

Chapter 497

**(Senate Bill 349)**

AN ACT concerning

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

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

BY repealing and reenacting, with amendments,  
Article – Courts and Judicial Proceedings  
Section 11-401 and 11-402  
Annotated Code of Maryland  
(2020 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, without amendments,  
Article – Real Property  
Section 7-105.1(a)(8)  
Annotated Code of Maryland  
(2023 Replacement Volume and 2024 Supplement)

BY adding to  
Article – Real Property  
Section 14-203.1  
Annotated Code of Maryland  
(2023 Replacement Volume and 2024 Supplement)

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

**Article – Courts and Judicial Proceedings**

11-401.

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

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

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

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

11–402.

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

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

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

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

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

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

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

(2) **AS PROVIDED IN § 14–203.1 OF THE REAL PROPERTY ARTICLE.**

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

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

(2) **AS PROVIDED IN § 14–203.1 OF THE REAL PROPERTY ARTICLE.**

[(d)] (E) Promptly after the entry of an order of satisfaction or the filing of a written statement by a judgment creditor with the clerk of the court that a judgment of a

court has been satisfied, the clerk of the court shall make an entry of the word “satisfied” on the horizontal line in the judgment record where the lien is indexed.

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

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

(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.

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

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

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

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

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

**Approved by the Governor, May 13, 2025.**