



HSI

Homeland Security Investigations

Securing the Homeland from transnational threats and criminal organizations

**Human Trafficking
- Financial Aspects -**

BORDER SECURITY



FINANCIAL
CRIMES



CYBER
CRIMES



CHILD
EXPLOITATION



NATIONAL
SECURITY



HUMAN
TRAFFICKING



HUMAN
SMUGGLING



TRANSNATIONAL
GANGS



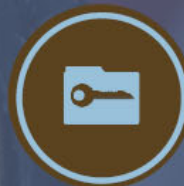
COUNTER-
PROLIFERATION



NARCOTICS
ENFORCEMENT



WORKSITE
ENFORCEMENT



IDENTITY AND
BENEFIT FRAUD



IP AND TRADE
ENFORCEMENT

PUBLIC SAFETY

HOMELAND SECURITY



HUMAN TRAFFICKING

Human Trafficking is based on **EXPLOITATION**

- **Sex Trafficking:** Commercial sex act obtained through Force, Fraud, or Coercion - recruit, entice, harbor, transport, provide, obtain, advertise, maintain, patronize, or solicit (NOTE: if minor involved, all bets are off – trafficking charge is essentially automatic)
- **Labor Trafficking:** Knowingly provide or obtain the labor or services of a person...by means of force, threats of force, physical restraint, threats of serious harm or threats of abuse of legal process

*Immigration status/citizenship is IRRELEVANT





HUMAN TRAFFICKING

Human Trafficking

Labor Trafficking



Migrant Farm Work



Factories



Domestic Workers



Commercial Cleaning Services

Sex Trafficking



Hotels



Brothels



Prostitution
(street and internet)



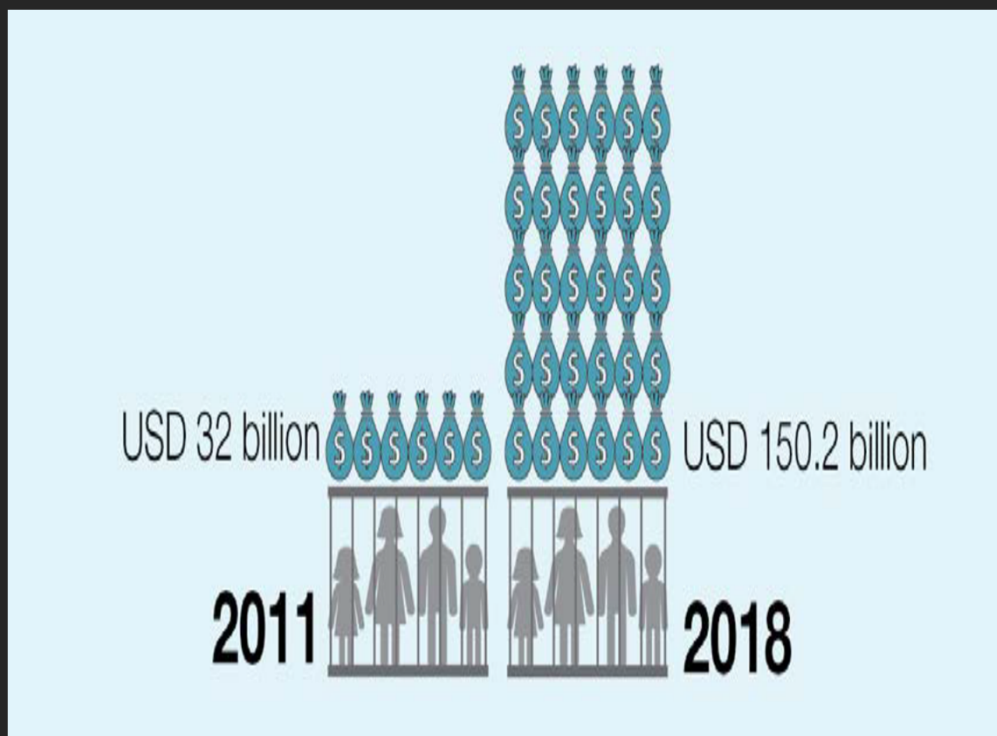
Massage Spas



HUMAN TRAFFICKING

Scope of the Human Trafficking Problem

- The International Labor Organization estimates the proceeds from HT exceed \$150 billion worldwide, 2nd only to the drug trade.
- In 2016, it was estimated that at any given moment 24.9 million people were subject into conditions of forced labor and sexual exploitation.



*Source FATF – in September 2017, the International Labour Organisation (ILO) and Walk Free Foundation, in partnership with the International Organisation for Migration, published The Global Estimates of Modern Slavery.






HUMAN TRAFFICKING

Online Based Prostitution

 =      per day

x \$120

x 6 Days = \$3,600 per week per 

1 pimp = \$7,200 per week with  

= \$374,400 per year



HUMAN TRAFFICKING

Residential Brothels



X \$30

x 7 Days = \$5,250 per week per girl

1 = \$10,500 per week with

= \$588,000 per year



HUMAN TRAFFICKING

Asian Massage Parlors (AMP's)



X \$60 (House Fee per customer)

x 7 Days = \$2,520 per worker per week

+ \$500 per week "food fee"

+ \$200 per week "management fee"

= \$3,220  per week

= \$16,100 for  per week

1  = with 

= \$837,200 per year



HUMAN TRAFFICKING



Victims are recruited abroad and brought into the United States under Visa Fraud schemes.



Victims are instructed by traffickers to open funnel accounts in their own name.



Victims are moved throughout the U.S. and kept at prostitution houses where illicit funds are generated.



60% of revenue from sex act is kept by traffickers for the debt bondage. The rest is kept by the house bosses.

Debt Bondage Scheme



Suspects further launders money by engaging in unlicensed currency exchange services. Conversion of USD into foreign currency for deposited to foreign account.



Illicit proceeds are deposited into several funnel accounts and then transferred into a hawala-based system for movement abroad.





HUMAN TRAFFICKING

Human Trafficking is NOT Human Smuggling

- *Human Smuggling* is identified mostly with transportation across an international border. Generally, it is the act of bringing (or supporting the act of bringing) individuals into the U.S. in violation of immigration laws.
- This includes transporting or harboring anyone in the U.S. who has not been properly vetted/inspected at a port of entry. These cases sometimes involve human stash houses, murder, rape and assault.



HUMAN TRAFFICKING

Potential Signs for MSBs

- Transactions (credits or debits) inconsistent with customer's claimed employment, or where transactions lack an expected or otherwise lawful purpose
- Multiple transactions just below the reporting threshold
- Frequent transactions directed to unexpected countries, especially if they are locations with higher HT risk
- To the extent observable, a customer with a business may make wage deductions to its employees for housing or food costs.
- Cashing payroll checks where substantial funds retained by employer .
- Payments associated with online escort or online ad services for advertising – direct payments or customer link via open source
- Payments to employment or student recruiting agencies that are not licensed/registered or have labor violations



HUMAN TRAFFICKING

Potential Signs – cont'd

- Customer makes transaction accompanied by a third party who may serve as handler or translator, and may hold the customer's ID
- Account is funded primarily in cash, from different cities and immediately withdrawn in cash
- Newly-opened customer account appears to be controlled by a third party, including forms completed in different handwriting and/or the customer reads their address from a form
- Payments to logistics, airlines, coach companies, car rental or travel agents inconsistent with customer's personal use or stated business activity
- Payments to hotels, extended stays and other accommodation inconsistent with customer's personal use or stated business activity
- Hotel transactions by the same individual for multiple rooms for the same dates
- Funds transfers involving third parties with alternative names provided in brackets



HUMAN TRAFFICKING

Why Your Reporting Matters to Law Enforcement

- Create leads for new cases or support existing cases
- Identify targets - names, addresses, phone #'s, etc.
 - ** Helps with asset forfeiture, victim restitution or restoration**
- Identify of co-conspirators
- Help flesh out the scope of criminal activity
- Identify criminal timeline




HUMAN TRAFFICKING

Department of Justice

U.S. Attorney's Office

Southern District of Texas

SHARE 

FOR IMMEDIATE RELEASE

Wednesday, March 7, 2018

Unprecedented Check Presented to Labor Trafficking Victim

HOUSTON – The victim in what has become known as the Katy Nanny case has been presented with a check for the full amount of restitution owed to her, announced U.S. Attorney Ryan K. Patrick.

Ultimately, at a hearing that concluded Jan. 5, 2018, U.S. District Judge Nancy Atlas ordered the couple to pay **\$121,035.04** in restitution to the victim. They were also ordered to serve sentences of 14 months –



HUMAN TRAFFICKING

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

June 10, 2019

David J. Bradley, Clerk

UNITED STATES OF AMERICA,
Plaintiff,

v.

2005 C5500 Chevrolet Recreational
Vehicle; 2012 Toyota Scion IQ; One
Piece of Real Property at Truxillo Street
and Dowling Street, Houston, Texas;
and Massage Therapist Verification,
Credential Number MT023870,
File Number 37235,

Defendants.

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CIVIL NO. 4:12-cv-03668



Supervisory Special Agent David Diaz
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24-hr HSI Tip Line
1-866-DHS-2-ICE