

End Banking for Human Traffickers Act

Sponsored by Senator Elizabeth Warren (D-MA) and Senator Marco Rubio (R-FL)

Human trafficking is a pervasive and growing problem across the world, from fields and factories in the third world to private homes in American suburbs, 21 million people across the world are victims of human trafficking.ⁱ Forced into horrifying lives of sexual exploitation and unpaid labor, victims of trafficking are trapped in modern slavery.

For the perpetrators of this crime, human trafficking is also a business, and a very profitable one. According to a report by the International Labor Organization (ILO), over \$150 billion in illegal profits is made from forced labor each yearⁱⁱ, amounting to \$21,800 per victim.ⁱⁱⁱ Two-thirds of those profits—\$99 billion—are earned from the victims of sexual exploitation, amounting to \$100,000 per victim.^{iv} Contrary to popular misconception, this is not just a third world problem, as nearly one-third of those profits are generated in industrialized countries.^v

These profits have made human trafficking the third most valuable criminal enterprise in the world, according to the United Nations. Banks, credit card companies, and money transfer companies are all used by traffickers to facilitate their business and the exploitation of their victims. Traffickers aren't hiding their illegal profits under a mattress or burying it in their backyard—they are laundering it through financial institutions and depositing it an account that they can access from anywhere.^{vi}

Access to the banking system is critical to their illegal operations – and it has to stop. Denying traffickers access to the financial system will dramatically impact their operations; and information gathered by financial institutions will make it easier to prosecute traffickers without relying entirely on testimony from victims.

We need to better equip the financial industry and financial regulators to combat the scourge of human trafficking. By building on the work that has already begun, and using existing anti-money laundering laws, we can give financial institutions the necessary tools to identify and report instances of human trafficking so that offenders can be prosecuted and victims can be protected.

This legislation would:

- Add financial intelligence and regulatory officers to the President's Interagency Task Force to Monitor and Combat Trafficking in Persons to increase collaboration between law enforcement and experts in financial crimes.
- Direct federal banking regulators to work with law enforcement and financial institutions to combat the use of the financial system for human trafficking.
- Require the Interagency Task Force to review existing anti-money laundering programs and, if necessary, develop recommendations for Congress and regulators that would strengthen such programs to better target human trafficking. The Task Force will draw on the expertise of the public, private, and non-profit sectors, identifying successful anti-trafficking programs and proposing new measures that will ensure our banking system is not used to facilitate this terrible crime.

NOTES

ⁱ International Labour Organization, “New ILO Global Estimate of Forced labour: 20.9 million victims” (June 1, 2012) (online at http://www.ilo.org/global/topics/forced-labour/news/WCMS_182109/lang--en/index.htm).

ⁱⁱ International Labour Organization, “Forced labour, modern slavery and human trafficking” (online at <http://www.ilo.org/global/topics/forced-labour/lang--en/index.htm>).

ⁱⁱⁱ Human Rights First, “Human Trafficking by the Numbers” (January 7, 2016) (online at <http://www.humanrightsfirst.org/resource/human-trafficking-numbers>).

^{iv} Human Rights First, “Human Trafficking by the Numbers” (January 7, 2016) (online at <http://www.humanrightsfirst.org/resource/human-trafficking-numbers>).

^v International Labour Office, *Profits and Poverty: The Economics of Forced Labour* (2014) (online at http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_243391.pdf).

^{vi} United Nations Office of Drugs and Crime, *Estimating Illicit Financial Flows Resulting From Drug Trafficking and Other Transnational Organized Crimes (Research report)* (October 2011) (online at https://www.unodc.org/documents/data-and-analysis/Studies/Illicit_financial_flows_2011_web.pdf).