



Civil Liability for Human Trafficking: What the Hospitality Industry Needs to Know

Civil lawsuits alleging human trafficking have rapidly become one of the most consequential sources of liability facing the hospitality industry. Hotel owners, operators, franchisees, and brands are being sued across the country for trafficking activity occurring on their property. What was once considered an isolated risk is now a sustained litigation trend with significant financial, operational, and reputational consequences.

The Legal Framework Driving These Claims

Most civil trafficking claims against hospitality defendants are brought under the federal Trafficking Victims Protection Reauthorization Act (TVPRA). They may also be accompanied by parallel state law claims for negligence, premises liability, and negligent supervision. The TVPRA originally authorized victims to bring civil actions for damages against traffickers, but in 2008, Congress expanded the civil remedy. Now the TVPRA permits claims against any person or entity that benefits from the trafficking.

These claims require a plaintiff to allege and prove three elements:

1. The defendant (such as the owner, operator, or franchisor) knowingly received a financial benefit. Revenue from renting a hotel room is sufficient to meet this element.
2. The benefit came from participation in a trafficking venture. Participation does not have to be direct. Tacit agreement or a continuous business relationship may be enough.

3. The defendant knew or should have known of the trafficking venture. Franchisors who control daily operations may be liable even without actual knowledge of trafficking at a franchisee's location.

The TVPRA requires that claims must be pursued within 10 years or they are legally barred. However, in 2022, then-President Joe Biden signed into law the Eliminating Limits to Justice for Child Sex Abuse Victims Act, which eliminated time limits on claims brought by minors.

Why Hotels and Resorts?

These claims aren't limited to the hospitality industry. Some of Jeffrey Epstein's victims sued banks for their alleged roles in facilitating his trafficking, and a software company faced similar lawsuits when its products were used as back-office support for trafficking. But the majority of TVPRA lawsuits name hotels and resorts because they provide the physical infrastructure traffickers need – private rooms, transient guests, and limited scrutiny during short stays. The plaintiffs' complaints describe circumstances that should signal trouble to property operators and managers, including:

- Cash payments;
- Excessive foot traffic in and out of a room;
- Refusal of housekeeping services, or requests for room service while refusing to allow hotel staff to enter the room;
- Signs of drug use;
- Hotel guests with visible injuries, apparent malnourishment, or who are dressed inappropriately for their age(s); and
- Extended stays with few or no personal possessions.

Why Now?

Courthouse News Service reported nearly 200 new TVPRA lawsuits against hospitality defendants in 2025, and at least 30 so far in 2026. These lawsuits are not new, but until last year, they didn't proceed to trial. Some were dismissed as untimely, and in other cases, courts found there was no evidence that a defendant knew or should have known trafficking was underway.

Last year, the landscape changed. The first reported jury trial of a TVPRA claim against a hotel proceeded in July 2025, and the jury handed the plaintiff a \$40 million verdict. Days later, trial in another case was scheduled to begin. When that hospitality defendant learned of the verdict, it paid \$6 million to settle.

Trafficking continues to plague the country, so the removal of time limits and a definitive jury verdict serve as notice to the hospitality industry that TVPRA claims have momentum. They must not be taken lightly.

Strategic Considerations

Trafficking-related litigation presents challenges that extend well beyond the courtroom. The hospitality industry relies heavily on reputation and brand recognition, but these assets can be quickly eroded by comments on social media and public reviews that mention signs of trafficking at a property.

From a risk perspective, inconsistent training, lack of documentation, and unclear reporting protocols can magnify exposure. Property owners and operators should evaluate whether anti-trafficking policies are effectively implemented; whether staff training is consistent across properties; and whether reporting mechanisms are clear, documented, and supported by management. Equally important is understanding how franchise structures, management agreements, and brand standards may impact liability.

Conclusion

Human trafficking litigation is no longer a peripheral concern for hotels and resorts – it is a core risk issue that demands attention at the enterprise level. In this quickly developing environment, preparedness and strategic foresight are essential components of effective hospitality governance.

This blog was drafted by [Heidi J. Bassett](#), an attorney in the Spencer Fane Hospitality Group. For more information, visit spencerfane.com.