Create Relief from Coerced Debt
SUPPORT SB 123!

Connecticut Coalition Against Domestic Violence

WHAT IS COERCED DEBT?

- Coerced debt is a form of economic abuse, which is experienced in the vast majority of abusive relationships. Money is a powerful tool that many abusers use to keep their victims dependent upon them and unable to leave.
- Coerced debt can involve forcing a partner to file fraudulent legal financial documents or overspend on credit cards. An abusive partner may incur debt without the survivor's consent or coerce a survivor into incurring debt through threats of harm.

FRAUDULENT TRANSACTIONS

Using a partner's credit without their knowledge. In CT, these transactions are considered identity theft.

COERCIVE TRANSACTIONS

Using a demand and threat of consequence for non-compliance to compel a partner to take on debt.

MANIPULATIVE TRANSACTIONS

Managing conditions or information to lead a partner to take on debt they would not have otherwise.

WHAT IS THE IMPACT ON VICTIMS?

- The debt and resulting poor credit score can have long-term consequences for survivors, creating barriers to education, housing, and employment.
- Employers, landlords, and utility companies make extensive use of credit histories during screening.
- Credit abuse allows abusers to maintain control over their victim because they understand that without a job, rental housing, reliable transportation, and basic utilities, it is almost impossible for a survivor to be economically stable, secure, and independent.
- Results in longer shelter stays, compounding capacity issues within Connecticut's domestic violence shelter system which runs over 150% capacity.

Coerced debt creates barriers to…

HOUSING

EDUCATION

EMPLOYMENT

GIVE VICTIMS OF COERCED DEBT THE TOOLS THEY NEED TO BE ECONOMICALLY STABLE, SECURE, AND INDEPENDENT!

For questions or additional information, please contact:
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A 2019 study by the Center for Survivor Agency & Justice sampled 1,823 women who called the National Domestic Violence Hotline and found...

52% EXPERIENCED COERCED DEBT

Of the respondents who experienced coercive transactions...

66% Feared psychological consequences (e.g., yelling, threatening to end relationship)

38% Feared physical consequences including being beaten or killed

10% Feared economic consequences (e.g., job, money, or property loss)

> *Once he could no longer control me, he destroyed my credit and any sense of financial stability. He has taken money that could have gone to our daughter's future and used it for his own gain. I will never be able to catch up on bills and will always struggle financially. He has robbed my daughter and me of financial security.*

WHAT ARE OTHER STATES DOING?

Similar measures have passed in Minnesota and California, with bills pending in New York and North Carolina. Maine and Texas also have a variation of this law.

HOW DOES SB 123 HELP?

- Addresses coercive and manipulative transactions by defining coerced debt as a debt that was incurred as a result of duress, intimidation, threat of force, force, or undue influence in the name of a debtor who is a victim of domestic violence.
- Makes an individual who causes another individual to incur a coerced debt civilly liable.
- Creates a process for victims to address an alleged coerced debt directly with a lender/creditor and includes a pause on collection activities during the review period.
- Outlines a civil court process that a victim may initiate if a claim is denied.
- If a debt is proven to be coerced, the victim is released from the debt and credit rating agencies are directed to delete it from the victim's credit report.
- Following a victim proving in court that a debt was coerced, claimants can receive a court order allowing them to pursue the debt from the person who created it.
- The bill includes a 10 year statute of limitations and excludes debts that were previously considered and subject to a final judgment in a dissolution of marriage.

OUR MEMBERS

The Center for Family Justice — BRIDGEPORT

The Center for Empowerment and Education (formerly The Women's Center of Greater Danbury) — DANBURY

United Services, Inc. — DAYVILLE/WILLIMANTIC

the network — ENFIELD

Harmony Project YWCA Greenwich — GREENWICH

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Prudence Crandall Center — NEW BRITAIN

The Umbrella Center for Domestic Violence Services — NEW HAVEN/SHELTON

Susan B. Anthony Project — TORRINGTON

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New Horizons Domestic Violence Services — MIDDLETOWN

Safe Futures — NEW LONDON

DVCC — NORWALK/STAMFORD

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