



American Fintech Council Testimony

TO: The Senate Committee on Finance  
FROM: Ian P. Moloney, Senior Vice President, Head of Policy and Regulatory Affairs,  
American Fintech Council  
DATE: March 6, 2024  
SUBJECT: Senate Bill 998

***Position: Support.***

***Testimony:***

Thank you Chair Beidle, Vice-Chair Klausmeier, and members of the Senate Committee on Finance for providing me the opportunity to testify before you in support of Senate Bill 998 (SB 998). My name is Ian Moloney, I am the Senior Vice President, Head of Policy and Regulatory Affairs at the American Fintech Council (AFC).

Our mission at AFC is to promote an innovative, transparent, inclusive, and customer-centric financial system by supporting responsible innovation in financial technology (Fintech) and encouraging sound public policy. AFC members are at the forefront of fostering competition in consumer finance and pioneering ways to better serve underserved communities. We proudly represent the largest Earned Wage Access (EWA) companies who are currently serving thousands of Marylanders and millions of consumers and families across the United States.

As part of AFC's efforts to ensure EWA providers effectively serve consumers, we established clear standards on what constitutes responsible EWA. Specifically, these standards require a voluntary no-cost option be made available to all users; strong fee disclosures represented in a clear and transparent manner; and the ability for users to cancel the EWA service at any time. The provisions of SB 998 closely reflect the standards we established for responsible EWA providers.

Establishing the regulatory framework enumerated in SB 998 will allow EWA services to flourish in Maryland and help workers access the pay they are entitled to instantly by giving EWA providers a clear and functional regulatory path that recognizes the nuances of the service and allows providers to offer their services most effectively. In turn, consumers will be able to engage with responsible EWA providers in a manner that fits their lifestyle best, whether the services are offered through an employer, stand-alone product, or as part of a subscription.

In closing, I applaud the Maryland legislature for taking up this issue in a timely manner and seeking a pragmatic solution through SB 998. I thank you again for the opportunity to offer my support for this bill and am happy to answer any questions you may have.