

# SENATE BILL 94

I3, I2

(PRE-FILED)

6lr0105  
CF HB 237

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By: **Chair, Finance Committee (By Request – Departmental – Labor)**

Requested: September 30, 2025

Introduced and read first time: January 14, 2026

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Commercial Law – Earned Wage Access – Revisions**

3 FOR the purpose of prohibiting certain tipping practices; altering the timeline for certain  
4 refunds; subjecting certain earned wage access providers and loan lenders to certain  
5 consumer loan requirements; and generally relating to earned wage access.

6 BY repealing and reenacting, with amendments,  
7 Article – Commercial Law  
8 Section 12–128, 12–318, and 12–1502 through 12–1504  
9 Annotated Code of Maryland  
10 (2013 Replacement Volume and 2025 Supplement)

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

13 **Article – Commercial Law**

14 12–128.

15 (a) A lender [who gives consumers an option to provide the lender a tip shall:

16 (1) Disclose to the consumer to whom the tip will be allocated; and

17 (2) Set the default tip at zero] **MAY NOT ACCEPT A TIP FROM A**  
18 **CONSUMER OR GIVE A CONSUMER THE OPTION TO PROVIDE A TIP.**

19 (b) A lender may not directly or indirectly suggest that providing a tip will  
20 influence:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(1) The lender's willingness to provide a loan to a consumer at any time; or

(2) The terms of any loan offered to the consumer by that lender.

(c) A lender who receives a tip [that would otherwise create a rate of interest above that allowed under this subtitle] may not be found in violation of this subtitle if the lender returns all of the tip [or that portion of the tip necessary to reduce the rate of interest to an amount allowed under this subtitle] within [30 calendar] 7 days after receiving the tip.

(d) A lender shall prominently disclose that[:

(1) Providing a tip does not influence the lender's willingness to provide a loan to the consumer at any time; and

(2) Any tip paid by the consumer does not inure to the direct benefit of any specific employee of the lender or any other individual] **IT IS PROHIBITED FROM ACCEPTING A TIP FROM A CONSUMER.**

12-318.

(a) A lender [who gives consumers an option to provide the lender a tip shall:

(1) disclose to the consumer to whom the tip will be allocated; and

(2) set the default tip at zero] **MAY NOT ACCEPT FROM ANY CONSUMER, OR GIVE ANY CONSUMER THE OPTION TO PROVIDE, A TIP.**

(b) A lender may not directly or indirectly suggest that providing a tip will influence:

(1) the lender's willingness to provide a loan to a consumer at any time; or

(2) the terms of any loan offered to the consumer by that lender.

(c) A lender who receives a tip [that would otherwise create a rate of interest above that allowed under this subtitle] may not be found in violation of this subtitle if the lender returns all of the tip [or that portion of the tip necessary to reduce the rate of interest to an amount allowed under this subtitle] within [30 calendar] 7 days after receiving the tip.

(d) A lender shall prominently disclose that[:

(1) Providing a tip does not influence the lender's willingness to provide a loan to the consumer at any time; and

(2) Any tip paid by the consumer does not inure to the direct benefit of any specific employee of the lender or any other individual] **IT IS PROHIBITED FROM ACCEPTING A TIP FROM A CONSUMER.**

12–1502.

(a) A person may not engage in the business of providing earned wage access unless the person is licensed under or is exempt from the licensing requirements of Title 11, Subtitle 2 of the Financial Institutions Article.

(b) Failure to obtain a consumer loan license shall subject a provider to the enforcement provisions of Title 11, Subtitle 2 of the Financial Institutions Article.

(c) An earned wage access provider licensed under Title 11, Subtitle 2 of the Financial Institutions Article and subject to this subtitle is exempt from other provisions of State law governing lending, credit, or debt, including the provisions of Subtitle 1, Subtitle 3, Subtitle 9, and Subtitle 10 of this title **WITH THE EXCEPTION OF §§ 12–304, 12–305, AND 12–316.1 OF THIS TITLE.**

(d) Earned wage access services provided in accordance with this subtitle may not be considered:

(1) A money transmission; or

(2) A violation of or noncompliance with State laws governing deductions from payroll, salary, wages, compensation, or other income or the purchase, sale, assignment, or order for unpaid but earned wages.

12–1503.

(a) A provider of earned wage access shall:

(1) Develop and implement policies and procedures to respond to questions raised by consumers;

(2) Address complaints from consumers in an expedient manner;

(3) Whenever the provider offers a consumer the option to receive earned wage access services for a fee [or solicits an optional tip, gratuity, or other donation], offer [to] the consumer at least one reasonable option to obtain earned wage access at no cost to the consumer;

(4) Clearly explain to a consumer how to elect a no-cost option described in item (3) of this subsection;

(5) Before entering into an agreement with a consumer for the provision of earned wage access services:

(i) Inform the consumer of the consumer's rights under the agreement; and

(ii) Fully and clearly disclose all fees associated with the earned wage access services;

(6) Inform a consumer of any material changes to the terms and conditions of the earned wage access services before implementing those changes for that consumer;

(7) Allow a consumer to cancel use of the provider's earned wage access services at any time without incurring a cancellation fee imposed by the provider;

(8) Comply with all applicable local, state, and federal privacy and information security laws;

(9) [If a provider solicits, charges, or receives a tip, gratuity, or other donation from a consumer:

(i) Set the default tip, if any, at zero;

(ii) Clearly and conspicuously disclose to the consumer immediately prior to each transaction that any tip paid by the consumer does not inure to the direct benefit of any specific employee of the provider or any other individual;

(iii) Clearly and conspicuously disclose to the consumer immediately prior to each transaction that a tip, gratuity, or other donation amount is optional and voluntary; and

(iv)] Clearly and conspicuously disclose in the provider's service contract with the consumer that[:

1. tips, gratuities, or other donations are voluntary; and

2. The offering of earned wage access services, including the amount of proceeds a consumer is eligible to request and the frequency with which proceeds are provided to a consumer, is not contingent on whether the consumer pays any tip, gratuity, or other donation or on the size of the tip, gratuity, or other donation] **THE PROVIDER IS PROHIBITED BY LAW FROM SOLICITING OR RETAINING TIPS, GRATUITIES, OR OTHER DONATIONS;**

(10) Provide proceeds to a consumer by any means mutually agreed upon by the consumer and the provider; and

(11) Except as provided in subsection (b) of this section, if the provider will seek repayment of outstanding proceeds or payment of fees or other amounts owed or incurred[, including voluntary tips, gratuities, or other donations,] from a consumer's account at a bank in connection with earned wage access services covered by this subtitle, including by means of electric fund transfer:

(i) Comply with the federal Electronic Fund Transfer Act and regulations adopted to implement the Act; and

(ii) Reimburse the consumer within 5 business days for the full amount of any overdraft or nonsufficient fund fees imposed on a consumer by the consumer's bank that were caused by the provider attempting to seek repayment of any outstanding proceeds or payment of fees[, tips, gratuities, or other donations] in connection with earned wage access services covered by this subtitle.

(b) Subsection (a)(11) of this section does not apply to a provider seeking repayment of outstanding proceeds or payment of fees or other amounts owed that were received or incurred by a consumer through fraudulent or other unlawful means.

12-1504.

A provider of earned wage access may not:

(1) Share with an employer any [fees, tips, or other] charges received from a consumer for earned wage access;

**(2) SOLICIT OR CHARGE A TIP;**

**(3)** Condition a consumer's ability to obtain earned wage access on the consumer's ability or willingness to pay the provider a tip;

**[(3)] (4)** Charge a consumer a late fee, interest, or other penalty for failure to pay any proceeds[, OR fees[, or tips];

**[(4)] (5)** Report any information about a consumer's failure to pay any proceeds[, OR fees[, or tips] to any consumer reporting agency;

**[(5)] (6)** Obtain a consumer's credit report as a method of qualifying the consumer for earned wage access;

**[(6)] (7)** Receive interest from a consumer; or

**[(7)] (8)** Compel or attempt to compel payment by a consumer of any proceeds, fees, tips, gratuities, or other donations through:

(i) A civil action against the consumer;

1                               (ii)     The use of a third party to pursue collection from the consumer  
2 on the provider's behalf; or

3                               (iii)    The sale or assignment of outstanding amounts to a third-party  
4 collector or debt buyer for collection from the consumer.

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