

## Lawmaker Drafting Bill to Increase Banks' Role in Fighting Human Trafficking

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[By Kira Zalan](#)

A U.S. lawmaker is drafting legislation to prod governmental officials and financial institutions to better cooperate in efforts to stop human trafficking and smuggling.

During a confirmation hearing Thursday, Sen. Elizabeth Warren (D-MA) said the bill would ask the U.S. Treasury Department and financial companies to step up their efforts to prevent human trafficking. The illicit industry profits as much as \$150 billion annually, in part through the misuse of bank accounts, credit cards and money services businesses, she said.

"I am concerned that money laundering related to human trafficking has not received as much attention by financial institutions or their regulators as, for example, drug trafficking money or terrorist financing," Warren said, during the hearing, which focused on the nomination of Adam Szubin as Under Secretary for Terrorism and Financial Crimes.

A spokesperson for Warren's office declined to disclose details of the potential bill.

Following the publication of a related advisory last September, the Financial Crimes Enforcement Network (FinCEN) has seen a "tremendous jump" in suspicious activity reports (SARs) citing possible signs of human trafficking, said Szubin during testimony. Szubin was briefed on the rise in SARs by FinCEN Director Jennifer Shasky Calvery earlier this week, he said.

"In terms of the financial transactions, [FinCEN has] gotten thousands of suspicious activity reports that are then accessible to and harnessed by law enforcement, state and local, around the country. I think there's a lot there and there's so much more to do," said Szubin.

In its advisory, FinCEN listed 11 red flags for human smuggling, which involves the illicit cross-border transport or harboring of individuals, and 16 indications of human trafficking, which entails the forced or coerced exploitation of domestic or foreign individuals.

The red flags include abnormal payroll activity, payments made to recruitment agencies or companies of online classifieds, suspected funnel accounts, structuring and frequent wire transfers to high-risk trafficking jurisdictions, according to the advisory.

Financial institutions should consider the signs in combination with other factors, such as customer profiles, and cite the crimes in regulatory reports when appropriate, FinCEN said.

FinCEN is currently conducting a study on SARs filed in connection to human trafficking, according to an FBI spokesperson.

