



JUSTICE FOR ALL

MARYLAND HOUSE JUDICIARY COMMITTEE
TESTIMONY OF MARYLAND VOLUNTEER LAWYERS SERVICE
IN SUPPORT OF HB 1198
CIVIL ACTIONS - COERCED DEBT - DEBTOR PROTECTIONS

Susan Francis
EXECUTIVE DIRECTOR

March 9, 2026

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Chairwoman Bartlett and distinguished members of the Committee, thank you for the opportunity to testify in support of House Bill 1198.

My name is Heather Heiman, and I am an attorney with Maryland Volunteer Lawyers Service (MVLS) and manager of MVLS' partnership with the Human Trafficking Prevention Project (HTPP). MVLS is the oldest and largest pro bono civil legal service provider to low-income Marylanders. Since MVLS' founding in 1981, our statewide panel of over 700 volunteers has provided free legal services to over 115,000 Marylanders in a wide range of civil legal matters. In FY25, MVLS volunteers and staff lawyers placed and closed 3,233 cases, providing legal services to 6,770 clients and immediate family members across the State.

In FY17, MVLS began a partnership with the Human Trafficking Prevention Project, a co-grant project funded through the Governor's Office of Crime, Control, and Prevention (GOCCP). Through this partnership, MVLS provides pro bono post-conviction relief such as expungement, shielding, and vacatur, as well as assistance with consumer debt, housing, and family law matters to those who meet the legal definition of a victim of human trafficking, and others who are put at high risk for exploitation, including survivors of domestic violence. Since the inception of the partnership, MVLS has served over 400 clients who were survivors of human trafficking, domestic abuse, or placed at high risk for exploitation, many of whom sought legal help with debt and credit issues resulting from coercion and violence by their abusers. For reasons explained below, MVLS respectfully requests that the Committee returns a favorable report on HB 1198.

Coerced debt is devastating for survivors of domestic violence and human trafficking. Abusers and traffickers frequently take identity documents like driver's licenses, passports, or identification cards and may fraudulently use these documents to apply for credit cards, bank accounts, loans, and leases in the survivor's name. Abusers also will coerce survivors into opening accounts, transferring funds, or initiating rentals due to threats of violence or other consequences to themselves or others.

Coerced debt not only makes it more challenging to leave an abusive or exploitative situation, but also continues to impact survivors long after leaving – significant debt, collection actions, outstanding loans or car payments, and poor credit have a ripple effect and can prevent survivors from accessing safe housing, securing employment opportunities, moving forward with stabilizing immigration status, and obtaining loans and credit, making it challenging to rebuild their lives.

At MVLS – and particularly through the MVLS HTPP partnership – we frequently assist clients who are struggling with the aftermath of coerced debt that arose from domestic violence and human trafficking. One of our clients, Ms. S*, a survivor of domestic violence, is currently facing multiple collection actions due to financial exploitation by her abuser. He has coerced her into transferring funds against her will, overdrawn mutual accounts, and opened loans in her name without her consent. Ms. S is fearful of reporting the abuse and exploitation to law enforcement, but is working with licensed mental health professionals and other advocates to whom she has disclosed the abuse and financial exploitation. She also sought assistance to dispute the financial debt through the credit bureaus, with their response stating these types of debt were legitimate. She is also concerned about the impact that the significant debt under her name, accrued by her abuser, could have on her path to naturalization. HB1198 provides a way forward for Ms. S to safely document her financial victimization, address pending collection actions, rectify damage to her credit, and help stabilize her future.

House Bill 1198 would provide a lifeline for victims of human trafficking and domestic violence by providing a clear and safe process for survivors to document coerced debt, notify creditors, and defend collection actions that penalize the victim instead of the abuser. For these reasons, MVLS supports House Bill 1198. We respectfully urge a favorable report.

**Client identity withheld for privacy and safety.*