



**SB94-Commercial Law-Earned Wage Access-Revisions  
Position: FWA**

January 29, 2026

The Honorable Pam Beidle, Chair  
Senate Finance Committee  
3 East, Miller Senate Office Building  
Annapolis, Maryland 21401  
cc: Members, Senate Finance

Chair Beidle and Members of the Committee,

Economic Action Maryland Fund appreciates the intent of SB94 to prohibit earned wage access providers from soliciting or accepting tips from participants who use these payday loan apps to borrow against their next paycheck. We thank OFR for their work on the legislation.

This prohibition will end the practice of steering struggling workers to pay a corporation to borrow their own money. We support provisions in SB94 which ensure that the loans are not discriminatory and harmonize these payday loans with other federal and state consumer lending statutes.

However, as drafted, SB94 falls short of the protections needed to provide sufficient guardrails for Marylanders living paycheck to paycheck. Several studies have shown that individuals will borrow multiple times a month, accruing fees which deepen their debt, leading to a vicious cycle of debt<sup>1</sup>. National research found over 90% of borrowers paid a fee to access their money sooner<sup>2</sup>. Under the current fee caps in Maryland law, paying a \$7.50 expedite fee on a \$100 loan is 90% APR, nearly triple the 33% Maryland state APR cap for personal loans under \$1,000.

Affordability is a term both chambers have highlighted as a priority this session as legislators seek to address the high costs of a number of essential goods and services. EWA loans are not affordable credit—they are, in fact, extremely expensive credit marketed to individuals who are struggling to make ends meet.

Further measures are required to protect everyday Marylanders from the worst aspects of these payday loans.

---

<sup>1</sup><https://www.consumerfinance.gov/data-research/research-reports/data-spotlight-developments-in-the-paycheck-advance-market/>

<sup>2</sup> ibid

*Economic Action (formerly the Maryland Consumer Rights Coalition) champions economic rights and housing justice through advocacy, research, consumer education, and direct service. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.*



**Economic Action Maryland Fund supports the following amendments for SB94:**

**Limit costs**

- Limit the **total maximum monthly cost**, covering all loans and all costs (expedite fees, subscriptions, etc), to \$10 month.
- Limit the \$4 per transaction fee to one per week.
- Lower the per transaction fee **to \$2**.

**Make it easier to exercise free options and make those options reasonable**

- If the consumer chooses not to pay an expedite fee, require the lender to use a method to send the money that is **reasonably designed to reach the consumer by the next day**.

**Limit repeat efforts to collect and make it easier to cancel repayment**

- Prohibit lenders from debiting bank accounts or payrolls more than once.
- Provide a simple method to cancel subscriptions or repayment of the loan.

**Regulator authority**

- Add comprehensive annual reports with data reporting on the costs, repeat usage, and other information, make those reports public, and require regular public reports

**Address loan stacking**

- Require lenders to implement measures to prevent advances to people who have taken out advances from other providers in the same wage period

We welcome the opportunity to work with proponents to strengthen SB94 and expand needed safeguards around this high-cost loan product.

Best,

Marceline White  
Executive Director

*Economic Action (formerly the Maryland Consumer Rights Coalition) champions economic rights and housing justice through advocacy, research, consumer education, and direct service. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.*

2209 Maryland Ave · Baltimore, MD 21218 | [www.econaction.org](http://www.econaction.org)  
Marceline White · [Marceline@EconAction.org](mailto:Marceline@EconAction.org) | Jennifer Bevan-Dangel · [Jennifer@EconAction.org](mailto:Jennifer@EconAction.org)