



STAC THIRD FRIDAY HUMAN  
TRAFFICKING WEBINAR SERIES:  
ECONOMIC EMPOWERMENT AND  
FINANCIAL MANAGEMENT FOR HUMAN  
TRAFFICKING SURVIVORS

FRIDAY, SEPTEMBER 20, 2024

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# OUTLINE OF TODAY'S PRESENTATION

## SURVIVOR AND ADVOCATE PERSPECTIVES ON:

- Financial Exploitation and Identity Theft
- Solutions for Credit Repair and Rebuilding including SII and DBRA
- Survive and Thrive! Additional Resources
- Questions?

## REBUILD AND PLAN FOR YOUR FUTURE:

- Income, Expenses, and Employer Benefits
- Savings and Investments
- Questions?

# FINANCIAL EXPLOITATION

“Survivors of trafficking have faced insurmountable mental and physical pain during their victimization. What is more, damage occurs far beyond the physical self. We see a myriad of examples where traffickers force victims under duress to commit crimes, and where traffickers steal their victims’ social security numbers to take out loans, obtain consumer credit, and secure residential leases—only to abscond from making any payments, which ultimately forces the victim into unfounded yet irreparable default. Even after successful removal from their situation, the victims still face countless obstacles and a high risk of further victimization and re-exploitation. There is a vicious cycle that survivors endure due to poor credit and criminal records, where obtaining steady employment, and qualifying for housing, loans or financial assistance becomes nearly impossible, and increases the dangers of survivors being re-exploited.”

-Hollie Nadel

Anti-Trafficking in Persons (ATIP) Policy Leader Roundtable in the US Senate, September 2023

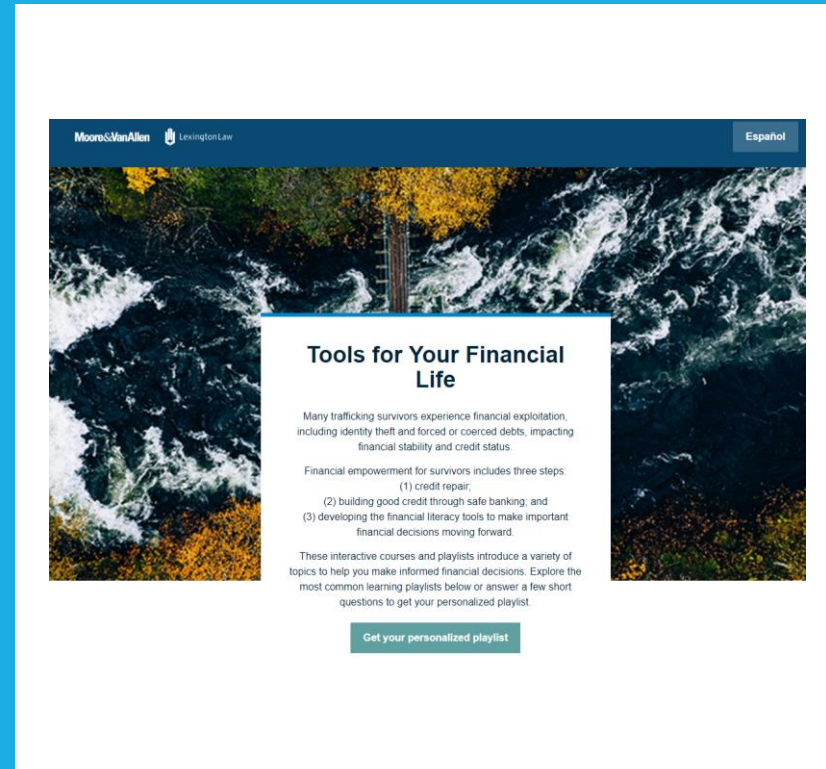
# IDENTITY THEFT RESOURCE CENTER (ITRC) AND FROZEN PII

- Established in 1999, the Identity Theft Resource Center (ITRC) is the only national non-profit in the U.S. to provide live, direct identity crime advice and victim assistance at **no-cost**.
- Advisors provide preventative information as well as assist victims of identity compromise, theft, and misuse by providing customized plans to address any and all identity concerns.
- Call or text toll-free at 1 (888) 400-5530 or go to the website live chat [idtheftcenter.org](https://idtheftcenter.org) for free direct assistance available Monday-Friday 6 AM PT – 5 PM PT.
- [Frozen Pii | Protect your identity and data for free](#) is a service devoted to making it easy to protect yourself with a credit freeze.
  - **Step One: Get your report**
  - **Step Two: Correct your report**
  - **Step Three: Freeze your report**

A credit freeze is the most important thing you can do to prevent identity theft. It only takes minutes and is free of charge. Yet, according to ITRC research, more than two-thirds of Americans do not take advantage of this tool.

# MOORE & VAN ALLEN'S APPROACH TO FINANCIAL INCLUSION

- Repairing Bad Credit History
  - Debt/collections resolution
  - Block requests
- Building Good Credit After Bad
  - Survivor Inclusion Initiative (“SII”)
- Financial Literacy
  - [Moore & Van Allen’s Financial Literacy Tool for Survivors](#)



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# DEBT BONDAGE REPAIR ACT (DBRA) LEGISLATIVE HISTORY

117<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

## H. R. 2332

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IN THE SENATE OF THE UNITED STATES

JUNE 16, 2021

Received; read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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### AN ACT

To prohibit consumer reporting agencies from furnishing a consumer report containing any adverse item of information about a consumer if such consumer is a victim of trafficking, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the “Debt Bondage Repair Act”.

#### SEC. 2. ADVERSE INFORMATION IN CASES OF TRAFFICKING.

(a) IN GENERAL.—The Fair Credit Reporting Act ([15 U.S.C. 1681](#) et seq.) is amended by inserting after section 605B the following:

“§605C Adverse information in cases of trafficking

# CONSUMER FINANCIAL PROTECTION BUREAU- REGULATION V

**12 CFR Part 1022**

**[Docket No. CFPB-2022-0023]**

**RIN 3170-AB12**

## **Prohibition on Inclusion of Adverse Information in Consumer Reporting in Cases of Human Trafficking (Regulation V)**

**AGENCY:** Bureau of Consumer Financial Protection.

**ACTION:** Final rule.

**SUMMARY:** The Consumer Financial Protection Bureau (Bureau) is amending Regulation V, which implements the Fair Credit Reporting Act (FCRA), to address recent legislation that assists consumers who are victims of trafficking. This final rule establishes a method for a victim of trafficking to submit documentation to consumer reporting agencies, including information identifying any adverse item of information about the consumer that resulted from certain types of human trafficking, and prohibits the consumer reporting agencies from furnishing a consumer report containing the adverse item(s) of information. The Bureau is taking this action as mandated by the National Defense Authorization Act for Fiscal Year 2022

# DBRA SUBMISSION REQUIREMENTS

- Proof of identity
- Victim determination documentation
  - Statement/attestation from gov't agency
  - Statement /attestation from service provider or human trafficking task force member authorized by gov't agency
  - Survivor statement signed by gov't agency or authorized service provider
  - T visa, restitution order, CP, judgment, certification and eligibility letters
- List of credit report information that resulted from trafficking and should be blocked, including information from AFTER exploitation



# CRA REGULATORY COMPLIANCE REQUIREMENTS

- Temporary block the adverse information from credit reports within 4 business days.
- Contact the survivor or their representative about any missing information or other deficiencies in their submission within 5 business days.
- Review the submission and make a final determination about whether to maintain the block permanently or rescind the block within 25 business days.
- Notify the survivor of the outcome of the determination and provide the survivor or their representative with a copy of their revised credit report (at no cost) through the survivors preferred communication method within 5 business days of making a final determination.

# CRA REGULATORY COMPLIANCE REQUIREMENTS

2 dedicated mailing addresses

Dedicated website/secure online portal (upload documentation)

Dedicated toll-free number/staff used for disputes (FCRA 611)

Must accept submission if use the same for disputes (FCRA 611)

Must add to website how submissions are to be provided to a CRA

Response time

Block information within 4 business days

Notify consumer within 5 business days for additional information or resolve any deficiencies

CRA may not verify facts or circumstances of adverse information or victim status

Final determination of completeness within 25 business days

May decline or rescind based on 3 conditions only

- Only after notification/attempt to resolve within 5 days

Notify consumer within 5 business days of determination

# DEBT BONDAGE REPAIR ACT INITIATIVE

# CREDIT REPAIR FOR SURVIVORS OF HUMAN TRAFFICKING: THE DBRA INITIATIVE



“Human trafficking is a crime that exists in the shadows and even one victim is too many. I am proud to stand with these advocates and law enforcement officials to recommit our efforts to fight this horrendous crime so we can bring more survivors into the light.”



Attorney General

**Josh Stein**

## Agency Authorization of Service Providers and Task Force Members

- Relevant language in the rule's supplementary information section:
  - *"Nor does the final rule prescribe how a Federal, State, or Tribal governmental entity may authorize non-governmental organizations to make victim determinations, but certain factors such as whether non-governmental organizations and human trafficking task forces receive government funding are subject to the terms and conditions of a government program could be a factor evaluated by a governmental entity."*
  - *"[E]ach governmental entity may establish their own criteria for making such authorizations."*
- North Carolina and South Carolina Attorney General Office Programs

# DEBT BONDAGE REPAIR ACT (DBRA)

“I want to thank you for previously passing the Debt Bondage Repair Act. For those that are unfamiliar, this is legislation that was passed in December of 2021, and it allows survivors of trafficking to self-identify negative items on their credit report that resulted from trafficking. With the help of an advocate or attorney, we are able to file for credit bureaus to successfully block those items to restore credit. I want to tell you how life changing this legislation has been for so many people. Personally, I fought for years trying to reason with collection agencies and it was hopeless. Despite being employed and continuously financially responsible by paying everything on time and in full, none of it mattered. I felt like I was continuously being punished despite doing everything right. I am delighted to tell you that today my credit is in the high 700s because of the DBRA. It has given me and so many other survivors hope.”

-Hollie Nadel

Anti-Trafficking in Persons (ATIP) Policy Leader Roundtable in the US Senate, September 2023

# SURVIVOR CLIENT QUOTES

- *“My experience has exceeded any expectations I may have had prior to working with you all. I never could have imagined that I would feel this supported like I have been after coming out of such a life altering experience. I give you full permission to disclose my experience. My credit score after have blocking items off my credit that I thought I would be stuck with is now a 725! I was in the low 600s before then. Your help with my credit allowed me to feel I could breathe again. I don’t feel overwhelmed or stressed with the fact that my credit will hinder me from rebuilding my life for me and my son.”*
- *“I fought for years trying to reason with collection agencies and it was hopeless. Despite being employed and continuously financially responsible by paying everything on time and in full, none of it mattered. I felt like I was continuously being punished despite doing everything right. I am delighted to tell you that today my credit is in the high 700s because of the DBRA. It has given me and so many other survivors hope.”*
- *“[Good news that my score] is going up! And now, thanks to you I actually have the hope of home ownership once again! I lost everything in the divorce [from the trafficker] and he kept his mortgages on my credit so that would never have been possible with all that debt on there. Thank you and thank everyone who had a part in making this dream a reality.”*

# SURVIVOR INCLUSION INITIATIVE

Having endured exploitation, survivors may find that traffickers have hijacked their financial identity or banking products for money-laundering or other criminal purposes, spoiling their credit record and complicating financial reintegration.

The Survivor Inclusion Initiative works with financial institutions and survivor support organizations to address these problems and promote financial access to help prevent and remedy modern slavery and human trafficking.

It launched in September 2019 in Canada, UK and the US and will expand to other jurisdictions. The Survivor Inclusion Initiative brings together a dedicated coalition of financial institutions and survivor support organizations to facilitate survivor access to basic banking services, such as checking and savings accounts, and to help survivors' financial recovery to become full financial participants in their communities.

[Survivor Inclusion Initiative – Finance Against Slavery and Trafficking \(fastinitiative.org\)](https://fastinitiative.org)

-Finance Against Slavery and Trafficking (FAST)

## Left Out

### How Human Trafficking Survivors are Excluded from Financial Systems<sup>1</sup>



The National Survivor Study (NSS)<sup>2</sup>, a recent research study from Polaris, surveyed 457 sex and labor trafficking survivors in the United States on their experiences before and after trafficking.

**Survivors reported, at a much higher rate than the US population, not having bank accounts, utilizing exploitative non-banking financial avenues like payday loans and check cashing places, and overdrawing and bouncing checks.**

- In comparison to the general US population<sup>3</sup>, more survivor respondents stated that they do not have bank accounts.
- The most common reasons respondents reported not opening a bank account were that they didn't have the money to meet minimum balance requirements (48%) and that they can't open a bank account due to personal ID, credit or former bank account problems (43%).
- Many survivor respondents reported utilizing more predatory and risky financial avenues such as cashing checks at places other than banks or credit unions (27%) and taking out payday loans (22%).
- Respondents also reported overdrawing, having checks bounce, or transactions being declined (62%). All of these financial experiences occurred more commonly for survivors than the general US population.<sup>4</sup>

<sup>1</sup> This research brief may be cited as "Polaris (2023). Left Out: How Human Trafficking Survivors are Excluded from Financial Systems".

<sup>2</sup> Polaris (2023). In harm's way: How systems fail human trafficking survivors. Retrieved from <https://polarisproject.org/wp-content/uploads/2023/03/In-Harms-Way-How-Systems-Fail-Human-Trafficking-Survivors-by-Polaris.pdf>.

<sup>3</sup> Source of General U.S. Population Data: Federal Deposit Insurance Corporation (FDIC). *How Americans Bank: Household Use of Banking and Financial Services 2019 FDIC Survey*. <https://www.fdic.gov/analysis/household-survey/2019report.pdf>

<sup>4</sup> \*Direct comparison data was not available for some statistics.

Source of Check Cashing and Payday Loan Data for General U.S. Population: Federal Deposit Insurance Corporation (FDIC). *How Americans Bank: Household Use of Banking and Financial Services 2019 FDIC Survey*. <https://www.fdic.gov/analysis/household-survey/2019report.pdf>

Source of Overdraft Transaction Data for General U.S. Population: Consumer Financial Protection Bureau (CFPB). *Data Point: Checking account overdraft*. 2014. [https://files.consumerfinance.gov/f/201407\\_cfpb\\_report\\_data-point\\_overdrafts.pdf](https://files.consumerfinance.gov/f/201407_cfpb_report_data-point_overdrafts.pdf)

# SURVIVOR INCLUSION INITIATIVE SUCCESS

“We applaud the many banks that have taken steps both formally and informally to facilitate victim restitution and financial inclusion, including the 14 banks that directly partnered with the United Nations University Centre for Policy Research’s [Finance Against Slavery and Trafficking](#) (FAST) initiative. The more than 3,000 survivor bank accounts opened so far as a result of this partnership via the [Survivor Inclusion Initiative](#) is a milestone worth celebrating, but it can’t stop there. To carry this momentum forward, more financial institutions need to address the exclusion that survivors face and explore how they can expand their offers to further enhance survivors’ financial health and support networks.

One U.S.-based survivor described how their financial exclusion was a consequence of their exploitation:

*Traffickers force victims under duress to commit crimes and traffickers steal their victims’ social security numbers to take out loans, consumer credit, residential leases often not making payments which ultimately forces the victim to default leaving a survivors’ credit irreparable.*

SII’s goal is to help banks expand financial access to survivors while still complying with Know Your Customer (KYC) and AML policies through the use of Financial Action Task Force-endorsed simplified or alternative customer due diligence. These measures include allowing for non-documentary forms of identification; alternative addresses for safety needs; and waivers of penalties for low- or no-balance accounts, overdrafts, and delinquent credit histories.

In short, as the aforementioned survivor eloquently stated, it’s about “putting the human element back into banking” to give survivors across the nation greater access to not only banking services but also financial literacy.

Qualitative and quantitative research proves that the relationship between banks and survivor support organizations such as the SII are vital in helping survivors understand, and therefore leverage, their rights to financial access. No matter one’s role in the financial sector, there are undoubtedly opportunities to unite more intentionally and strategically in the fight against modern slavery and for trafficking victims. And the more we dig in as a sector, the more we all can learn, share best practices, and refine these life-changing efforts to expand financial access to unbanked and underbanked populations nationally and globally.”

American Banker Bank Think Column, January 2024

Authors:

Moore & Van Allen PLLC Member **Sarah Dohoney Byrne**  
Finance Against Slavery and Trafficking (FAST) Financial Sector Lead **Maha Khan**  
FAST Vulnerable Populations Lead **Dr. Leona Vaughn**



## **Financial access program to reduce barriers for survivors to access banking products in the UK, Canada and US**

September 2019 – June 2024

Five-year pilot administered by the United Nations University Centre for Policy & Research

14 banks involved

30 survivor support organizations actively involved

Over 3,000 accounts opened (mainly UK)

Referral process (Survivor Support Orgs refer survivors to the participating bank of their choice)



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# 2022 INSIGHT BRIEFING

## KEY FINDINGS: SURVIVOR NEEDS

### Basic banking services

- Non-documentary Identification (identification through other means than traditional ID)
- Waive credit check (especially negative results from previous banking history)
- No minimum balance required
- No monthly fees on accounts
- Waive fees/penalties



# KEY FINDINGS: SURVIVOR NEEDS

## Trauma-informed service provision

- Trained personnel
- Dedicated point of contact for survivor accounts (more than one is preferable)
- Support with account management
- Accounts flagged as 'vulnerable' or customer 'with specific needs'



# THE SURVIVOR INCLUSION INITIATIVE TODAY

<https://rb.gy/4tckar>

<https://unu.edu/cpr/project/survivor-inclusion-initiative-sii>



# SURVIVE AND THRIVE! ADDITIONAL RESOURCES

**FreeFrom is building an ecosystem of support to ensure that survivors have the resources to get safe, heal, and prevent future harm.**

- **SAVINGS MATCHING PROGRAM**

Savings matching program supports survivors in building up to \$500 in emergency savings over 6 months.

- **TRAINING AND FINANCIAL EDUCATION FOR SERVICE PROVIDERS**

Through our training and educational offerings, service providers working in the movement learn how to offer trauma-informed financial support to survivors to help them build income, manage debt, strengthen their credit and grow their savings.

## **[empowerednetwork.com](https://empowerednetwork.com)**

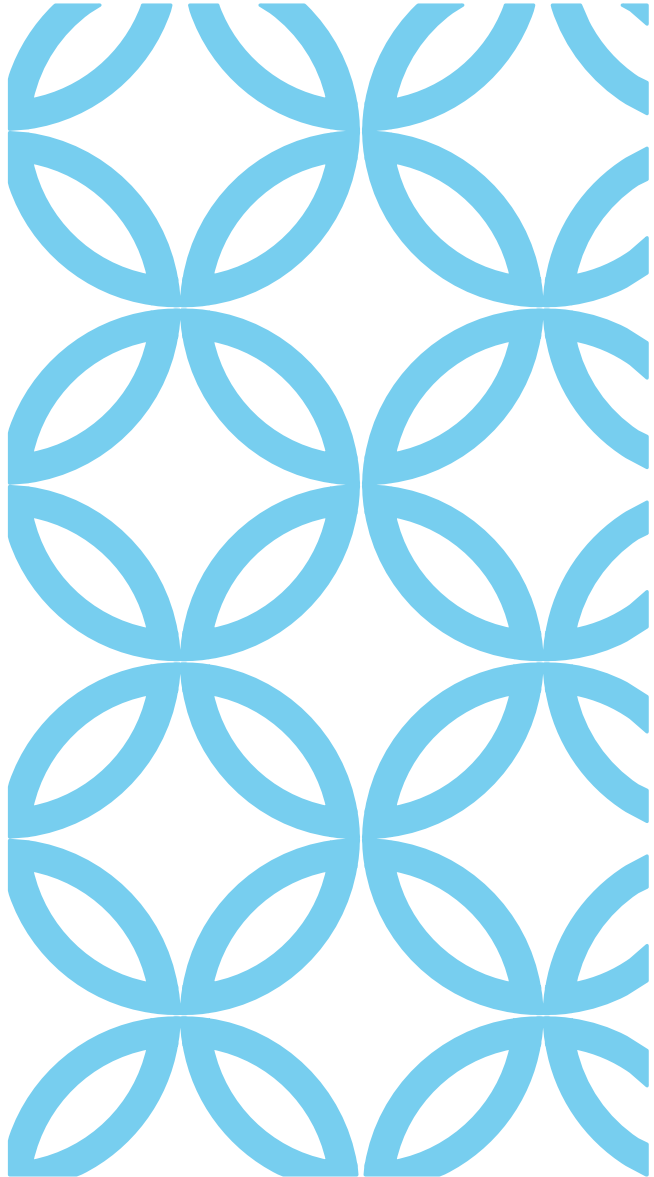
- **“DESTINATION ECONOMIC FREEDOM: Supporting Human Trafficking Survivors beyond the moment of crisis to end generational cycles of exploitation. Together, lets empower survivors and our communities to thrive.”**
- **Empower Network partners with over 100 organizations in the anti-trafficking movement that nominate survivors who have achieved initial stability but are at the critical juncture where services are expiring and societal barriers still abound.**
- **“Every member’s goals are different because every human is unique. This year, Empowered Network was proud to walk alongside survivors as they accomplished everything from earning their GED to starting their own business to getting their driver’s license (expanding employment opportunities) to completing their PHD!”**

**Survivor’s Guide to Money: How to Start Using Money as a Tool After It was Used Against You as a Weapon: Lundstrom, Megan: 9798651163328: Amazon.com: Books**

“...first financial literacy curriculum for survivors of sex trafficking and commercial sexual exploitation. Survivor’s Guide to Money is an evidence-based program designed to help survivors:- Developed safety and self-care plans to work through high-stress financial situations- Learn to track spending and saving habits- Understand financial abuse and its long-term impact on financial wellness issues- Examine the concept of self-worth - Grieve the loss of time and money following exploitation- Learn and practice communication and boundary tools- Identify common triggers around money... and much more!”

**QUESTIONS?**

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# REBUILD AND PLAN FOR YOUR FUTURE

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# DISCUSSION POINTS FOR INCOME, EXPENSES, AND EMPLOYER BENEFITS

## ■ **Currently Employed:**

- What is your net paycheck after taxes and reductions?
- What are your monthly expenses? Do you have cash available after expenses for savings?
- Does your employer offer benefits such as health insurance, life insurance, disability? (Individuals can look into coverage under the Affordable Care Act)
- Do they sponsor a retirement plan, 401(k)? If so are you familiar with potential employer contributions and matching?

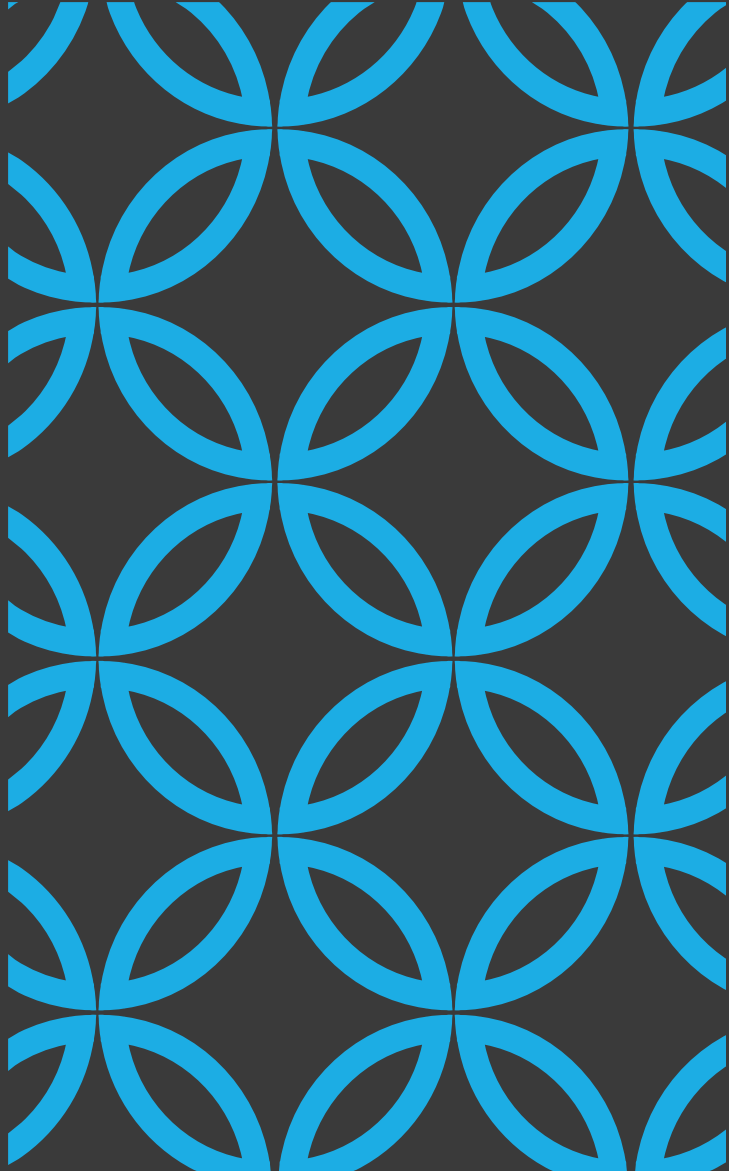
## ■ **Looking for Employment**

- Where is the employer located and what is the working environment?
- What are the commuting expenses?
- When comparing job offers consider the above and is there a difference in the benefits provided and your share of the cost(s).

# SAVINGS AND INVESTMENTS

- What do you do with your after tax dollars?
- Does your employer have any savings plans like a 401(k)?
- If you receive compensation as a survivor settlement (restitution) there are ways to invest that money to provide additional income for your expenses.





“YOU BECAME WHO YOU NEEDED TO BE IN ORDER TO SURVIVE, BUT NOW IT’S TIME TO BECOME WHO YOU NEED TO BE SO YOU CAN THRIVE IN YOUR LIFE.”

-TOPHER KEARBY

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**QUESTIONS?**

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