



January 30, 2025  
House Commerce and Economic Development Committee  
115 State Street  
Montpelier, VT 05633

**Re: Support for HB 99**

Dear Chair Marcotte and honorable members of the House Commerce and Economic Development Committee:

Thank you for your consideration of HB 99 and for your leadership on legislation to improve the financial security of hard-working Vermonters.

Payactiv is a leading employer-integrated earned wage access (EWA) provider that partners with employers to enable their employees to access their own, already-earned wages when they need it – rather than waiting for payday. Payactiv uses verified time and attendance, payroll, and census file data to verify an employee's earnings in a given pay period. Participation is voluntary, and employees have the option to download the app and access up to fifty percent of their earned net pay. The amount they access is then adjusted through their paycheck. As a Public Benefit Corporation and Certified B Corp, we are proud to serve Vermont workers and employers for over a decade. We partner with over 200 businesses and provide our services to almost 1,500 users in the state.

The cost of living has rapidly increased in the last decade, and wage growth has remained stagnant – making it harder and harder for working Vermonters to make ends meet. Today, nearly 40 percent of workers live paycheck-to-paycheck, and almost 30 percent of Vermont adults reported having difficulty paying for household expenses in the previous week. In this challenging economic environment, EWA is a highly valuable resource for thousands of Vermonters who need cash for unexpected expenses between paychecks. It is a responsible, safe alternative to costly online payday loans and credit card debt and helps users avoid hefty late fee bills and service shutoffs. Without EWA, it may be weeks until workers can see the benefit of picking up an extra shift to pay their utility bill or buy groceries for the week.

Payactiv supports a licensing regime for EWA providers and appreciates the effort and innovative approach this committee has taken to create a regulatory system that is aligned with how EWA operates. HB 99 enacts important consumer protections, including:

- Requiring *at least* one fee free option (Payactiv has five)
- Ensuring that all transactions are non-recourse and the user can cancel at any time
- Prohibiting the use of credit scores or credit reporting, so even workers with low or poor credit have access to the service
- Banning late fees, penalties, inactivity fees, and junk fees
- Requiring clear disclosures around any fees so the user is fully informed about their options

Payactiv is proud of our commitment to Vermont businesses and workers. We thank you for your leadership on this issue, and we support this measure.

Sincerely,  
Mark Salters  
Public Policy Manager, Payactiv