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).


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