

OFFICE OF FISCAL ANALYSIS

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sHB-5140

AN ACT CONCERNING EARNED WAGE ACCESS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Banking Dept.	BF - Potential Revenue Gain	Minimal	Minimal

Note: BF=Banking Fund

Municipal Impact: None

Explanation

The bill exempts an “employer-integrated advance” from the state’s small loan lending law provisions on annual percentage rate and finance charges, resulting in a potential revenue gain to the state to the extent that such an exemption results in more applications for small loan licenses. The initial and annual renewal fee for the small loan license is currently \$400.

The bill also makes clarifying and conforming changes that result in no fiscal impact to the state.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of small loan licenses granted.

Primary Analyst: RP
Contributing Analyst(s):
Reviewer: PR

3/27/24