



October 6, 2025

Representative Mark Johnson
Chairman, Ohio House Commerce and Labor Committee
77 South High St
12th Floor
Columbus, OH 43215

Dear Chairman Johnson,

Thank you for the opportunity to provide interested party testimony on House Bill 152, which proposes a regulatory framework for Earned Wage Access (EWA) providers in Ohio. On behalf of Ohio's 201 credit unions and their 3.3 million members, the Ohio Credit Union League (OCUL) respectfully advocates for stronger consumer protections and more consistent oversight of this rapidly expanding industry.

We support the goal of establishing guardrails around EWA services and appreciate the leadership of Representatives Williams and Upchurch on this issue. However, we believe House Bill 152, as currently drafted, lacks critical consumer protection safeguards and creates a disparate regulatory landscape that disadvantages responsible, community-based lenders like credit unions.

Credit unions are held to rigorous state and federal lending standards, including the Truth in Lending Act. These standards require clear disclosures, standardized terms, and comprehensive consumer protections. Unfortunately, House Bill 152 explicitly states that EWA providers are not lenders or creditors, thus removing them from these critical regulatory requirements. While EWA services may not be traditional loans, they function similarly in practice, providing short-term liquidity in exchange for fees or "voluntary" tips. Conversely, credit unions must meet high compliance burdens to offer small-dollar, short-term financial products. We urge the Committee to consider aligning key consumer protection standards across all providers offering similar services.

Finally, we are concerned that the legislation does not limit fees or gratuities. Without clear caps, these "voluntary" charges may become de facto fees, especially if consumers feel compelled to pay them to maintain access. Trusted financial institutions, like credit unions, are subject to strict rate caps designed to protect consumers. However, tips for EWA services can easily exceed these regulatory caps when calculated as a percentage of the total payroll amount advanced. As such, we recommend stronger guardrails so that EWA products remain a helpful tool rather than a financial trap.

On behalf of Ohio's credit unions and the communities they serve, we thank you for considering enhancements to House Bill 152 that would ensure meaningful consumer protections. We welcome the opportunity to work collaboratively with the bill sponsor and this Committee to refine the legislation to support innovation while upholding the high standards that responsible lenders already follow.

If you have any questions or would like additional information, please don't hesitate to contact me at (614) 923-9710 or acanan@ohiocul.org.

Respectfully,

A handwritten signature in black ink that reads "Andrew Canan".

Andrew Canan
Director, Political Affairs