

HOUSE BILL 673

N1

4r2078
CF 4r2077

By: **Delegates Embry, Attar, Boaf, Charkoudian, Conaway, Crutchfield,
Feldmark, Henson, Palakovich Carr, Pasteur, and Terrasa**

Introduced and read first time: January 25, 2024

Assigned to: Health and Government Operations

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

2 **14-203.1.**

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

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

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

10 1. COSMETIC PROCEDURES OR SERVICES; OR

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

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

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

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