

ASSEMBLY, No. 3760

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED FEBRUARY 22, 2024

Sponsored by:

Assemblyman MICHAEL VENEZIA

District 34 (Essex)

Assemblyman HERB CONAWAY, JR.

District 7 (Burlington)

Assemblywoman VERLINA REYNOLDS-JACKSON

District 15 (Hunterdon and Mercer)

Co-Sponsored by:

Assemblywomen Morales and McCoy

SYNOPSIS

“Medical Debt Homestead Protection Act.”

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 2/22/2024)

1 AN ACT concerning certain debt executions and supplementing
2 Title 2A of the New Jersey Statutes.

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4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

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7 1. This act shall be known and may be cited as the “Medical
8 Debt Homestead Protection Act.”

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10 2. The Legislature finds and declares that:

11 a. Medical debt is a significant financial burden for many
12 individuals and families that often leads to bankruptcy and the
13 potential loss of the debtor’s home.

14 b. The loss of a home exacerbates the distressing situation
15 currently facing individuals and families filing for bankruptcy due
16 to unpaid medical bills.

17 c. It is in the public interest to establish protections that
18 prevent the forced sale of a home in cases of bankruptcy arising
19 from medical debt.

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21 3. a. Any person aged 18 or over, married or single, who
22 resides within the State may hold as a homestead exempt from
23 attachment, execution, and forced sale, as result of a judgement
24 obtained for the payment and satisfaction of a medical debt, any one
25 of the following:

26 (1) the person’s interest in real property upon which exists a
27 dwelling house in which the person resides;

28 (2) the person’s interest in one condominium or cooperative in
29 which the person resides; or

30 (3) a manufactured home as defined pursuant to section 2 of
31 P.L.1990, c.61 (C.54:4-8.58), including the land on which the
32 manufactured home is situated.

33 b. Only one homestead exemption pursuant to this section may
34 be held by a married couple or a single person.

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36 4. This act shall take effect on the 90th day next following
37 enactment.

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STATEMENT

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42 This bill establishes the “Medical Debt Homestead Protection
43 Act.” Under the bill, any person aged 18 or over, married or single,
44 who resides within the State may hold as a homestead exempt from
45 attachment, execution, and forced sale, as result of a judgement
46 obtained for the payment and satisfaction of a medical debt, any one
47 of the following: an interest in real property upon which exists a
48 dwelling house in which the person resides; an interest in a

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- 1 condominium or cooperative in which the person resides; or a
- 2 manufactured home, including the land on which the manufactured
- 3 home is situated. Only one homestead exemption at a time may be
- 4 held by a person under the bill.