

DATE: February 7, 2022
BULLETIN: 2022-KDCU-CUB-3
TO: Kansas Chartered Credit Unions
SUBJECT: Human Trafficking

HUMAN TRAFFICKING

Just a few days past the end of January, National Human Trafficking Month, this bulletin addresses the very important issue and how credit unions can assist. The Financial Crimes Enforcement Network (FinCEN) defines “human trafficking” as “(t)he act of recruiting, harboring, transporting, providing or obtaining a person for forced labor or commercial sex acts through the use of force, fraud or coercion.” [FIN-2020-A008](#), Supplemental Advisory on Identifying and Reporting Human Trafficking and Related Activity.

In addition, the Department of Homeland Security (DHS) has established the [“Blue Campaign”](#) with the goal to end human trafficking. Traffickers use force, fraud or coercion to lure victims and force them into labor or commercial sexual exploitation. Check out the [FBI podcast](#) which discusses the myths of human trafficking and how to combat it.

A few of the common signs:

- Sudden or dramatic change in behavior?
- Is the person disoriented or confused; showing signs of mental or physical abuse?
- Is the person timid? Showing signs of being coached? Is there always someone with them?
- Can the person freely leave where they live?

How do credit unions fit? FinCEN estimates this type of activity generates \$150 billion worldwide per year. This is money which will flow through financial institutions. Trafficking can be used for money laundering so the red flags are similar:

- A third party claims to be related to the member but does not know critical details.
- A third party insists on being present and speaks for the member.
- A third party maintains possession or control of all documents and money.

Additional information, including posters, may be found on the [website](#) of Kansas Attorney General Derek Schmidt. Credit unions are encouraged to review the FinCEN and DHS information in its entirety and provide training for those employees who engage with members. To report suspected trafficking, call (866) 347-2423.

NOTE: In accordance with Governor Laura Kelly’s [guidance](#), KDCU Administrator [Vickie Hurt](#) continues to review the feasibility of resuming the on-site examination program. This is being done in coordination with the NCUA.