



Domestic Violence and Risks for Predatory Lending

Economic and Financial Abuse

- Economic and financial abuse are common tactics used by abusers to further gain power and control in a relationship (1)
 - Financial abuse is one of the most powerful methods of keeping a survivor in an abusive relationship.
 - 98% of survivors report experiencing financial abuse in their relationship (2)
- Financial abuse can include:
 - Forbidding a survivor from working;
 - Sabotaging work or employment opportunities;
 - Not allowing survivors to access bank accounts;
 - Forcing a survivor to write bad checks;
 - Running up debts on joint accounts;
 - Refusing to pay bills to ruin survivors' credit score;
 - Stealing survivors' identity to run up debt or to acquire a survivors' property or inheritance (3).
- In 2014, the National Domestic Violence Hotline reported that 4,093 people contacted the hotline from Arizona.
 - Economic abuse was the second most commonly disclosed factor in the survivors' experiences.

Domestic Violence Survivors are Disproportionally at Risk for Predatory Lending

- Payday lending is typically utilized by those who live in low-income households.
- Domestic violence survivors are 7 times more likely to live in low-income households (4).
 - Due to the economic and financial abuse that many survivors experience they are more likely to utilize payday lenders due to their poor credit scores or for safety reasons.
- Survivors may not be able to maintain bank accounts in fear that their partner will find or utilize the money in the accounts.
 - When payday lenders place exorbitant fees on these loans it further pushes survivors into economic instability and could endanger their safety.
- Survivors who are economically dependent find it difficult to leave an unsafe relationship or may return to an abusive relationship.
- Many individuals have experienced checking account over drafts from payday lenders. For survivors, a third party accessing the accounts that they share with abusers could lead to retaliation or future abuse (5).

1. National Network to End Domestic Violence, 2015.

2. National Network to End Domestic Violence, 2015.

3. National Network to End Domestic Violence, 2015.

4. Bureau of Justice Statistics, *Intimate Partner Violence* (US Department of Justice, 2000).

5. Center for American Progress. *Predatory Payday Lending: Its Effects and How to Stop It*. 2013.

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Arizona Coalition to End Sexual and Domestic Violence
Public Policy Department | (602) 279-2900