



January 28, 2025

The Honorable Kathleen Taylor
Chair, Committee on Labor and Business
Oregon Senate
900 Court Street, NE
Salem, OR 97301
sen.kathleentaylor@oregonlegislature.gov

The Honorable Daniel Bonham
Vice Chair, Committee on Labor and Business
Oregon Senate
900 Court Street, NE
Salem, OR 97301
Sen.DanielBonham@oregonlegislature.gov

Re: In support of Oregon S.B. 481, Relating to earned income access services

Dear Senators Taylor and Bonham:

PayrollOrg (PAYO) supports S.B. 481, Relating to earned income access services, because it would enable employers to offer earned wage access (EWA) benefits to their employees to promote financial wellness. PAYO also supports the bill because it would establish a reasonable approach to employer and employee protections. These comments are only applicable to employer-integrated models of EWA. Direct-to-consumer models do not impact payroll management.

About PAYO

PAYO is a nonprofit association representing more than 20,000 payroll professionals throughout the United States. PAYO's Government Relations Task Force partners with government agencies to help payroll professionals with compliance, while minimizing the administrative burden on government, employers, and individual workers. PAYO members are directly responsible for calculating wages and withholding for their employers across all industries and employer types. PAYO does not endorse any technology or management approach. Therefore, PAYO is not positioning itself with any specific business, employer, or group.

Reason for Support

PAYO appreciates the following provisions:

- **Section 1(8) and (9).** Clearly defines “earned income access services” and “employer” to distinguish between EWA services and credit-based services and recognizing the role of employers in early pay benefits.
- **Section 1(16).** Identifies “unpaid compensation” to make clear that the payments provided to employees earlier than their regularly scheduled payday are already earned and owed to the employees.



- **Section 2.** Requiring providers to obtain a license from the state with specific procedures for applying and explaining the role of the Department of Consumer and Business Services. This creates legitimacy of EWA providers in Oregon and helps employers select valuable partners when offering EWA benefits.
- **Section 3.** Provides government agency oversight that adds a layer of consumer protections to prevent predatory practices. This oversight includes licensee record keeping and reporting, which helps to ensure that EWA services are transparent.
- **Section 7(1).** Requiring EWA providers to create policies and procedures to answer user questions and complaints, fully disclose fees associated with user participation, provide a no cost option to users, and allow employees to opt out of the benefit later without penalty. PAYO believes that greater transparency in an EWA program will enable employees to use the program successfully.
- **Section 7(2).** Prohibiting providers from offering employers fees or other remuneration as part of their EWA program. This is important for employers to be compliant with wage and hour laws, prevent poor arrangements between employers and EWA providers, and for employers to avoid unscrupulous marketing by providers. In addition, EWA providers are not allowed to seek a credit report on employee-consumers nor report an employee-consumer to a credit reporting entity or third-party debt collector. This protects employees who decide to participate in an employer's EWA program.

To discuss EWA and PAYO's comments further, please contact me at 202-669-4001 or by email at ajacobsohn@payroll.org.

Sincerely,



Alice P. Jacobsohn, Esq.
Director, Government Relations

For: Government Relations Task Force
State and Local Topics Subcommittee
Chairs: Carlanna Livingstone, CPP; Bruce Phipps, CPP; Alma Stewart, CPP

Electronic Payments Subcommittee
Chairs: Nancy Fletcher, CPP; Ronn Gilson, CPP; and Kristine Willson, CPP