

SENATE BILL 582

I3

(6lr2591)

ENROLLED BILL

— *Finance/Economic Matters* —

Introduced by **Senators Jennings, Salling, and Bailey**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Consumer Protection – Unsolicited Loans**

3 FOR the purpose of prohibiting a ~~creditor~~ person from sending a check or other negotiable
4 instrument to an individual under certain circumstances; establishing that an
5 individual who receives a check or other negotiable instrument is not liable for the
6 amount of the check or negotiable instrument under certain circumstances; and
7 generally relating to extensions of consumer credit.

8 BY adding to

9 Article – Commercial Law

10 Section 14–1330

11 Annotated Code of Maryland

12 (2025 Replacement Volume)

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.

Italics indicate opposite chamber/conference committee amendments.



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

Article – Commercial Law

14-1330.

(A) ~~IN THIS SECTION, “CREDITOR” MEANS A PERSON THAT ENGAGES IN WHOLE OR IN PART IN THE BUSINESS OF MAKING LOANS OR OTHER EXTENSIONS OF CREDIT FOR PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES~~ THIS SECTION DOES NOT APPLY TO A PERSON THAT SENDS ~~A~~ TO AN INDIVIDUAL:

(1) A CONVENIENCE CHECK TO AN INDIVIDUAL FOR THE SOLE PURPOSE OF ACCESSING AN EXISTING CREDIT LINE OF THE INDIVIDUAL; OR

(2) A PRESCREENED FIRM OFFER OF UNSECURED CREDIT SUBJECT TO REGULATION UNDER THE FEDERAL FAIR CREDIT REPORTING ACT.

(B) A ~~CREDITOR~~ PERSON MAY NOT SEND A CHECK OR OTHER NEGOTIABLE INSTRUMENT TO AN INDIVIDUAL IF:

(1) (I) THE CHECK OR OTHER NEGOTIABLE INSTRUMENT IS SENT IN CONNECTION WITH AN OFFER TO EXTEND SECURED CREDIT TO THE INDIVIDUAL; AND

~~(2)~~ (II) THE INDIVIDUAL HAS NOT SUBMITTED AN APPLICATION FOR OR OTHERWISE REQUESTED THE EXTENSION OF SECURED CREDIT BEFORE RECEIVING THE CHECK OR OTHER NEGOTIABLE INSTRUMENT; OR

(2) THE CHECK OR OTHER NEGOTIABLE INSTRUMENT IS SENT AS PART OF AN UNSOLICITED OFFER TO PURCHASE REAL PROPERTY.

(C) AN INDIVIDUAL WHO IS SENT A CHECK OR OTHER NEGOTIABLE INSTRUMENT IN VIOLATION OF SUBSECTION (B) OF THIS SECTION IS NOT LIABLE FOR THE AMOUNT OF THE CHECK OR OTHER NEGOTIABLE INSTRUMENT UNLESS THE INDIVIDUAL ACTUALLY RECEIVES AND NEGOTIATES THE CHECK OR OTHER NEGOTIABLE INSTRUMENT.

(D) A ~~CREDITOR~~ PERSON THAT VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION SUBJECT TO A FINE NOT EXCEEDING \$500.

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