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Florida Attorney General's Office News Release

AG Moody Urges Consumer Financial Protection Bureau to Implement Measures to Help Human Trafficking Survivors Rebuild Credit



TALLAHASSEE, Fla.—Attorney General Ashley Moody is urging the Consumer Financial Protection Bureau to enact measures to help human trafficking survivors rebuild credit after escaping captivity. Attorney General Moody and 40 other state attorneys general wrote to the CFPB urging support of the intent of the Debt Bondage Repair Act in the agency's rulemaking implementing recent amendments to Section 605C of the Fair Credit Reporting Act.

Attorney General Ashley Moody said, "Survivors of human trafficking suffer physical and mental harm. Many also suffer financial damage. Their captors may open accounts in their name and destroy their credit scores—making it hard for survivors to rent an apartment, buy a car or even apply for a job. Today, I am asking the CFPB to adopt rules in line with the Debt Bondage Repair Act and help human trafficking survivors start rebuilding their lives."

The Debt Bondage Repair Act became law in December 2021. It prohibits credit-rating agencies from providing consumer reports that contain negative items about human trafficking survivors from any period during which the individual was being trafficked. It is a common tactic of traffickers to strip their victims of financial independence or stability in order to continue victimization. Even after victims escape perpetrators, these survivors are often left with a wrecked credit history that leaves survivors unable to rent an apartment, purchase a car or find employment.

In a letter to the CFPB, the attorneys general write: "More than 1 in 4 survivors of human trafficking reported that a bank account or credit card which was opened in their name was then used or controlled by their trafficker. Traffickers can then mismanage the victim's account,

resulting in harm to their credit. This harm can linger for years after survivors have escaped their trafficking. Restoring financial independence is a crucial component of a survivor's recovery. By regaining control over their finances, survivors reclaim and reassert their personhood in defiance of their traffickers. This takes bravery and time. Without some mechanism to help them, negative consumer reports that resulted from their trafficking become an almost insurmountable obstacle to simple tasks, like opening a bank account, renting an apartment, and applying for a job—all foundational steps as they try to get back on their feet. We welcome the Bureau's proposal to implement the prohibition against reporting adverse information resulting from trafficking and to establish a method for submitting broadly-defined documentation of that trafficking, as contemplated by the Debt Bondage Repair Act."

Attorney General Moody is joined by the attorneys general of the following states and territories in signing on to the letter: Arkansas, California, Colorado, Connecticut, Delaware, the District of Columbia, Georgia, Hawaii, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Puerto Rico, South Carolina, South Dakota, Tennessee, Utah, Vermont, Virginia, West Virginia and Wyoming.

To read the full letter, click here.