

January 29, 2026

The Honorable Pamela Beidle
Chair, Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, Maryland 21401

RE: Senate Bill (SB) 94 - Commercial Law - Earned Wage Access - Revisions - Letter of Support

Dear Chair Beidle, Vice Chair Hayes, and members of the Senate Finance Committee,

The Governor's Office for Children (the Office) respectfully submits this letter of support for Senate Bill 94 - Commercial Law - Earned Wage Access - Revisions. SB 94 introduces crucial consumer protections related to Earned Wage Access (EWA) lenders and products. SB 94 restricts EWA lenders from requesting tips from consumers, requires lenders to follow advertising and non-discrimination requirements, and regulates EWA loans in accordance with requirements over other small-dollar lenders.

The Office supports SB 94 as it protects consumers, particularly low-income and consumers of color, against financially harmful and exploitative practices that further exacerbate financial hardship while also providing regulatory consistency across loan products. According to the Maryland Department of Labor's Office of Financial Regulation (OFR)'s 2024 Market Study, Black and Hispanic communities, low-income workers earning \$25,000 to \$50,000, and individuals living in high financial constraint and rent burdened areas are the most frequent users of EWA products. Harmful financial practices in the EWA market stand to further exacerbate the racial wealth gap. Nationally, racial disparities are most pronounced at the lowest-end of the income spectrum, with Black households holding only 11.83% of the wealth held by White households.¹ And, irrespective of income levels, White households hold between 3.4 and 5.5 times as much wealth as Latino/a and Black households in Maryland.² As for debt, communities of color face disproportionately higher rates of debt in collections than white communities in the State.³ Given high fees, annual percentage rates (APR), high rates of repeat transactions among consumers, and resulting decline payments and debt collection issues, without further regulation, EWA services stand to disproportionately harm those with the greatest financial needs in the State.

Further, Marylanders should be able to access critical resources, particularly their well-earned wages, in times of need without being exploited and misled. To ensure that Marylanders can

¹ [Addo-et-al-2024-setting-the-record-straight-on-racial-wealth-inequality.pdf](#)

² U.S. Census Bureau, 2018-2023 Survey of Income Program and Participation, public-use data.

³ [Debt in America: An Interactive Map](#)

achieve financial stability and economic mobility, it is imperative that the State protects consumers against the harms outlined in SB 94 and provides borrowers consistency across loan products. SB 94 prioritizes consumers and regulatory consistency by issuing critical consumer protections and aligning standards to existing lending practices. SB 94 supports Marylanders' pursuit of work, wages, and wealth. This is a reasonable and responsible approach for both borrowers and industry. For these reasons, the Governor's Office for Children strongly supports SB 94 and urges a favorable report. Thank you for your consideration.

If you would like to discuss this further, please do not hesitate to contact Andrea Barnes, Policy Advisor and Manager of Legislative Affairs at andrea.barnes@maryland.gov.

Sincerely,



Carmel Martin
Special Secretary, Governor's Office for Children and Senior Advisor to the Governor for Policy