

SENATE BILL 630

N1

4lr2077
CF HB 673

By: **Senator Kelly**

Introduced and read first time: January 26, 2024

Assigned to: Judicial Proceedings

A BILL ENTITLED

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:

18 **Article – Real Property**

19 7–105.1.

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

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

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 14-203.1.

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

4 (2) (I) "MEDICAL DEBT" MEANS DEBT INCURRED DUE TO A
5 MEDICATION, PROCEDURE, SERVICE, OR TREATMENT THAT A MEDICAL
6 PROFESSIONAL DETERMINES TO BE MEDICALLY NECESSARY.

7 (II) "MEDICAL DEBT" DOES NOT INCLUDE DEBT INCURRED DUE
8 TO:

9 1. COSMETIC PROCEDURES OR SERVICES; OR

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

13 (3) "OWNER-OCCUPIED RESIDENTIAL PROPERTY" HAS THE MEANING
14 STATED IN § 7-105.1 OF THIS ARTICLE.

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

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