortgage, or required monthly loan payments;
    - ii. Payroll expenses which are regular wages, payroll-related taxes; and typical benefits to employees, such as health insurance, paid vacation or sick leave essential to maintain the Grant Recipient's operations, but only to the extent such payroll expenses have not been reimbursed by any other federal, state, or regional grant or loan programs;
    - iii. Typical draw or wages on a regular interval to the Grant Recipient owner, provided such draw or wages is consistent with those paid in previous interval, quarters, or years prior to March 1, 2020;
    - iv. When necessary for the protection of public health or the health of the Grant Recipient's employees or owners in relation to the COVID-19 emergency, Personal Protective Equipment (PPE); sanitizing or disinfecting cleaning products; equipment or physical changes to accommodate social distancing (e.g. plexiglass barriers); and
    - v. Normal operating costs and expenses, including those set forth on the Grant Recipient's income statement as a regular, ongoing cost of operating the business, such as utilities.

- b. Ineligible expenses are the following:
  - i. Expenses which are not deductible, or expenses not considered ordinary and necessary business expenses, for the entity's federal income tax return, such as items which are personal, lavish, entertainment or capital in nature;
  - ii. Contributions to a politician, a political party, a political campaign, or a political lobby organization or action committee;
  - iii. Bonuses to owners or employees of the Grant Recipient;
  - iv. Wages to any member of the owner's family, unless that member is an employee of the business;
  - v. Contributions to charities, gifts, or parties;
  - vi. Draw or wages to the Grant Recipient owner that exceeds the amount that they were paid on a weekly or monthly basis for the same period in the prior year;
  - vii. Prepayment of debt by more than the amount required in the underlying debt instrument;
  - viii. Payment of property taxes, business and occupation taxes, use taxes, or any other taxes, except for payroll-related taxes;
  - ix. Payment of license fees;
  - x. Severance pay to employees or owners;
  - xi. Legal settlements;
  - xii. Any expense related to damage that is covered by Grant Recipient's insurance policies;
  - xiii. Any expense that has been or will be reimbursed under any federal program; and
  - xiv. Any expense related to activities prohibited by the U.S. Treasury's COVID-19 guidelines, federal, state, or local law as described in the Federal Terms and Conditions attached hereto as Exhibit B and incorporated herein by this reference.
- 13. Record Keeping and Reporting
  - a. The Grant Recipient shall keep sufficient written expenditure records to demonstrate that the Grant Award was utilized consistent with this Agreement and the CARES Act for eligible expenses incurred from March 1, 2020 to October 31, 2020.
  - b. The City reserves the right to request and inspect expenditure documentation related to the Grant Award at any time.
- 14. Excess Funds or Unauthorized Use of Funds
  - a. If the Grant Recipient does not utilize all of the Grant Award by the end of the Grant Term or uses the Grant Award for an unauthorized expense, the Grant Recipient shall return the excess funds or reimbursement funds to the City no later than October 31, 2020.
  - b. Failure to return the excess funds or to reimburse the City shall be a basis for suspension of the Grant Recipient's City business license until such time as the funds are returned.
  - c. Nothing in this subsection precludes the City from taking all necessary action permitted by law to secure any excess funds or funds used for an unauthorized expense.
- 15. Grant Recipient certifies that the Grant Funding will not be used to facilitate the production, processing, promotion, distribution, or sale (wholesale or retail) of marijuana and cannabinoid products, concentrates, or extracts.

### **C. Grant Term.**

1. Unless terminated as provided in Section E, the Grant Term begins at 12:01 am Pacific Standard Time on the latest undersigned date and ends at 11:59 pm Pacific Standard Time on the 31st day of October 2020. All funds must be expended by end of the Grant Term or returned to the City as provided in Subsection B(14).

### **D. Publicity Requirements.**

1. The Grant Recipient agrees that the City may photograph, document, or otherwise publicize the Kirkland CARES Small Business Relief Fund, including the Grant Recipient's participation, in all City publications, including the City's website and social media webpages.
2. The Grant Recipient may acknowledge the City's provision of the Grant Award in all advertisements and publications, including social media webpage postings, produced by the Grant Recipient. The Grant Recipient may utilize the City's logo for such purposes and may include the following or similar language in those advertisements and publications: *[Name of Business] thanks the City of Kirkland for providing CARES Act funding to assist in covering expenses due to COVID-19.*

### **E. Termination.**

1. The Grant Recipient may unilaterally rescind this Agreement at any time prior to disbursement of the Grant Award. After disbursement, this Agreement may only be terminated as provided herein.
2. Termination by Grant Recipient. If, after disbursement of the Grant Award, the Grant Recipient elects to no longer participate in the Kirkland CARES Small Business Relief Fund, the Grant Recipient shall provide written notice to the City along with the reimbursement to the City for any funds remaining or for any funds that may have been expended for an unauthorized expense. Termination pursuant to this subsection shall bar the Grant Recipient from further participation in the Kirkland CARES Small Business Relief Fund.
3. Termination for Cause.
  - a. The City shall have the right to terminate this Agreement for the material breach of any term or condition of this Agreement by sending written notice requiring the Grant Recipient to cure the alleged breach within ten (10) calendar days of the written notice. The Grant Recipient is solely responsible for any expenses associated with cure of its non-compliance or failure to perform. If the Grant Recipient fails to cure the alleged breach within the ten (10) calendar days or to obtain written consent from the City for a reasonable extension of the cure period, the Grant Award shall be revoked and this Agreement terminated effective at the end of the ten (10) calendar day cure period without additional notice. If Termination for Cause, the Grant Recipient shall reimburse the City for any funds remaining and for any funds that may have been expended for an unauthorized expense. Failure to cure the default shall bar the Grant Recipient from further participation in the Kirkland CARES Small Business Relief Fund.
  - b. If at any time prior to or after disbursement of the Grant Award, the City subsequently determines that the grant application contained intentionally misleading or fraudulent information, the City may, at its option, cancel this Agreement immediately, with no option to cure and with no liability for any cost or expense of the Grant Recipient. In such situation, the Grant Recipient shall reimburse the City in total for the Grant Award and shall be barred, if applicable, from further participation in the Kirkland CARES Small Business Relief Fund.

## **F. Hold Harmless**

1. The Grant Recipient shall defend, indemnify and hold the City, its elected officials and officers, employees, representatives, agents, and volunteers, harmless from any and all liabilities, claims, damages, costs or expenses (including reasonable attorneys' fees) arising from or relating to the work performed under this Agreement to the extent of the Grant Recipient's negligence. The Grant Recipient waives, with respect to the City, its immunity under industrial insurance, Title 51 RCW. This waiver has been mutually negotiated by the parties. This indemnification shall survive the expiration or termination of this Agreement.
2. The Grant Recipient further acknowledges during performance of the activities contemplated by the Grant Award, that Grant Recipient, its owners, employees, agents, vendors, and customers may be exposed to or infected by the COVID-19 virus, which could result in quarantine requirements, serious illness, disability, and/or death. Therefore, the Grant Recipient expressly agrees that any and all claims, demands, or losses for which it indemnifies, defends, and holds the City harmless shall include those arising, directly or indirectly, from COVID-19.
3. This section survives termination or expiration of this Agreement.

## **G. Insurance**

The Grant Recipient acknowledges that the Grant Recipient is solely responsible for obtaining and maintaining any and all insurance customary for its business enterprise and that nothing in this Agreement provides for insurance, of any kind, for the Grant Recipient or Grant Recipient's property, real or personal.

## **H. Public Records Act**

The Grant Recipient acknowledges that the City is a public agency subject to Washington's Public Records Act, Chapter 42.56 RCW, and that all records related to this Agreement may be deemed a public record as defined in the Public Records Act, and that if the City receives a public records request, unless a statute exempts disclosure, the City must disclose the record to the requestor. The Grant Recipient will timely provide records to the City as necessary to fulfill a public records request or permit the City to inspect the Grant Recipient's records so as to do the same.

## **I. Force Majeure.**

Neither party shall be liable to the other or deemed in breach or default for any failure or delay in performance under this Agreement during the time and to the extent its performance is prevented by reasons of Force Majeure. For the purposes of this Agreement, Force Majeure means an occurrence that is beyond the reasonable control of and without fault or negligence of the party claiming force majeure and which, by exercise of due diligence of such party, could not have been prevented or overcome. Force Majeure shall include natural disasters, including fire, flood, earthquake, windstorm, avalanche, mudslide, and other similar events; acts of war or civil unrest when an emergency has been declared by appropriate governmental officials; acts of civil or military authority; freight embargoes; epidemics; pandemics; quarantine restrictions; labor strikes; boycotts; terrorist acts; riots; insurrections; explosions; and nuclear accidents. A party claiming suspension or termination of its obligations due to force majeure shall give the other party prompt written notice, but no more than two (2) working days after the event, of the impediment and its effect on the ability to perform. Failure to provide such timely notice shall preclude recovery under this provision.

**J. Successors and Assigns.**

Neither the City nor the Grant Recipient shall assign, transfer, delegate, or encumber any rights, duties, obligations, or interests accruing from this Agreement without the written consent of the other.

**K. Notices.**

Any notice required under this Agreement will be in writing, addressed to the appropriate party at the address which appears below (as modified in writing from time to time by such party), and given personally, by registered or certified mail, return receipt requested, by facsimile or by a nationally recognized overnight courier service. All notices shall be effective upon the date of receipt.

Grant Administrator  
City of Kirkland  
123 5<sup>th</sup> Avenue  
Kirkland, WA 98033

Grant Recipient Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Email: \_\_\_\_\_  
Phone: \_\_\_\_\_

**L. Nondiscrimination.**

In hiring or employment made possible or resulting from this Agreement, there shall be no unlawful discrimination against any employee or applicant for employment because of sex, age (except minimum age and retirement provisions), race, color, creed, national origin, citizen or immigration status exception is when distinction or differential treatment is authorized by federal or state law, regulation, or government contract, marital status, sexual orientation, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical handicap or the use of a trained dog guide or service animal by a person with a disability, unless based upon a bona fide occupational qualification. This requirement shall apply to but not be limited to the following: employment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. No person shall be denied or subjected to discrimination in receipt or the benefit of any services or activities made possible by or resulting from this Agreement on the grounds of sex, race, color, creed, national origin, age (except minimum age and retirement provisions), marital status, sexual orientation, honorably discharged veteran or military status, or in the presence of any sensory, mental or physical handicap, or the use of a trained dog guide or service animal by a person with a disability.

**M. General Administration and Management.**

The City’s Grant Administrator assistance is provided through this email address [kirklandbusinesssupport@kirklandwa.gov](mailto:kirklandbusinesssupport@kirklandwa.gov).

**N. Severability.**

Any provision or part of the Agreement held to be void or unenforceable under any law or regulation shall be deemed stricken and all remaining provisions shall continue to be valid and binding upon the City and the Grant Recipient, who agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

**O. Survival.**

A party's obligation under this Agreement will be continuous and survive expiration or termination of this Agreement as expressly provided in this Agreement or otherwise required by law or intended by their nature.

**P. Captions.**

The titles of sections or any other parts of this Agreement are for convenience only and do not define or limit the contents.

**Q. Governing Law and Venue.**

This Agreement shall be construed and enforced in accordance with the laws of the State of Washington. Venue of any suit between the parties arising out of this Agreement shall be King County Superior Court. In any judicial proceeding arising out of this Agreement, the non-prevailing party shall be responsible for all attorneys' fees.

**R. Entire Agreement.**

This Agreement contains the entire agreement between the parties hereto and no other agreements, oral or otherwise, regarding the subject matter of this agreement, shall be deemed to exist or bind any of the parties hereto. Either party may request changes in the Agreement. Proposed changes which are mutually agreed upon shall be incorporated by written amendment to this Agreement.

**S. No Third-Party Beneficiary.**

This Agreement is made and entered into for the sole protection and benefit of the parties hereto and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

**T. Waiver.**

No waiver of any breach or default hereunder shall be considered valid unless in writing and signed by the party giving such waiver and no such waiver shall be deemed a waiver of any prior or subsequent breach or default.

**U. Attorneys' Fees.**

In any dispute resolution or judicial action to enforce or determine a party's rights under this Agreement, the prevailing party (or the substantially prevailing party, if no one party prevails entirely) shall be entitled to reasonable attorneys' fees, expert witness fees, and costs, including fees and costs incurred in the appeal of any ruling of a lower court.

**V. Counterpart Originals.**

This Agreement may be executed in any number of counterpart originals, each of which shall be deemed to constitute an original agreement, and all of which shall constitute one agreement. The execution of one counterpart by a Party shall have the same force and effect as if that Party had signed all other counterparts.

**W. Authority to Execute.**

Each person executing this Agreement on behalf of a Party represents and warrants that he or she is fully authorized to execute and deliver this Agreement on behalf of the Party for which they are signing. The Parties hereby warrant to each other that each has full power and authority to enter into this Agreement and to undertake the actions contemplated herein and that this Agreement is enforceable in accordance with its terms.

IN WITNESS WHEREOF, this Agreement is executed by:

**CITY OF KIRKLAND**

**GRANT RECIPIENT**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

<b>For Internal Use</b>	<b>BUDGET #</b>	<b>Program &amp; Object</b>		
		CARES ACT Kirkland CARES Small Business Relief Fund		

Attachments:

- Exhibit A – Grant Proposal
- Exhibit B – Federal Terms and Conditions

**EXHIBIT A  
GRANT PROPOSAL**

**EXHIBIT B**  
**FEDERAL TERMS AND CONDITIONS**

**KING COUNTY SMALL BUSINESS ASSISTANCE PROGRAM****FEDERAL TERMS AND CONDITIONS****HEALTH AND HUMAN SERVICES**

As applicable (specifically including to any expenditure funded with coronavirus relief funds or public health funds), the Contractor or Recipient (herein each referred to as “Contractor”) shall adhere to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS awards as codified in 45 CFR Part 75 effective December 26, 2014, the HHS Grants Policy Statement, and the Contract Provisions below.

**1. EXECUTIVE PAY**

The Contractor agrees that none of the funds paid through this contract shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level II. (Sec. 202)

**2. GUN CONTROL ADVOCACY**

The Contractor agrees that none of the funds paid through this contract may be used, in whole or in part, to advocate or promote gun control. (Sec. 210)

**3. LOBBYING**

(a) The Contractor agrees that none of the funds paid through this contract shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, electronic communication, radio, television, or video presentation designed to support or defeat the enactment of legislation before the Congress or any State or local legislature or legislative body, except in presentation to the Congress or any State or local legislature itself, or designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any State or local government, except in presentation to the executive branch of any State or local government itself.

(b) The Contractor agrees that none of the funds paid through this contract shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before the Congress or any State government, State legislature or local legislature or legislative body, other than for normal and recognized executive-legislative relationships or participation by an agency or officer of a State, local or tribal government in policymaking and administrative processes within the executive branch of that government.

(c) The prohibitions in subsections (a) and (b) shall include any activity to advocate or promote any proposed, pending or future Federal, State or local tax increase, or any proposed,

pending, or future requirement or restriction on any legal consumer product, including its sale or marketing, including but not limited to the advocacy or promotion of gun control. (Sec. 503)

#### 4. ABORTIONS

(a) The Contractor agrees that none of the funds paid through this contract, and none of the funds in any trust fund paid through this contract, shall be expended for any abortion.

(b) The Contractor agrees that none of the funds paid through this contract, and none of the funds in any trust fund paid through this contract, shall be expended for health benefits coverage that includes coverage of abortion.

(c) The term “health benefits coverage” means the package of services covered by a managed care provider or organization pursuant to a contract or other arrangement. (Sec. 506)

#### 5. LIMITATIONS ON ABORTION FUNDING PROHIBITIONS

(a) The limitations established in the preceding section shall not apply to an abortion—

(1) if the pregnancy is the result of an act of rape or incest; or

(2) in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed.

(b) Nothing in the preceding section shall be construed as prohibiting the expenditure by a State, locality, entity, or private person of State, local, or private funds (other than a State’s or locality’s contribution of Medicaid matching funds).

(c) Nothing in the preceding section shall be construed as restricting the ability of any managed care provider from offering abortion coverage or the ability of a State or locality to contract separately with such a provider for such coverage with State funds (other than a State’s or locality’s contribution of Medicaid matching funds).

(d)(1) The Contractor agrees it will not subject any institutional or individual health care entity to discrimination on the basis that the health care entity does not provide, pay for, provide coverage of, or refer for abortions.

(2) In this subsection, the term “health care entity” includes an individual physician or other health care professional, a hospital, a provider-sponsored organization, a health maintenance organization, a health insurance plan, or any other kind of health care facility, organization, or plan. (Sec. 507)

#### 6. EMBRYO RESEARCH

(a) The Contractor agrees that none of the funds paid through this contract may be used for—

(1) the creation of a human embryo or embryos for research purposes; or

(2) research in which a human embryo or embryos are destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero

under 45 CFR 46.204(b) and section 498(b) of the Public Health Service Act (42 U.S.C. 289g(b)).

(b) For purposes of this section, the term “human embryo or embryos” includes any organism, not protected as a human subject under 45 CFR 46 as of December 20, 2019, that is derived by fertilization, parthenogenesis, cloning, or any other means from one or more human gametes or human diploid cells. (Sec. 508)

#### 7. PROMOTION OF LEGALIZATION OF CONTROLLED SUBSTANCES

(a) The Contractor agrees that none of the funds paid through this contract may be used for any activity that promotes the legalization of any drug or other substance included in schedule I of the schedules of controlled substances established by section 202 of the Controlled Substances Act except for normal and recognized executive-congressional communications.

(b) The limitation in subsection (a) shall not apply when there is significant medical evidence of a therapeutic advantage to the use of such drug or other substance or that federally sponsored clinical trials are being conducted to determine therapeutic advantage. (Sec. 509)

#### 8. DISTRIBUTION OF INTENTIONALLY FALSE INFORMATION

The Contractor agrees that none of the funds paid through this contract may be used to disseminate information that is deliberately false or misleading. (Sec. 515(b))

#### 9. PORNOGRAPHY

(a) The Contractor agrees that none of the funds paid through this contract may be used to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography.

(b) Nothing in subsection (a) shall limit the use of funds necessary for any Federal, State, tribal, or local law enforcement agency or any other entity carrying out criminal investigations, prosecution, or adjudication activities. (Sec. 520)

#### 10. ACORN OR ITS AFFILIATES OR SUBSIDIARIES

The Contractor agrees that none of the funds paid through this contract may be provided to the Association of Community Organizations for Reform Now (ACORN), or any of its affiliates, subsidiaries, allied organizations, or successors. (Sec. 521)

#### 11. NEEDLE EXCHANGE

The Contractor agrees that none of the funds paid through this contract shall be used to purchase sterile needles or syringes for the hypodermic injection of any illegal drug: *Provided*, That such limitation does not apply to the use of funds for elements of a program other than making such purchases if the relevant State or local health department, in consultation with the Centers for Disease Control and Prevention, determines that the State or local jurisdiction, as applicable, is experiencing, or is at risk for, a significant increase in hepatitis infections or an HIV outbreak due to injection drug use, and such program is operating in accordance with State and local law. (Sec. 527)

## **GOVERNMENT-WIDE GENERAL PROVISIONS**

**(PL 116-93, December 20, 2019, 133 Stat 2317 – Division C, Title VII)**

### **12. PROPAGANDA**

The Contractor agrees that none of the funds paid through this contract shall be used directly or indirectly, including by subcontractors, for publicity or propaganda purposes within the United States not heretofore authorized by the Congress. (Sec. 718)

### **13. PRIVACY ACT**

The Contractor agrees that none of the funds paid through this contract may be used in contravention of section 552a of title 5, United States Code (popularly known as the Privacy Act), and regulations implementing that section. (Sec. 732)

### **14. CONFIDENTIALITY AGREEMENTS**

(a) The Contractor agrees that it will not require employees or subcontractors seeking to report fraud, waste, or abuse to sign internal confidentiality agreements or statements prohibiting or otherwise restricting such employees or subcontractors from lawfully reporting such waste, fraud, or abuse to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information.

(b) The limitation in subsection (a) shall not contravene requirements applicable to Standard Form 312, Form 4414, or any other form issued by a Federal department or agency governing the nondisclosure of classified information. (Sec. 742)

### **15. NONDISCLOSURE AGREEMENTS**

These provisions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by existing statute or Executive order relating to (1) classified information, (2) communications to Congress, (3) the reporting to an Inspector General of a violation of any law, rule, or regulation, or mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety, or (4) any other whistleblower protection. The definitions, requirements, obligations, rights, sanctions, and liabilities created by controlling Executive orders and statutory provisions are incorporated into this agreement and are controlling. (Sec. 743)

### **16. UNPAID FEDERAL TAX LIABILITY**

The Contractor agrees that it does not have any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, unless a Federal agency has considered suspension or debarment of the Contractor and has made a determination that this further action is not necessary to protect the interests of the Government.

The Contractor agrees it will not subcontract with any corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, unless a Federal agency

has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government. (Sec. 744)

#### **17. CRIMINAL FELONY LIMITATION**

The Contractor agrees that it was not convicted of a felony criminal violation under any Federal law within the preceding 24 months, unless a Federal agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government.

The Contractor agrees it will not subcontract with any that was convicted of a felony criminal violation under any Federal law within the preceding 24 months, unless a Federal agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government. (Sec. 745)

### **OTHER APPROPRIATION PROVISIONS**

#### **18. CHIMPANZEES**

The Contractor agrees that none of the funds paid through this contract shall be used on any project that entails the capture or procurement of chimpanzees obtained from the wild. (42 U.S.C. 289d note)

### **Other Statutory Provisions**

#### **19. TRAFFICKING IN PERSONS**

This contract is subject to the requirements of Section 106 (g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. 7104)

(a) The Contractor, Contractor's employees, and any subcontractors or subcontractors' employees may not:

- (1) Engage in severe forms of trafficking in persons during the period of time that the contract that this contract is in effect;
- (2) Procure a commercial sex act during the period of time that this contract is in effect; or
- (3) Use forced labor in the performance of this contract or subcontracts.

(b) Violations of the prohibitions in paragraph (a) include –

- (1) Those committed by the Contractor; or
- (2) Those committed by the Contractor's employee or a subcontractor through conduct that is either -
  - i. Associated with performance of this contract; or
  - ii. Imputed to the Contractor or subcontractor using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part

180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2 CFR part 376.

(c) The Contractor must inform King County immediately of any information it receives from any source alleging a violation of paragraph (a).

(d) Definitions. For purposes of this contract:

(1) "Employee" means either:

i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or

ii. Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

(2) "Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

(3) "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102). (Section 106 (g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. 7104))

## 20. WHISTLEBLOWER PROTECTIONS

The Contractor is hereby given notice that the 48 CFR section 3.908, implementing section 828, entitled "Pilot Program for Enhancement of Contractor Employee Whistleblower protections," of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013 (Pub. L. 112-239, enacted January 2, 2013) applies to this contract.

## 21. HUMAN SUBJECTS PROTECTIONS

If any activities under this contract will involve human subjects in any research activities, the Contractor must provide satisfactory assurance of compliance with the participant protection requirement of the HHS/OASH Office of Human Research Protection (OHRP) prior to implementation of those research components. This assurance should be submitted to the OHRP in accordance with the appropriate regulations.

## 22. FRAUD, ABUSE AND WASTE

The HHS Inspector General accepts tips and complaints from all sources about potential fraud, waste, abuse, and mismanagement in Department of Health and Human Services' programs.