
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2344 Session of
2026

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

REFERRED TO COMMITTEE ON JUDICIARY, MARCH 31, 2026

AN ACT

1 Amending Title 12 (Commerce and Trade) of the Pennsylvania
2 Consolidated Statutes, providing for protections against
3 coerced debt; and imposing duties on the Treasury Department.

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

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

8 CHAPTER 59

9 PROTECTIONS AGAINST COERCED DEBT

10 Sec.

11 5901. Scope of chapter.

12 5902. Definitions.

13 5903. Petition.

14 5904. Notice of dispute.

15 5905. Amended petition.

16 5906. Determination.

17 5907. Cause of action.

18 § 5901. Scope of chapter.

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

3 § 5902. Definitions.

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

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

12 "Creditor."

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

15 (2) The term includes:

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

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

23 "Debt."

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

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

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

30 "Department." The Treasury Department of the Commonwealth.

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

4 (1) Chapter 27 (relating to assault).

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

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

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

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

9 (6) Section 4302 (relating to incest).

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

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

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

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

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

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

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

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

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

26 (3) A parent.

27 (4) A child.

28 (5) An individual related by consanguinity or affinity.

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

30 (7) An individual who shares biological parenthood.

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

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

6 "Qualified third party." Any of the following:

7 (1) A law enforcement officer.

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

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

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

18 § 5903. Petition.

19 (a) Development.--The department shall develop a coerced
20 debt dispute petition to be used by a debtor to dispute a debt
21 as coerced debt.

22 (b) Contents.--The petition must include:

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

26 (2) Either of the following:

27 (i) A statement that the debtor did not willingly
28 authorize the use of the debtor's name, account or
29 personal information for incurring the debt or portion
30 thereof.

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

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

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

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

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

14 (7) Any other information that the department deems
15 reasonably necessary.

16 (c) Posting.--The department shall post the petition on its
17 publicly accessible Internet website.

18 § 5904. Notice of dispute.

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

21 § 5905. Amended petition.

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

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

1 § 5906. Determination.

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

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

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

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

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

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

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

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

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

26 (5) Notify the debtor that it is ceasing all attempts to
27 collect the debt from the debtor based on the debtor's claim
28 of coerced debt.

29 (6) Contact each consumer reporting agency to which the
30 creditor furnished information about the debtor and the

1 coerced debt and request that the consumer reporting agency
2 delete the information.

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

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

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

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

16 § 5907. Cause of action.

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

23 (b) Court determination.--

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

28 (2) If the court determines that the debt is coerced
29 debt and an individual is determined to be the perpetrator of
30 coerced debt, the court shall order the individual to pay the

1 debt and may order other appropriate relief, including
2 attorney fees.

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

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