



Department of Justice

STATEMENT OF

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PREVENTION AND INTERDICTION**

BEFORE THE

**COMMITTEE ON THE JUDICIARY
UNITED STATES SENATE**

AT A HEARING ENTITLED

**“ONE YEAR AFTER ENACTMENT:
IMPLEMENTATION OF THE JVTA OF 2015”**

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**Statement of
Jill Steinberg
National Coordinator for Child Exploitation Prevention and Interdiction
Before the Committee on the Judiciary
United States Senate
Entitled
“One Year After Enactment: Implementation of the JVTA of 2015”
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Chairman Grassley, Ranking Member Leahy, and Members of the Judiciary Committee, I thank you for using this morning to address the important topic of human trafficking in the United States. I also thank you for the opportunity to speak today about the Department of Justice’s extensive anti-trafficking efforts following the one year anniversary of the Justice for Victims of Trafficking Act.

Human trafficking is a pervasive problem in the United States and manifests itself in numerous ways, including both labor and sex trafficking. Traffickers are relentless in their efforts to identify and recruit potential victims and exploit them for money and other personal gain. Traffickers prey upon the vulnerable and use a variety of means, including physical force, fraud, and coercion, to obtain and maintain control over their victims. The Attorney General has made the fight against human trafficking one of her top priorities at the Department of Justice (DOJ). To that end, DOJ is focused on building a wide range of partnerships—at the international level; among federal, state, tribal, and local law enforcement; and among law enforcement, victim service organizations, and survivors themselves to tackle this incredibly important issue.

At the international level, DOJ and the Department of Homeland Security (DHS) continue to collaborate with Mexican law enforcement counterparts through the U.S.-Mexico Human Trafficking Bilateral Enforcement Initiative to enhance investigations and prosecutions of trafficking networks operating across the U.S.-Mexico border. These bilateral efforts have led to U.S. federal prosecutions of over 170 defendants; prosecutions in Mexico of over 40 traffickers associated with these networks; extradition of eight defendants from Mexico to the United States; rescue of over 200 victims, and recovery of over 20 victims’ children from the trafficking networks’ control.

In late November, the Attorney General announced the takedown of the Rendon-Reyes trafficking organization – a direct result of this bilateral enforcement initiative. In that case, eight defendants were charged in a 27-count indictment for racketeering, conspiracy, sex trafficking, and related crimes for operating a sex trafficking enterprise in Mexico and multiple U.S. states for over ten years, using force and threats to compel young women and girls from Mexico and Latin America to commit commercial sex acts for the defendants’ profit. And just last week, the Attorney General announced the extradition and arraignment of five defendants in this case from Mexico to the United States to face these charges.

Domestically, DOJ has partnered with DHS and the Department of Labor (DOL) through the highly effective Anti-Trafficking Coordination Team (ACTeam) Initiative to develop high-impact human trafficking investigations and prosecutions. In Phase I of this Initiative, ACTeam Districts showed a 119 percent increase in cases filed and a 114 percent increase in defendants charged. In the fall of 2016, DOJ announced the Phase II ACTeam sites, which were designated through a rigorous, competitive, nationwide selection process and chosen through interagency consensus. We believe that the Phase II efforts in Sacramento, California; Portland, Maine; Minneapolis, Minnesota; Newark, New Jersey; Cleveland, Ohio; and Portland, Oregon will be just as successful as Phase I.

Overall, DOJ has continued to bring record numbers of human trafficking prosecutions. DOJ prosecutors charged 377 defendants in 257 cases in FY 2015, and convicted 297 defendants that same year. In cases involving forced labor; sex trafficking of adults by force, fraud, or coercion; as well as international sex trafficking, DOJ prosecutors have charged 62% more cases and convicted 26 % more defendants over the past five years compared to the previous five years.

DOJ also supports enhanced collaboration and partnership through grant funding.¹ In September 2015, DOJ announced \$44 million in grant funding to combat human trafficking, which will help build law enforcement capacity to fight this crime, improve services for survivors, and expand research. Almost \$23 million went to support Enhanced Collaborative Model (ECM) anti-trafficking task forces across the United States. ECM task forces are comprised of federal, state and local law enforcement, labor officials, and victim service providers and are selected based on joint applications submitted by law enforcement and victim service providers outlining how they collaborate. In FY 2015, ECM law enforcement grantees conducted over 1,000 trafficking investigations, resulting in over 250 arrests and the identification of 425 victims. This year's funding will support 16 anti-trafficking task forces across the country.

Additionally, the grants DOJ announced in September included \$8 million that was awarded to 12 victim service organizations in order to provide *comprehensive* services to trafficking victims and almost \$6 million that was awarded to 10 grantees in order to provide *specialized* services to trafficking victims—including LGBTQ victims, runaway and homeless youth victims, and foreign-born victims. Finally, nearly \$7 million was provided to conduct a comprehensive analysis of law enforcement training capacity and need; increase training and technical assistance for wrap-around legal services for trafficking victims; develop a comprehensive database of human trafficking state laws; address knowledge gaps related to trafficking in persons; and to provide mentoring services for young victims of trafficking.

And we believe that the engagement and support of survivors of trafficking is essential to the success of anti-trafficking enforcement efforts, the provision of victim

¹ Through the Office of Community Oriented Policing Services (COPS Office), the Department has prioritized funding states that have passed Safe Harbor laws protecting victims of trafficking. This year, approximately \$137 million will be directed to state, local, and tribal law enforcement through the COPS Hiring Program.

services, and outreach initiatives. For the past two years, DOJ has hosted a day-long forum with survivors of human trafficking to enhance collaboration with survivors and survivor advocacy groups and incorporate their perspectives into federal anti-trafficking work. DOJ is currently supporting the ABA Commission on Domestic & Sexual Violence's Survivor Reentry Project (SRP). SRP provides national training and technical assistance for attorneys working with survivors of human trafficking who have been convicted of a crime as a result of their victimization. SRP seeks to raise awareness of legal remedies for survivors of trafficking who have criminal records and provide training and technical assistance on these remedies for public defenders, legal services lawyers, pro bono attorneys, law students, judges and prosecutors.

And great progress has been made in the implementation of the first *Federal Strategic Action Plan on Services for Victims of Human Trafficking* to further strengthen coordination, collaboration, and capacity across governmental and nongovernmental entities dedicated to providing support to the victims of human trafficking. DOJ's Office for Victims of Crime (OVC), as part of its commitment to broadening the impact of the *Strategic Action Plan*, has also focused on the impact of the greatly increased Victims of Crime Act (VOCA) funding available to the victim assistance field. OVC continues to work with state VOCA administrators to educate them on the service needs of human trafficking victims. With the greatly increased VOCA formula victim assistance funding in Fiscal Years 2015 and 2016, numerous VOCA Administrators have indicated they are providing funding to support services for victims of human trafficking. As well, OVC has revised its state VOCA performance metrics to collect information on services and compensation provided to human trafficking victims. OVC is also at the end stage of finalizing its draft VOCA Victim Assistance Rule.

On May 29, 2015, the Justice for Victims of Trafficking Act of 2015 (JVTA) became law. The JVTA contains a number of provisions that impact DOJ's trafficking work. I will discuss some of these provisions, and the implementation status of those provisions, this morning.

Section 101: Domestic Trafficking Victims' Fund

The JVTA created a Domestic Trafficking Victims Fund for the purpose of making grants to support anti-trafficking efforts and provide services and support to victims of trafficking. The Fund has two sources of money. First, the JVTA mandates that federal courts impose a special assessment on non-indigent criminal defendants convicted of certain specified offenses, including offenses related to trafficking, child pornography, and sexual abuse. This assessment is paid after the defendant satisfies all outstanding court-ordered fines, orders of restitution, and any other obligation related to victim compensation. These funds are to be used for awarding grants and enhancing victims' programming under certain authorities. Second, the JVTA requires the Department of Health and Human Services (HHS) to transfer into the Fund no less than \$5 million and no more than \$30 million also for grants to support victims of trafficking. Of the \$5 million, no less than \$2 million is to be used for grants to provide services for child pornography victims.

The special assessment mandated by the JVTAs is imposed by the courts on criminal defendants at the end of a criminal case. It is not retroactive, so the assessment only applies to defendants who committed their offense after the JVTAs were enacted. On July 27, 2015, the Administrative Office of the United States Courts sent a memo to federal judges advising them of the new assessment. The Fund account was established by the Treasury Department on August 25, 2015 and funds were first apportioned for the account by the Office of Management and Budget on October 1, 2015. In mid-December 2015, the \$5 million from HHS was posted to the account. The first assessment from a criminal defendant was received into the Fund in January 2016. As of the end of May 2016, the Fund has received over \$100,000 from assessments imposed on criminal defendants.

With respect to the \$5 million in the Fund that was transferred from HHS, DOJ has allocated \$2 million to its Office of Juvenile Justice and Delinquency Prevention (OJJDP) to be used for grants to provide services for child pornography victims. OJJDP will add these funds to the FY 2016 VOCA Children's Advocacy Centers National Subgrants program award to the National Children's Alliance (NCA). NCA will edit its calendar year 2017 VOCA National Subgrant request for proposals, which is released annually, to include a specific category for providing services for child pornography victims. With the remaining \$3 million, OVC is funding a solicitation in FY 2016 on "Improving Outcomes for Child and Youth Victims of Human Trafficking: A Jurisdiction-Wide Approach." The purpose of this grant is to identify a state's or federally recognized Indian tribe's greatest challenge in addressing trafficking of minors and to improve jurisdiction-wide coordination and multidisciplinary collaboration to address human trafficking involving minors.

Section 108: Reducing Demand for Sex Trafficking

Section 108 of the JVTAs adds the words "patronizes" and "solicits" to the means by which an individual can commit a violation of Section 1591 of Title 18, providing additional tools to prosecute an individual who purchases sex acts from a trafficking victim. DOJ has long been committed to investigating and prosecuting all of those involved in human trafficking, including the customers who fuel the demand for commercial sex involving trafficking victims.

One of the first known law enforcement operations addressing demand was launched in 2009 in the Western District of Missouri. Operation Guardian Angel, as it was known, was an undercover operation designed to identify and apprehend individuals who attempted to pay for sex with a minor. The operation was conducted several times, ultimately leading to the conviction of approximately a dozen defendants. Given its success, DOJ nationally promoted this operational model. For example, in September of 2009, DOJ sent written guidance to federal prosecutors indicating that Section 1591 could be used to prosecute customers seeking to pay for sex with children. Further, a presentation on this investigative approach was included on the agenda at the Project Safe Childhood (PSC) Advanced Child Exploitation Seminar for federal prosecutors held at the National Advocacy Center (NAC) in the Fall of 2010, as well as the National Strategy

Conference on Combating Child Exploitation in May 2011 and which was attended by nearly 1,300 investigators, agents and prosecutors from all levels of government.

In the years since, DOJ has continued to provide guidance and training concerning the prosecution of customers. In early 2013, DOJ alerted federal prosecutors to *United States v. Jungers*, 702 F.3d 1066, 1075 (8th Cir. 2013), in which the Court of Appeals affirmed that Section 1591 can be applied to customers. The applicability of the pre-JVTA version of Section 1591 to customers was also addressed at such trainings as the PSC Advanced Online Child Exploitation Seminars, which took place in June of 2014 and August of 2015 at the NAC and each attended by approximately 80 highly experienced AUSAs.

Since the JVTA was enacted, DOJ has taken several steps to advise AUSAs that Section 1591 was amended to provide additional tools that could be used against customers. The day after the legislation was signed into law, DOJ sent written guidance to federal prosecutors providing an overview of all the changes to criminal laws contained in the bill. This was followed up with training at the NAC at the Investigating and Prosecuting the Prostitution of Children course held in November of 2015 and attended by approximately 60 federal prosecutors and at the National Law Enforcement Training on Child Exploitation held in Atlanta, Georgia in June of 2015 and April of 2016, which were each attended by approximately 1,300 investigators, agents and prosecutors from all levels of government, including members of task forces focused on prevention and interdiction of child sex trafficking.

Most importantly, both before and after the JVTA was enacted DOJ has continuously prosecuted defendants who pay for, or attempt to pay for, sex with children. DOJ's case tracking system captures prosecutions based on the statute involved, and the data cannot be disaggregated based on the role the defendant played in the offense or the specific theory of the crime. Therefore, the system cannot provide statistical information about the number of customers who have been prosecuted. However, below is a sample of recent cases prosecuted by DOJ against customers. While many of these cases involve charges under Section 1591, DOJ uses the full arsenal of criminal statutes available to it, including provisions related to child pornography, the sexual abuse of children abroad, enticement and coercion of a minor, travel and transportation related to child sex abuse, and other provisions.

Examples of Sex-Trafficking Cases by District

Middle District of Florida. *United States v. Hermenegildo Nevarez Campa*: In December of 2015, the Defendant pleaded guilty to one count of violating Section 1591, for purchasing sex from a pregnant, homeless, fifteen-year-old girl who was advertised online. When he met the victim to engage in the commercial sex act, her twelve-year-old sister was also present. Sentencing against the defendant is pending.

Northern District of Texas. *United States v. Luis Rivera and Brady Rodriguez-Cruz*: Defendant Rodriguez-Cruz was convicted at trial for engaging in a sex trafficking

conspiracy with Defendant Rivera, who pleaded guilty to that charge. In the conspiracy, Rodriguez-Cruz was the customer and Rivera was the “pimp.” The government presented evidence at trial that the defendants agreed to cause a twelve-year-old child to engage in a commercial sex act for \$50 after Rodriguez-Cruz picked her from among four possible underage girls. Earlier this year, he was sentenced to 28 years in prison and Rivera was sentenced to 188 months in prison.

Northern District of Florida. *United States v. Jonathan Marshall Taylor*: On January 20, 2016, the Defendant pleaded guilty to one count of violating Section 1591 for obtaining, patronizing, and soliciting a fifteen-year-old girl for commercial sex in the Gainesville, Florida area. The Defendant paid to have sex with the victim on multiple occasions in June of 2015. Sentencing against the defendant is pending.

Northern District of Indiana. *United States v. Aleksandar Jokic*: In February 2016, the Defendant was charged with soliciting and patronizing two minor females for prostitution. According to allegations in the criminal complaint, between August and October 2015, the Defendant solicited sex acts through a pimp and offered to pay premium rates for sex with minors. Law enforcement identified two of the minors at the defendant’s home. Trial is scheduled for October 2016.

Western District of Texas. *United States v. Raymond Valas*: The victim was recruited into commercial sex trafficking when she was a fifteen-year-old runaway. Her pimps advertised her online, and directed her to perform commercial sex acts for with several different men, including defendant Valas, a former U.S. Army Lieutenant Colonel, who paid the victim \$150 for sex acts in a San Antonio hotel on two consecutive nights. The defendant was convicted at trial of child sex trafficking, and sentenced to fifteen years in prison. His conviction and sentence were affirmed by the Fifth Circuit.

Central District of California. Four separate cases are currently pending in the Central District of California against defendants who attempted to pay for sex with minors. According to the allegations in these pending cases, two defendants responded to ruse advertisements placed online offering commercial sex acts with minor girls between the ages of thirteen and fifteen. Two other defendants are charged by criminal complaint with traveling to the United States to purchase sex acts with minor boys between the ages of five and ten. Both were arrested after paying money to an undercover officer.

Western District of Oklahoma. *United States v. Tonya Gum, Trung Duong, William Baker, and Curtis Anthony*: On June 16, 2015, four defendants were indicted in connection with an escort service that provided minor females, some as young as fourteen and fifteen, for commercial sex trafficking. The charged defendants include the alleged operator and three alleged customers of the escort service.

District of Puerto Rico. In June of 2015, Israel Berrios, a former Roman Catholic priest, was sentenced to eleven years in prison following his guilty plea to child sex trafficking and transportation of a minor, based on his sexual abuse of an altar boy in exchange for things of value. In January of 2015, Manuel Natal Bracetti was sentenced

293 months in prison following his guilty plea to child sex trafficking, arising from his forcible sexual abuse of his granddaughter in exchange for \$60 to \$80 per sex act. Three additional cases against attempted purchasers of commercial sex with minors are pending. One case indicted in March of 2016 arises from allegations that the defendant, communicating with an undercover officer, agreed to purchase sex acts with girls aged eight to twelve upon his arrival in Puerto Rico. In another case indicted in June of 2016, the Defendant allegedly contacted an undercover officer and agreed to pay a few hundred dollars to have sex with an eleven-year-old girl. In a third pending case indicted in March of 2014 the defendant is charged with recruiting multiple thirteen- to fifteen-year-old girls for commercial sex acts.

Eastern District of Virginia. *United States v. Eric Noe Araujo Flores*: On June 3, 2016, the Defendant was sentenced to 25 years in prison following his conviction at trial for child sex trafficking and child sex tourism. Flores visited El Salvador three times in 2013 and 2014 to have sex with a fourteen-year-old girl, paying her mother each time. After the victim tried to commit suicide, the defendant smuggled her and her mother into the United States in June 2014. There, he continued to require the child to have sex with him repeatedly for another eight months, threatening her with eviction and deportation and to withhold money for food and rent if she did not comply.

Southern District of New York. *United States v. Charles Familetti, Jr.*: On December 7, 2015, the Defendant was convicted at trial of attempting to engage in child sex trafficking and various child pornography offenses. The defendant, a former Vice-President of HSBC Bank, was arrested in July 2013 following a sting operation in which he agreed to pay an undercover FBI agent \$500 in order to have sex with an eleven-year old boy. During that operation, an FBI agent also downloaded several files containing child pornography from the Defendant via a publicly available peer-to-peer file sharing network. On July 15, 2013, the Defendant met with the undercover agent, took the agent to an ATM, withdrew the money to cover the full \$500 fee for the boy, and gave the agent \$100 as a down payment. The Defendant then returned to his apartment expecting the boy to be brought to him. Instead, he was arrested and his home searched pursuant to a warrant. On May 16, 2016, the Defendant was sentenced to 15 years in prison.

Western District of Kentucky. *United States v. Christopher Kosicki and Howard Key Chambers*: In this case, two defendants were convicted after pleading guilty in connection with providing an eleven-year-old girl for commercial sex. Defendant Kosicki repeatedly arranged for men to travel to Louisville, Kentucky, to have sex with the eleven-year-old, and defendant Chambers was one of those men who purchased sex acts with the victim—multiple times over the course of a year—after responding to an ad on Craigslist. In April of 2016, defendant Chambers pleaded guilty to child sex trafficking, and will be sentenced in July. In February, defendant Kosicki was sentenced to 50 years in prison following his guilty plea to various offenses, including child sex trafficking, travel with intent to engage in illegal sex with a child under the age of 12, and production of child pornography.

Western District of Pennsylvania. *United States v. Joseph Clemenic, Jr.* Clemenic was a regular customer of Mario Grison, indicted in a separate case for sex trafficking offenses. In March and April 2015, Clemenic and Grison exchanged text messages in which Clemenic requested, and Grison agreed to provide, underage girls for commercial sex. On at least one occasion, Clemenic paid Grison to engage in sex with a fifteen-year-old girl. Clemenic spent approximately \$1200 per month to engage in sexual activity with the victims. He was the Director of Public Works for the Borough of East McKeesport outside of Pittsburgh. In July of 2015, he pleaded guilty to conspiracy to commit sex trafficking, and is awaiting sentencing in September. In February, 2016, Grison also pleaded guilty to child sex trafficking, and is awaiting sentencing.

Southern District of Illinois. Three defendants have been convicted recently for engaging in child sex trafficking after they attempted to pay for sex with minors. In May 2013, David Driskill, then 65-years-old, contacted a mother he knew who had four young children, asking her if she could get a seven-to-nine year old for him. The mother called the police, who then conducted an undercover operation. On text and video messages, the Defendant agreed to pay \$1000 to have sex with a seven-year-old girl. In October, 2013, he was arrested, pleaded guilty to attempted child sex trafficking, and was sentenced to fifteen years in prison. In October 2013, Timothy Griesemer was engaged in a consensual sexual relationship with an adult friend. He asked her if they could introduce a younger girl, aged nine- to fourteen-years-old, into their sexual encounters. She also called the police, who then conducted an undercover investigation. The Defendant agreed via text messages and video to pay \$300 to have sex with who he thought would be an eight-year-old girl. After being convicted at trial of attempted child sex trafficking, the Defendant was sentenced to 25 years in prison. In November 2014, Shane Schlaefler contacted an undercover agent on Motherless.com asking to engage in sex with her fictitious thirteen-year-old daughter to impregnate her. He continued conversing with the undercover for several months, repeatedly asking her to travel to Illinois so he could have sex with her daughter on a date when she would be ovulating. In April 2015, the Defendant offered to pay the undercover \$500 to make the trip from Ohio to Illinois. A meeting was arranged, and he was arrested once he arrived at the appointed place. He fully confessed and had \$500 in an ATM envelope in his pocket. In May of 2016, the Defendant was sentenced to fifteen years in prison following his guilty plea to attempted child sex trafficking.

District of North Dakota. Launched in October of 2013, Operation Vigilant Guardian was initiated by the North Dakota Bureau of Criminal Investigation, with support from their Internet Crimes Against Children Task Force, Homeland Security Investigations, and the U.S. Attorney's Office. The undercover operation was designed to identify customers who were using websites to obtain minors for commercial sex. So far, the operation has been conducted three times, with the most recent operation taking place in November 2015. In all, this operation has led to the arrest and conviction of fourteen defendants. Upon his arrest, one of the defendants had handcuffs and a muscle relaxant. Another wanted to pay to keep the child, and inquired how to house her so she could not run away. In addition to these cases, the U.S. Attorney's Office has prosecuted numerous other defendants caught attempting to pay for sex with minors, including four defendants who have received sentences between 57 and 175 months in prison.

District of South Dakota. For the last three years, Homeland Security Investigations, the South Dakota Internet Crimes Against Children Task Force, and the U.S. Attorney's Office have engaged in a targeted effort to address demand for child sex trafficking during the Sturgis Bike Rally, which occurs annually in South Dakota. This has led to the arrest of nineteen defendants, all of whom responded to an undercover online ad, selected a girl between the ages of twelve- and fifteen-years-old, and agreed to pay for a sexual encounter with a girl of the chosen age. Of those, twelve have been sentenced to date, receiving punishments of approximately 24 months to 15 years in prison. Four are pending trial, and one defendant has died.

Western District of Tennessee. *United States v. Lin Chen:* On February 9, 2016, the Defendant pleaded guilty to a child pornography related count. The Defendant testified at the trial of Michael Lilley, who was convicted in September 2015 of multiple counts of child sex trafficking and child pornography related to his exploitation of four underage girls from May to September of 2013. Defendant Lilley used text messages and explicit photos of the teens to market them to various males willing to pay for sex. The victims were engaged in commercial sex trafficking out of his residence and vehicle, as well as local restaurants and homes. Lilley collected the proceeds provided from patrons, which were sometimes as little as \$60 per sexual encounter, and would split them with the victims. Defendant Chen admitted that he paid for sex with minors provided by Defendant Lilley. In December 2015, Defendant Lilley was sentenced to 25 years in prison. Sentencing against Defendant Chen is pending.

District of Utah. *United States v. Millard Lonkey:* In June 2015, the Defendant contacted an undercover detective in a chat room, asking if he had a daughter, and if so, how old. The agent responded by indicating he had two daughters, one aged nine and one aged two. The Defendant then arranged to engage in various sex acts with the nine-year-old, agreeing to pay \$100 for two hours or \$200 for the night. The defendant drove to the pre-arranged meeting place with a stuffed animal the undercover officer suggested might put her "daughter" at ease; he was arrested after he approached the undercover detective. In September 2015, the Defendant, who has a previous conviction for similar conduct in New York state, was sentenced to 168 months in prison following his guilty plea to transportation with intent to engage in illicit sexual conduct

Southern District of Texas with the Child Exploitation and Obscenity Section. *United States v. William Curry McGrath:* On October 19, 2015, the Defendant was sentenced to 84 months in prison following his guilty plea to engaging in illicit sexual conduct with a minor in a foreign place. From December 2012 to March 2014, McGrath was the director of the Network Enterprise Center at the Soto Cano Air Base in Comayagua, Honduras. In connection with his guilty plea, McGrath admitted that, while stationed in Honduras, he began a sexual relationship with a thirteen-year-old girl. He further admitted that he gave the victim money, gifts and other items of value in exchange for sexual acts.

Southern District of Indiana. *United States v. Jared Fogle*: In November, 2015, the Defendant was sentenced to 188 months in prison following his guilty plea to charges related to child pornography and his travel to engage in commercial sex with two minors. As part of his plea, the defendant agreed to pay \$100,000 in restitution to each of his fourteen victims, including the two victims whom he paid for sex.

Southern District of California. In April 2013, Vincent Heimstra was sentenced to 15 years in prison following his guilty plea to producing child pornography in 2009. The Defendant was a paying customer of multiple underage girls being used for commercial sex trafficking by pimps who associated with various gang members. Defendant purchased sex from multiple underage females over the course of several years and videotaped several of them engaged in sex acts. On November 17, 2014, Michael E. Lustig was sentenced to ten years in prison after he pleaded guilty to multiple counts related to his purchase of sex with two girls, who were thirteen- and eleven-years-old at the time. The defendant paid for sex with the victims multiple times between October 2011 and June 2012.

District of Oregon. Two defendants have recently been prosecuted in Oregon for paying for sex with children. In March, Bruce Dwayne Deal was sentenced to 21 months in prison following his guilty plea to coercing and enticing an individual to travel and engage in commercial sex. The defendant's admitted offense conduct involved sexually soliciting sixteen-to-seventeen-year-old girls who were advertised as young adults. In November, 2014, Benn Riggs was sentenced to 24 months in prison following his guilty plea to transporting an individual across state lines for the purpose of prostitution. The defendant paid for sex with a fourteen-year-old girl. His co-defendant, who transported the girl across state lines, was sentenced to 48 months in prison for her involvement.

District of Arizona. *United States v. Ismael Rodriguez-Alvarado*: In July 2015, the Defendant was arrested and indicted on charges related to enticement of a minor and travel with intent to engage in illegal sex with a minor. The Defendant allegedly made arrangements in an anonymous online forum and paid a deposit for sex acts with nine- and eleven-year-old girls in Mexico, communicating with an individual who was an undercover officer. The case against the Defendant is pending.

Central District of California, prosecuted by DOJ's Child Exploitation and Obscenity Section. *United States v. Yuzef Abramov*: In March 2016, the Defendant was sentenced to 150 years in prison following his conviction at trial of five felony counts of engaging in illicit sexual conduct in foreign places. Twice in 2009, Abramov, a dual Russian and U.S. citizen, flew from Los Angeles to Russia. On each trip, he violently raped a twelve-year-old girl and threatened to kill her if she told anyone about the abuse. After each rape, the Defendant paid the victim money. In March 2010, Abramov and two accomplices each raped three minor girls. After threatening the girls' lives, Abramov continued to sexually abuse two of the girls and would pay money after each instance of sexual abuse.

Section 105: Increasing Compensation and Restitution for Trafficking Victims

The JVTA includes important to new tools that broaden the scope of assets subject to forfeiture, and that allow the use of forfeited assets to satisfy restitution orders for the victims. DOJ has provided extensive guidance on these provisions, as well as the importance of seeking restitution for trafficking victims. As noted above, as soon as the JVTA became law, the Criminal Division's Child Exploitation and Obscenity Section (CEOS) sent written guidance to federal prosecutors providing an overview of all the changes to criminal laws contained in the bill, including the restitution and forfeiture changes. This topic was also addressed by presentations at the October 2015 Human Trafficking Prosecution Seminar at the National Advocacy Center, at the November 2015 Investigating and Prosecuting the Prostitution of Children course, and at the National Law Enforcement Training on Child Exploitation held earlier this year.

The Criminal Division's Asset Forfeiture and Money Laundering Section (AFMLS) has also played a role in DOJ's efforts to implement this provision of the JVTA in three ways: first, by directing increased resources to pursuing the assets that facilitate trafficking and the criminal proceeds of trafficking; second, by increasing training and coordination efforts with DOJ's Civil Rights Division, U.S. Attorneys' offices, and investigating agencies; and third, by compensating victims of trafficking through the transfer of forfeited assets to provide restitution.

Increased Efforts to Pursue the Traffickers' Assets. AFMLS has hired an experienced AUSA with significant expertise in financial crimes, money laundering, and asset forfeiture to focus specifically on financial aspects of human trafficking investigations and prosecutions, utilizing powerful statutory tools to attack human trafficking. This attorney spearheads the financial aspects of national human trafficking investigations in partnership with the Civil Rights Division's Human Trafficking Prosecution Unit (HTPU) and U.S. Attorneys' Offices, and also provides extensive trainings, technical assistance, and guidance on money laundering and forfeiture issues arising in human trafficking cases around the country. In addition to hiring this experienced AUSA, AFMLS allocated additional internal resources within AFMLS' Special Financial Investigations Unit (SFIU) to prioritize the anti-human trafficking efforts.

These increased resources are already yielding results. While DOJ cannot discuss the specific ongoing investigations, AFMLS is currently involved in an investigation with the HTPU of a major network suspected of engaging in significant human trafficking and money laundering activity, and is providing strategic guidance on potential money laundering charges and strategic pursuit of asset forfeiture. AFMLS is also participating in the investigations of two significant third-party money launderers who have laundered proceeds of human trafficking and related criminal activities.

Increased Training and Coordination with Law Enforcement Partners. Since the passage of the JVTA, AFMLS has provided or coordinated trainings on money

laundering, forfeiture, and financial investigations for hundreds of prosecutors and agents working on human trafficking cases, including supervisory agents and prosecutors. For example, AFMLS included an overview of the JVTA and its expanded forfeiture authority at the Asset Forfeiture Skills Seminar for Chiefs and Coordinators and delivered specialized training on money laundering, asset forfeiture, and restitution in human trafficking investigations and prosecutions at the October 2015 Human Trafficking Prosecution Seminar, both held at the National Advocacy Center, Columbia, South Carolina. Beginning this Fall, AFMLS will present specialized financial crimes and forfeiture training to the Phase II Anti-Trafficking Coordination Teams (ACTeams) at the Federal Law Enforcement Training Center (FLETC) as part of the Advanced Human Trafficking Training Program offered to ACTeams. Through these and other trainings, AFMLS continues to encourage prosecutors and agents to use both criminal and civil forfeiture tools in human trafficking cases, and AFMLS will continue to serve as a resource for the prosecutors and agents investigating human trafficking cases. Additionally, AFMLS is both providing advice and counsel to U.S. Attorneys' offices on the asset forfeiture and money laundering aspects of their human trafficking cases while also helping to coordinate large human trafficking cases nationwide.

AFMLS is also working closely with federal law enforcement agencies and intelligence centers to review cases and advise agents. Using its extensive experience in investigating financial institutions, AFMLS is helping to coordinate law enforcement's efforts to get the financial institutions to improve their Bank Secrecy Act reporting in light of the specific challenges posed by human trafficking. These efforts to educate law enforcement and financial institutions about the activities of human traffickers have included the development of a case study describing the financial movements of at least one specific human trafficking network.

AFMLS has expanded its targeting efforts related to the financial networks of human traffickers, including working with multiple intelligence centers, FinCEN, and a well-respected anti-slavery NGO to better understand the information available and what uses can be made of it. These targeting efforts will be supplemented by a data-gathering project on the pursuit of forfeiture in human trafficking cases around the country, which will allow us to monitor and better catalog successful pursuits of forfeiture in these cases as a resource for future prosecutions.

Use of Forfeited Assets to Compensate Victims. In addition to attacking the source of the problem – that is, the human traffickers themselves – AFMLS is also taking steps to ensure that the victims of human trafficking receive compensation. Most notable, since the passage of JVTA, AFMLS has approved two requests to transfer forfeited proceeds for restitution in human trafficking cases, and expects more requests (and approvals of those requests) to follow. AFMLS has also updated its training materials for AUSAs and support staff to include information about requesting transfers of forfeited assets to compensate victims under the JVTA and it has also engaged with crime victim advocates to inform them of this new source of compensation for victims.

Section 114: Combat Human Trafficking Act, Bureau of Justice Statistics Report

The JVTA requires DOJ's Bureau of Justice Statistics (BJS) to prepare an annual report documenting the enforcement of human trafficking prohibitions by state criminal justice systems. More specifically, the JVTA asks for the covered offenses the rates of arrest, prosecution and conviction. Although additional data may exist, and BJS is searching for such information, the only known data on state response to human trafficking crimes come from the FBI's National Incident-Based Reporting Program (or NIBRS). Currently, about 35% of all state and local law enforcement agencies in the United States reported their crime statistics to the FBI's Uniform Crime Reporting (UCR) Program in the NIBRS format. For those agencies that report NIBRS data, BJS will be able to provide information on the number and attributes of human trafficking crimes known to law enforcement agencies. NIBRS codes human trafficking offenses into two categories:

- **Human Trafficking/Commercial Sex Acts** --- inducing a person by force, fraud, or coercion to participate in commercial sex acts, or in which the person induced to perform such act(s) has not attained 18 years of age.
- **Human Trafficking/Involuntary Servitude** --- the obtaining of a person(s) through recruitment, harboring, transportation, or provision, and subjecting such persons by force, fraud, or coercion into involuntary servitude, peonage, debt bondage, or slavery (not to include commercial sex acts).

Along with this offense detail, at the incident-level NIBRS provides details of the demographics of the victim(s), the demographics of the offender(s), the victim-offender relationship(s), and the demographics of all persons arrested for these crimes. NIBRS also includes all other related offenses linked to this criminal incident. While NIBRS cannot yield national estimates of human trafficking incidents known to state and local law enforcement agencies, NIBRS can describe the attributes of these incidents reported and the crime rates for the sample of agencies that report NIBRS data.

BJS will prepare a report by the end of 2016 on human trafficking incidents handled in state justice systems based the NIBRS data. BJS's current assessment is that there are no known data that can provide statistics on state and local prosecution of alleged human trafficking offenders and the incarceration of convicted human trafficking offenders. BJS will continue to explore possible data options. If some are found, they will be included in the report; if not, the data gaps will be noted in the report.

In addition, BJS is involved in expanding data resources that will be useful for future reports in this series. For example, through the National Crime Statistics Exchange (NCS-X) initiative BJS is working with the FBI to expand NIBRS reporting so that national estimates can be produced from these data. BJS is also working to conduct a National Census of Victim Service Providers, which will provide information on victim assistance for human trafficking victims. BJS will describe these developing efforts and activities in the forthcoming report.

Section 114: Combat Human Trafficking Act, Training

Section 114 of the JVTA relates to anti-trafficking training conducted by DOJ for federal, state and local law enforcement and federal prosecutors. DOJ conducts extensive training for federal, state, local, and tribal criminal justice professionals on recognizing, investigating, and prosecuting human trafficking and assisting human trafficking victims. A small sample of DOJ efforts are as follows:

- The Executive Office of United States Attorneys (EOUSA), CEOS, and HTPU provide training every year to Assistant United States Attorneys across the country at the NAC on prosecuting trafficking cases. The Human Trafficking Prosecution Seminar held at the NAC in October 2015 for federal prosecutors, federal agents, and members of Human Trafficking Task Forces included specialized segments focusing on case identification, victim-centered interviewing, proactive investigation techniques, trial strategy, forfeiture, restitution, sentencing, and unique challenges in cases involving labor trafficking and child labor trafficking. A course called Investigating and Prosecuting the Prostitution of Children was held in November 2015. The presentations focused on unique and challenging issues faced at each phase of a case from investigation through trial and sentencing. In addition, EOUSA conducted a course for victim-witness personnel in the United States Attorney's Offices on working with victims in trafficking cases. In addition, DOJ provided training concerning child sex trafficking to investigators, prosecutors, judges, and NGOs from over 20 countries and numerous cities throughout the United States.
- In July 2010, EOUSA launched the National Indian Country Training Initiative (NICTI) to ensure that Department prosecutors, as well as state and tribal criminal justice personnel, receive the training and support needed to address the particular challenges relevant to Indian country prosecutions. In February 2015, the NICTI held the first national training for Indian Country on human trafficking. EOUSA has also provided training on sex trafficking to other federal agencies, tribes, and for national tribal training and technical assistance providers. In October 2016, a training video focused on the investigation and prosecution of sex trafficking committed against Alaska Natives will be released.
- DOJ collaborated with DHS, FBI, and DOL in a DHS-led initiative to adapt the Advanced Human Trafficking Training Program developed in connection with the ACTeam Initiative for four Anti-Trafficking Task Forces comprising federal, state, and local law enforcement, prosecutors, victim specialists, and NGO victim advocates, and to collaboratively deliver this Pilot Advanced Human Trafficking Training Program to interdisciplinary anti-trafficking task forces at the Federal Law Enforcement Training Center. This four-day training provided state and local task forces with information and tools to properly identify human trafficking indicators, identify victim service strategies and resources to respond to victims' needs, plan a rescue operation, apply a victim-centered approach to the

investigations, practice trauma-informed and victim-centered interviewing strategies, and improve collection of evidence to support effective prosecutions of human trafficking cases involving both sex and labor trafficking. In September 2015, DOJ, DHS, FBI, and DOL delivered this program to members of six Human Trafficking Task Forces at a Regional Advanced Human Trafficking Training Program held in Los Angeles, California.

- The FBI's Violent Crimes Against Children Section (VCACS) facilitated multiple training courses designed to educate agents, Task Force Officers, and prosecutors on the threat and investigative strategies associated with matters involving the commercial sexual exploitation of children. For example, in June 2016, the FBI hosted its annual Violent Crimes Against Children conference for representatives from its 74 Child Exploitation Task Forces (CETFs) to update them on the changes to Section 1591 to address the demand side of child sex trafficking, as well as Operation Cross Country.
- The FBI's VCACS and Behavioral Analysis Unit collaborated to produce *Sex Trafficking of Juveniles – An Investigative Guide for Law Enforcement*. This comprehensive guide provides law enforcement with investigative strategies drawn from both research and operational experiences. It is available free of charge to law enforcement agencies throughout the country.
- The FBI collaborated with the International Association of Chiefs of Police and the DOJ Office of Community Oriented Policing Services (COPS) to produce *Child Sex Trafficking – A Training Series for Front Line Officers*. This training toolkit includes videos depicting six separate scenarios which highlight indicators of child sex trafficking and demonstrate how officers can appropriately respond to these matters in the field. In addition to the videos, the toolkit includes discussion topics, tip card, and list of common physical and behavioral indicators of child sex trafficking. The toolkit serves to ensure officers RECOGNIZE indicators of child sex trafficking, RETHINK the situation, and RESPOND appropriately and refer the matter to subject matter experts for investigation. This toolkit is available free of charge to law enforcement agencies throughout the country.
- FBI's Civil Rights Unit (CRU) and Special Agents assigned to work human trafficking matters throughout the country led and participated in multiple training courses. Those trainings were designed to educate federal agents, Task Force Officers, and tribal, state and local law enforcement officers on identifying indicators of human trafficking, and the need for taking a methodical, victim-centered approach to conducting these investigations. In addition to law enforcement training, CRU and FBI Field Offices regularly conduct awareness training for business and community leaders, faith-based organizations, and for educators and students at colleges and universities. FBI's CRU has developed a training course on conducting proactive demand reduction operations between federal and state agencies with the goal of targeting customers of sex trafficking

and reducing the demand through coordinated efforts. This training has been provided to federal and state law enforcement agencies.

- From March 2015 through May 2016, DOJ's OVC Training and Technical Assistance Center (TTAC) delivered technical assistance and training to 5,898 individuals, including customized on-site assistance, monthly grantee webinars, engaging with OVC's Human Trafficking Grantee Learning Community, Professional Development Scholarships, and information and referral resources to the field. Survivor voices were incorporated in a significant number of on-site technical assistance deliveries. During the same time period, 26,216 users accessed the Human Trafficking Task Force E-Guide. Between July 2014 and June 2015, OVC's human trafficking grantees reported providing human trafficking training to 38,829 individuals.
- The revised Human Trafficking Task Force e-Guide, developed by OVC and the Bureau of Justice Assistance (BJA), is an e-learning tool that offers task forces and allied professionals practical information on the creation and day-to-day operations of anti-human trafficking task forces, as well as essential knowledge they need to effectively identify and assist victims and to investigate and prosecute human trafficking cases. The revised e-Guide has several new features, including tips on working with underrepresented populations, strategies to strengthen multidisciplinary collaboration, various task force models and examples, and information about investigative and prosecutorial strategies as well as information on the latest federal and state prosecutions.
- BJA, through its funded training and technical assistance provider, delivered Advanced Human Trafficking Investigation Training, Human Trafficking Training for State Prosecutors, Human Trafficking Training for State Judges and Human Trafficking in Native American Communities Training to 62 judges and prosecutors, 457 law enforcement investigators and tribal community leaders and 13 Tribal Youth Facilitators. An Online Introduction to Human Trafficking Awareness training for law enforcement officers is also available.

Section 606: Establishing a National Strategy to Combat Human Trafficking

Finally, Section 606 of the JVTA requires that DOJ maintain a national strategy to combat human trafficking. A working group comprised of DOJ leadership offices and components including the Office of the Attorney General, the Office of the Deputy Attorney General, HTPU, CEOS, FBI, and EOUSA has been actively collaborating to formulate a robust National Strategy to take DOJ's anti-trafficking efforts to the next level through enhanced coordination, collaboration, and capacity-building. This working group, through EOUSA, has disseminated guidance to United States Attorneys' offices across the country providing direction on the JVTA's requirement that each United States Attorney's Office develop a district-specific strategic plan. We expect the working group to finalize the Attorney General's National Strategy for Combating Human Trafficking in the fall of 2016.

Closing

DOJ is proud of its work to combat trafficking and support the survivors of this terrible offense. But there's still more to do and DOJ intends to continue prioritizing anti-trafficking efforts. Thank you again for highlighting this important issue this morning.