

---

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

---

SB 414 Original

DIGEST  
2026 Regular Session

Talbot

Proposed law defines the terms "federal poverty level", "medical creditor", "medical debt", "medical debt collector", and "medically necessary care".

Proposed law limits interest on medical debt arising from medically necessary care to no more than 2% per annum and provides that any contractual provision imposing a higher rate is void.

Proposed law prohibits a medical creditor or medical debt collector from garnishing wages or bank accounts for medical debt arising from medically necessary care unless debtor's income exceeds 400% of the federal poverty level and the garnishment does not reduce the debtor's income below that level.

Proposed law requires every healthcare provider or medical creditor that engages in third-party debt collection to include in its contract certain provisions prohibiting wage garnishments, liens, or foreclosure for certain medical debts.

Proposed law authorizes the attorney general to seek civil penalties for violations under proposed law and further requires the attorney to establish a complaint process for alleged violations, that are subject to public records laws, except for any complaint with personal identifying information.

Proposed law authorizes a private right of action for any person aggrieved by a violation pursuant to proposed law.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 51:1501-1507)