

# HOUSE BILL 61

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(PRE-FILED)

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By: **Delegate Lopez**

Requested: October 9, 2025

Introduced and read first time: January 14, 2026

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Financial Institutions – Definition of Student Financing Companies – Alteration**

3 FOR the purpose of altering the definition of “student financing company” to exclude an  
4 institution of postsecondary education for purposes of certain registration and  
5 reporting requirements; and generally relating to student financing companies.

6 BY repealing and reenacting, without amendments,

7 Article – Education

8 Section 10–101(a) and (i)

9 Annotated Code of Maryland

10 (2022 Replacement Volume and 2025 Supplement)

11 BY repealing and reenacting, with amendments,

12 Article – Financial Institutions

13 Section 12–1101

14 Annotated Code of Maryland

15 (2020 Replacement Volume and 2025 Supplement)

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

18 **Article – Education**

19 10–101.

20 (a) In this division the following words have the meanings indicated.

21 (i) (1) “Institution of postsecondary education” means a school or other  
22 institution that offers an educational program in the State for individuals who are at least  
23 16 years old and who have graduated from or left elementary or secondary school.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(2) “Institution of postsecondary education” does not include:

(i) Any adult education, evening high school, or high school equivalence program conducted by a public school system of the State; or

(ii) Any apprenticeship or on-the-job training program subject to approval by the Apprenticeship and Training Council.

### **Article – Financial Institutions**

12–1101.

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

(b) (1) “Institution of postsecondary education” has the meaning stated in § 10–101 of the Education Article.

(2) “Institution of postsecondary education” includes an institution that:

(i) 1. Is not accredited by an accredited body recognized and approved by the U.S. Department of Education; or

2. Is not authorized to operate in the State; and

(ii) Conducts education by correspondence, online, or in person.

(c) (1) “Student financing” means an extension of credit to a consumer, contractual or otherwise, contingent or absolute, that is:

(i) Not made, insured, or guaranteed under Title IV of the federal Higher Education Act of 1965;

(ii) Extended to a consumer expressly, in whole or in part, for postsecondary educational expenses, regardless of whether the extension of credit is provided by the institution of postsecondary education that the consumer attends; and

(iii) Not a loan secured by real property or a dwelling.

(2) “Student financing” includes:

(i) An extension of credit used to refinance or repay existing student financing or federal student loan debt; and

(ii) Financial obligations in which the repayment amount is equal to a predetermined percentage of a consumer’s future income.

1           (d)    (1)    “Student financing company” means an entity engaged in the business  
2 of securing, making, or extending student financing products, or any purchaser, assignee,  
3 or holder of student financing products.

4                   (2)    “Student financing company” does not include, to the extent that State  
5 regulation is preempted by federal law:

6                           (i)    A bank, savings bank, savings and loan association, or credit  
7 union;

8                           (ii)   A wholly owned subsidiary of a bank or credit union; [or]

9                           (iii)   An operating subsidiary where each owner is wholly owned by  
10 the same bank or credit union; **OR**

11                           **(IV)   AN INSTITUTION OF POSTSECONDARY EDUCATION.**

12           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
13 October 1, 2026.