Coronavirus Bites Collectors: State of Nevada “Recommends” Debt Collectors to Stop All Collection Activity

Thursday, March 19, 2020

In another sign of the remarkable times we find ourselves in, a Deputy Commissioner of the Nevada Department of Business and Industry “recommended” (!) that all debt collectors in the state hang it up for a month in response to the Governor’s order shuttering all non-essential businesses in the state. Here’s the letter:

Due to the COVID-19 outbreak and related concerns pertaining to person-to-person or community spread of the virus, Governor Steve Sisolak ordered all non-essential businesses to close for 30 days as a proactive measure to fight spread of coronavirus, only essential businesses should remain open.

In addition, effective March 17, 2020, the Las Vegas Justice Court suspended issuing Defaults on all civil actions, suspended issuing orders for the examination of a judgment debtor, and suspended the issuance of any Writ of Execution. Any property garnished or attached after March 17, 2020, must be released back to the judgment debtor.

Based upon the above, a collection agency is deemed a non-essential business at this time. Accordingly, the Nevada Financial Institutions Division recommends to all collection agencies holding a license or registration under Nevada Revised Statutes Chapter 649 to close for 30 days, unless otherwise modified or withdrawn by Governor Steve Sisolak.
The State of New York and the City of Chicago have, rather famously, shut down their own debt collection operations, but private collectors remain free to operate in those jurisdictions—at least for now.

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