



American Fintech Council Testimony

TO: Ohio Senate Financial Institutions, Insurance and Technology Committee
FROM: Ashley Urisman, Director-State Government Affairs, American Fintech Council (AFC)
DATE: May 27, 2025
SUBJECT: SB 117

Position: Support

Testimony:

Thank you Chair Wilson, Vice Chair Lang, Ranking Member Craig and members of the Senate Financial Institutions, Insurance and Technology Committee. For the record, my name is Ashley Urisman, I am the Director of State Government Affairs for the American Fintech Council (AFC), and I am testifying this afternoon in support of SB 117.

AFC is the premier trade association representing the leading financial technology companies, including providers of Earned Wage Access (EWA) services. AFC's mission is to promote a transparent, inclusive, and customer-centric financial system. A core part of our mission is supporting responsible innovation and sound public policy in Financial Services.

EWA is a relatively new financial technology ("fintech") product that allows workers to access the money they have already earned in a pay period before their scheduled payday. While each provider company operates differently, EWA providers leverage technology (in some instances this is direct integration with employer time and attendance payroll systems) to reasonably determine the amount of earned but unpaid wages a user will be offered.

EWA remains unregulated in Ohio. SB 117 seeks to change that and requires that EWA providers register with the Ohio Department of Financial Institutions, under the supervision of the Superintendent. This registration requirement ensures that only responsible EWA providers complying with the regulations proposed in this bill are allowed to operate in the Buckeye State, creating important additional consumer protection for your constituents, and accountability for EWA providers.

As a new and distinct financial product, EWA must be governed by new and distinct regulations. To ensure that providers safely and effectively serve consumers, AFC has established clear standards on what constitutes a responsible EWA product. Our standards require that

- A reasonable no-cost option be made available for all users;
- All voluntary fees and charges be disclosed in clearly and transparently;
- Users are never charged interest or late fees on any EWA transactions;
- EWA transactions are credit invisible, no credit checks are required for a user to receive their earned wages;
- EWA transactions are non-recourse and can be canceled at any time; meaning they do not have to be repaid, and failure to repay will not be reported to credit agencies or be referred to collections.

We believe the guardrails set forth in SB 117 reflect our standards. These standards, and the provisions of the bill also differentiate EWA from traditional credit products like loans and credit cards which do charge interest, late fees and impact consumers' credit scores.

Thank you again for the opportunity to offer our support for SB 117. I am happy to answer any questions you may have.