



Coerced Debt Pilot Program: Training Booster

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Agenda

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Introductions

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Coerced Debt Pilot Program



What is the purpose of the Pilot Program?

- To identify, refer, and connect survivors with **coerced debts** to free legal services to help them address the coerced debt.

What is the free legal service survivors are getting connected to?

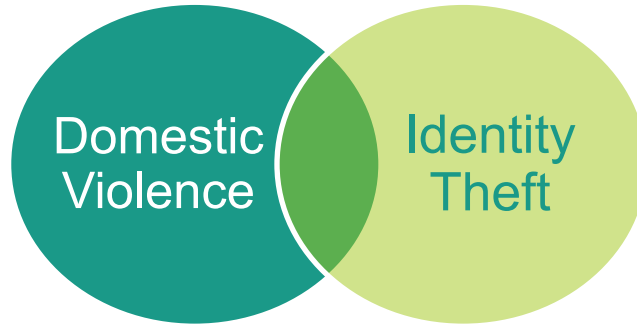
- A “Chapter 521 Order,” which legally declares someone a victim of identity theft. This legal remedy requires a lawsuit to be filed and can help survivors fight against coerced debts in several ways, such as by being used as evidence to block certain coerced debts on a credit report, or as a tool to negotiate with creditors or debt collectors.

Can the Pilot Program help survivors clean up their credit?

- The Pilot Program does *not* address every account on a survivor’s credit report, **only any coerced debts they may have**. However, if a survivor is able to successfully obtain a Chapter 521 order and get any coerced debts removed from their credit report, then that might help improve their credit.

What is Coerced Debt?

Any non-consensual credit-related transaction that occurs within an abusive intimate relationship; when an abuser takes out credit in the name of their victim, through force, threat, or fraud, either without the victim's knowledge or **effective consent**.



The survivor has lost control over the ability to make financial decisions for themselves, creating a connection between coerced debt and identity theft.

The Magic Word: “Effective”

Legal Definition of "Effective Consent"

Texas Penal Code Sec. 1.07

Consent is not effective if:

- (A) induced by force, threat, or fraud;
- (B) given by a person the actor knows is not legally authorized to act for the owner;
- (C) given by a person who by reason of youth, mental disease or defect, or intoxication is known by the actor to be unable to make reasonable decisions; or
- (D) given solely to detect the commission of an offense.



Three Mechanisms of Coerced Debt

1. **Fraud**: Using the survivor's identity without their consent or knowledge to obtain a loan or credit in their name.
2. **Coercion**: Using demands and threats to lead survivor to take on debt they would not have otherwise incurred.
3. **Manipulation**: Deliberately manage conditions or information to lead survivor to take on debt they would not have otherwise incurred.



Examples of Coerced Debt

An abuser may coerce their partner into debt in any of the following ways:

(Surviving Economic Abuse, 2020)

- Forcing the survivor into taking out a credit card or loan even though the survivor doesn't want to.
- Taking out a loan, mortgage, or credit card, in the survivor's name without the survivor's knowledge.
- Putting bills in the survivor's name, including rent, utility bills, or cell phone contracts, either without the survivor's knowledge or effective consent.

Open Discussion



Credit Reports

- Before or shortly after making a referral to Texas Advocacy Project (TAP), it's extremely important to help the survivor, or encourage the survivor to, **pull their credit report**. By pulling their credit report, we can review all credit accounts and determine if any of them are coerced debt.
- Use this helpful [one-page guide](#) to get detailed instructions on how to pull credit reports.
- If a survivor is unable to get their credit report, you can now indicate that on the new TAP referral form, which allows you to indicate which credit reports a survivor was able to pull and share information about why a credit report was unable to be pulled.

TAP Referral Process



Option #1: DV Advocate completes the TAP referral for the survivor.

1. Complete the screening form ([English](#), [Spanish](#)) to determine if a survivor should be referred to TAP for the Pilot Program.
2. Complete the TAP [referral form](#).
3. Send the TAP referral form and, with permission from the survivor, the screening form to TAP via email (casereferral@TexasAdvocacyProject.org and mgray@texasadvocacyproject.org).

Option #2: Survivors contact TAP themselves to enter into the Pilot Program.

1. Call TAP at 800-374-4673 (HOPE) to speak directly with a TAP team member, OR
2. Go to texasadvocacyproject.org ([or use this link](#)) and click “Apply for Services Online” to complete TAP’s application for services.
3. The survivor must disclose to TAP that they’re calling about participating in the “Coerced Debt Pilot Program.”

Q&A
