



February 3, 2026

Delegate

Delegate Kriselda Valderrama

Chair

Maryland House Economic Matters Committee
3 East Miller Senate Office Building
Annapolis, Maryland 21401

Re: Opposition to House Bill 237

Dear Chair Valderrama,

On behalf of the American Fintech Council (AFC), we are writing to urge you and your committee to reject House Bill 237 (HB 237). AFC is the premier trade association representing the largest financial technology (Fintech) companies, including the largest number of Earned Wage Access (EWA) providers. Our mission is to promote a transparent, inclusive, and customer-centric financial system by supporting responsible innovation in financial services and encouraging sound public policy.

In October of last year, House Bill 1294 (the “EWA Law”) took effect, creating the first and only formal regulatory framework for EWA in the State of Maryland. Prior to the passage of the EWA Law, Maryland did not have a formal framework with which the Maryland Office of Financial Regulation (OFR) could regulate EWA products or their providers. Only through the collaboration and dedicated work of Maryland legislators, OFR leaders, industry, and consumer advocates, was the EWA Law able to pass in a manner that ensured responsible EWA providers could operate in the state, OFR maintained prudent oversight, and that workers received proper protections.

The role of OFR is to administer the laws promulgated by the Maryland General Assembly in the manner that body intended. While OFR has broad discretion on how to administer such laws and regulate covered industries, it must act in a way that ensures responsible providers seeking to abide by the provisions of the law are able to do so practically and efficiently. Since the EWA Law took effect on October 1, 2025 and OFR continues to process EWA providers’ license applications. To date, only three AFC members, of the 20 EWA providers our association represents, have received their licenses. Unfortunately, as it has been explained to us by our members, OFR has eschewed good-faith efforts by responsible providers to obtain the appropriate licenses to operate in the State. We have also heard from our members that OFR may be engaging in investigatory activities that portend a pursuit of legally tenuous enforcement actions.

Based on these facts, it is clear that, while in effect, the EWA law has yet to be executed fully by OFR. Particularly, OFR has not yet met its statutory responsibilities, in that the industry is not receiving the legally mandated oversight established by the existing EWA Law.

It is with this context in mind that we express our opposition in advancing HB 237. Passing HB 237 would only add additional complexity to implementing the EWA Law before OFR has even properly implemented the recently passed EWA Law. Reengaging on the issue of EWA when the existing regulatory framework has not been fully implemented seems incongruent with the legislative intent and efforts put forward by this committee to pass the EWA Law. We therefore humbly ask that your committee reject HB 237, and instead work with OFR to ensure that they fulfill their existing statutory obligations in administering the legislature's intent within the EWA Law, namely the proper oversight of the responsible EWA providers who have applied for licensure.

The pragmatic policymaking pursued by the Maryland Legislature just last session was constructed to provide adequate methods with which to determine if any amendments to the EWA Law would be necessary. Once fully and correctly implemented, the EWA law gives OFR discretion to collect information from the providers it has licensed. Only once data from properly licensed providers has been collected and analyzed can it be reasonably determined if the EWA law needs to be adjusted. To pursue legislation that would reopen the provisions of the EWA Law does not give adequate respect to the thoughtful policy mechanisms put in place just months prior to the introduction of HB 237.

We remain committed to working with you, other legislative leaders, and OFR to clearly and appropriately execute the established regulatory framework for Earned Wage Access in Maryland. As we have for so many years, we are committed to transparent collaboration to ensure Maryland families has the safe and affordable financial options they deserve.

We welcome the opportunity to discuss this matter further.

Sincerely,

Hudy Rosenberg
Deputy Director of State Government Affairs
American Fintech Council