



Senator Matt Klein, Chair
Commerce & Consumer Protection
Committee
Minnesota Senate
2105 Minnesota Senate Building
St. Paul, MN 55155

Senator Gary Dahms, Ranking Member
Commerce & Consumer Protection
Committee
Minnesota Senate
2105 Minnesota Senate Building
St. Paul, MN 55155

March 17, 2025

Re: SF 2216, Article 4, Sections 1 to 9 - Earned Wage Access Regulations

Chair Klein, Ranking Member Dahms, and Members of the Committee,

My name is Sam Sadle from EarnIn's Government Relations team and I am writing to express our strong opposition to the Earned Wage Access (EWA) provisions included in SF 2216.

As drafted, Article 4 Sections 1 to 9 of SF 2216 will end EWA in Minnesota. The proposal from the Department of Commerce incorrectly applies existing Minnesota small loan regulations to EWA which is not a loan by any reasonable definition as it lacks credit checks, interest, late fees, or recourse, and always includes a free option.

However, what is most disappointing about the language proposed in SF 2216 is that it was reached without engagement with the EWA industry that it proposes to regulate and was done so seemingly without consideration for whether the proposal could be implemented.

We stand ready to engage with the Department of Commerce and legislators to form a new regulatory structure that meets the needs of Minnesotans, and creates stability for the industry with robust consumer protections.

In particular, we encourage regulators to draw inspiration from Wisconsin, which has already passed thoughtful regulations that meet the objectives of both industry and consumer advocates.

Nearly 50,000 Minnesotans have used EarnIn over the past decade. In fact, some of Minnesota's largest employers including Target, Allina Health, Mayo Clinic, Fairview Health Services, and many others – have employees who utilize EarnIn. For these workers—and tens of thousands like them—EarnIn provides flexible access to their earned wages, giving them peace of mind when managing financial obligations.



The impact of EWA services is best seen through the real-life experiences of the workers who rely on it. Here are just a few stories from folks who have benefited from EarnIn's EWA service.

- A saleswoman shared that due to her fluctuating income, she needs a reliable way to access her earnings to help her stay on top of essential bills and avoid high-interest loans and credit card debt.
- A medical assistant relies on EarnIn when her paycheck is delayed, ensuring she can pay rent and cover childcare expenses on time.
- A peer support specialist working with the rural unhoused community told us that EarnIn gives her the financial freedom to help when it's desperately needed.

While each situation is unique, a common theme emerges: workers across Minnesota use EarnIn to bridge financial gaps, avoid high-cost options, and gain a sense of financial security.

Six states—Nevada, Missouri, Kansas, Wisconsin, Utah, and South Carolina—have passed legislation so far, and in 2023 the Council of State Governments (CSG) adopted a model legislative structure. SF 2216 ignores this progress and instead applies existing loan regulations to EWA that are not fit for purpose and will move the industry and Minnesota consumers backward.

We encourage the Committee and the Department of Commerce to engage in a true collaborative process and design regulations that provide the industry with long-term stability, protect consumers, and ensure EWA remains an available option for the tens of thousands of Minnesotans who rely on it to make ends meet.

Sincerely,

A handwritten signature in black ink, appearing to read "Sam Sadle".

Sam Sadle
EarnIn Government Relations