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INITIATIVE CREATES FINANCIAL PROTECTIONS FOR HUMAN TRAFFICKING SURVIVORS

Innovative collaboration creates national model for credit repair for human trafficking survivors under the Federal Debt Bondage Repair Act

IRVINE, Calif., July 30, 2024 – A group of organizations working to help survivors of human trafficking today on World Day Against Trafficking announced an innovative initiative called the "DBRA Legal Clinic Project," which is aimed at protecting the financial wellness of trafficking survivors. A 2023 Polaris Survivor Survey found that over 60% of survivor respondents reported experiencing financial abuse by their trafficker. The initiative empowers survivors to repair their credit histories and scores, in part, by blocking adverse information from their credit reports.

> "It's been so hard to get ahead or even manage with all this negative impact on my credit. To see things that were out of my control be erased away brings me to tears honestly," as one survivor shared.

The initiative was announced by The Orange County Human Trafficking Project (OCHTP), in close collaboration with ALIGHT (Alliance to Lead Impact in Global Human Trafficking). OCHTP announced the initiative following its second ever clinic for 24 human trafficking survivors, which was sponsored by Rutan & Tucker, LLP (Rutan), and Riley Safer Holmes & Cancila LLP (RSHC). The clinic focused on helping victims with credit repair under the federal Debt Bondage Repair Act (DBRA) and the Consumer Financial Protection Bureau's Regulation V (Prohibition on Inclusion of Adverse Information in Consumer Reporting in Cases of Human Trafficking).

The DBRA and Regulation V, which became effective in July 2022, mandate that Credit Reporting Agencies (CRAs) block information from consumers' credit reports that resulted from human trafficking. In doing so, the DBRA established a new federal legal remedy that enables survivors to improve their credit score, which directly affects their rent and utility payments, loan and insurance rates, and more. A stronger credit score also strengthens relationships with creditors, employers, and landlords.

"Even after a survivor escapes their trafficker, the impacts of the financial abuse continue to imprison them," said ALIGHT Founder Marianna Kosharovsky. "Helping survivors reestablish their basic credit rating is a major step toward a new life."

Credit repair has significant benefits for human trafficking survivors who are fighting to restore their lives. Their credit reports often include adverse events, that survivors often

had no control of, such as prior evictions, credit card or loan defaults, bankruptcies, late or missed payments, and account openings and closings. Blocking those events helps rebuild healthy credit.

Many human trafficking survivors continue to suffer from the financial abuse that was an integral part of their trafficking experience, but there are very few legal services available for them, particularly in remote areas of the country. “In practice, survivors are often unable to access the legal assistance that would allow them to realize their rights,” according to The Legal Deserts Report (2021), a study of 550 organizations working with human trafficking survivors that found only 3% of those entities provide direct legal services focused on human trafficking survivors.

Through this national model, survivors from at least 12 different states, including Arizona, California, Florida, Georgia, Oklahoma, Tennessee, Utah, Washington, and others, as well as one survivor participating from overseas, received critical credit repair assistance in a virtual, four-hour legal clinic. Eligible survivors were screened by ALIGHT over a period of weeks prior to the clinic for eligibility. Volunteer attorneys, summer associates, paralegals, and legal secretaries from Rutan and RSHC, as well as in-house counsel, received training from attorney Sarah Byrne of Moore & Van Allen PLLC, whose practice focuses on financial inclusion and legal needs of human trafficking survivors, before moving to provide individual direct assistance to participating survivors.

“Helping survivors with credit repair through the DBRA is an incredible way for attorneys to initially become involved in the fight against human trafficking because it provides tangible, real life impact within a matter of weeks,” said OCHTP’s Supervising Attorney Peter Hering.

There is strong demand for this type of legal assistance, as evidenced by the 24 survivors who participated in the clinic. Many more survivors reached out requesting additional assistance beyond the clinic’s capacity, and future clinics are being developed.

Founded in September 2022, OCHTP is a pro bono collaboration between Rutan and the University of California, Irvine School of Law Pro Bono Program harnessing the legal talent of lawyers and law students to provide pro bono legal representation for survivors in Orange County and Southern California. The DBRA Legal Clinic Project was the result of a close collaboration between OCHTP, Moore & Van Allen PLLC’s Human Trafficking Pro Bono Project, and ALIGHT.

Media Contact:

Peter Hering
Employment Law Partner & Supervising Attorney of the Orange County Human Trafficking Project
Rutan & Tucker, LLP

(714) 338-1804
phering@rutan.com