

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 25-0122.01 Shelby Ross x4510

HOUSE BILL 25-1194

HOUSE SPONSORSHIP

Armagost and Lindsay, Duran

SENATE SPONSORSHIP

Daugherty and Pelton B.,

House Committees
Judiciary

Senate Committees

A BILL FOR AN ACT

101 CONCERNING PROTECTIONS FOR VICTIMS OF ECONOMIC ABUSE.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Sections 2 and 5 of the bill require a creditor, debt collector, or debt collection agency to cease collection of a debt or any disputed portion of a debt if a consumer notifies the creditor, debt collector, or collection agency in writing that the debt or a portion of the debt is the result of economic abuse or coerced debt and provides a written statement of coerced debt and sufficient documentation to the creditor, debt collector, or collection agency until the debt collector or collection agency obtains a decree, judgment, or court order finding the debt was not the

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

result of economic abuse or coerced debt.

Sections 3 and 4 prohibit a debt collector or debt collection agency from collecting or attempting to collect any debt that is the result of economic abuse or coerced debt unless the debt collector or debt collection agency first obtains a decree, judgment, or court order finding the debt was not the result of economic abuse or coerced debt.

Current law requires a consumer reporting agency to reinvestigate a disputed item in the consumer's file free of charge. **Sections 6 and 7** authorize a consumer reporting agency to reinvestigate an item that the consumer asserts is the result of economic abuse or coerced debt.

Section 8 adds economic abuse and coerced debt to the definition of "coercion" as it relates to civil protection orders issued in cases of domestic violence.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds that:

4 (a) Economic abuse is a serious issue impacting vulnerable
5 populations. Economic abuse occurs in 98% of abusive relationships and
6 is the number one reason victims of abuse stay in or return to abusive
7 relationships.

8 (b) Coerced debt is a form of economic abuse and an avenue for
9 abusers to limit the economic independence of an individual. Coerced
10 debt occurs when an abuser utilizes coercive control to incur debt in the
11 name of an individual. Coerced debt can occur through threat, force, or
12 fraud in the context of domestic abuse, which can be physical, emotional,
13 or financial.

14 (c) Though the term "coerced debt" was originally observed in the
15 context of domestic violence, the same dynamic exists within other
16 vulnerable populations such as the elderly, foster youth, and victims of
17 human trafficking. In cases of elder abuse, family members, caretakers,
18 and other trusted individuals use the dynamic of power and control to

1 obtain credit without the elder's consent, or by coercing or misleading the
2 elder to obtain credit.

3 (d) Perpetrators of human trafficking use coerced debt as a form
4 of control to exploit and trap victims into engaging in unwanted, unlawful
5 acts and labor. The traffickers may obtain credit in the victim's name
6 without the victim's knowledge or force the victim to obtain credit.

7 (e) The debt and poor credit score resulting from economic abuse
8 more broadly and coerced debt more specifically can have long-term
9 consequences, creating barriers to education, housing, and employment
10 opportunities; and

11 (f) Coerced debt can subject an individual to ruined credit,
12 substantial payment expectations, debt collection, and even bankruptcy.

13 (2) Therefore, the general assembly declares it is necessary to
14 provide protections and remedies for victims of economic abuse or
15 coerced debt.

16 **SECTION 2.** In Colorado Revised Statutes, **add** 5-3-306 as
17 follows:

18 **5-3-306. Validation of debts - economic abuse and coerced**
19 **debt - definitions.** (1) IF A CONSUMER NOTIFIES A CREDITOR IN WRITING
20 THAT A CONSUMER CREDIT TRANSACTION, OR ANY PORTION OF A
21 CONSUMER CREDIT TRANSACTION, IS THE RESULT OF ECONOMIC ABUSE OR
22 COERCED DEBT AND PROVIDES A WRITTEN STATEMENT OF COERCED DEBT
23 AND SUFFICIENT DOCUMENTATION TO THE CREDITOR, THE CREDITOR
24 SHALL CEASE COLLECTION OF THE CONSUMER CREDIT TRANSACTION OR
25 THE DISPUTED PORTION OF THE TRANSACTION UNTIL THE CREDITOR
26 OBTAINS A DECREE, JUDGMENT, OR COURT ORDER FINDING THE
27 TRANSACTION WAS NOT THE RESULT OF ECONOMIC ABUSE OR COERCED

1 DEBT.

2 (2) THE CONSUMER ESTABLISHES A PRIMA FACIE CASE THAT THE
3 CONSUMER CREDIT TRANSACTION IS A RESULT OF ECONOMIC ABUSE OR
4 COERCED DEBT BY PROVIDING A WRITTEN STATEMENT OF COERCED DEBT
5 AND SUFFICIENT DOCUMENTATION TO THE CREDITOR. IF THE CREDITOR
6 HAS A GOOD FAITH BASIS TO BELIEVE THAT THE CONSUMER CREDIT
7 TRANSACTION IS NOT THE RESULT OF ECONOMIC ABUSE OR COERCED DEBT
8 OR THAT THE CONSUMER'S CLAIM IS FRAUDULENT, THE CREDITOR MAY FILE
9 SUIT IN A COURT OF COMPETENT JURISDICTION TO SEEK A DECREE,
10 JUDGMENT, OR COURT ORDER DECLARING THAT THE CONSUMER CREDIT
11 TRANSACTION IS NOT THE RESULT OF ECONOMIC ABUSE OR COERCED DEBT.
12 THE CREDITOR HAS THE BURDEN TO PROVE THE CONSUMER CREDIT
13 TRANSACTION IS NOT THE RESULT OF ECONOMIC ABUSE OR COERCED DEBT
14 OR THAT THE CONSUMER'S CLAIM OF ECONOMIC ABUSE OR COERCED DEBT
15 IS FRAUDULENT BY A PREPONDERANCE OF THE EVIDENCE.

16 (3) (a) A CREDITOR MAY USE ALL LEGAL RIGHTS AND REMEDIES TO
17 COLLECT THE DEBT THAT IS THE RESULT OF ECONOMIC ABUSE OR COERCED
18 DEBT FROM THE PERPETRATOR WHO CAUSED OR IS ALLEGED TO HAVE
19 CAUSED THE ECONOMIC ABUSE OR COERCED DEBT TO BE INCURRED BY THE
20 CONSUMER.

21 (b) THE PERPETRATOR WHO CAUSED OR IS ALLEGED TO HAVE
22 CAUSED THE ECONOMIC ABUSE OR COERCED DEBT DOES NOT HAVE A
23 PRIVATE RIGHT OF ACTION OR REMEDY AGAINST THE CREDITOR FOR
24 PURSUING THE PERPETRATOR FOR THE DEBT IF THE CREDITOR HAS FIRST
25 SECURED A DECREE, JUDGMENT, OR COURT ORDER FINDING THE DEBT WAS
26 THE RESULT OF ECONOMIC ABUSE OR COERCED DEBT.

27 (4) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE

1 REQUIRES:

2 (a) "COERCED DEBT" MEANS A DEBT OR A PORTION OF A DEBT
3 THAT WAS INCURRED THROUGH FRAUD, DURESS, INTIMIDATION, THREAT,
4 FORCE, COERCION, MANIPULATION, UNDUE INFLUENCE, MISINFORMATION,
5 OR THE NONCONSENSUAL USE OF THE DEBTOR'S PERSONAL IDENTIFYING
6 INFORMATION WITHIN THE CONTEXT OF DOMESTIC VIOLENCE, AS DEFINED
7 IN SECTION 13-14-101, OR HUMAN TRAFFICKING FOR INVOLUNTARY OR
8 SEXUAL SERVITUDE, AS DESCRIBED IN SECTION 18-3-503 OR 18-3-504, OR
9 ABUSE OF AN AT-RISK ELDER, AS DESCRIBED IN SECTION 18-6.5-102.

10 (b) "ECONOMIC ABUSE" MEANS A BEHAVIOR THAT IS COERCIVE,
11 DECEPTIVE, OR MANIPULATIVE, OR RESTRAINS, SABOTAGES, OR
12 UNREASONABLY CONTROLS A PERSON'S ABILITY TO ACQUIRE, USE, OR
13 MAINTAIN ECONOMIC RESOURCES THAT THE PERSON IS ENTITLED TO,
14 INCLUDING USING COERCION, THREAT OF HARM, FORCE, FRAUD, OR
15 MANIPULATION TO:

16 (I) RESTRICT A PERSON'S ACCESS TO MONEY, ASSETS, CREDIT, OR
17 FINANCIAL INFORMATION;

18 (II) STEAL OR UNFAIRLY USE A PERSON'S ECONOMIC RESOURCES,
19 INCLUDING MONEY, ASSETS, AND CREDIT;

20 (III) USE A PERSON'S CREDIT OR PROPERTY WITHOUT
21 AUTHORIZATION;

22 (IV) PREVENT A PERSON FROM LEAVING THE PERSON'S RESIDENCE
23 TO ATTEND SCHOOL OR EMPLOYMENT;

24 (V) EXPLOIT THE PERSON'S RESOURCES FOR THE PERPETRATOR'S
25 PERSONAL GAIN;

26 (VI) WITHHOLD INDIVIDUAL RESOURCES FROM A PERSON, SUCH AS
27 FOOD, CLOTHING, NECESSARY MEDICATIONS, OR SHELTER;

1 (VII) CAUSE OR ATTEMPT TO CAUSE A PERSON TO BE FINANCIALLY
2 DEPENDENT BY MAINTAINING CONTROL OVER THE PERSON'S FINANCIAL
3 RESOURCES; OR

4 (VIII) EXERT UNDUE INFLUENCE OVER A PERSON'S FINANCIAL
5 BEHAVIOR OR DECISIONS, INCLUDING FORCING DEFAULT ON JOINT OR
6 OTHER FINANCIAL OBLIGATIONS; EXPLOITING POWERS OF ATTORNEY,
7 GUARDIANSHIP, OR CONSERVATORSHIP; OR THREATENING TO EXPOSE A
8 PERSON'S SUSPECTED CITIZENSHIP OR IMMIGRATION STATUS OR THE
9 SUSPECTED CITIZENSHIP OR IMMIGRATION STATUS OF A PERSON'S FAMILY
10 MEMBER TO A FEDERAL, STATE, OR LOCAL AGENCY.

11 (c) "QUALIFIED THIRD PARTY" MEANS A PERSON WHO IS
12 UNRELATED TO THE CONSUMER AND WHO IS:

13 (I) A LAW ENFORCEMENT OFFICER;

14 (II) A PHYSICIAN, PHYSICIAN ASSISTANT, PSYCHIATRIST,
15 PSYCHOLOGIST, SOCIAL WORKER, NURSE, THERAPIST, OR CLINICAL
16 PROFESSIONAL COUNSELOR WHO IS LICENSED TO PRACTICE IN COLORADO;

17 (III) A VICTIM'S ADVOCATE, AS DESCRIBED IN SECTION 13-90-107;
18 OR

19 (IV) A MEMBER OF THE CLERGY OF A CHURCH, RELIGIOUS SOCIETY,
20 OR DENOMINATION.

21 (d) (I) "STATEMENT OF COERCED DEBT" MEANS A SWORN
22 STATEMENT OR UNSWORN DECLARATION THAT COMPLIES WITH THE
23 REQUIREMENTS OF SECTION 13-27-106 MADE BY A CONSUMER TO A
24 CREDITOR IN WRITING THAT CONVEYS:

25 (A) ENOUGH INFORMATION ABOUT THE DEBT OR A PORTION OF THE
26 DEBT TO ALLOW THE CREDITOR TO IDENTIFY THE ACCOUNT AND AMOUNT
27 ASSOCIATED WITH THE DEBT;

1 (B) THAT THE CONSUMER DID NOT WILLINGLY AUTHORIZE THE USE
2 OF THE CONSUMER'S NAME, ACCOUNT, OR PERSONAL INFORMATION FOR
3 INCURRING THE DEBT OR A PORTION OF THE DEBT, OR A CLAIM THAT A
4 DEBT OR A PORTION OF THE DEBT IS A RESULT OF ECONOMIC ABUSE OR
5 COERCED DEBT;

6 (C) WHETHER THE CONSUMER KNOWS HOW THE DEBT WAS
7 INCURRED AND, IF SO, FACTS DESCRIBING HOW THE DEBT WAS INCURRED;

8 (D) WHETHER THE CONSUMER KNOWS THE IDENTITY OF THE
9 PERPETRATOR WHO CAUSED OR WHO IS ALLEGED TO HAVE CAUSED THE
10 ECONOMIC ABUSE OR COERCED DEBT AND, IF SO, THE PERSON'S NAME AND
11 CONTACT INFORMATION TO THE EXTENT THE CONSUMER HAS ACCESS TO
12 OR KNOWS THE INFORMATION; AND

13 (E) THE CONSUMER'S PREFERRED CONTACT INFORMATION,
14 INCLUDING THE CONSUMER'S PHONE NUMBER, EMAIL ADDRESS, AND
15 PHYSICAL ADDRESS OR SAFE ADDRESS FOR EITHER THE CONSUMER OR A
16 THIRD PARTY WHOM THE CONSUMER DESIGNATES TO RECEIVE
17 INFORMATION ABOUT THE COERCED DEBT.

18 (II) IN CONNECTION WITH ANY COMMUNICATION RELATED TO A
19 STATEMENT OF COERCED DEBT, THE CREDITOR:

20 (A) SHALL CONTACT THE CONSUMER USING ONLY THE CONTACT
21 INFORMATION THE CONSUMER PROVIDED IN THE STATEMENT OF COERCED
22 DEBT AND SHALL NOT USE ANY OTHER CONTACT INFORMATION;

23 (B) SHALL NOT DISCLOSE THE CONTACT INFORMATION THE
24 CONSUMER PROVIDED IN THE STATEMENT OF COERCED DEBT TO ANY
25 OTHER PERSON INCLUDING, BUT NOT LIMITED TO, THE PERPETRATOR WHO
26 CAUSED OR WHO IS ALLEGED TO HAVE CAUSED THE ECONOMIC ABUSE OR
27 COERCED DEBT OR ANY JOINT ACCOUNT HOLDERS, WITHOUT FIRST

1 OBTAINING THE CONSUMER'S EXPRESS WRITTEN AUTHORIZATION; AND

2 (C) MAY REQUEST THAT THE CONSUMER PROVIDE THE IDENTITY
3 OF THE PERPETRATOR WHO CAUSED OR WHO IS ALLEGED TO HAVE CAUSED
4 THE ECONOMIC ABUSE OR COERCED DEBT, IF KNOWN, AND THE CONTACT
5 INFORMATION FOR THE PERSON, IF KNOWN.

6 (e) "SUFFICIENT DOCUMENTATION" MEANS ANY OF THE
7 FOLLOWING DOCUMENTS:

8 (I) A POLICE REPORT THAT IDENTIFIES THE ECONOMIC ABUSE OR
9 COERCED DEBT, OR A PORTION OF THE ECONOMIC ABUSE OR COERCED
10 DEBT; IDENTIFIES THE NAME OF THE CREDITOR AND, IF APPLICABLE, THE
11 NAME OF THE CREDITOR'S BILLING OR SERVICING AGENT; AND DESCRIBES
12 THE CIRCUMSTANCES UNDER WHICH THE ECONOMIC ABUSE OR COERCED
13 DEBT WAS INCURRED;

14 (II) A FEDERAL TRADE COMMISSION IDENTITY THEFT REPORT;

15 (III) A COURT ORDER SETTING FORTH FINDINGS OF ECONOMIC
16 ABUSE OR COERCED DEBT, INCLUDING THE NAME OF THE CREDITOR AND
17 THE DEBT OR PORTION OF THE DEBT THAT RESULTED FROM THE ECONOMIC
18 ABUSE OR COERCED DEBT;

19 (IV) AN UNSWORN DECLARATION THAT COMPLIES WITH THE
20 REQUIREMENTS IN SECTION 13-27-106 OR A SWORN STATEMENT FROM A
21 QUALIFIED THIRD PARTY TO WHOM THE CONSUMER REPORTED THE
22 ECONOMIC ABUSE OR COERCED DEBT THAT INCLUDES THE FOLLOWING:

23 (A) INFORMATION IDENTIFYING THAT THE PARTY IS A QUALIFIED
24 THIRD PARTY;

25 (B) THE LETTERHEAD, ADDRESS, AND PHONE NUMBER OF THE
26 QUALIFIED THIRD PARTY'S EMPLOYER, INCLUDING IF THE QUALIFIED THIRD
27 PARTY IS SELF-EMPLOYED, AND THE NAME OF THE LICENSING ENTITY IF

1 THE QUALIFIED THIRD PARTY IS A LICENSED PROFESSIONAL; AND

2 (C) INFORMATION IDENTIFYING THE ECONOMIC ABUSE OR
3 COERCED DEBT, OR A PORTION OF THE DEBT, AND DESCRIBING THE
4 CIRCUMSTANCES UNDER WHICH THE ECONOMIC ABUSE OR COERCED DEBT
5 WAS INCURRED;

6 (V) A DOCUMENT STATING WHETHER THE CONSUMER KNOWS THE
7 IDENTITY OF THE PERPETRATOR WHO CAUSED OR WHO IS ALLEGED TO
8 HAVE CAUSED THE ECONOMIC ABUSE OR COERCED DEBT AND, IF SO, THE
9 PERSON'S NAME AND CONTACT INFORMATION TO THE EXTENT THE
10 CONSUMER HAS ACCESS TO OR KNOWS THE INFORMATION; AND

11 (VI) ANY OTHER DOCUMENT THAT DEMONSTRATES THE
12 CONSUMER WAS SUBJECT TO ECONOMIC ABUSE OR COERCED DEBT AND
13 THAT SUPPORTS A STATEMENT OF ECONOMIC ABUSE OR COERCED DEBT.

14 **SECTION 3.** In Colorado Revised Statutes, 5-16-103, **add** (2.5),
15 (9.5), (12.5), (15), and (16) as follows:

16 **5-16-103. Definitions.** As used in this article 16, unless the
17 context otherwise requires:

18 (2.5) "COERCED DEBT" MEANS A DEBT OR A PORTION OF A DEBT
19 THAT WAS INCURRED THROUGH FRAUD, DURESS, INTIMIDATION, THREAT,
20 FORCE, COERCION, MANIPULATION, UNDUE INFLUENCE, MISINFORMATION,
21 OR THE NONCONSENSUAL USE OF THE DEBTOR'S PERSONAL IDENTIFYING
22 INFORMATION WITHIN THE CONTEXT OF DOMESTIC VIOLENCE, AS DEFINED
23 IN SECTION 13-14-101, OR HUMAN TRAFFICKING FOR INVOLUNTARY OR
24 SEXUAL SERVITUDE, AS DESCRIBED IN SECTION 18-3-503 OR 18-3-504, OR
25 ABUSE OF AN AT-RISK ELDER, AS DESCRIBED IN SECTION 18-6.5-102.

26 (9.5) "ECONOMIC ABUSE" MEANS A BEHAVIOR THAT IS COERCIVE,
27 DECEPTIVE, OR MANIPULATIVE, OR RESTRAINS, SABOTAGES, OR

1 UNREASONABLY CONTROLS A PERSON'S ABILITY TO ACQUIRE, USE, OR
2 MAINTAIN ECONOMIC RESOURCES THAT THE PERSON IS ENTITLED TO,
3 INCLUDING USING COERCION, THREAT OF HARM, FORCE, FRAUD, OR
4 MANIPULATION TO:

5 (a) RESTRICT A PERSON'S ACCESS TO MONEY, ASSETS, CREDIT, OR
6 FINANCIAL INFORMATION;

7 (b) STEAL OR UNFAIRLY USE A PERSON'S ECONOMIC RESOURCES,
8 INCLUDING MONEY, ASSETS, AND CREDIT;

9 (c) USE A PERSON'S CREDIT OR PROPERTY WITHOUT
10 AUTHORIZATION;

11 (d) PREVENT A PERSON FROM LEAVING THE PERSON'S RESIDENCE
12 TO ATTEND SCHOOL OR EMPLOYMENT;

13 (e) EXPLOIT THE PERSON'S RESOURCES FOR THE PERPETRATOR'S
14 PERSONAL GAIN;

15 (f) WITHHOLD INDIVIDUAL RESOURCES FROM A PERSON, SUCH AS
16 FOOD, CLOTHING, NECESSARY MEDICATIONS, OR SHELTER;

17 (g) CAUSE OR ATTEMPT TO CAUSE A PERSON TO BE FINANCIALLY
18 DEPENDENT BY MAINTAINING CONTROL OVER THE PERSON'S FINANCIAL
19 RESOURCES; OR

20 (h) EXERT UNDUE INFLUENCE OVER A PERSON'S FINANCIAL
21 BEHAVIOR OR DECISIONS, INCLUDING FORCING DEFAULT ON JOINT OR
22 OTHER FINANCIAL OBLIGATIONS; EXPLOITING POWERS OF ATTORNEY,
23 GUARDIANSHIP, OR CONSERVATORSHIP; OR THREATENING TO EXPOSE A
24 PERSON'S SUSPECTED CITIZENSHIP OR IMMIGRATION STATUS OR THE
25 SUSPECTED CITIZENSHIP OR IMMIGRATION STATUS OF A PERSON'S FAMILY
26 MEMBER TO A FEDERAL, STATE, OR LOCAL AGENCY.

27 (12.5) "QUALIFIED THIRD PARTY" MEANS A PERSON WHO IS

1 UNRELATED TO THE CONSUMER AND WHO IS:

2 (a) A LAW ENFORCEMENT OFFICER;

3 (b) A PHYSICIAN, PHYSICIAN ASSISTANT, PSYCHIATRIST,
4 PSYCHOLOGIST, SOCIAL WORKER, NURSE, THERAPIST, OR CLINICAL
5 PROFESSIONAL COUNSELOR WHO IS LICENSED TO PRACTICE IN COLORADO;

6 (c) A VICTIM'S ADVOCATE, AS DESCRIBED IN SECTION 13-90-107;

7 OR

8 (d) A MEMBER OF THE CLERGY OF A CHURCH, RELIGIOUS SOCIETY,
9 OR DENOMINATION.

10 (15) (a) "STATEMENT OF COERCED DEBT" MEANS A SWORN
11 STATEMENT OR AN UNSWORN DECLARATION THAT COMPLIES WITH THE
12 REQUIREMENTS OF SECTION 13-27-106 MADE BY A CONSUMER TO A DEBT
13 COLLECTOR OR COLLECTION AGENCY IN WRITING THAT CONVEYS:

14 (I) ENOUGH INFORMATION ABOUT THE DEBT OR A PORTION OF THE
15 DEBT TO ALLOW THE DEBT COLLECTOR OR COLLECTION AGENCY TO
16 IDENTIFY THE ACCOUNT AND AMOUNT ASSOCIATED WITH THE DEBT;

17 (II) THAT THE CONSUMER DID NOT WILLINGLY AUTHORIZE THE USE
18 OF THE CONSUMER'S NAME, ACCOUNT, OR PERSONAL INFORMATION FOR
19 INCURRING THE DEBT OR A PORTION OF THE DEBT, OR A CLAIM THAT A
20 DEBT OR A PORTION OF THE DEBT IS A RESULT OF ECONOMIC ABUSE OR
21 COERCED DEBT;

22 (III) WHETHER THE CONSUMER KNOWS HOW THE DEBT WAS
23 INCURRED AND, IF SO, FACTS DESCRIBING HOW THE DEBT WAS INCURRED;

24 (IV) WHETHER THE CONSUMER KNOWS THE IDENTITY OF THE
25 PERPETRATOR WHO CAUSED OR WHO IS ALLEGED TO HAVE CAUSED THE
26 ECONOMIC ABUSE OR COERCED DEBT AND, IF SO, THE PERSON'S NAME AND
27 CONTACT INFORMATION TO THE EXTENT THE CONSUMER HAS ACCESS TO

1 OR KNOWS THE INFORMATION; AND

2 (V) THE CONSUMER'S PREFERRED CONTACT INFORMATION,
3 INCLUDING THE CONSUMER'S PHONE NUMBER, EMAIL ADDRESS, AND
4 PHYSICAL ADDRESS OR SAFE ADDRESS FOR EITHER THE CONSUMER OR A
5 THIRD PARTY WHOM THE CONSUMER DESIGNATES TO RECEIVE
6 INFORMATION ABOUT THE COERCED DEBT.

7 (b) IN CONNECTION WITH ANY COMMUNICATION RELATED TO A
8 STATEMENT OF COERCED DEBT, THE DEBT COLLECTOR OR COLLECTION
9 AGENCY:

10 (I) SHALL CONTACT THE CONSUMER USING ONLY THE CONTACT
11 INFORMATION THE CONSUMER PROVIDED IN THE STATEMENT OF COERCED
12 DEBT AND SHALL NOT USE ANY OTHER CONTACT INFORMATION;

13 (II) SHALL NOT DISCLOSE THE CONTACT INFORMATION THE
14 CONSUMER PROVIDED IN THE STATEMENT OF COERCED DEBT TO ANY
15 OTHER PERSON INCLUDING, BUT NOT LIMITED TO, THE PERPETRATOR WHO
16 CAUSED OR WHO IS ALLEGED TO HAVE CAUSED THE ECONOMIC ABUSE OR
17 COERCED DEBT OR ANY JOINT ACCOUNT HOLDERS, WITHOUT FIRST
18 OBTAINING THE CONSUMER'S EXPRESS WRITTEN AUTHORIZATION; AND

19 (III) MAY REQUEST THAT THE CONSUMER PROVIDE THE IDENTITY
20 OF THE PERPETRATOR WHO CAUSED OR WHO IS ALLEGED TO HAVE CAUSED
21 THE ECONOMIC ABUSE OR COERCED DEBT, IF KNOWN, AND THE CONTACT
22 INFORMATION FOR THE PERSON, IF KNOWN.

23 (16) "SUFFICIENT DOCUMENTATION" MEANS ANY OF THE
24 FOLLOWING DOCUMENTS:

25 (a) A POLICE REPORT THAT IDENTIFIES THE ECONOMIC ABUSE OR
26 COERCED DEBT, OR A PORTION OF THE ECONOMIC ABUSE OR COERCED
27 DEBT; IDENTIFIES THE NAME OF THE CREDITOR AND, IF APPLICABLE, THE

1 NAME OF THE CREDITOR'S BILLING OR SERVICING AGENT; AND DESCRIBES
2 THE CIRCUMSTANCES UNDER WHICH THE ECONOMIC ABUSE OR COERCED
3 DEBT WAS INCURRED;

4 (b) A FEDERAL TRADE COMMISSION IDENTITY THEFT REPORT;

5 (c) A COURT ORDER SETTING FORTH FINDINGS OF ECONOMIC ABUSE
6 OR COERCED DEBT, INCLUDING THE NAME OF THE CREDITOR AND THE DEBT
7 OR PORTION OF THE DEBT THAT RESULTED FROM THE ECONOMIC ABUSE OR
8 COERCED DEBT;

9 (d) AN UNSWORN DECLARATION THAT COMPLIES WITH THE
10 REQUIREMENTS IN SECTION 13-27-160 OR A SWORN STATEMENT FROM A
11 QUALIFIED THIRD PARTY TO WHOM THE CONSUMER REPORTED THE
12 ECONOMIC ABUSE OR COERCED DEBT THAT INCLUDES THE FOLLOWING:

13 (I) INFORMATION IDENTIFYING THAT THE PARTY IS A QUALIFIED
14 THIRD PARTY;

15 (II) THE LETTERHEAD, ADDRESS, AND PHONE NUMBER OF THE
16 QUALIFIED THIRD PARTY'S EMPLOYER, INCLUDING IF THE QUALIFIED THIRD
17 PARTY IS SELF-EMPLOYED, AND THE NAME OF THE LICENSING ENTITY IF
18 THE QUALIFIED THIRD PARTY IS A LICENSED PROFESSIONAL; AND

19 (III) INFORMATION IDENTIFYING THE ECONOMIC ABUSE OR
20 COERCED DEBT, OR A PORTION OF THE DEBT, AND DESCRIBING THE
21 CIRCUMSTANCES UNDER WHICH THE ECONOMIC ABUSE OR COERCED DEBT
22 WAS INCURRED;

23 (e) A DOCUMENT STATING WHETHER THE CONSUMER KNOWS THE
24 IDENTITY OF THE PERPETRATOR WHO CAUSED OR WHO IS ALLEGED TO
25 HAVE CAUSED THE ECONOMIC ABUSE OR COERCED DEBT AND, IF SO, THE
26 PERSON'S NAME AND CONTACT INFORMATION TO THE EXTENT THE
27 CONSUMER HAS ACCESS TO OR KNOWS THE INFORMATION; AND

1 (f) ANY OTHER DOCUMENT THAT DEMONSTRATES THE CONSUMER
2 WAS SUBJECT TO ECONOMIC ABUSE OR COERCED DEBT AND THAT
3 SUPPORTS A STATEMENT OF ECONOMIC ABUSE OR COERCED DEBT.

4 **SECTION 4.** In Colorado Revised Statutes, 5-16-108, **add** (2) as
5 follows:

6 **5-16-108. Unfair practices - economic abuse - coerced debt.**

7 (2) A DEBT COLLECTOR OR COLLECTION AGENCY, AFTER RECEIVING
8 WRITTEN NOTICE FROM THE CONSUMER WITHIN THE TIME FRAME
9 DESCRIBED IN SECTION 5-16-109 (2), SHALL CEASE COLLECTION OF ANY
10 DEBT OR PORTION OF ANY DEBT THAT IS THE RESULT OF ECONOMIC ABUSE
11 OR COERCED DEBT, UNLESS THE DEBT COLLECTOR OR COLLECTION AGENCY
12 FIRST OBTAINS A DECREE, JUDGMENT, OR COURT ORDER FINDING THE DEBT
13 WAS NOT THE RESULT OF ECONOMIC ABUSE OR COERCED DEBT.

14 **SECTION 5.** In Colorado Revised Statutes, 5-16-109, **add** (2.5)
15 as follows:

16 **5-16-109. Validation of debts. (2.5) (a)** IF THE CONSUMER
17 NOTIFIES THE DEBT COLLECTOR OR COLLECTION AGENCY IN WRITING
18 WITHIN THE THIRTY-DAY PERIOD DESCRIBED IN SUBSECTION (1)(c) OF THIS
19 SECTION THAT THE DEBT, OR ANY PORTION OF THE DEBT, IS THE RESULT OF
20 ECONOMIC ABUSE OR COERCED DEBT AND PROVIDES A STATEMENT OF
21 COERCED DEBT AND SUFFICIENT DOCUMENTATION TO THE DEBT
22 COLLECTOR OR COLLECTION AGENCY, THE DEBT COLLECTOR OR
23 COLLECTION AGENCY SHALL CEASE COLLECTION OF THE DEBT OR THE
24 DISPUTED PORTION OF THE DEBT UNTIL THE DEBT COLLECTOR OR
25 COLLECTION AGENCY OBTAINS A DECREE, JUDGMENT, OR COURT ORDER
26 FINDING THE DEBT WAS NOT THE RESULT OF ECONOMIC ABUSE OR
27 COERCED DEBT.

1 (b) (I) THE CONSUMER ESTABLISHES A PRIMA FACIE CASE THAT THE
2 DEBT IS A RESULT OF ECONOMIC ABUSE OR COERCED DEBT BY PROVIDING
3 A STATEMENT OF COERCED DEBT AND SUFFICIENT DOCUMENTATION TO
4 THE DEBT COLLECTOR OR COLLECTION AGENCY. IF THE DEBT COLLECTOR
5 OR COLLECTION AGENCY HAS A GOOD FAITH BASIS TO BELIEVE THAT THE
6 DEBT IS NOT THE RESULT OF ECONOMIC ABUSE OR COERCED DEBT, OR IF
7 THE CONSUMER'S CLAIM IS FRAUDULENT, THE DEBT COLLECTOR OR
8 COLLECTION AGENCY MAY FILE SUIT IN A COURT OF COMPETENT
9 JURISDICTION TO SEEK A DECREE, JUDGMENT, OR COURT ORDER
10 DECLARING THAT THE DEBT IS NOT THE RESULT OF ECONOMIC ABUSE OR
11 COERCED DEBT. THE DEBT COLLECTOR OR COLLECTION AGENCY HAS THE
12 BURDEN TO PROVE THE DEBT IS NOT THE RESULT OF ECONOMIC ABUSE OR
13 COERCED DEBT OR THAT THE CONSUMER'S CLAIM IS FRAUDULENT BY A
14 PREPONDERANCE OF THE EVIDENCE.

15 (II) IN ANY COURT ACTION BROUGHT PURSUANT TO THIS
16 SUBSECTION (2.5), THE COURT SHALL TAKE APPROPRIATE STEPS
17 NECESSARY TO PROTECT THE CONSUMER AND THE CONSUMER'S IMMEDIATE
18 FAMILY FROM THE PERPETRATOR WHO CAUSED OR WHO IS ALLEGED TO
19 HAVE CAUSED THE ECONOMIC ABUSE OR COERCED DEBT, INCLUDING, BUT
20 NOT LIMITED TO, SEALING COURT RECORDS, REDACTING PERSONALLY
21 IDENTIFIABLE INFORMATION ABOUT THE CONSUMER AND THE CONSUMER'S
22 IMMEDIATE FAMILY, AND DIRECTING THAT ANY DEPOSITION OR
23 EVIDENTIARY HEARING BE CONDUCTED REMOTELY.

24 (III) AN ACTION BROUGHT BY A DEBT COLLECTOR OR COLLECTION
25 AGENCY TO DETERMINE WHETHER A DEBT IS THE RESULT OF ECONOMIC
26 ABUSE OR COERCED DEBT OR WHETHER A CONSUMER'S CLAIM IS
27 FRAUDULENT DOES NOT CREATE A PRIVATE RIGHT OF ACTION OR

1 ENTITLEMENT TO A REMEDY AGAINST THE DEBT COLLECTOR OR
2 COLLECTION AGENCY.

3 (c) (I) A DEBT COLLECTOR OR COLLECTION AGENCY MAY USE ALL
4 LEGAL RIGHTS AND REMEDIES TO COLLECT THE DEBT THAT IS A RESULT OF
5 ECONOMIC ABUSE OR COERCED DEBT FROM THE PERPETRATOR WHO
6 CAUSED OR IS ALLEGED TO HAVE CAUSED THE ECONOMIC ABUSE OR
7 COERCED DEBT TO BE INCURRED BY THE CONSUMER.

8 (II) THE PERPETRATOR WHO CAUSED OR IS ALLEGED TO HAVE
9 CAUSED THE ECONOMIC ABUSE OR COERCED DEBT DOES NOT HAVE A
10 PRIVATE RIGHT OF ACTION OR REMEDY AGAINST THE DEBT COLLECTOR OR
11 COLLECTION AGENCY FOR PURSUING THE PERPETRATOR FOR THE DEBT IF
12 THE DEBT COLLECTOR OR COLLECTION AGENCY HAS FIRST SECURED A
13 DECREE, JUDGMENT, OR COURT ORDER FINDING THE DEBT WAS THE RESULT
14 OF ECONOMIC ABUSE OR COERCED DEBT.

15 **SECTION 6.** In Colorado Revised Statutes, 5-18-103, **add** (1.5)
16 and (7.5) as follows:

17 **5-18-103. Definitions.** As used in this article 18, unless the
18 context otherwise requires:

19 (1.5) "COERCED DEBT" MEANS A DEBT OR A PORTION OF A DEBT
20 THAT WAS INCURRED THROUGH FRAUD, DURESS, INTIMIDATION, THREAT,
21 FORCE, COERCION, MANIPULATION, UNDUE INFLUENCE, MISINFORMATION,
22 OR THE NONCONSENSUAL USE OF THE DEBTOR'S PERSONAL IDENTIFYING
23 INFORMATION WITHIN THE CONTEXT OF DOMESTIC VIOLENCE, AS DEFINED
24 IN SECTION 13-14-101, OR HUMAN TRAFFICKING FOR INVOLUNTARY OR
25 SEXUAL SERVITUDE, AS DESCRIBED IN SECTION 18-3-503 OR 18-3-504, OR
26 ABUSE OF AN AT-RISK ELDER, AS DESCRIBED IN SECTION 18-6.5-102.

27 (7.5) "ECONOMIC ABUSE" MEANS A BEHAVIOR THAT IS COERCIVE,

1 DECEPTIVE, OR MANIPULATIVE, OR RESTRAINS, SABOTAGES, OR
2 UNREASONABLY CONTROLS A PERSON'S ABILITY TO ACQUIRE, USE, OR
3 MAINTAIN ECONOMIC RESOURCES THAT THE PERSON IS ENTITLED TO,
4 INCLUDING USING COERCION, THREAT OF HARM, FORCE, FRAUD, OR
5 MANIPULATION TO:

6 (a) RESTRICT A PERSON'S ACCESS TO MONEY, ASSETS, CREDIT, OR
7 FINANCIAL INFORMATION;

8 (b) STEAL OR UNFAIRLY USE A PERSON'S ECONOMIC RESOURCES,
9 INCLUDING MONEY, ASSETS, AND CREDIT;

10 (c) USE A PERSON'S CREDIT OR PROPERTY WITHOUT
11 AUTHORIZATION;

12 (d) PREVENT A PERSON FROM LEAVING THE PERSON'S RESIDENCE
13 TO ATTEND SCHOOL OR EMPLOYMENT;

14 (e) EXPLOIT THE PERSON'S RESOURCES FOR THE PERPETRATOR'S
15 PERSONAL GAIN;

16 (f) WITHHOLD INDIVIDUAL RESOURCES FROM A PERSON, SUCH AS
17 FOOD, CLOTHING, NECESSARY MEDICATIONS, OR SHELTER;

18 (g) CAUSE OR ATTEMPT TO CAUSE A PERSON TO BE FINANCIALLY
19 DEPENDENT BY MAINTAINING CONTROL OVER THE PERSON'S FINANCIAL
20 RESOURCES; OR

21 (h) EXERT UNDUE INFLUENCE OVER A PERSON'S FINANCIAL
22 BEHAVIOR OR DECISIONS, INCLUDING FORCING DEFAULT ON JOINT OR
23 OTHER FINANCIAL OBLIGATIONS; EXPLOITING POWERS OF ATTORNEY,
24 GUARDIANSHIP, OR CONSERVATORSHIP; OR THREATENING TO EXPOSE A
25 PERSON'S SUSPECTED CITIZENSHIP OR IMMIGRATION STATUS OR THE
26 SUSPECTED CITIZENSHIP OR IMMIGRATION STATUS OF THE PERSON'S
27 FAMILY MEMBER TO A FEDERAL, STATE, OR LOCAL AGENCY.

1 **SECTION 7.** In Colorado Revised Statutes, 5-18-110, **amend** (1)
2 as follows:

3 **5-18-110. Procedure for disputed information - economic**
4 **abuse or coerced debt.** (1) If the completeness or accuracy of any item
5 of information contained in the consumer's file is disputed by the
6 consumer, INCLUDING AN ITEM THE CONSUMER ASSERTS IS THE RESULT OF
7 ECONOMIC ABUSE OR COERCED DEBT, and the consumer notifies the
8 consumer reporting agency directly of the dispute, the agency shall
9 reinvestigate the item free of charge and record the current status of the
10 disputed information on or before thirty business days after the date the
11 agency receives notice conveyed by the consumer. The consumer
12 reporting agency shall provide the consumer with the option of speaking
13 directly to a representative of the agency to notify the agency of disputed
14 information contained in the consumer's file.

15 **SECTION 8.** In Colorado Revised Statutes, 13-14-101, **amend**
16 (1.6) as follows:

17 **13-14-101. Definitions.** For purposes of this article 14, unless the
18 context otherwise requires:

19 (1.6) "Coercion" means compelling a person by force, threat of
20 force, or intimidation to engage in conduct from which the person has the
21 right or privilege to abstain, or to abstain from conduct in which the
22 person has the right or privilege to engage. "COERCION" ALSO INCLUDES
23 ECONOMIC ABUSE AND COERCED DEBT AS THOSE TERMS ARE DEFINED IN
24 SECTION 5-18-103.

25 **SECTION 9. Act subject to petition - effective date -**
26 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
27 the expiration of the ninety-day period after final adjournment of the

1 general assembly; except that, if a referendum petition is filed pursuant
2 to section 1 (3) of article V of the state constitution against this act or an
3 item, section, or part of this act within such period, then the act, item,
4 section, or part will not take effect unless approved by the people at the
5 general election to be held in November 2026 and, in such case, will take
6 effect on the date of the official declaration of the vote thereon by the
7 governor.

8 (2) This act applies to a debt or a portion of a debt incurred on or
9 after the applicable effective date of this act.