

# Civil Liability For Human Trafficking: Statutory Remedies

**Gregory R. Farkas, Esq.**  
Frantz Ward LLP



In recent years, increasing attention has been focused on the prevalence of human trafficking. While most of that attention has been properly focused on punishing those guilty of trafficking and protecting the victims, there are also statutory civil causes of action for human trafficking.

Under those statutory schemes, individuals may bring standalone civil claims detached from the criminal offense. Plaintiffs have also recently begun utilizing the civil provisions to expand the scope of defendants who may be liable under these anti-trafficking statutes. Because these statutes can be applied in contexts that are not readily apparent, businesses should be aware of potential civil liability risks.

Ohio's civil trafficking statute, R.C. 2307.51, creates a standalone civil cause of action for victims of criminal trafficking under R.C. 2905.32. The statute allows the victim to recover compensatory and punitive damages from the trafficker. This cause of action is in addition to any common law remedies the victim may have.

Under the federal Trafficking Victim Protection Reauthorization Act's ("TVPRA") civil provision, 18 U.S.C. §1595, an individual

"may bring a civil action against the perpetrator or whoever knowingly benefits, or attempts or conspires to benefit, financially or by receiving anything of value from participation in a venture which that person knew or should have known

has engaged in an act in violation of this chapter [18 U.S.C §§ 1581 et seq.)."

Broadly speaking, the act imposes liability where a defendant (1) knowingly benefits, from (2) participation in a venture, that (3) the defendant knew or should have known engaged in a trafficking act prohibited by anti-trafficking laws. Courts have struggled to define:

- what constitutes a "venture" for purposes of the TVPRA,
- what constitutes "participation" in the venture, and
- what it means to knowingly benefit from such participation.

Significantly, civil liability under the TVPRA is not limited to conduct that is necessarily criminal. Rather, the act applies to "a broad range of conduct which is not limited \* \* \* to appalling criminal conduct and shocking depravity." *Burrell v. Staff*, 60 F.4th 25, 37 (3d Cir. 2023). Civil claims under the TVPRA have been brought against manufacturers who purchase goods allegedly made with forced labor; hotels and landlords whose premises have been used for prostitution; websites that hosted advertisements promoting prostitution; and even employers whose employment contracts were onerous enough that they could be considered "coercive." Two recent Ohio decisions illustrate some of these complexities.

In one representative decision, Judge Marbley of the Southern District of Ohio allowed plaintiff's claims under TVPRA to proceed against franchisors, managers, and operators of the Red Roof Inn ("RRI") hotel chain. In *L.M.H. v. Red Roof Inn*, 2025 U.S. Dist. LEXIS 60573 (S.D. Ohio Mar. 31, 2025), the plaintiff alleged that the RRI

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defendants had control and supervision over the hotel where the incidents occurred, and therefore, defendants “knew or should have known about the pervasive sex trafficking at the St. Louis RRI” based on “obvious indicators” and “well-known red flags for sex trafficking in the hospitality industry,” including paying with cash or prepaid cards, high volumes of unregistered guests arriving and leaving at unusual times, arriving with few possessions for extended stays, among other signs. The plaintiff sought to hold the RRI Defendants liable as both direct perpetrators and beneficiary perpetrators under § 1591(a) for knowingly “harbor[ing]” her in violation of 18 U.S.C. § 1591(a)(1) and for benefitting from knowingly “assisting, supporting, or facilitating” her trafficking in violation of 18 U.S.C. § 1591(a)(2).

In denying RRI defendants’ motion to dismiss the plaintiff’s perpetrator claim, the court concluded that the plaintiff’s allegations established a reasonable inference that

“(1) RRI Defendants had a reasonable opportunity to observe that the plaintiff, a minor, was engaging in commercial sex acts; (2) they knew that they financially benefitted from her traffickers’ continuous room rentals; and (3) they knew they were “assisting, supporting, or facilitating” the plaintiff’s trafficking by accepting cash payments, foregoing identification requirements, and providing extra housekeeping services to cover the traffickers’ tracks after they left. The plaintiff’s allegations establish the hotel staff’s knowledge, which is imputed to RRI Defendants, that the plaintiff’s traffickers caused her to “engage in . . . commercial sex act[s].”

The court also concluded that the allegations in the plaintiff’s complaint concerning her “beneficiary” claim were sufficient to survive dismissal. In doing so, the court noted that the “should have known” standard for a beneficiary claim is much lower than the “knowing” standard under the perpetrator claim. Further, the court reasoned that the “knowing benefit” element merely requires that the defendant knowingly receive financial benefit, not that the defendant have actual knowledge of an illicit venture.

The plaintiff also does not need to show that the defendant has actual knowledge of the sex trafficking to have “participated in the venture.” Rather, the allegations must show that the defendants had a continuous business relationship with the trafficker “such that it would appear that the trafficker and the hotels have established a pattern of conduct or could be said to have a tacit agreement.”

The court therefore concluded that RRI defendants do not need to have actual knowledge of trafficking crimes for potential beneficiary liability to attach. This is just one example of a host of TVPRA claims that have been brought against the hospitality industry in recent years. See, e.g., *M.S. v. Gg Hosp., LLC*, 2025 U.S. Dist. LEXIS 193228 (S.D. Ohio Sept. 30, 2025) (denying motion to dismiss by hotel franchisor and holding plaintiff had stated a claim under both direct and vicarious liability theories); *M.A. v. Wyndham Hotels & Resorts, Inc.*, 2025 U.S. Dist. LEXIS 185758 (S.D. Ohio Sept. 22, 2025) (noting more than 70 civil lawsuits under the TVPRA were pending in the Southern District of Ohio and skyrocketing number of claims across the country and denying motion for summary judgment by hotels); *S.C. v. Wyndham Hotels & Resorts, Inc.*, 728 F. Supp. 3d 771 (N.D. Ohio 2024) (holding that general knowledge of sex trafficking by hotel franchisors, as opposed to individual hotels where plaintiff was trafficked, was not sufficient to constitute participation in venture and granting summary judgment).

The TVPRA also has been applied in less obvious settings. In 2024, the Southern District of Ohio permitted an individual to pursue claims under TVPRA against an assisted living facility where he was previously employed. In *Healthcare Facility Mgt. LLC v. Malabanan*, 2024 U.S. Dist. LEXIS 19649 (S.D. Ohio Feb. 5, 2024), the plaintiff, CommuniCare, alleged that the defendant, Jedkreisky Malabanan, breached his employment agreement when Malabanan terminated his employment before his contractually obligated three-year term expired and failed to repay the amount that his employer advanced for his relocation from the Philippines to the United

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States. Malabanan, in turn, asserted counterclaims under sections 1589, 1590, and 1594 of the TVPRA for violations of the Act's prohibitions against forced labor.

Malabanan alleged

“that he was forced to enter into a letter-contract of employment containing the repayment provision on a take-it-or-leave-it basis and faced substantial harm if he did not sign the letter-contract, including potentially having his immigration sponsorship withdrawn or having his green card revoked, or having his employment rescinded, and any of such would be financially ruinous to him.”

The court determined that the employment agreement did not specify an exact dollar figure for repayment as would be typical for an enforceable liquidated damages figure and, instead, estimated the stipulated damages amount by including the amount that the plaintiff intended to advance Malabanan. The court also noted it was unclear whether Malabanan, who professed to

be an inexperienced immigrant unfamiliar with the U.S. legal system, was ever advised of the total that he would be expected to pay if he terminated the agreement. It therefore denied the employer's motion to dismiss the TVPRA counterclaim.

These rulings illustrate that civil claims for human trafficking can arise in unexpected ways. Businesses should be cognizant of the statute and the growing trend for claims being made beyond the perpetrators.

**Gregory R. Farkas, Esq.**, is a partner with the law firm of Frantz Ward LLP. Greg's practice encompasses a variety of litigation matters, including commercial disputes, consumer fraud claims, and defense of bad faith and insurance coverage litigation. Greg has represented defendants in numerous class actions in state and federal courts and has authored several articles concerning class action practice. Greg is the Chairperson of OACTA's Business and Commercial Litigation Committee.

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