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Chair Bass, Ranking Member Smith, and distinguished Members of the Committee, thank you for the invitation to testify about efforts to combat human trafficking globally. Your leadership on this issue, both today and over the last two decades, is critical to preventing and responding to sex and labor trafficking in the United States and around the world. I want to particularly thank Chair Bass and Ranking Member Smith for your continued commitment and efforts to reauthorize the landmark Trafficking Victims Protection Act.

I am the Chief Executive Officer of Polaris. Established in 2002, Polaris’s mission is to eradicate human trafficking and restore freedom to survivors. We do this in two main ways. First, we provide immediate response to victims and survivors of human trafficking through our operation of the U.S. National Human Trafficking Hotline. The National Human Trafficking Hotline, which is funded in part by the U.S. Department of Health and Human Services, connects victims and survivors of sex and labor trafficking with services and support to get help and stay safe. Second, we take the knowledge and insight that we have gained over 20 years of operations to prevent human trafficking by making long-term structural change to the underlying systems that enable it to flourish. Our work is survivor-centered, justice and equity driven, and technology enabled.

At Polaris, we work to combat all forms of human trafficking — sex and labor trafficking, trafficking of children and adults, no matter what gender identity they hold, no matter what citizenship they hold. We developed a classification system that identifies 25 types of human trafficking in the U.S., each with its own business model, trafficker profiles, recruitment strategies, victim profiles, and methods of control that facilitate human trafficking.¹ While we work locally, we also have global reach through our development and operation of the Global Modern Slavery Directory, which compiles information about more than 2,600 organizations in nearly 200 countries worldwide that are responding to human trafficking and can provide support to victims and survivors across the globe.² Our mission is focused in North America, but the global leadership role of the United States in the fight against human trafficking means that many of the lessons we have learned and ways we work are applicable in the global context.

For two decades, I have dedicated my career to the fight against human trafficking. I have had the unique privilege of working on sex trafficking and labor trafficking of adults and children around the world and in the United States. I have worked to combat child sex trafficking in the brothels of Southeast Asia;

¹ Polaris. (2017). *The Typology of Modern Slavery: Defining Sex and Labor Trafficking in the United States*. <https://polarisproject.org/wp-content/uploads/2019/09/Polaris-Typology-of-Modern-Slavery-1.pdf>

² For more information on the Global Modern Slavery Directory, see: <https://globalmodernslavery.org/>

developed new approaches to protecting children trafficked for domestic work; campaigned for migrant worker rights in Qatar ahead of the 2022 World Cup; led a national training program for U.S. Department of Justice-funded anti-trafficking task forces around the country; and developed a public-private partnership between federal agencies, private philanthropy, technology companies, and city governments to spur innovation in the anti-trafficking field.

Informed by this expertise and Polaris's 20-year history in this movement, I have five recommendations that will be integral to accelerating the next phase of the U.S. government's efforts to combat human trafficking both globally and domestically:

1. Increase quality data on human trafficking;
2. Focus on prevention;
3. Equip the global financial sector and prioritize financial inclusion for survivors;
4. Commit to survivor leadership; and
5. Continue U.S. leadership through appointment of an Ambassador-At-Large.

1. Increase quality data on human trafficking

Through our operation of the National Human Trafficking Hotline, Polaris has built the largest dataset on human trafficking in North America. This allows us to build a data-driven, evidence-based understanding of how trafficking happens, who is vulnerable, who is responsible, and where there are gaps in response. We also use this data to identify timely insights so the field can respond to human trafficking better and faster as the crime itself changes. This kind of analysis is contributing to a much-needed shift toward identifying and implementing evidence-based practices.

For instance, analysis of data from the National Human Trafficking Hotline revealed critical trends in human trafficking during the COVID-19 pandemic in the United States. The anti-trafficking field experienced a shrinking ecosystem, with fewer service providers and more limited capacity, at the same time there was a spike in urgency and need. In March 2020, we conducted a survey of service providers to whom we actively refer crisis cases; of the 80 providers that responded, 50 percent were either considering or already implementing measures that would limit their capacity to respond. At the same time, the number of crisis trafficking situations handled by hotline advocates, in which assistance is needed within 24 hours, increased by more than 40 percent in April 2020. The number of situations in which people needed immediate emergency shelter nearly doubled.³ These findings led us to call on government partners to ensure safe, stable housing for vulnerable communities in the immediate term through eviction moratoria, rent and mortgage assistance, support with utility payments, and temporary housing, and in the longer term for those on the precipice of becoming homeless, such as young people aging out of the child welfare or foster care system.

Additional analysis also revealed the ways in which human trafficking changed during the pandemic. In the first six months of the pandemic we identified a shift in venues from street-based prostitution, escorts, or brothels to online pornography, webcamming, and the like.⁴ It is often more challenging to reach victims of sex trafficking situations involving online sexual exploitation with exit services and support.

³ Polaris. (2020). *Crisis in Human Trafficking During the Pandemic: A Snapshot: April 2020*.

<https://polarisproject.org/wp-content/uploads/2020/06/Crisis-in-Human-Trafficking-During-the-Pandemic.pdf>

⁴ Polaris. (2021). *Sexual Exploitation During the Pandemic: A Snapshot: April 2021*.

<https://polarisproject.org/wp-content/uploads/2021/07/Sexual-Exploitation-During-the-Pandemic.pdf>

Identifying the traffickers in online platforms can also be more difficult because the platforms provide them with the capabilities to hide their identities and locations. As data reveals shifts in trafficking trends, our response must also shift.

In this same six-month period, labor trafficking of migrant agricultural workers legally in the U.S. on H-2A temporary agricultural visas also changed. Even as these workers were deemed essential by the U.S. government, they were not protected from significant trafficking and abuse. The pandemic exacerbated systemic problems inherent in the temporary visa system. These include lack of oversight of the recruitment process that takes place in workers' countries of origin and visas that are tied to a single employer, making it incredibly difficult for workers to leave abusive situations. According to our analysis, the daily number of labor trafficking and exploitation situations reported to the National Human Trafficking Hotline that had at least one victim on an H-2A visa doubled in the first six months of the pandemic. Among reported labor trafficking victims during that time period, there was more than a 70 percent increase in those who held H-2A visas. More than one third of victims on H-2A visas reported being denied medical care, despite their classification as essential workers.⁵ Increased enforcement of existing worker protections, regulation of foreign labor recruitment, and allowing workers to more easily change employers were already necessary and critical reforms to protect workers on H-2A visas. The pandemic made them even more urgent.

Rigorous data collection, research, and analysis that also ensure confidentiality and data security for victims and survivors should be standard in the human trafficking field and should guide U.S. government response and investments both domestically and around the world. But for this type of learning to become commonplace, it must be funded; this includes funding NGOs to increase their data collection, analysis and security, as well as ensuring that government agencies are investing in quality research and data collection to inform the field.

2. Focus on prevention

At its core, human trafficking happens when the powerful are able to exploit the vulnerable for profit. Whether by force, by fraud, or by coercion, this dynamic happens every day around the world and here in the United States. The root causes of vulnerability are often consistent across borders. They include lack of safe and affordable places to live, lack of quality employment opportunities, policies and practices that purposefully discriminate or mistakenly marginalize certain groups, and much more. To truly meet the challenge of reducing human trafficking at the scale of the problem, there must be an increased focus on addressing these root causes and preventing trafficking before it starts.

The international community has long prioritized preventing human trafficking, recognizing that programs that tackle poverty, improve access to education, protect women's rights, expand child protection, and fight corruption are essential to reduce vulnerability to exploitation. For the first two decades of the anti-trafficking movement, the U.S. response has focused on a largely criminal justice approach to disrupt and deter trafficking. While successful prosecutions are essential to ensure victims get justice, in the third decade of this movement, we have an opportunity to broaden our definition of

⁵ Polaris. (2021). *Labor Exploitation and Trafficking of Agricultural Workers During the Pandemic: A Snapshot: June 2021*. https://polarisproject.org/wp-content/uploads/2021/06/Polaris_Labor_Exploitation_and_Trafficking_of_Agricultural_Workers_During_the_Pandemic.pdf

anti-trafficking programs to tackle the underlying vulnerabilities that enable it to flourish. We are just beginning to see a more holistic federal agency response that incorporates prevention domestically, predominantly through the Department of Health and Human Services and the Department of Housing and Urban Development, and reflected in Chair Bass and Ranking Member Smith's TVPA reauthorization. Congress should increase funding for these agencies to support robust prevention efforts.

As stated above, quality data is necessary to inform a prevention approach. For instance, data from the National Human Trafficking Hotline has consistently shown housing instability to be a key risk factor for trafficking. This is compounded for young people. Two studies that together interviewed 911 young people ages 17 to 25 experiencing homelessness showed that nearly one in five (19.4 percent) had been victims of sex and/or labor trafficking.^{6,7} When people do not have a safe place to call home, traffickers step in to offer that safety and stability. Preventing evictions, especially at times of crisis, stabilizing the most economically vulnerable among us, and expanding support for runaway and homeless youth and youth aging out of foster care are all trafficking prevention priorities.

Migrant workers also experience specific vulnerabilities to forced labor and trafficking that can be prevented. Between January 1, 2015, to December 31, 2019, more than 3,600 victims of labor trafficking who held legal, temporary work visas were reported to the National Human Trafficking Hotline. Approximately 87 percent of these individuals held H-2A or H-2B visas.⁸ Among the most common forms of force, fraud, and coercion were fraud in recruitment and threats to report to immigration enforcement agencies as a method to control workers.

Labor trafficking of migrant workers occurs in roughly two steps: recruitment and ongoing control during employment. Abuses against workers during the recruitment process typically include substantial illegal recruitment fees, failure to reimburse visa and travel expenses incurred by workers, false promises about employment conditions, and lack of employment contracts.⁹ For migrant workers in the U.S., particularly those on H-2A and H-2B visas, current rules and fee requirements make it impossible for temporary workers to change employers, which emboldens abusive employers. H-2 visas only include authorization to work for a particular employer for the length of the visa. If the worker quits his or her job, the visa is null and void — and the worker becomes unauthorized.

The most effective way to address the vulnerabilities faced by migrant workers is to implement reforms that protect workers from exploitation before it happens. In the U.S. temporary visa system, this includes regulating foreign labor recruitment through elements like rigorous enforcement of the ban on recruitment fees and holding employers accountable for the recruiters and contracts they use. Bipartisan legislation

⁶ Murphy, L. (2016). *Labor and Sex Trafficking Among Homeless Youth: A Ten-City Study*. Loyola University New Orleans Modern Slavery Research Project.
<https://www.covenanthouse.org/sites/default/files/inline-files/Loyola%20Multi-City%20Executive%20Summary%20FINAL.pdf>

⁷ Wolfe, D.S., Greeson, J., Wasch, S., and Treglia, D. (2018). *Human Trafficking Prevalence and Child Welfare Risk Factors Among Homeless Youth: A Multi-City Study*. The Field Center for Children's Policy, Practice & Research, University of Pennsylvania.
<https://www.covenanthouse.org/sites/default/files/inline-files/Field%20Center%20Full%20Report%20on%20Human%20Trafficking%20Prevalence.pdf>

⁸ Polaris. (2019). *Human Trafficking on Temporary Work Visas: A Data Analysis 2015-2017*.
<https://polarisproject.org/wp-content/uploads/2019/01/Human-Trafficking-on-Temporary-Work-Visas.pdf>

⁹ Centro De Los Derechos Del Migrante, Inc. (2018). *Recruitment revealed: Fundamental flaws in the H-2 temporary worker program and recommendations for change*. https://cdmigrante.org/wp-content/uploads/2018/02/Recruitment_Revealed.pdf.

has passed both the House and Senate during different sessions in past years to regulate foreign labor recruitment, and we urge Congress to pass similar legislation immediately. Eradicating recruitment fees paid by migrant workers is widely recognized by the global business and human rights community as an essential element of ending forced labor globally.¹⁰

To effectively protect workers in their places of employment, Congress should ensure sufficient resources for the Department of Labor to enforce Wage and Hour and OSHA violations, making it clear to employers that trafficking and exploitation are priority areas for enforcement.

Finally, we ask Congress to explore options to allow migrant workers to leave abusive employers without fear of deportation or retaliation; meaningful visa portability must give workers the ability and information to control their own movement. Together, these reforms will prevent labor trafficking from happening in the U.S. temporary visa system and help protect workers and their families in their countries of origin.

3. Equip the global financial sector and prioritize financial inclusion for survivors

Human trafficking is a diverse crime, often perpetrated through complex psychological manipulations, the exploitation of economic desperation, or taking advantage of emotional need. But behind all the complexity, human trafficking is, inherently, a commercial enterprise. For this reason, the global financial sector is uniquely positioned to play a role. Financial services companies can help identify trafficking operations through their financial footprints and support criminal cases that mitigate the burden placed on victims to participate. These businesses can facilitate the financial restitution process to support survivors and bolster financial resiliency of vulnerable populations through financial inclusion initiatives. As such, financial system intervention in human trafficking has the potential to increase the risk for traffickers, reduce the profitability of trafficking, and reduce vulnerability to trafficking.

Polaris partners with the financial services industry to implement a comprehensive and industry-wide strategy to intervene in the crime of human trafficking. Built in partnership with PayPal, Polaris's Financial Intelligence Unit serves as an innovation engine, generating new insights through a combination of in-house research and collaborative efforts with the financial services industry, survivors, law enforcement, and others in the anti-trafficking field. Polaris also helped to establish the Survivor Inclusion Initiative,¹¹ a project of Finance Against Slavery and Trafficking (FAST), designed to help survivors of human trafficking access safe financial services and products — such as checking and savings accounts — a key first step in building a solid financial future. Through this work, we have seen significant progress made to utilize financial systems to address human trafficking and can point to three key areas where further action is needed.

First, through the use of targeted human rights economic sanctions and asset forfeiture processes, the U.S. government can utilize the global financial system to disrupt trafficking operations and bring accountability to bad actors operating from jurisdictions without strong rule of law. The Global Magnitsky

¹⁰ Responsible Business Alliance. (2021.) Code of Conduct Version 7.0.
http://www.responsiblebusiness.org/media/docs/RBACodeofConduct7.0_English.pdf

¹¹ For more information on the Survivor Inclusion Initiative, see:
<https://www.fastinitiative.org/implementation/survivor-inclusion/>

Sanctions program (“GloMag”) is one such tool. GloMag allows the U.S. government to impose financial sanctions and visa restrictions on persons determined to have engaged in serious human rights abuses and/or corrupt acts.¹² Explicitly naming individuals convicted of a severe form of human trafficking in the criteria for GloMag sanctions, as proposed in Chair Bass and Ranking Member Smith’s TVPA reauthorization, is one step toward expanding the financial tools available to combat trafficking.

Second, while the U.S. anti-money laundering (AML) framework is, on the whole, strong, there are opportunities to make this system more effective. As part of the fiscal year 2021 National Defense Authorization Act, Congress passed important reforms to the AML system, including the requirement for the U.S. Department of the Treasury Financial Crimes Enforcement Network (FinCEN) to develop and administer a national beneficial ownership database. Traffickers use shell companies to avoid detection, making it hard for law enforcement to trace trafficking networks and target the people actually benefiting. This new law is a crucial step but came without additional funding for FinCEN to actually implement it. We support the Treasury Department’s request to increase FinCEN’s budget by 50 percent to \$190.5 million in fiscal year 2022.

Finally, a growing body of evidence suggests that lack of access to safe and legitimate financial services increases vulnerability to human trafficking.^{13,14,15,16} According to FAST, “This lack of access reduces resilience to financial shocks and prevents capital accumulation, both of which push people and households into risky borrowing, labor and migration practices and increasing their vulnerability to modern slavery and human trafficking.”¹⁷

Just as being denied access to legitimate financial services may stymie a business, lack of access to financial institutions negatively impacts individuals and can push them into participating in illegal or unregulated parts of the economy where opportunities for exploitation are particularly high risk. There are a range of opportunities to improve the financial security of trafficking survivors and other vulnerable populations through financial inclusion, financial literacy, and social financing initiatives. Survivors of trafficking are among those who are unbanked and underbanked, which can create significant obstacles and make them vulnerable to re-exploitation.

Within the existing regulatory landscape both in the U.S. and globally, financial institutions have the opportunity to enable broader financial inclusion, and some have taken the lead to do so. The Survivor Inclusion Initiative is demonstrative of this potential. The initiative was launched in the U.S., United Kingdom, and Canada, with plans to expand to additional jurisdictions. The U.S. government should

¹² U.S. Department of the Treasury. (2017). FAQ: Global Magnitsky Sanctions. https://home.treasury.gov/system/files/126/12212017_glomag_faqs.pdf

¹³ Larsen and Diego-Rossel. (2018). *Modelling the Risk of Modern Slavery* (Delta 8.7, Symposium: Modelling the Risk of Modern Slavery, December 2018). <https://delta87.org/2018/12/symposium-modelling-modern-slavery-risk/>

¹⁴ Guarcello, L., Mealli, F., and Rosati, F.C. (2010). Household vulnerability and child labor: the effect of shocks, credit rationing, and insurance. *Journal of Population Economics* 23, 169–198. pp. 169-198.

¹⁵ Duryea, S., Lam, D., and Levison, D. (2007). Effects of Economic Shocks on Children’s Employment and Schooling in Brazil. *Journal of Development Economics* 84(1), pp. 188-214.

¹⁶ Blanco, F. and Valdivia, C.A. (2006). *Child Labour in Venezuela: children’s vulnerability to macroeconomic shocks*. Understanding Children’s Work (UCW Project).

<https://documents1.worldbank.org/curated/en/523151468339119267/pdf/440050WP0Box321R0VENEZUELA01PUBLIC1.pdf>

¹⁷ FAST Initiative. (2019). *A Blueprint for Mobilizing Finance Against Slavery and Trafficking*. <https://www.fastinitiative.org/wp-content/uploads/Blueprint-DIGITAL-3.pdf>

similarly engage with financial institutions, advocates, and survivors to increase financial inclusion and stability. Domestically, that includes passing legislation like the Debt Bondage Repair Act (H.R.2332/S.2040), which aims to help survivors of human trafficking repair their credit scores, and supporting dedicated efforts within the Department of the Treasury to support survivors in resolving tax, credit, and financial issues. The U.S. government could also share lessons learned, support coordination efforts in partner countries, and provide resources to initiatives that work to increase access to safe and legitimate financial services globally.

4. Commit to survivor leadership

Survivors of human trafficking drive innovation and true progress in our field. Over the last six years, Polaris has directly connected more than 17,800 victims and survivors to the help they need through the National Human Trafficking Hotline. Two decades ago, we may not have known where to find trafficking survivors. Now there are tens of thousands of courageous survivors in the United States who can and should be driving the anti-trafficking field forward.

If the movement is to meaningfully evolve and build on the work of the past 20 years, the vision, tenacity, and expertise of survivors are critical. That means supporting and proactively transforming the anti-trafficking field so that survivors lead and drive the agenda and the organizations leading this movement.

We must invest now to ensure that survivors are supported throughout their recovery, are fairly compensated for their expertise, and are essential voices at the table. Whether in the U.S. or around the world, sustained and increased investments in holistic services are necessary to help survivors rebuild their lives and avoid revictimization. This includes legal services, housing, health care and mental health services, child care, financial literacy training, and employment training and support. We urge Congress to increase investments in these areas through domestic programs run by the Departments of Health and Human Services, Justice, Housing and Urban Development, and Education, and globally through the Department of State, USAID, and the Department of Labor.

Last year, Congress passed a provision as part of the National Defense Authorization Act that allowed the Department of State to compensate members of the U.S. Advisory Council on Human Trafficking. The Advisory Council is a formal platform for trafficking survivors to advise and make recommendations on anti-trafficking policies to federal government agencies. The passage of this provision was an important step forward, and Congress should work to ensure it is implemented and that members are fairly compensated for their time and expertise.

These types of ongoing financial and other supports for survivors of trafficking are critical to build the community of survivor leaders to drive the anti-trafficking agenda. It is up to those of us already in leadership roles to insist on survivor representation, compensation, and agenda-setting to meaningfully change the leadership of this movement.

5. Continue U.S. leadership through appointment of an Ambassador-At-Large

For more than 20 years, efforts to combat human trafficking have been bipartisan, supported by both sides of the aisle and championed by both Democratic and Republican presidents. Chair Bass and Ranking

Member Smith exemplify this bipartisanship through your continued partnership to ensure the reauthorization of the TVPA. Perhaps especially today, this makes human trafficking a fairly unique issue here in Washington, and Polaris and many of our partners are committed to ensuring that it remains so.

One facet that is key to preserving this bipartisanship is leadership within the executive branch so human trafficking is prioritized and strategies are coordinated within the many federal agencies that contribute to this work. This leadership is also critical to ensuring accountability and answering to Congress. The Ambassador-at-Large to Monitor and Combat Trafficking in Persons leads the Department of State's Office to Monitor and Combat Trafficking in Persons. In that role, the ambassador helps drive this leadership and coordination in addition to ensuring the U.S. continues to play a leading role globally.

A strong Ambassador-at-Large has the opportunity to drive a consistent agenda across the U.S. government that increases the collection and application of quality data, prioritizes prevention, and commits to survivor-led strategies, particularly through the U.S. Advisory Council for Human Trafficking. In addition, the ambassador plays an important role overseeing the integrity of the annual Trafficking in Persons Report and ensuring it remains a credible tool for combating trafficking around the world.

This position has been vacant since January, and a nominee has not yet been announced. We urge Congress to work with the Administration to ensure a strong, experienced nominee is appointed as Ambassador-at-Large as soon as possible.

Conclusion

Thank you again for the opportunity to testify and for the Subcommittee's continued leadership to prevent and combat human trafficking. I am happy to answer any questions you may have.