

SENATE BILL 349

N1, D3
HB 673/24 – HGO

5lr1743
CF HB 428

By: **Senator Love**

Introduced and read first time: January 16, 2025

Assigned to: Judicial Proceedings

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 22, 2025

CHAPTER _____

1 AN ACT concerning

2 **Medical Debt – Complaints for Money Judgment and Real Property Liens**

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

7 BY repealing and reenacting, with amendments,

8 Article – Courts and Judicial Proceedings

9 Section 11-401 and 11-402

10 Annotated Code of Maryland

11 (2020 Replacement Volume and 2024 Supplement)

12 BY repealing and reenacting, without amendments,

13 Article – Real Property

14 Section 7-105.1(a)(8)

15 Annotated Code of Maryland

16 (2023 Replacement Volume and 2024 Supplement)

17 BY adding to

18 Article – Real Property

19 Section 14-203.1

20 Annotated Code of Maryland

21 (2023 Replacement Volume and 2024 Supplement)

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

3 **Article – Courts and Judicial Proceedings**

4 11–401.

5 (a) In this subtitle the following terms have the meanings indicated.

6 (b) “Court” means a court of law or a court of equity and includes the United
7 States District Court for the District of Maryland, the United States Bankruptcy Court for
8 the District of Maryland, the Supreme Court of Maryland, the Appellate Court of Maryland,
9 **A CIRCUIT COURT OF A COUNTY OR BALTIMORE CITY**, and the District Court of
10 Maryland.

11 (c) (1) “Money judgment” means a judgment determining that a specified
12 amount of money is immediately payable to the judgment creditor.

13 (2) “Money judgment” does not include a judgment mandating the payment
14 of money.

15 11–402.

16 (a) **(1) In this section[, “land”] THE FOLLOWING WORDS HAVE THE**
17 **MEANINGS INDICATED.**

18 **(2) “LAND” means real property or any interest in or appurtenant to real**
19 **property.**

20 **(3) “MEDICAL DEBT” HAS THE MEANING STATED IN § 14–203.1 OF**
21 **THE REAL PROPERTY ARTICLE.**

22 (b) **(1) A COMPLAINT SEEKING A MONEY JUDGMENT SHALL INDICATE**
23 **WHETHER THE JUDGMENT SOUGHT IS FOR MEDICAL DEBT.**

24 **(2) A COMPLAINT SEEKING A MONEY JUDGMENT FOR MEDICAL DEBT**
25 **SHALL INCLUDE THE ADDRESS OF THE PRIMARY RESIDENCE OF THE DEFENDANT.**

26 (c) If indexed and recorded as prescribed by the Maryland Rules, a money
27 judgment of a court constitutes a lien to the amount and from the date of the judgment on
28 the judgment debtor’s interest in land located in the county in which the judgment was
29 rendered except:

30 **(1) FOR a lease from year to year or for a term of not more than five years**
31 **and not renewable; AND**

1 (2) AS PROVIDED IN § 14-203.1 OF THE REAL PROPERTY ARTICLE.

2 [(c)] (D) If indexed and recorded as prescribed by the Maryland Rules, a money
3 judgment constitutes a lien on the judgment debtor’s interest in land located in a county
4 other than the county in which the judgment was originally entered, except:

5 (1) FOR a lease from year to year or for a term not more than five years
6 and not renewable; AND

7 (2) AS PROVIDED IN § 14-203.1 OF THE REAL PROPERTY ARTICLE.

8 [(d)] (E) Promptly after the entry of an order of satisfaction or the filing of a
9 written statement by a judgment creditor with the clerk of the court that a judgment of a
10 court has been satisfied, the clerk of the court shall make an entry of the word “satisfied”
11 on the horizontal line in the judgment record where the lien is indexed.

12 Article – Real Property

13 7-105.1.

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

- 16 (i) Has an ownership interest in the property; and
- 17 (ii) Uses the property as the individual’s primary residence.

18 14-203.1.

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

21 (2) (I) “MEDICAL DEBT” MEANS ~~DEBT INCURRED DUE TO A~~
22 ~~MEDICATION, PROCEDURE, OR SERVICE~~ A DEBT OWED BY A CONSUMER TO A PERSON
23 WHOSE PRIMARY BUSINESS IS PROVIDING MEDICAL SERVICES, PRODUCTS, OR
24 DEVICES, OR TO THE PERSON’S AGENT OR ASSIGNEE, FOR THE PROVISION OF THE
25 MEDICAL SERVICES, PRODUCTS, OR DEVICES.

26 (II) “MEDICAL DEBT” DOES NOT INCLUDE DEBT CHARGED TO A
27 CREDIT CARD UNLESS THE CREDIT CARD IS ISSUED UNDER AN OPEN-END OR
28 CLOSED-END CREDIT PLAN OFFERED SOLELY FOR THE PAYMENT OF HEALTH CARE
29 SERVICES.

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

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

4 (C) IF A LIEN IS CREATED IN VIOLATION OF THIS SECTION, THE COURT:

5 (1) ~~SHALL REMOVE THE LIEN; AND~~

6 (2) ~~MAY AWARD TO THE OWNER OF THE PROPERTY ECONOMIC~~
7 ~~DAMAGES SUFFERED AS A RESULT OF THE VIOLATION~~ SHALL REMOVE THE LIEN.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
9 apply only prospectively and may not be applied or interpreted to have any effect on or
10 application to any complaint filed before the effective date of this Act.

11 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 October 1, 2025.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.