



MARYLAND STATE & D.C. AFL-CIO

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SB 94 - Commercial Law - Earned Wage Access - Revisions

House Economic Matters Committee

March 31, 2026

SUPPORT

Donna S. Edwards

Maryland State and DC AFL-CIO

Madame Chair and members of the Committee, thank you for the opportunity to submit testimony in support of SB 94. On behalf of 700 affiliated unions, I offer the following comments.

We support workers receiving their wages promptly. Earned wage access should help people close financial gaps, not subject them to predatory practices. SB 94 addresses this by prohibiting tipping practices by lenders to protect consumers and workers alike. By prohibiting providers from even asking for a tip, the bill ensures that people are not exposed to hidden charges when they are simply trying to access the pay they have already earned.

Without clear guardrails, earned wage access lenders leave workers exposed to the harms associated with those loans. While these products are sold as a solution to financial gaps, what they do not advertise (and what lenders rely on) is hidden fee structures, aggressive repayment practices, and “voluntary” tipping. This is especially important because many earned wage access providers operate at scale, targeting low-wage workers who are unable to make those payments. When these lenders are not held to the same licensing and enforcement standards as other consumer loan providers, workers are put at significant risk. SB 94 closes these gaps by requiring licensing, enforcing refund timelines, and banning the tipping practices that have become a source of hidden costs.

The bill also enhances transparency as it shortens refund timelines and brings earned wage access providers under Maryland’s existing consumer loan licensing and enforcement framework. These updates create a more accountable system that protects workers from unexpected fees.

We support this year’s SB 94 because workers deserve protection from lenders that fail to abide by Maryland’s lending laws, and it ends the unfair and opaque tipping practices used by some earned wage access products.



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For these reasons, we urge a favorable report on SB 94.



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