MARYLAND BANKERS ASSOCIATION

Leading Advocate. Trusted Partner. Exceptional Resource.

2026 MBA Final Report General Assembly Session in Review

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MARYLAND BANKERS ASSOCIATION

August 2026

Dear Maryland Banker:

The Maryland Bankers Association (MBA) is pleased to provide members with the 2026 MBA Final Report. This report includes a comprehensive summary, prepared by Gordon Feinblatt LLC, of legislation enacted during the 2026 Session of the Maryland General Assembly that impacts the Maryland banking industry. As a valuable benefit of MBA membership, the publication also highlights key legal and operational considerations to help financial institutions prepare for compliance with newly enacted Maryland laws.

Please note that, depending on your institution's products, services, and business model, not every law discussed in the Final Report will apply to your organization. MBA strongly encourages member banks to carefully review each issue addressed in the Final Report, assess its applicability to their operations, and identify any necessary steps to ensure timely compliance.

We recommend sharing these summaries with the appropriate personnel within your institution. If you have questions regarding legislation passed during the 2026 Session, please contact the MBA Government Relations team. Copies of enacted legislation are available through the Maryland General Assembly website.

MBA advocacy efforts in Annapolis continue to play a critical role in shaping a competitive and effective banking environment throughout Maryland. These accomplishments are made possible by the engagement and support of our member institutions and reflect a shared commitment to fostering economic growth and financial opportunity across the state.

MBA greatly appreciates the engagement and leadership of the MBA Board of Directors, the MBA 2025-2026 MBA Government Relations Council Chair Matthew Calhoun, EVP, Retail Banking at M&T Bank, members of the MBA Government Relations Council, and bankers across Maryland for their hard work and steadfast contributions to the banking industry!

Very truly yours,

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MBA Chair 2026 - 2027
President & CEO, Rosedale Bank

Tisha S. Edwards
President & CEO
Maryland Bankers Association

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HB 308 *(Chapter 247)*
(Effective October 1, 2026)

Chapter 247 makes a long-awaited change that will allow a Maryland corporation, limited liability company, limited liability partnership, or limited partnership to use as its principal office address on file with SDAT a Maryland address supplied by a commercial mail receiving agency under certain circumstances. For this purpose, a "commercial mail receiving agency" means a person that is authorized by the U.S. Postal Service to accept the delivery of mail on behalf of another person as a business service. Prior to this change, an entity was required to register a specific street address in Maryland.

Commercial Law - Earned Wage Access - Revisions
SB 94 *(Chapter 170)*
(Effective October 1, 2026)

The new laws prohibit earned wage access providers and certain lenders (Consumer Loan licensees, Installment Loan licensees, and other lenders making loans under Maryland Interest & Usury provisions) from soliciting or accepting tips or other donations from consumers and, to the extent improperly collected, requires such amounts to be returned within seven days of receipt (to avoid liability under the new laws). These changes further restrict the practice of tipping in connection with online loan platforms, beyond changes made in the 2025 Maryland legislative session that required specified disclosures and default settings related to tipping platform lenders (vs. the payment of traditional interest). The new laws also require clear disclosures to consumers that tipping or other donations are not permitted and extend standard consumer protection and non-discrimination requirements to earned wage access providers.

Business Regulation – Charitable Organizations – Audit and Review Thresholds
SB 354/HB 483 (Chapters 393/394)
(Effective July 1, 2026)

These bills increase the minimum gross income amounts from charitable contributions received by a charitable organization that will trigger the requirement that the organization's registration statement with the Secretary of State (SOS) must include an audit or a review by an independent certified public accountant. The threshold for an audit was increased from $750,000 to $1.0 million and the threshold for a review was increased from $300,000 to $400,000. SOS is authorized to accept other documentation in place of an audit or review in connection with a charitable organization's registration statement if the charitable contributions do not exceed $400,000 or amount to more than 20% of the organization's total gross income, although SOS may nevertheless require an audit or review if the amount of the gross income is less than $1.0 million.

Corporations and Associations – Revisions
SB 631/HB 996 (Chapters 313/314)
(Effective October 1, 2026)

These bills clarify existing law by: (i) requiring the State Department of Assessments and Taxation of Maryland (SDAT) to notify the person who filed a charter document if it is not accepted by SDAT and requiring SDAT to accept a corrected version of that charter document and give it the original filing date if it is filed within 30 days after the rejection notice; (ii) permitting the board of directors (or a committee of the board) of an open-end investment company to take action without a meeting and by less than unanimous written consent under certain circumstances; (iii) modifying and clarifying provisions of law relating to the powers of a corporation's board of directors, the court-appointed bankruptcy trustee, and/or the court-appointed bankruptcy receiver in a bankruptcy proceeding; (iv) repealing a misdemeanor prohibition against an officer or agent of a foreign corporation that does intrastate, interstate, or foreign business in the State of Maryland without qualifying or registering; and (v) amending provisions of the Maryland Revised Uniform Limited Partnership Act relating to the effect of partnership agreements.

Business Regulation – Maryland Franchise Registration and Disclosure Law – Alterations (Franchise Reform Act)
SB 415/HB 730 (Chapters 413/414)
(Effective October 1, 2026)

This Act limits the inherent risks for franchisees, franchisors, and subfranchisors by promoting honesty, transparency, and accountability in offers for franchise sales. The Act aims to prevent fraud and misrepresentation, protect the franchisor-franchisee relationship, and support the continued growth of franchising as a business model. The Commissioner may enforce this Act against violators, provided the Commissioner acts within five years of the violation. The Act also establishes a private cause of action for franchisees who are Maryland residents or who operate franchised businesses in Maryland. Such actions must be brought within the earlier of four years after the grant of the franchise or two years after the date the franchise opened to the public.

All franchisees have the right to join and participate in trade associations. Franchisors may not restrict, inhibit or prohibit a franchisee's right to join a trade association of the same franchise or otherwise interfere with the franchisee's right of free association. Violations of these provisions may be remedied in Circuit Court through temporary or injunctive relief, damages, and costs. Plaintiffs need not allege or prove actual damages to obtain injunctive relief. Actions under this provision must be brought within two years of the alleged violation or one year after the discovery of the facts alleged.

The Act establishes the Maryland Franchise Disclosure Document Renewal Fast-Track Review Pilot Program, to be administered by the Commissioner. The Commissioner will establish review and approval standards for franchise disclosure documents and adopt regulations governing submission requirements and procedures.

Practice Pointer*: Franchisors and franchisees should meticulously review all franchise offers to ensure there are no misrepresentations, misleading statements, or inaccurate information. The offeror must confirm all offers for sale are properly registered under this Act.*

Certified Public Accountants – Licensure – Qualifications
HB 643 (Chapter 174)
(Effective October 1, 2026)

This legislation establishes licensure qualifications and requirements for certified public accountants. This law has been amended to require applicants for an initial license to complete Board approved practical work experience obtained over a period of no less than one year and no more than six years.

The required practical work experience depends on the applicant's educational qualification:

- Master's Degree with Accounting Concentration: 2,000 hours of practical work experience (minimum one year)
- Baccalaureate Degree with Accounting Concentration: 4,000 hours of practical work experience (minimum two years)
- Baccalaureate Degree plus 30 Semester Credit Hours with Accounting Concentration: 2,000 hours of practical work experience (minimum one year)

An applicant must hold one of these three educational qualifications to be eligible for licensure.

Business Regulation - Rounding Cash Transactions - Authorization
SB 893/HB 1026 (Chapters 515/516)
(Effective Upon Enactment - 5/12)

This Act authorizes merchants to round the total price or change due on cash transactions to the nearest five cents or nearest number divisible by five. It also clarifies that the rounded amount is excluded from the taxable price for Maryland sales and use tax purposes. Businesses accepting cash may simplify cash handling without affecting tax calculations.

Economic Development - Small, Minority, and Women-Owned Business Accounts - Management Fees (Small Business Increased Access to Capital Act)
SB 920/HB 798 (Chapters 391/392)
(Effective July 1, 2026)

This Act authorizes the Department of Commerce to permit eligible fund managers to receive and retain management fees under the Small Business Increased Access to Capital Act and authorizes annual caps on those fees.

Consumer Protection

Consumer Protection - Consumer Contracts - Prohibited Waivers
HB 103 (Chapter 308)
(Effective October 1, 2026)

This new law bans consumer contract terms that waive or limit certain legal remedies allowed under state or federal law, building on a 2025 law that voids shortened time limits for bringing claims. Contracts (for the sale, lease, or provision of goods or services that are for personal, family, or household purposes) may only cap statutory or punitive damages to the extent covered by available insurance, and the new law prohibits parties from waiving these consumer protections by agreement. The new makes clear that it is not intended to provide any new rights or remedies not otherwise provided by existing state or federal law; and does not invalidate any arbitration provision that is enforceable under the Federal Arbitration Act.

Practice Pointer: *Financial institutions that do not already utilize arbitration agreements in consumer loan/deposit terms, should carefully consider whether to implement an arbitration provision that limits available damages, prohibits class claims, and requires bringing any claims within a defined claim window (e.g., 1 year).*

Data Privacy - Consumer Data, Public Records, and Message Switching System (Data Privacy Act)
HB 711 *(Chapter 874)*
(Effective July 1, 2026)

HB 711 expands Maryland's consumer data privacy protections by amending the Maryland Online Data Privacy Act and related public records laws. The Act includes the following changes:

- Prohibits controllers from knowingly selling a consumer's personal data to a federal, state, or local governmental unit that has engaged in or supported civil immigration enforcement within the preceding six months, absent limited exceptions. It also restricts compliance with certain subpoenas and requests related solely to immigration enforcement unless supported by a valid court-issued warrant;

- Expands the definition of sensitive data to include inferred data revealing sensitive characteristics, such as race, religion, health information, sexual orientation, gender identity, citizenship or immigration status, genetic and biometric data, children's data, and precise geolocation information;

- Revises the definition of publicly available information to require compliance with any restrictions or terms of use imposed by a governmental entity when obtaining public records;

- Requires custodians of public records to adopt procedures to prevent unauthorized disclosure, determine whether records are being requested for immigration enforcement purposes, and deny access to certain personal information and facial recognition records unless the requester presents a valid warrant that particularly describes the records sought;

- Requires operators of law enforcement databases and message switching systems to deny access for immigration enforcement purposes without a valid warrant and to adopt regulations governing access and compliance; and

- Requires state and local governmental entities to develop procedures limiting the sale and redisclosure of personal records and sensitive data and addressing privacy risks posed by data brokers.

Consumer Protection - Unsolicited Loans
SB 582 *(Chapter 316)*
(Effective October 1, 2026)

The new law prohibits sending unsolicited checks or other negotiable instruments as part of offers for secured credit or to purchase real property, unless the recipient first applied for or requested the offer. Individuals who receive such checks are not responsible for the amount unless they actually cash or use them. Convenience checks tied to existing credit lines and certain pre-screened unsecured credit offers were excluded from coverage. Violations are punishable as a misdemeanor with fines of up to $500.

Financial Institutions

Financial Institutions – Maryland Community Investment Venture Fund and Regulation of Entities – Revisions
SB 43/HB 259 (Chapters 131/132)
(Effective July 1, 2026)

The Maryland Community Investment Venture (MCIV) Fund was established to develop opportunities for banking institutions and credit unions to better serve the needs of low- to moderate-income census tracts. Through June 30, 2028, Maryland Office of Financial Regulation (OFR) may match an investment made in the fund by a banking institution or credit union up to the amount of the assessment credit earned by the banking institution or credit union. This legislation makes changes to the MCIV Fund and other unrelated changes involving regulation of the financial industry, including: (i) expanding the purpose of the MCIV Fund to include consumers; (ii) authorizing money from the MCIV Fund to be distributed as a grant, among other means; (iii) classifying the MCIV Fund as a special, non-lapsing fund not subject to reversion to the general fund; (iii) altering definitions in the Financial Institutions Article of the Maryland Code; (iv) altering when a credit union must pay an annual assessment to the OFR; (v) altering definitions related to eligibility for certain assessment offset credits; (vi) requiring OFR to establish a deposit growth cap for assessment offset credits; (vii) establishing a new assessment offset credit for certain institutions that offer a Maryland Opportunity Account; (viii) specifying the entities that may claim to do the business of banking in the State of Maryland; and (ix) repealing obsolete OFR fees. Additionally, the bills establish that cybersecurity incidents at a banking institution or one of its branches may serve as a potential emergency reason for which the institution or branch may be closed, as declared by the Governor.

Financial Institutions - Payment Stablecoin Services - Establishment and Regulation (Maryland Stablecoin Act)
SB 662/HB 1355 (Chapters 513/514)
(Effective January 1, 2027)

The Maryland Stablecoin Act establishes a comprehensive regulatory framework governing payment stablecoin activities in Maryland. The Act authorizes qualified nondepository trust companies and credit union service organizations to engage in payment stablecoin services under the supervision of the Commissioner of Financial Regulation. It also modernizes Maryland banking laws by integrating stablecoin-related activities into the existing financial institution regulatory framework.

Among other changes, the Act:

- Establishes a licensing and regulatory framework for entities serving as State issuers of payment stablecoins and payment stablecoin services institutions;

- Requires nondepository trust companies seeking to engage in stablecoin activities to disclose that intent in their articles of incorporation and obtain authorization from the Commissioner;
- Authorizes the Commissioner to reduce capital stock requirements for qualifying nondepository trust companies and establish assessments by regulation;
- Exempts authorized stablecoin entities from certain provisions otherwise applicable to trust companies;
- Requires commercial banks and credit unions to notify the Commissioner before seeking federal approval to become a permitted payment stablecoin issuer or offering payment stablecoin-related services; and
- Reduces the examination fee for a new commercial bank charter from $15,000 to $7,000.

Financial Institutions and Activities - Virtual Currency Kiosks - Alterations
SB 741 *(Chapter 417)*
(Effective October 1, 2026)

This new law expands Maryland's regulation of virtual currency kiosks by broadening key definitions. The new law removes the exclusion for ATMs and redefines "virtual currency kiosk operator" to include individuals who install or operate software enabling automated devices to provide virtual currency services. As a result, more operators will now be subject to state registration and oversight requirements.

Fiduciary Institutions - Exploitation of Seniors and Vulnerable Adults - Protections and Required Referral (Vulnerable Adult Banking Protection Act)
SB 753/HB 1008 *(Chapters 510/511)*
(Effective October 1, 2026)

The new laws allow fiduciary institutions to delay or deny account disbursements if they reasonably believe the transaction would financially exploit a senior (at least 65) or vulnerable adult (an adult who lacks the physical or mental capacity to provide for the adult's daily needs). Financial institutions subject to the new laws include national and state banks and credit unions, national and state savings and loan associations, and other entities under Maryland banking laws that are subject to the supervision of the Commissioner of Financial Regulation. Covered financial institutions must (a) notify authorized account holders/signatories; and (b) report applicable exploitation concerns and provide relevant records to protective services or law enforcement. The new laws also permit financial institutions to provide notice of transaction delays to any "trusted contacts", generally: (a) a member of an adult's family that a financial institution reasonably believes is closely associated with the adult; (b) other authorized signers for an account (including agents under a power of attorney and court-appointed guardians); (c) a person legally responsible for managing the property or financial affairs of an adult; or (d) an individual designated by the account owner. Any transaction delay imposed under the new laws may generally last up to 15 business days unless extended, and financial institutions acting in good faith under the new law are granted immunity from liability.

Credit Unions – Mergers and Consolidations – Alteration of Voting Requirement
SB 783/HB 1049 (Chapters 506/507)
(Effective October 1, 2026)

This legislation eliminates the current requirement that members of a surviving Maryland credit union in a merger must approve the merger unless such approval is waived by the Commissioner of the OFR. The legislation also provides that the Maryland Commissioner may waive the member approval requirement that is otherwise imposed on the merging Maryland credit union.

Financial Institutions - Consumer Credit - Application of Licensing Requirements
SB 784 (Chapter 40)
(Effective July 1, 2026)

This new law repeals a prior exemption that allowed certain purchasers of mortgages or installment loans to avoid consumer lender licensing requirements. The repealed provision (Md. Code Ann., Comm. Law §11-102) was enacted as part of 2025 legislative updates designed to exempt certain "passive trusts" from mortgage lending licensing. The new law is intended as a corrective clarification to remove the 2025 exemption language, leaving the "passive trust" exemption provisions in just the mortgage lender licensing subtitle (Md. Code Ann., Comm. Law §§11-501(p) and 11-502(b)(13)).

Real Estate

Corporations and Associations – Cooperative Limited Equity Housing Corporations – Establishment
HB 85 (Chapter 260)
(Effective October 1, 2026)

Under the Corporations and Associations Article of the Maryland Code, the charter of a nonstock corporation must provide that the corporation has no authority to issue capital stock. This legislation authorizes a Maryland nonstock corporation to convert to a cooperative limited equity housing corporation (CLEHC) after acquiring ownership of a residential rental facility and an affirmative vote of a majority of all members of the corporation to convert to a CLEHC. After conversion, votes must be assigned so that each unit in the CLEHC has one vote. The bill authorizes the Maryland Department of Housing and Community Development to establish additional rights and requirements for a CLEHC and as well as a program to provide grants to Maryland nonstock corporations to promote the establishment of CLEHCs. The bill also provides for the application of local ordinances or regulations concerning building or zoning and prohibits a county or municipality from restricting the sale of residential rental facilities to a Maryland nonstock corporation that plans to convert to a CLEHC or from imposing a burden or restriction on a CLEHC that is not imposed on all other property of similar character not subject to a CLEHC regime.

Building Homes Act
HB 805 (Chapter 698)
(Effective June 1, 2026)

This Act authorizes local Maryland governments to offer property tax credits to enhance the affordability of certain residential properties. The governing body of a county or municipal corporation may grant a tax credit for dwellings that satisfy two statutory requirements: (1) the dwelling must have a mortgage or deed of trust provided by a nonprofit entity; and (2) a covenant or legally binding agreement with a minimum duration of at least 20 years that enforces income and equity or appreciation restrictions on the homeowner and ensures affordability pricing of the dwelling, including on resale. The tax credit can be worth up to the difference between the property tax imposed on the full assessed value of the dwelling and the property tax calculated on the portion of the dwelling's value for which the homeowner is responsible under the first mortgage or deed of trust. The local governing body may provide by law for the duration, eligibility criteria, application procedures, and regulations governing the uniform processing of tax credit requests.

Study to Evaluate Blockchain-Based Real Property Lease and Title Recordation and Verification
SB 168/HB 810 (Chapters 747/748)
(Effective June 1, 2026)

This legislation requires the State Department of Assessments and Taxation (the "Department") to conduct a comprehensive study evaluating blockchain technology as a tool for securely recording and verifying real property ownership and leases. Blockchain is defined as a distributed ledger technology that enables secure, immutable, and transparent data recording and storing. The legislation addresses the prevention and identification of unauthorized property occupancy by individuals lacking legal title or the right of possession. The amended legislation instructs the Department to collaborate with a broad coalition of stakeholders, including local law enforcement agencies, the Maryland Judiciary, the Office of the Attorney General, Maryland Legal Aid, the Public Justice Center, and third-party technology vendors. This coordinated effort is designed to assess blockchain technology's effectiveness in preventing and detecting unauthorized occupancy.

Tax

State Department of Assessments and Taxation – Expedited Document Processing and Fees
HB 1346 (Chapter 312)
(Effective January 1, 2028)

This law establishes a new one-hour expedited processing tier for documents filed with the State Department of Assessments and Taxation (the "Department"), supplementing the Department's existing two-hour expedited processing framework. Under the amended provisions, any document filed with the Department at least one hour before the closure of business requires a $1,000.00 expedited processing fee. The Department must process and record such documents within one hour of receipt. As a prerequisite to the one-hour expedited processing, all documents must first be accepted for preclearance with the Department. A standard $50.00 fee applies to documents for which expedited processing is not requested. This legislation enhances the Department's ability to accommodate time-sensitive business filings while ensuring adequate processing capacity during peak filing periods at the end of each business day.

Property Tax Credit – Retail Service Station Conversions
SB 58/HB 161 (Chapters 642/643)
(Effective June 1, 2026)

This legislation authorizes the governing body of a county or municipal corporation to grant property tax credits on real property that has been converted from retail service station use to qualifying alternative uses, including another retail use, residential use, or mixed retail and residential use. "Retail use" excludes discount stores (defined as retail stores offering consumer shopping goods priced at $5.00 per item or less), self-service storage facilities, licensed retailers of cigarettes, other tobacco products, or electronic smoking devices, and holders of Class A retail alcoholic beverage licenses. The governing body of a county or municipal corporation may authorize tax credits to defray costs associated with the remediation and removal of underground storage tanks and related contamination. However, no tax credit may be granted unless the underground storage tanks have been permanently closed in accordance with the Department of Environment regulations. The governing body of a county or municipal corporation may establish by law the amount and duration of the tax credit, eligibility criteria, application procedures, and uniform processing standards for tax credit requests. This Act applies to all taxable years after June 30, 2026.

Sales and Use Tax - Certificates Indicating Multiple Points of Use - Alterations
SB 644/HB 933 (Chapters 197/198)
(Effective January 1, 2027)

This legislation simplifies the use of Multiple Points of Use (MPU) certificates for purchases of digital codes, digital products, and certain taxable services used across multiple taxing jurisdictions. Under prior law, buyers were required to obtain approval from the Comptroller before issuing an MPU certificate. This Act eliminates that requirement and streamlines the process for both buyers and vendors.

The Act:

- Specifies the information required for an MPU certificate to be considered "fully completed";
- Eliminates the requirement that buyers obtain prior approval from the Comptroller before presenting an MPU certificate to a vendor;
- Relieves vendors of the obligation to collect and remit sales and use tax if they receive a properly completed MPU certificate, including one received within 90 days after the sale;
- Allows vendors to rely on an MPU certificate in good faith without validating it with the Comptroller;
- Provides that an MPU certificate remains effective for future purchases until revoked in writing; and
- Requires the Comptroller to publish a standardized MPU certificate form.

Practice Pointer: *Businesses purchasing digital products or services for use in multiple jurisdictions should review their sales tax compliance procedures and consider implementing MPU certificates where appropriate. Vendors should update their tax collection policies to recognize valid MPU certificates and maintain appropriate documentation to support tax exemptions.*

Tax Sales – Homeowner Protections – Revisions
HB 753 (Chapter 777)
(Effective October 1, 2026)

The State Tax Sale Ombudsman (the "Ombudsman") shall develop a process by which homeowners may designate a representative authorized to communicate and work with the Ombudsman on their behalf. The local governing body shall withhold from sale the dwelling of a homeowner who suffers from a terminal illness or medical hardship as documented by a licensed physician who has treated or examined the homeowner.

The county Collector shall establish an application process for the homeowner or their representative to apply for the withholding under this provision. To maintain the withholding beyond the initial period, the homeowner or representative must reapply to the Collector in the second year after the dwelling was first withheld from sale and every second year thereafter.

To qualify for the Homeowner Protection Program, a homeowner must:

- Reside in a dwelling with an assessed value of $450,000 or less; and
- Have a combined household income of $60,000 or less.

The Department shall establish by regulation a process affording priority consideration to homeowners who:

- Are at least 60 years old;
- Currently receiving disability benefits under the federal SSDI or SSI programs; or
- Experiencing a documented terminal illness or medical hardship documented by a licensed physician.

Contacts

Please call or email a member of the Gordon Feinblatt team if you would like more information about these new laws and their impact on your bank.

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