



To: The Honorable Charles E. Grassley, Ranking Member, Senate Budget Committee

From: CPAC Foundation's Center for Combating Human Trafficking

Testimony of Frank Russo, Director, CPAC Foundation's Center for Combating Human Trafficking

July 9th, 2024, Roundtable

Ranking Member Grassley and Distinguished Members of the Senate,

Thank you for the opportunity to provide testimony on the ongoing challenges surrounding the Office of Refugee Resettlement (ORR) and its failure to protect the most vulnerable among us. I serve as the Director of the Conservative Political Action Coalition (CPAC) Foundation's Center for Combating Human Trafficking, a new entity focused on highlighting the growth of both labor and sex trafficking in the United States and providing solutions that protect the next generation. Our Center was founded to shine a light on modern-day slavery and develop American solutions to the worldwide problem of trafficking. CPAC has leveraged the resources of our organization to launch a national campaign focused on advancing policies that (1) support human trafficking victims as they reintegrate into society and removing collateral consequences resulting from their abuse; (2) strengthen accountability for traffickers; and (3) improve cross-collaboration between domestic and international entities dedicated to ending human trafficking.

Since our Center's opening last year, we have joined partners across the law enforcement and advocate community to make significant strides in our fight to combat human trafficking. This includes hosting our first International Summit on Capitol Hill which brought together our partners from Mexico, world leaders, activists, and survivors to exchange ideas on ending human trafficking and to share their personal experiences with this tragedy. Additionally, I had the opportunity to testify before the House Judiciary Committee where I brought to light the horrors of the exploitation of children in the United States and abroad.

Currently, the Biden Administration's decision to leave our Southern Border wide open has become a green light for human traffickers, allowing them to operate freely within the United States, moving victims across state lines, and trapping them in a cycle of consistent abuse and exploitation. To put this into perspective, in 2023, the U.S. Department of State estimated that *between 14,500 and 17,500 victims are trafficked within our country each year*. Alarming,ly, *about 72% of these victims are immigrants*. This statistic alone highlights the severe impact of our current border policies. Furthermore, approximately over 370,000 *unaccompanied alien children (UAC)* have crossed the Southern Border under the Biden administration, with studies indicating that *60% of these children fall into the hands of cartels, facing horrific exploitation including child pornography and drug trafficking*. Tragically, *only 1% of these victims are ever rescued*.¹

Primary Routes and Cities with High Rates of Human Trafficking in Mexico



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These children endure multiple layers of abuse, often trafficked for both sex and labor. Coercion is at the heart of these crimes, as transnational gangs like MS-13 infiltrate communities and prey on children in shelters and foster care. Despite this, human trafficking convictions are dropping domestically and internationally.

Amidst these harrowing realities is the misuse of government benefits by individuals involved in trafficking offenses. It's deeply concerning to see that housing and welfare provisions--which are designed to support those in need--are now starting to be exploited by traffickers. These

¹ <https://luttrell.house.gov/media/in-the-news/opinion-human-and-drug-trafficking-fueled-cartels>

² <https://insightcrime.org/wp-content/uploads/2023/08/HGBF-Geography-of-Human-Trafficking-on-the-US-Mexico-Border-InSight-Crime-Aug-2023-FINAL.pdf>

resources, intended to help vulnerable people/communities, end up sustaining criminal enterprises and perpetuating cycles of exploitation. One of the key problems is the lack of adequate oversight and the presence of regulatory loopholes. These gaps allow traffickers to siphon off taxpayer funds without much resistance, worsening the situation. Essentially, taxpayer money, which should be aiding those in genuine need, is being diverted to fuel illegal activities. The Biden administration's lax border policies have created enforcement gaps that criminal cartels are all too eager to exploit. This not only facilitates the movement of traffickers but also channels even more taxpayer dollars into their illicit operations.

This misuse of government benefits is more than just a financial issue. It fundamentally compromises our efforts to combat trafficking and significantly erodes public trust in our governmental institutions. People lose faith when they see their hard-earned tax dollars being misappropriated in a way that can be exploited. We need to tighten oversight and close regulatory loopholes to ensure that government benefits reach those who truly need them. Additionally, we must push for stronger border enforcement to prevent criminal organizations from exploiting these gaps. Only then can we begin to restore public trust and more effectively combat human trafficking.

To stop this *\$150 billion criminal enterprise* Congress must unite with Federal, state, local, and international law enforcement to protect survivors, prosecute cartels, and prevent the exploitation of children. This requires a commitment to pass meaningful legislation to reform the current practices of the Federal government when intaking vulnerable individuals at the border as well as a front-end focus on keeping traffickers and their enablers from profiting off the existing immigration system.

Specifically, our Center has worked to provide insight into the issues we currently face within the ORR and its failure to protect the most vulnerable among us. Over the past three decades, the agency has faced constant litigation on how they place unaccompanied minors and handle their cases. The most notable among these lawsuits resulted in the Flores Settlement Agreement (FSA), which established a national standard for the treatment of UACs, prioritizing placement in the "least restrictive setting," with sponsors³. However, this system has been exploited, leading to further abuse and trafficking of these vulnerable children.

In April 2023, Tara Lee Rodas, a whistleblower from the Department of Health and Human Services (HHS), testified before the House Judiciary Committee about her experiences volunteering to help the Biden Administration with the crisis at the Southern Border. Under the impression that she would help UACs be placed into loving homes, she was rudely awakened by the harrowing reality that trafficked children faced entering the United States. She witnessed children being moved through an advanced network that recruits them in their home countries,

³ <https://crsreports.congress.gov/product/pdf/IF/IF11799>

smuggles them to the United States, and the ORR delivers them to sponsors—some of whom are criminals and traffickers. “Whether intentional or not, it can be argued that the U.S. Government has become the middleman in a large scale, multi-billion-dollar, child trafficking operation run by bad actors seeking to profit off the lives of children.”⁴

Rather than address its role in an ongoing criminal conspiracy involving both labor and sex trafficking, the ORR continues to delegate its responsibilities to other organizations and entities, most notably through its latest regulatory rulemaking. HHS and the Trafficking Victims Protection Reauthorization Act (TVPRA) shoulder the responsibility for the custody and placement of UACs, leaving the ORR to focus on auxiliary services in accordance with FSA. The latest regulation from ORR focuses mainly on setting standards for care facilities and determining criteria for placement. While the document meticulously outlines the vetting process for sponsors, it notably lacks provisions for substantial oversight by the ORR once these sponsors assume custody of the children. This leaves a broad, but seemingly intentional gap, taking away the government’s responsibility to conduct proper oversight once a child is in the care of a sponsor.

To understand this change, it’s important to take a step back to the prior administration. In 2019, the Department of Homeland Security (DHS) and HHS under President Trump, issued a proposed rule giving greater priority to placing UACs in care facilities rather than with sponsors. This rule would have effectively terminated FSA by limiting the time the children spent with sponsors. However, in 2023, this rule was put in permanent injunction, thus reinstating sponsors as the favored custodians for UACs. Unsurprisingly, under President Biden’s direction, both DHS and HHS supported this injunction and began rapidly moving UACs to sponsors without improved vetting. This change demonstrates that the Biden administration prioritizes placing UACs with potentially inadequately vetted sponsors who lack supervision instead of strengthening the integrity of care facilities that require oversight and maintenance.

Fast forward to the recent regulation proposed by the ORR, the language allows a sponsor to act as a sole guardian, attempting to remove entirely ORR’s ability to supervise children once released from a facility: “ORR does not retain legal custody of an unaccompanied child after the child is released to a sponsor.”⁵ However, sponsors are supposed to report if they move or if the UAC is placed in someone else’s custody. Simply put, the ORR is choosing to self-blind once a child is out of their immediate care, instead of conducting rigorous reviews to ensure the sponsor is protecting the well-being of those in his or her care. This is a blatant disregard for their responsibility to ensure the health and safety of these children.

⁴<https://judiciary.house.gov/sites/evo-subsites/republicans-judiciary.house.gov/files/evo-media-document/rodas-testimony.pdf>

⁵<https://www.federalregister.gov/documents/2023/10/04/2023-21168/unaccompanied-children-program-foundational-rule>

Prior to offering this misguided rulemaking, ORR was already moving in the wrong direction. As a result of the covid pandemic, the office began allowing virtual visits in lieu of a physical meeting with sponsors and began shifting operations to a virtual setting. Although the immediate need was understandable given the circumstances, the ORR's continued lack of oversight and only checking in with the sponsor and child via virtual visits has left many UACs in the custody of sponsors who have not been adequately vetted, ultimately encouraging more "bad actors" to infiltrate this lax system. Even though the ORR's regulation explicitly mentions how vulnerable the UAC population is to labor and sex trafficking, it still refuses to take on the responsibility the agency was given to protect these children.

The negative results of this policy approach are unsurprising. When testifying before the House Oversight Committee in August, the Director of ORR, Robin Marcos, was not able to provide an answer to a basic question from Rep. Andy Biggs (R-AZ), who asked why *85,000 unaccompanied children from the border have been reported missing in the past two years*⁶. DHS is unable to track what happens to these exploited children once their cycle of transition across the border ends. When faced with an influx of UACs, the ORR responds by lowering the requirements for sponsors instead of maintaining custody, leaving those children to be shifted to other forms of abuse, such as sex trafficking or labor exploitation.

Standards for sponsors should not be reduced no matter the backlog of cases, as it runs counter to ORR's obligation to ensure the health and welfare of these UACs. The sponsor vetting process is critical for the safety of the children and to end abuse and exploitation. Responsible oversight in the vetting process is needed to ensure that every child who is leaving federal custody is going to a safe and secure environment.

Thankfully, this problem has not gone unnoticed and there are solutions Congress can consider. Representative Morgan Griffith (R-VA) has introduced *the Unaccompanied Minor Placement Notification Act*, H.R. 7854, which requires ORR to provide advanced notification to school districts and child welfare agencies when a UAC is placed in their respective jurisdictions.

"ORR currently fails to notify any school district or child welfare agency if an unaccompanied minor is placed in a home, leading to issues of illegal child labor and abuse. The *Unaccompanied Minor Placement Notification Act* changes this HHS policy, and it will give some protection to minors from exploitation."⁷

⁶<https://oversight.house.gov/release/hearing-wrap-up-orr-director-fails-to-answer-questions-about-85000-lost-unaccompanied-alien-children-flawed-vetting-of-sponsors-and-more%E2%80%99>

⁷<https://morgangriffith.house.gov/news/documentsingle.aspx?DocumentID=403050#:~:text=%E2%80%99CORR%20currently%20fails%20to%20notify,protection%20to%20minors%20from%20exploitation.%E2%80%9D>

This bill would add a layer of oversight to ensure these children are properly cared for and not further exploited. CPAC's Center for Combating Human Trafficking believes this is the right first step in addressing the ongoing crisis of child trafficking as a result of our wide-open southern border.

Meeting the needs of these children does not stop at reversing the misguided policies of the Biden Administration. Representatives Lance Gooden (R-TX) and Glenn Grothman (R-WI) have introduced legislation that would take the common-sense next step in guaranteeing that ORR collects vital information on sponsors. Specifically, the *Migrant Child Safety Act*, H.R. 4869, would mandate that ORR keep continuous contact with sponsors to ensure the well-being of the children and alert local authorities to the sponsor and UACs presence in a local jurisdiction. Further, Former Senator Rob Portman's (R-OH) bipartisan *Responsibility for Unaccompanied Minors Act*, S.772, shifts the responsibility back where it belongs – ORR – by removing children from the care of sponsors who fail to provide adequate updates and adhere to the sponsorship agreement made with the Federal government. Although these changes feel logical in light of the ongoing crisis, the very fact that Congress must step in shows that ORR has abdicated its duty to protect those within its care.

Accountability does not begin or end when an offender traffics children within our borders; we must do more to keep these criminals out of our country. While bringing an end to open borders and providing a robust law enforcement response to the criminal traffickers operating in the United States should be a priority of the current administration, we know not to hold our collective breath. Therefore, Congress should take immediate steps to protect the most vulnerable victims that ORR is choosing to neglect. Our shared commitment to bringing an end to modern day slavery calls for nothing less. We greatly appreciate Senator Grassley's commitment to protecting children and our Center for Combating Human Trafficking looks forward to partnering in this fight against evil.



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