

HOUSE BILL 673

N1

4lr2078
CF SB 630

By: **Delegates Embry, Attar, Boaf, Charkoudian, Conaway, Crutchfield, Feldmark, Henson, Palakovich Carr, Pasteur, ~~and Terrasa~~ Terrasa, Pena-Melnyk, Cullison, Alston, Bagnall, Bhandari, Chisholm, Hill, S. Johnson, Kaiser, Kerr, R. Lewis, Lopez, Martinez, Rosenberg, Taveras, White Holland, and Woods**

Introduced and read first time: January 25, 2024

Assigned to: Health and Government Operations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: February 26, 2024

CHAPTER _____

1 AN ACT concerning

2 **Real Property – Contract Liens – Medical Debt**

3 FOR the purpose of prohibiting the creation of a lien on owner-occupied residential
4 property by contract or as a result of a breach of contract for the payment of medical
5 debt; and generally relating to contract liens and medical debt.

6 BY repealing and reenacting, without amendments,
7 Article – Real Property
8 Section 7–105.1(a)(8)
9 Annotated Code of Maryland
10 (2023 Replacement Volume)

11 BY adding to
12 Article – Real Property
13 Section 14–203.1
14 Annotated Code of Maryland
15 (2023 Replacement Volume)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
17 That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



Article – Real Property

7–105.1.

(a) (8) “Owner–occupied residential property” means residential property in which at least one unit is occupied by an individual who:

(i) Has an ownership interest in the property; and

(ii) Uses the property as the individual’s primary residence.

14–203.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) ~~(H)~~ “MEDICAL DEBT” MEANS DEBT INCURRED DUE TO A MEDICATION, PROCEDURE, SERVICE, OR TREATMENT THAT A MEDICAL PROFESSIONAL DETERMINES TO BE MEDICALLY NECESSARY.

~~(H) “MEDICAL DEBT” DOES NOT INCLUDE DEBT INCURRED DUE TO:~~

~~1. COSMETIC PROCEDURES OR SERVICES; OR~~

~~2. A MEDICATION, PROCEDURE, SERVICE, OR TREATMENT THAT A MEDICAL PROFESSIONAL HAS NOT DETERMINED TO BE MEDICALLY NECESSARY.~~

(3) “OWNER–OCCUPIED RESIDENTIAL PROPERTY” HAS THE MEANING STATED IN § 7–105.1 OF THIS ARTICLE.

(B) A LIEN ON OWNER–OCCUPIED RESIDENTIAL PROPERTY MAY NOT BE CREATED BY CONTRACT OR AS A RESULT OF A BREACH OF CONTRACT FOR THE PAYMENT OF MEDICAL DEBT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2024.