

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.



1 **Article – Real Property**

2 7–105.1.

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

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

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

7 **14–203.1.**

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

10 (2) ~~(1)~~ “MEDICAL DEBT” MEANS DEBT INCURRED DUE TO A
11 MEDICATION, PROCEDURE, SERVICE, OR TREATMENT THAT A MEDICAL
12 PROFESSIONAL DETERMINES TO BE MEDICALLY NECESSARY.

13 ~~(1)~~ “MEDICAL DEBT” DOES NOT INCLUDE DEBT INCURRED DUE
14 ~~TO:~~

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

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

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

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

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