



# MARYLAND STATE & D.C. AFL-CIO

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**HB 246 - Commercial Law - Credit Regulation - Earned Wage Access and Credit Modernization  
Senate Finance Committee  
March 26, 2024**

**SUPPORT**

**Donna S. Edwards  
President  
Maryland State and DC AFL-CIO**

Madam Chair and members of the Committee, thank you for the opportunity to provide testimony in support of HB 246 - Commercial Law - Credit Regulation - Earned Wage Access and Credit Modernization. My name is Donna S. Edwards, and I am the President of the Maryland State and DC AFL-CIO. On behalf of the 300,000 union members in the state of Maryland, I offer the following comments.

We supported HB 246 as originally written because workers deserve protection from lenders that fail to register or abide by the state's lending laws. The drafted bill ended the unfair and opaque tipping practices used by some earned wage access products. The amended bill's fee cap of \$3.50 per transaction provides some protection.

We commend HB 246 for clarifying that earned wage access products are loans and requiring lenders to register with the state. We appreciate the bill's requirements around unethical or unclear tipping practices, banning the consideration of tips in eligibility for loans and requiring that tip amounts be set at zero. HB 246 is still a step forward for consumer protections but falls far short of what workers deserve.

We still fully support employer connected entities that provide wage advancement at no cost and believe the ultimate solution to this issue is for workers to be paid reliable, prompt, and predictable family sustaining wages. We urge a favorable report on HB 246, but believe the committee should advance the bill as originally drafted.