

HB 1198

Protection from Coerced Debt for Victims of Domestic Violence

SPONSORED BY:

Delegates Lopez, Charkoudian, Embry, and Shetty

WHAT IS COERCED DEBT?

Coerced debt is a form of economic abuse in which an abuser creates debt in a survivor's name by taking out loans, using credit cards or putting bills in the survivor's name using fraud, coercion, or manipulation.

WHO IS IMPACTED?

Coerced debt most often affects survivors of intimate partner violence or trafficking.

WHAT IS THE HARM?

Individuals with coerced debt face long term financial harm from the debts they did not voluntarily assume. With damage to their credit, survivors can struggle to find new housing, obtain utility or smartphone services, or take other steps toward independence.

WHY WE NEED HB 1198

- ◆ Provides defenses to debt collection actions for survivor-debtors
- ◆ Grants survivor-debtors pathways to repair damaged credit
- ◆ Allows survivor-debtors to recover damages from their abusers
- ◆ Retains creditors' rights to recover from the abuser

Other States With Coerced Debt Legislation

Maryland would join seven states: CA, CT, IL, ME, MN, NY and TX, that have passed laws addressing coerced debt thus acknowledging the importance of financial autonomy for survivors of economic abuse