

March 9, 2026

Hon. Sandy Bartlett
Chair
House Judiciary Committee

RE: House Bill 1198 – Civil Actions – Coerced Debt – Debtor Protections

Position: FAVORABLE

The Holland Law Firm represents ordinary Marylanders in consumer rights cases. We¹ have represented victims of domestic and elder abuse. This bill provides victims with a way to escape the crushing burden of debts foisted upon them by their abusers.

Most instances of domestic abuse involve some degree of financial abuse. Through our financial and credit reporting system, victims who escape their abusers can still be tied to them by transactions that were never their choice and from which they derived no real benefit. Challenging such debts is extremely difficult.

For example, I represented a victim of domestic abuse. After escaping her abuser, she discovered that he had opened various credit cards in her name over several years. She was completely unaware. Even in such a situation, where the law is clear, establishing that the victim did not owe the money and freeing her of collection efforts and negative credit reporting was very difficult. The transactions were in the right location and the address on the accounts was her own (her abuser controlled the mail). The purchases were not obviously fraudulent.

In circumstances like this, many creditors will simply disbelieve the victim, even in this case where there was evidence of abuse in a domestic violence

¹ Although I am a member of the Licensing Workgroup in the Office of the Commissioner of Financial Regulation, I submit this testimony only in my private capacity.

protective order. It will be difficult to prove whether any account was the result of identity theft or if the victim was tricked or coerced into opening the account.

This bill provides a way for victims of legally-recognized abuse to get relief from debts arising from that abuse. It provides victims with a way to proactively and directly seek relief from creditors and, if the creditors refuse to help, from the courts. It provides creditors with procedures and standards to follow that are not onerous and are straightforward.

For victims of coerced debt, physically escaping an abuser is only the beginning. At present, victims can face years of collection activity for money they never saw, for debts they never would have taken on — each collection letter being a reminder of their abuse. They can face years of being denied credit because the coerced debt on their reports wrongfully makes them look like a bad credit risk. This bill will help stop misguided attempts by creditors to collect unjust debts from victims of abuse and correct the negative and misleading reporting of those debts to the national credit reporting agency.

/s/ Emanwel J. Turnbull
Emanwel J. Turnbull
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