



CASE EXAMPLES OF LABOR TRAFFICKING IN THE WAKE OF NATURAL DISASTERS

FORCED LABOR IN THE SERVICE INDUSTRY: CASE EXAMPLES

HOTELS

In 2006, following Hurricane Katrina, Daniel, Oscar, and Rodolfo were recruited by Decatur Hotels to work as hotel staff amid a labor shortage in the New Orleans area. After arriving in New Orleans and beginning work, Daniel and the others were illegally charged by Decatur Hotels for visa and recruitment fees and were paid below the legal minimum wage. Decatur Hotels was found guilty of violating the Fair Labor Standards Act and was ordered to pay the men the wages they were rightfully owed.

SOURCE: [TRAFFICKING PREVENTION AND PREVENTION RESPONSE](#)

DOMESTIC WORK

After Hurricane Katrina in 2006, Fredi Garcia and others were recruited by Audubon Communities Management to perform cleaning and manual labor. Upon arriving at the worksite, the workers were housed by Audubon under substandard conditions and put to work. Audubon later stopped paying them and threatened deportation if they refused to continue working. The company was ultimately found guilty of violating the Fair Labor Standards Act and the Trafficking Victims Protection Act.

SOURCE: [TRAFFICKING PREVENTION AND PREVENTION RESPONSE](#)

CONSTRUCTION

Post-Hurricane Katrina, David and 475 others were recruited from India by Signal, a ship construction company, to work in Texas and Mississippi. Upon arrival, they were forced to work and required to pay over \$1,000 a month to live in overcrowded, unsanitary, and guarded camps where they were held against their will. Signal was found guilty of violating the Civil Rights Act of 1964, the Fair Labor Standards Act, and the Trafficking Victims Protection Act. In the 2015 ruling, the company was ordered to pay \$14 million to five of the victims.

SOURCE: [SIGNAL INTERNATIONAL, LLC TO PAY \\$5 MILLION TO SETTLE EEOC RACE, NATIONAL ORIGIN LAWSUIT](#)



Do Not be Afraid to Speak Up. The Law is on Your Side.

LABOR TRAFFICKING AND NATURAL DISASTERS: LEGAL CASE STUDIES

- 1. *David et al v. Signal International LLC et al.***, No. 208-cv-01220 WL 10759668, at *37 (E.D. La. Jan. 4, 2012). i. In the aftermath of Hurricane Katrina, approximately 590 Indian men were trafficked into the United States through the federal government’s H-2B visa guest worker program through Defendant’s staffing agency to work as welders and pipe fitters in the wake of Hurricane Katrina. The workers claimed they were subjected to forced labor and other abuses. ii. David went to trial in the Eastern District of Louisiana and resulted in a \$14 million jury verdict against Signal, Dewan Consultants, and the Law Offices of Malvern C. Burnett.
- 2. *Meganathan v. Signal Int’l L.L.C.***, No. 1:13-CV-497, 2015 WL 11109846 (E.D. Tex. June 26, 2015). i. In the aftermath of Hurricane Katrina, approximately 590 men, including the four Plaintiffs in this case, were allegedly trafficked into the United States to provide labor for Signal’s operations. The Plaintiffs claim that the Defendants “conspired and schemed to target Plaintiffs as Indian laborers, knowing that they would be enticed by good pay and false promises of permanent residency, to lure them in to the United States.” They also claim that they were forced to live in “overcrowded, unhygienic, and disease-ridden work camps resembling prisons” and felt compelled to continue working for Signal due to fears of “deportation after learning that their temporary visas had expired” and the significant debts they incurred in their homeland. A putative class action was filed in the Eastern District of Louisiana on behalf of all the workers who had allegedly been trafficked to the United States to work at Signal’s facilities in Texas, Louisiana, and Mississippi. The Plaintiffs allege that some or all the Defendants violated the Trafficking Victims Protection Reauthorization Act of 2003, and the Racketeer Influenced and Corrupt Organizations. In addition, the Plaintiffs assert causes of action for state law fraud, negligent misrepresentation, and breach of contract against all the Defendants.
- 3. *Kambala v. Signal Int’l L.L.C.***, No. 1:13-CV-498, 2015 WL 11110594 (E.D. Tex. June 26, 2015) In the aftermath of Hurricane Katrina, approximately 590 men, including the 17 Plaintiffs in this case, were allegedly trafficked into the United States to provide labor for Signal’s operations. The Plaintiffs claim that the Defendants made false promises of “legal and permanent work-based immigration to the United States,” and that to take advantage of this promising opportunity, the Plaintiffs allegedly “incurred significant debts to pay mandatory recruitment, immigration processing, and travel fees” After arriving at Signal’s facility in Orange, Texas, the Plaintiffs were allegedly subjected to serious abuses, threatened with deportation if they left, and forced to live in substandard conditions. In addition, the Plaintiffs asserted that they could not leave their jobs with Signal due to the large debts they incurred in their homeland. A e class action was filed in the Eastern District of Louisiana on behalf of all the workers who had allegedly been trafficked to the United States to work at Signal’s facilities in Texas, Louisiana, and Mississippi. See *David v. Signal Int’l, L.L.C.*,



2:08-cv-1220 (March 7, 2008). The court in David denied class certification, which caused the individual class members to file suit where their alleged injuries occurred. See *David v. Signal Int'l, L.L.C.*, No 08-1220, 2012 WL 10759668, at *37 (E.D. La. Jan.4, 2012). The Plaintiffs in this case worked at Signal's facility in Orange, Texas, which is within the relevant judicial district. The Plaintiffs allege that some or all of the Defendants violated the following federal statutes: (1) the Trafficking Victims Protection Reauthorization Act of 2003; (2) the Racketeer Influenced and Corrupt Organizations Act; (3) the Civil Rights Act of 1866; and (4) the Ku Klux Klan Act of 1871. In addition, the Plaintiffs assert causes of action for state law fraud, negligent misrepresentation, and breach of contract against all of the Defendants.

4. ***Muangmol Asanok, et al., v. Million Express Manpower Inc., et al.***, No. 5:07-cv-00048 (E.D. N.C. 2007). A group of about 20 workers from Thailand each paid \$11,000 to obtain agricultural jobs, falsely advertised as paying \$8.24 an hour for three years. Plaintiffs came to the United States from Thailand as temporary foreign agricultural workers on H-2A visas...After Hurricane Katrina, defendants moved plaintiffs to New Orleans, Louisiana...to work demolishing interiors of ruined motels and restaurants in the aftermath of Hurricane Katrina.” Legal Aid of North Carolina helped the workers fil a lawsuit alleging violation of the Fair Labor Standards Act.
5. ***Rodrigues et al., v. Belfor USA Group Inc.***, No. 5:2022-cv-02071 (E.D. La. 2022) Plaintiffs, on behalf of a class of over one thousand workers, predominantly immigrants, who engaged in manual labor restoring court, hospital, and university buildings following hurricane Katrina, alleged that Defendant employed Plaintiffs and other class members as unskilled manual laborers by using a subcontractor system. Defendant attempted to manipulate this system to evade its legal responsibility under the Fair Labor Standards Act to pay overtime wages. Plaintiffs settled the case and Belfor agreed to pay all unpaid overtime wages plus penalties. It also agreed to change certain business practices.
6. ***Daniel Castellanos-Contreras, et al., v. Decatur Hotels***, No. 07-30942 (5th Cir.2009) Plaintiffs accused defendant of debt bondage and labor exploitations after being recruited to work in luxury hotels following Hurricane Katrina in violation of the Fair Labor Standards Act. Plaintiffs allege that they were required to pay between \$3,500 and \$5,000 to migrate to the United States and that Defendant's failure to reimburse such costs resulted in wages substantially less than the minimum wage.
7. ***Fredi Garcia, et al., v. Audubon Communities Management, LLC, et al.***, No. 08-1291-HBG-KWR (E.D. La. 2009) Plaintiffs accused defendants of labor trafficking of manual laborers repairing residential properties and alleged violations of the Fair Labor Standards Act and the Trafficking Victims Protection Reauthorization Act. Workers were promised \$500 per week but were underpaid or not paid at all and threatened with deportation when complaints of nonpayment arose.



Loyola Law School
Loyola Marymount University
Sunita Jain Anti-Trafficking Initiative



ABOUT SJI

The Sunita Jain Anti-Trafficking Policy Initiative (SJI) is a practitioner-led, survivor-informed, evidence-based, and community-informed think tank that intentionally fills gaps in human trafficking through an intersectional framework that fosters systemic change and progressive policy innovations.

FOR MORE INFORMATION

Stephanie Richard, Esq
Policy Director
stephanie.richard@lls.edu
(213) 736-8148



Paloma Bustos, MSW
Policy Associate
paloma.bustos@lls.edu
(213) 252-7447

[Sunita Jain Anti-Trafficking Initiative](#)
Loyola Law School
919 Albany St, Los Angeles, CA 90015
Phone: (213) 252-7442 Email: anti-trafficking@lls.edu