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BILL NO:	House Bill 1198
TITLE:	Civil Actions – Coerced Debt – Debt Protections
COMMITTEE:	Judiciary
HEARING DATE:	March 11, 2026
POSITION:	<b>SUPPORT</b>

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The Women's Law Center of Maryland is dedicated to ensuring the physical safety, economic security, and bodily autonomy of women across the State. Through our work representing survivors of intimate partner violence, we regularly see how abusers use financial control to maintain power and prevent survivors from leaving unsafe relationships. For these reasons, the Women's Law Center urges a **favorable report on HB 1198**.

House Bill 1198 addresses “**coerced debt**,” a harmful form of economic abuse in which an abuser incurs debt in a survivor's name through fraud, coercion, threats, or misuse of personal identifying information. Financial abuse is a common tactic in abusive relationships, often involving restricting a survivor's access to money, monitoring spending, or preventing employment or education. These tactics create forced dependency and make it significantly harder for survivors to leave abusive situations or support themselves and their children.

Coerced debt is a particularly damaging subset of financial abuse. Abusers may open credit cards, take out loans, or force survivors to sign financial documents they do not understand or cannot afford. Because the debt is legally tied to the survivor, it frequently results in damaged credit, aggressive collection efforts, and long-term financial instability that can continue long after the abusive relationship ends.

HB 1198 creates a clear legal framework to address this problem by defining coerced debt as debt incurred through fraud, duress, intimidation, threat, force, coercion, manipulation, undue influence, misinformation, or the nonconsensual use of a survivor's personal identifying information in the context of abuse, including abuse defined under Maryland's protection order statute, Md. FL Code §4-501 et seq. This definition captures common scenarios where an abuser uses threats, identity theft, or power imbalances to impose financial obligations on a survivor.

Importantly, the bill provides survivors with practical tools to challenge these debts. It allows survivors to notify creditors that a debt was coerced, requires creditors to pause collection activity while the claim is reviewed, and authorizes survivors to bring a civil action to obtain a court determination that the debt is coerced. By creating a pathway to halt collection efforts and clear fraudulent obligations, the bill helps survivors restore their credit and regain financial stability.

Economic independence is often essential for survivors to safely leave abusive relationships and rebuild their lives. By addressing coerced debt, HB 1198 removes a significant barrier that keeps many survivors financially tied to their abusers.

For these reasons, the Women's Law Center of Maryland **urges a favorable report on HB 1198**.