

SENATE BILL 582

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6lr2591

By: **Senators Jennings, Salling, and Bailey**
Introduced and read first time: February 4, 2026
Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

Consumer Protection – Unsolicited Loans

3 FOR the purpose of prohibiting a creditor 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)

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

Article – Commercial Law

14–1330.

17 (A) IN THIS SECTION, “CREDITOR” MEANS A PERSON THAT ENGAGES IN
18 WHOLE OR IN PART IN THE BUSINESS OF MAKING LOANS OR OTHER EXTENSIONS OF
19 CREDIT FOR PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES.

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

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(2) THE INDIVIDUAL HAS NOT SUBMITTED AN APPLICATION FOR OR**
2 **OTHERWISE REQUESTED THE EXTENSION OF CREDIT BEFORE RECEIVING THE**
3 **CHECK OR OTHER NEGOTIABLE INSTRUMENT.**

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

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

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