

**Testimony of Patrick Woodcock
Before the Joint Standing Committee on
Health Coverage, Insurance and Financial Services
LD 1915 “An Act to Regulate Earned Wage Access Services Providers.”
May 20, 2025**

Senator Bailey, Representative Mathieson, and members of Joint Standing Committee on Housing and Economic Development, my name is Patrick Woodcock. I am here on behalf of the Maine State Chamber of Commerce, representing a network of 5,000+ small to large businesses. Thank you for the opportunity to provide testimony in support of L.D. 1915, “An Act to Regulate Earned Wage Access Services Providers.” The Chamber appreciates Representative Skold from bringing this legislation forward and enabling Mainers to access wages in a manner that has appropriate oversight and limitations

Maine employers have increasingly utilized flexible payments as employees look to more efficiently manage their paychecks. The legislation presented to you today builds on legislation from five other states to enable and appropriately oversee the utilization of earned wage providers that enable workers to directly access wages. Households continue to be challenged by the high rate of inflation that is eroding household budgets and many turn to comparatively high-cost methods to meet household budgets from interest payments on credit card debt or overdraft fees.

Financial technology innovations have developed alternatives for customers that are based on real wage accrual, but it is critical that the state establish reasonable safeguards for the use of these products. Importantly, the legislation would require annual registration and reregistration for earned wage access services providers, bond requirements, and a transaction fee limitation.

The Maine State Chamber of Commerce believes that Maine should embrace financial technology that can be an important tool for households to manage their wages and can be superior alternative to high-cost transactions. As the Committee moves to a work session, a specific area of review of the text of the legislation should be on the exact language on “tips” and how that intersects with existing Maine statute.

The legislation would preserve Mainers’ utilization of these products that are in use today while applying appropriate oversight for these products. The Maine State Chamber of Commerce encourages the Committee to support LD 1915, “An Act to Regulate Earned Wage Access Services Providers.