



DailyPay, LLC Testimony

TO: House Finance Committee
RE: Support for HF 2874
DATE: March 24, 2026
SUBJECT: Testimony from DailyPay, Inc.

Position: Support

Thank you, Co-Chair O'Driscoll, Co-Chair Koegel, Co-Vice Chair Elkins, Co-Vice Chair Perryman, and members of the House Commerce Finance and Policy Committee for the opportunity to submit written comments regarding House File 2874 (HF 2874). We are grateful for your work on this important issue.

DailyPay is the leading provider of employer-integrated Earned Wage Access (EWA). We partner with hundreds of Minnesota businesses to solve a simple but systemic problem: "pay infrequency."

As we all know, life doesn't always align with a two-week or monthly pay cycle. For the two-thirds of Americans living paycheck to paycheck, a single car repair or medical bill can trigger a downward spiral of debt. EWA allows employees to retrieve their wages that they've earned but not yet been paid before their scheduled payday. This service provides workers with access to their earnings, supporting them in managing unforeseen expenses without needing high-interest loans, overdraft fees, or waiting for their regular bi-weekly or monthly paycheck.

When we talk about "liquidity," we are really talking about people like **Stephanie H from Saint Paul**. She found herself in a bind when her property tax payment was due and her payday was days away. Because of DailyPay she didn't have to incur in penalties or late payments on her property taxes.

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It is important to understand that EWA is **not a loan**. There is no interest, no credit check, and no debt collection. It is a non-recourse product. This distinction is vital for workers like **Kevin W. from St. Cloud** . He was in the negative in his bank account and DailyPay kept him from getting an overdraft charge.

Our data proves that this is a tool for stability, not a cycle of debt. We see a **97% decline** in high-frequency usage within the first 12 weeks of joining.

Take **Merenda D. from Battle Lake** for example. She has used DailyPay to save her from losing her car.

HF 2874 creates a regulatory framework that mirrors these real-world needs while protecting consumers. It mandates strict disclosures on providers and protects benefits like a mandatory free option, while ensuring that EWA remains a safe, non-recourse alternative to predatory lending.

By supporting HF 2874, you are protecting a service that reduces employee turnover by 45% and, more importantly, provides a lifeline to Minnesotans like **Darleen S.- Suak Rapids**, who used DailyPay to pay bills on time when she needed it the most.

DailyPay strongly supports the regulatory framework and consumer protections in HB 2874. We urge you to support Minnesotan's access to their earned wages. We urge a **"Yes"** vote.

Thank you,

Nancy Coleman-Chavez

Senior Public Policy Manager

DailyPay, LLC.

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