(Reprinted with amendments adopted on April 21, 2025)
FIRST REPRINT **A.B. 250**

ASSEMBLY BILL NO. 250–ASSEMBLYMEMBERS GOULDING; ANDERSON, FLANAGAN, HUNT, LA RUE HATCH AND NGUYEN

FEBRUARY 18, 2025

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to certain debt. (BDR 52-599)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets **[**~~omitted material~~**]** is material to be omitted.

AN ACT relating to debt; establishing coerced debt as an affirmative defense in certain civil actions to collect a consumer debt; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law governs the collection of debt by certain persons in this State, including, without limitation, collection agencies and private debt collectors. (*See, e.g.*, chapters 353C and 649 of NRS) **Section 1** of this bill establishes that in any civil action to collect a consumer debt, a coerced debt may be used as an affirmative defense. **Section 1** also: (1) sets forth the requirements for establishing a prima facie affirmative defense of coerced debt; and (2) defines "coerced debt" to mean a consumer debt or any part thereof which is the proximate result of a person having been a victim of domestic violence, human trafficking, abuse, coercion, fraud, duress, threats, intimidation, manipulation or other unlawful conduct intended to induce the person to incur debt against his or her own will.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 597 of NRS is hereby amended by adding thereto a new section to read as follows:

1. In any civil action to collect a consumer debt, it is an affirmative defense that the debt is a coerced debt.

2. A debtor establishes a prima facie affirmative defense that a debt is a coerced debt by proving that:

(a) The debt is a consumer debt accrued in his or her name;

(b) The debt was accrued as the proximate result of the debtor having been a victim of domestic violence, human trafficking, abuse, coercion, fraud, duress, threats, intimidation, manipulation or other unlawful conduct; and

(c) Being a victim of domestic violence, human trafficking, abuse, coercion, fraud, duress, threats, intimidation, manipulation or other unlawful conduct caused the debtor to incur the debt against the debtor's will.

3. As used in this section, "coerced debt" means a consumer debt or any part thereof which is the proximate result of a person having been a victim of domestic violence, human trafficking, abuse, coercion, fraud, duress, threats, intimidation, manipulation or other unlawful conduct intended to induce the person to incur debt against his or her own will.

Sec. 2. (Deleted by amendment.)

Sec. 3. The provisions of this act apply to any action filed on or after October 1, 2025.

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