

Submitted via regulations.gov

April 1st, 2025

RE: 12 CFR Part 1022 [Docket No. CFPB-2024-0057] Fair Credit Reporting Act (Regulation V); Identity Theft and Coerced Debt

Dear Director Chopra and CFPB Rulemaking Staff,

On behalf of the Texas Council on Family Violence (TCFV), we are submitting comments in strong support of the Consumer Financial Protection Bureau's (CFPB) proposed rulemaking to amend Regulation V to better address coerced debt. As an organization dedicated to advocating for survivors of family violence, we believe that this rule is an important step toward ensuring that survivors have the necessary protections to rebuild their financial stability and independence.

TCFV is the statewide coalition of family violence service providers and allied programs working to promote safe and healthy relationships by supporting service providers, facilitating strategic prevention efforts, and creating opportunities for freedom from family violence. TCFV is a membership organization with over 1,000 members including family violence programs, survivors of family violence, businesses and professionals, and other concerned citizens.

Domestic violence affects a significant portion of the Texas population, with economic abuse- and specifically coerced debt- emerging as a critical barrier to survivors' financial independence and safety. Financial abuse occurs in nearly all relationships where domestic violence is present.¹ Coerced debt, which occurs when abusers create debt in a victim's name without consent or through intimidation,² damages survivors' credit scores, limits their access to housing, employment, and the financial resources necessary to leave abusive relationships.³ Research demonstrates that economic security is the strongest predictor of whether a survivor can permanently separate from an abuser,⁴ yet current legal protections fail to adequately address coerced debt. Survivors often struggle to remove coerced debt from their credit reports due to legal gaps that do not explicitly classify coerced debt as identity theft. This prevents victims from accessing federal protections under the Fair Credit Reporting Act (FCRA) and the Fair and Accurate Credit Transactions Act (FACTA), which allow for fraudulent debt to be blocked from credit reports.

¹ Adams AE, Littwin AK, Javorka M. The Frequency, Nature, and Effects of Coerced Debt Among a National Sample of Women Seeking Help for Intimate Partner Violence. *Violence Against Women*. 2020 Sep;26(11):1324-1342. doi: 10.1177/1077801219841445. Epub 2019 Apr 22. PMID: 31007144.

² Littwin A. (2012). Coerced debt: The role of consumer credit in domestic violence. *California Law Review*, 100, 1-74.

³ Gordon-Bouvier, Ellen. "Analysing Legal Responses to Coerced Debt." *Legal Studies* 44, no. 3 (2024): 537-54. <https://doi.org/10.1017/lst.2023.46>.

⁴ Adams AE, Littwin AK, Javorka M. The Frequency, Nature, and Effects of Coerced Debt Among a National Sample of Women Seeking Help for Intimate Partner Violence. *Violence Against Women*. 2020 Sep;26(11):1324-1342. doi: 10.1177/1077801219841445. Epub 2019 Apr 22. PMID: 31007144.

Victims of coerced debt face unique and pervasive challenges when attempting to dispute fraudulent or coerced financial obligations. While Texas has taken steps to address this issue at the state level, the absence of a federal standard leaves survivors vulnerable to inconsistent protections and continued economic abuse. The CFPB's proposed rule rightfully recognizes that coerced debt should be categorized as a form of identity theft under the Fair Credit Reporting Act (FCRA). However, we would like to echo concerns raised by our colleagues at the Center for Survivor Agency and Justice (CSAJ) in urging the CFPB to explicitly expand the definition of identity theft to include "*without effective consent*" to provide relief for victims of coerced debt in situations where an individual incurs debt under duress, intimidation, fraud, or undue influence, even if they were aware of or physically possessed the goods or services. Under current regulations, CRAs can refuse to block information resulting from identity theft if the consumer "*obtained*" possession of goods or services. This provision is frequently misapplied to coerced debt survivors. The CFPB should explicitly state that coerced debt victims do not "*benefit*" from transactions incurred under duress and that possession of goods or services alone is not grounds for denying a dispute claim.

We would like to further bolster the comment submitted by our colleagues at CSAJ by stating that the CFPB should clarify that CRAs cannot impose additional, unreasonable documentation requirements on victims seeking to remove coerced debt, particularly by demanding a police report as the sole acceptable proof. We strongly support the CFPB's authority to define the types of documentation that qualify as an "*identity theft report*" under Regulation V. Given that many survivors cannot, or will not, file a police report due to safety concerns, systemic distrust of law enforcement, and other logistical barriers, we urge the CFPB to expand the list of acceptable documentation to include methods of self-attestation that should be considered as meeting the standard for an identity theft report without the need for a CRA to request additional information. We suggest that the CFPB create a form that could be utilized by a survivor or third parties such as, but not limited to: A physician, social worker, nurse, therapist, or a domestic violence advocate.

The CFPB's proposed rule represents a significant step forward in protecting coerced debt victims and ensuring that consumer reporting agencies provide fair and just treatment. However, to fully address the systemic barriers survivors face, we urge the CFPB to clarify definitions, expand acceptable documentation, and strengthen enforcement mechanisms. We appreciate the opportunity to provide input on this important issue and look forward to seeing the CFPB take decisive action to support survivors of coerced debt.

For questions or follow up information, please contact:

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Director of Public Policy

The Texas Council on Family Violence



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TOGETHER WE POWER A MOVEMENT.