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New Report Highlights Harmful Impacts of Identity Theft on Survivors of Domestic Violence

More Texans Facing Coerced Debt in Abusive Relationships Have Few Avenues for Relief

AUSTIN, Texas — A new report by Texas Appleseed reveals that nearly 1 in 3 Texans who called the National Domestic Violence Hotline in the first half of 2018, the latest data available, reported economic or financial abuse.

Texas Appleseed's report, [Abuse by Credit: The Problem of Coerced Debt in Texas](#), examines the growing problem of identity theft within abusive relationships and offers solutions to help victims who currently have little to no legal recourse. While data show 30 percent of callers are affected, up from 27 percent in 2017, these numbers likely underestimate the actual number of victims. According to the National Coalition of Domestic Violence, [between 94 percent and 99 percent](#) of victims of domestic violence also experience economic abuse.

Coerced debt falls at the intersection of economic abuse and identity theft. To gain control over a victim, an abuser in an intimate relationship uses force, threat, or fraud to coerce the victim to engage in non-consensual, credit-related transactions. The financial harms of coerced debt include an inability for the victim to access funds and damaged credit, and can trap victims in abusive situations.

A recent study found that 73 percent of people experiencing domestic abuse reported staying in an abusive relationship due to economic concerns — and coerced debt impacted 52 percent of participants in the same study.

Both the increased prevalence of consumer debt and the ability of abusers to use the Internet to easily obtain loans and credit cards create easier mechanisms for coercive control of partners or outright fraud to occur.

“Data clearly reveals the harmful impacts of coerced debt on the economic well-being of survivors and their ability to escape abuse,” said Ann Baddour, director of Texas Appleseed’s Fair Financial Services Project. “Yet, tools to address identity theft within abusive relationships are lacking,”

Policy Recommendations

Though many legal standards relating to identity theft and consumer reports lie at the federal level, there are two key steps that can be taken in Texas to help survivors of domestic violence recover from coerced debt.

1. Current state law definitions do not include coercion as a standard to assert identity theft to therefore obtain protections available under the law. Expanding the definition of identity theft in the Texas Penal Code to cover coerced debt would offer a powerful tool for survivors of domestic violence to rebuild their financial lives.
2. Texas law allows discretion for judges issuing protective orders related to domestic violence to include provisions that would protect survivors from financial abuse. Simple steps such as mandating the return of identification documents and social security cards or prohibiting incurring new debts would have tangible impacts on the ability of survivors to recover and move forward with their economic lives.

“Survivors of domestic violence face tremendous barriers to achieving financial stability,” said Baddour. “Making these policy changes would support both the recovery and resilience of some of Texas’ most vulnerable families.”

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About Texas Appleseed

Texas Appleseed is a public interest justice center that works to change unjust laws and policies that prevent Texans from realizing their full potential. Our nonprofit conducts data-driven research that uncovers inequity in laws and policies and identifies solutions for lasting, concrete change. For more information, visit www.TexasAppleseed.org.