



TO: The Honorable Members of the PA House Judiciary Committee

FROM: Allie Kutz, Manager, Government Affairs

DATE: June 16, 2026

RE: **PA Chamber memo: Oppose H.B. 1731 - Risks to Credit Access, Increased Costs for Consumers**

On behalf of the PA Chamber of Business and Industry, I write to express concerns with House Bill 1731, which is scheduled for consideration by the House Judiciary Committee tomorrow. While we respect the prime sponsor's intent to ensure fairness in debt collection practices, several provisions in the bill would create significant practical challenges that could ultimately reduce access to credit and increase costs for Pennsylvania consumers.

HB 1731 imposes extensive documentation requirements at the time of filing and limits the statute of limitations for debt collection actions to three years, which would make it more difficult for businesses to recover legitimate debts. While federal law establishes a national baseline for debt collection practices, HB 1731 would layer on additional state-specific procedural and documentation requirements that go far beyond existing federal standards, increasing complexity and costs for businesses operating within an already highly regulated system. These changes are likely to increase compliance and legal costs, particularly for small and mid-sized businesses, healthcare providers, and utilities that rely on payment plans. In turn, this added risk and administrative burden may lead to tighter lending standards, reduced availability of credit, and higher costs for consumers.

Additionally, the bill's changes to default judgment procedures, while intended to ensure proper documentation and notice, may introduce added procedural steps that delay resolution of cases, even where debts are not disputed, potentially increasing costs for all parties and placing additional strain on court resources.

We respectfully urge lawmakers to oppose HB 1731. For questions or further discussion, please contact **Allie Kutz, Manager, Government Affairs**, at 717.439.4829 or akutz@pachamber.org.

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