

March 3, 2025

Chair C. T. Wilson  
Economic Matters Committee  
Maryland General Assembly  
230 Taylor House Office Building  
Annapolis, Maryland 21401

**Financial Technology Association**  
**Sarah Mamula, Head of Government Affairs**

**Testimony: Support MD HB 1294**

To Chair Wilson, Vice Chair Crosby, and Members of the Committee,

My name is Sarah Mamula, and I am Head of Government Affairs for the Financial Technology Association—an organization representing innovative fintech companies, including several leading providers of Earned Wage Access (EWA). FTA champions the power of technology-centered financial services and advocates for the modernization of regulation to support competition, inclusion, and innovation.

On behalf of FTA, I thank the Committee for the opportunity to express our support for House Bill 1294. This legislation provides important regulatory clarity for Earned Wage Access products and the workers and employers who rely on them.

EWA is a lifeline for many hard-working Marylanders. Getting paid once or twice a month just doesn't work for most Americans, and two in three people agree that the current pay cycle is broken. EWA fills this gap by allowing workers to tap into their already-earned wages between pay cycles. It helps people pay their bills on time, manage their cash flow, and handle emergency expenses like a doctor's visit or auto repair.

EWA is safe, consumer-friendly, and transparent, making the product unique to other options on the market. There are no mandatory fees, no credit checks, no interest, and no impact on credit scores. EWA providers always offer a no-cost option, and workers can only access a portion of their paychecks before payday. They are non-recourse and simply let people access the wages they have already earned. These protections apply whether the model is business to business (B2B) and offered as an employee benefit, or direct to consumer (D2C), which allows any worker to choose the provider that best fits their needs and is flexible should an individual switch jobs.

We support appropriate regulation – like HB 1294 – that is risk-based and tailored to the unique nature of these innovative products. This bill would create a durable regulatory framework for

EWA providers, ensuring strong, clear consumer disclosure requirements and codifying the aforementioned protective consumer features of the product.

We thank the Committee for championing innovation in financial services and working to provide the people of Maryland with quick and convenient access to their already-earned wages. We strongly urge you to support HB 1294.

Thank you.