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THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2344 Session of 2026

INTRODUCED BY ORTITAY, CONKLIN, MIHALEK AND JAMES, MARCH 31, 2026

AS REPORTED FROM COMMITTEE ON JUDICIARY, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 17, 2026

AN ACT

Amending Title 12 (Commerce and Trade) of the Pennsylvania Consolidated Statutes, providing for protections against coerced debt; and imposing duties on the ~~Treasury Department.~~ <-- ADMINISTRATIVE OFFICE OF PENNSYLVANIA COURTS. <--

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Part IV of Title 12 of the Pennsylvania Consolidated Statutes is amended by adding a chapter to read:

CHAPTER 59

PROTECTIONS AGAINST COERCED DEBT

Sec.

5901. Scope of chapter.

5902. Definitions.

5903. Petition.

5904. Notice of dispute.

5905. Amended petition.

5906. Determination.

5907. Cause of action.

§ 5901. Scope of chapter.

This chapter relates to protections against and disputes involving coerced debt.

§ 5902. Definitions.

The following words and phrases when used in this chapter shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"ADMINISTRATIVE OFFICE." THE ADMINISTRATIVE OFFICE OF PENNSYLVANIA COURTS. <--

"Coerced debt." A debt or portion of a debt that was incurred because of a domestic violence offense, fraud, duress, intimidation, threat, force, coercion, manipulation, undue influence, misinformation or the nonconsensual use of the debtor's personal identifying information.

"Creditor."

(1) A person to whom a debt is owed or alleged to be owed.

(2) The term includes:

(i) An agent, servant, employee or other representative of the person described under paragraph (1), conducting business under the name of the person and within this Commonwealth.

(ii) A third party utilized by the person described under paragraph (1) for the collection of the debt owed or alleged to be owed.

"Debt."

(1) An obligation or an alleged obligation to pay money or other consideration.

(2) The term does not include debt secured by real property.

"Debtor." An individual who owes or who is alleged to owe a debt.

~~"Department." The Treasury Department of the Commonwealth.~~ <--

"Domestic violence offense." Any of the following offenses under 18 Pa.C.S. (relating to crimes and offenses) if committed against a family or household member:

(1) Chapter 27 (relating to assault).

(2) Section 2902 (relating to unlawful restraint).

(3) Section 2903 (relating to false imprisonment).

(4) Chapter 30 (relating to human trafficking).

(5) Chapter 31 (relating to sexual offenses).

(6) Section 4302 (relating to incest).

(7) Section 4304 (relating to endangering welfare of children).

(8) Section 5902(b.1) (relating to prostitution and related offenses).

(9) Section 6301(a)(1)(ii) (relating to corruption of minors).

(10) Section 6312 (relating to sexual abuse of children).

(11) Section 6318 (relating to unlawful contact with minor).

(12) Section 6320 (relating to sexual exploitation of children).

"Family or household member." Any of the following:

(1) A spouse or individual who has been a spouse.

(2) An individual living as a spouse or who lived as a spouse.

(3) A parent.

(4) A child.

(5) An individual related by consanguinity or affinity.

(6) A current or former sexual or intimate partner.

(7) An individual who shares biological parenthood.

"Perpetrator of coerced debt." An individual who caused or is alleged to have caused coerced debt to be incurred by another individual.

"Petition." The coerced debt dispute petition developed under section 5903(a) (relating to petition).

"Qualified third party." Any of the following:

(1) A law enforcement officer.

(2) A physician, physician assistant, psychiatrist, psychologist, social worker, nurse, therapist or clinical professional counselor, if licensed or certified to practice within this Commonwealth.

(3) An individual who advises or provides services to other individuals regarding domestic violence, family violence, human trafficking or abuse of children, the elderly or dependent adults.

(4) A member of the clergy of a church, religious society or denomination.

§ 5903. Petition.

(a) Development.--The ~~department shall~~ ADMINISTRATIVE OFFICE MAY develop a coerced debt dispute petition to be used by a debtor to dispute a debt as coerced debt. <--

(b) Contents.--The petition ~~must~~ MAY include: <--

(1) Information about the debt or portion thereof to allow a creditor to identify the account associated with the debt.

(2) Either of the following:

(i) A statement that the debtor did not willingly

authorize the use of the debtor's name, account or personal information for incurring the debt or portion thereof.

(ii) A claim that the debt or portion thereof is a coerced debt.

(3) Facts describing how the debt was incurred, if known by the debtor.

(4) Documentation from a qualified third party providing evidence of the coerced debt.

(5) The debtor's preferred contact method and information, which may include telephone number, email address, physical address or safe address for the debtor or a third party whom the debtor designates to receive information about the coerced debt.

(6) The full name of the alleged perpetrator of coerced debt and any available contact information.

(7) Any other information that the ~~department~~ ADMINISTRATIVE OFFICE deems reasonably necessary. <--

(c) Posting.--The ~~department shall~~ ADMINISTRATIVE OFFICE MAY post the petition on its publicly accessible Internet website. <--

§ 5904. Notice of dispute.

A debtor seeking to dispute an alleged coerced debt shall complete a petition and send it to the creditor.

§ 5905. Amended petition.

(a) Authorization.--If, after receiving a petition, the creditor determines that the petition is incomplete or that more information is required for the creditor to make a good faith effort to resolve the alleged coerced debt matter, the creditor shall request an amended petition from the debtor by using the preferred contact method contained in the petition.

(b) Time frame.--The request for an amended petition must be made no later than 10 business days after receipt of the petition.

§ 5906. Determination.

(a) Determination generally.--Within 10 business days of receipt of a petition or an amended petition, the creditor shall make a good faith determination of whether the challenged debt qualifies as coerced debt.

(b) Notice.--The creditor shall notify the debtor of its determination under this section by using the preferred contact method contained in the petition or amended petition.

(c) Determination of coerced debt.--If the creditor determines that the debt described in the petition or amended petition qualifies, in whole or in part, as coerced debt, the creditor shall:

(1) Cease all attempts to collect the coerced debt from the debtor.

(2) Unless the debtor is the perpetrator of coerced debt:

(i) refrain from commencing an action against the debtor to collect the coerced debt; or

(ii) if a collection action has already been commenced against the debtor, seek the dismissal of the action.

(3) Cease all garnishment of money from the debtor.

(4) Return to the debtor any payments that were made by the debtor or received as part of a garnishment of money from the debtor on the coerced debt.

(5) Notify the debtor that it is ceasing all attempts to collect the debt from the debtor based on the debtor's claim

of coerced debt.

(6) Contact each consumer reporting agency to which the creditor furnished information about the debtor and the coerced debt and request that the consumer reporting agency delete the information.

(7) If the creditor does not own the debt and is collecting the debt for another, the creditor shall notify the owner of the debt that it has ceased collection activities against the debtor because the debt is coerced debt.

(d) Determination that debt is not coerced debt.--If the creditor determines that the debt described in the petition or amended petition does not qualify, in whole or in part, as coerced debt, the creditor shall inform the debtor of:

(1) The reasons why the creditor believes the debt does not qualify as coerced debt.

(2) The right to challenge the determination as provided under section 5907 (relating to cause of action).

§ 5907. Cause of action.

(a) Commencement of action.--If the creditor determines in accordance with section 5906 (relating to determination) that debt does not qualify, in whole or in part, as coerced debt, the debtor may, no later than two years after receiving the determination from the creditor, commence an action in a court of competent jurisdiction to challenge the determination.

(b) Court determination.--

(1) If the court determines that the debt is coerced debt, the court shall order that the actions described in section 5906(c) be taken and may order other appropriate relief, including attorney fees.

(2) If the court determines that the debt is coerced debt and an individual is determined to be the perpetrator of coerced debt, the court shall order the individual to pay the debt and may order other appropriate relief, including attorney fees.

(c) If a creditor approves the petition or amended petition under section 5906, the creditor may, no later than two years after making the determination, commence an action in a court of competent jurisdiction to collect the debt owed by the perpetrator of coerced debt.

Section 2. This act shall take effect in 90 days.