



Earned Wage Access

A Look at Voter Attitudes Toward EWA & Financial Services Policy

Overview & Recommendations

Future Majority and our polling partner, Change Research, conducted a nationwide survey of voters on issues related to Earned Wage Access, as well as issues related to costs and other economic policies. Our survey included an oversample of voters in Connecticut, which has recent activity related to Earned Wage Access providers. The survey of 2,976 (n= 2,411 nationwide; 565 Connecticut) voters was fielded February 1-7, 2024.

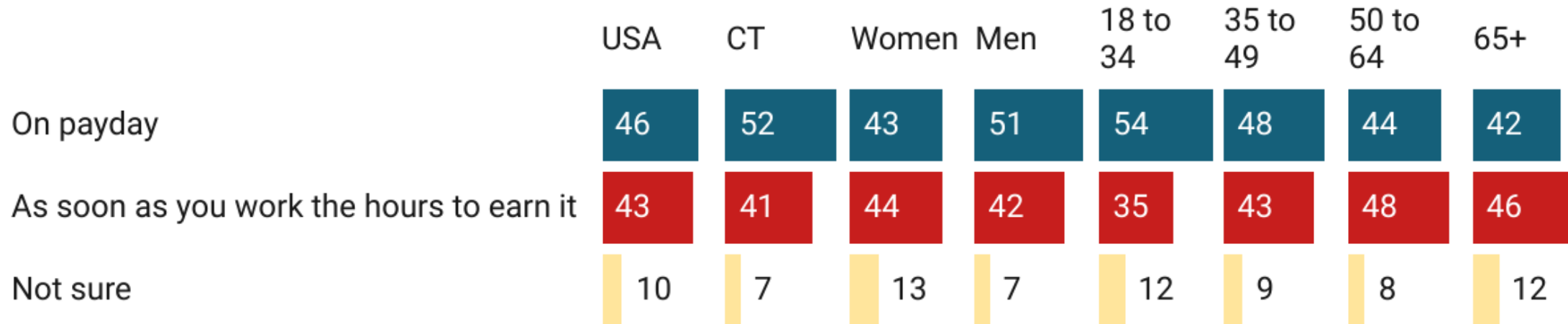
- **Voters need more education about Earned Wage Access.** This includes changing the perception to the fundamental question of when the money they have earned is legally theirs. Because most people are not familiar with EWA, it is important to contrast with well-known villains when possible. Likewise, Lawmakers should strive to enable more opportunities for workers to access their wages without mandatory fees and promote innovation to weed out corrupt actors in our system, like payday lenders.
- **Beyond advocating for regulatory standards, EWA providers should establish national standards for themselves.** This survey shows that a “pay what you think is fair” model is what more people prefer, and this would limit EWA providers being grouped with other unscrupulous actors in the financial services industry. Voters are also generally supportive of employers providing EWA benefits, so long as there are not additional fees to access their wages.
- **Democrats (and other coalition groups) are supportive of EWA messages and can be mobilized to support the cause.** The EWA message framework lines up with traditional values held by Democrats. Throughout the survey, Democrats consistently responded positively to EWA arguments and messages, often by wide margins. Voters who are union members or in a union household similarly support EWA access. EWA proponents should mobilize these likeminded allies to promote their policy agenda.

Voter Opinion Landscape on EWA

Voter Opinion Landscape on EWA

Supporters of EWA will need to change voters' opinion about when the wages they have earned are legally theirs. Just 43% of voters nationally say that their wages are legally theirs once they have worked the hours, with a plurality responding incorrectly that their wages are not theirs until they are paid. Younger people in particular are more likely to make this error, with 54% of 18-34-year-olds responding that their wages are not theirs until payday.

When you work, you earn wages. When is the money that you have earned legally yours?

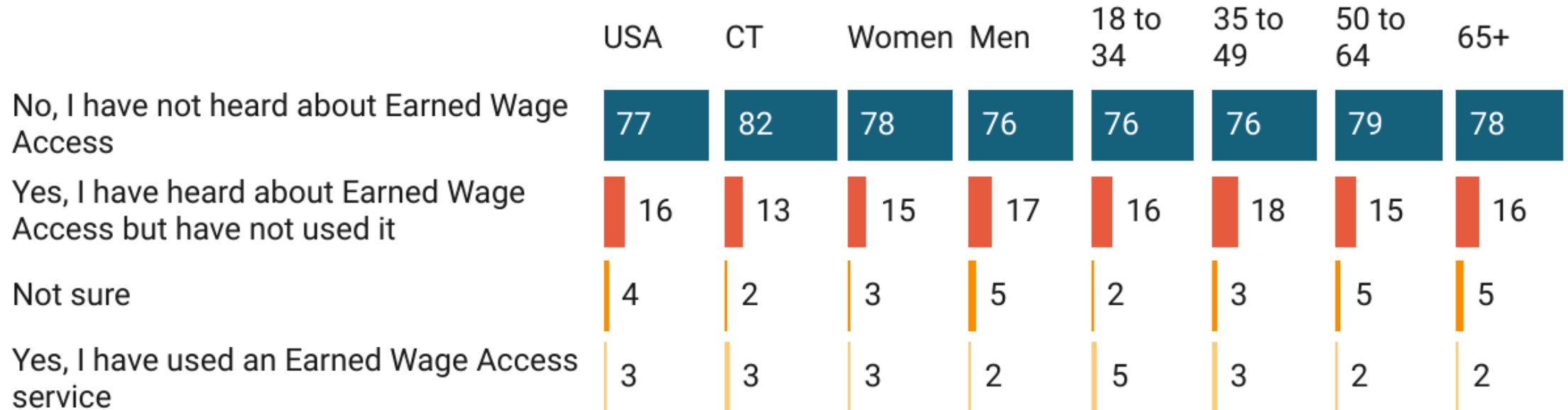


Voter Opinion Landscape on EWA

Respondents were introduced to EWA with the following:

“Earned Wage Access (EWA) allows workers to access a portion of their earned wages before their scheduled payday. Instead of waiting for the traditional pay cycle, such as bi-weekly or monthly, employees can withdraw a part of their already-earned income to cover immediate expenses or emergencies. Unlike payday lenders, many EWA companies do not charge interest for their service and use a pay-what-you-think-is-fair, or “tip” model, or to opt-in to voluntary services instead of a mandatory fee. Some EWA providers also work directly with employers to offer the service.”

Before now, have you heard about Earned Wage Access?

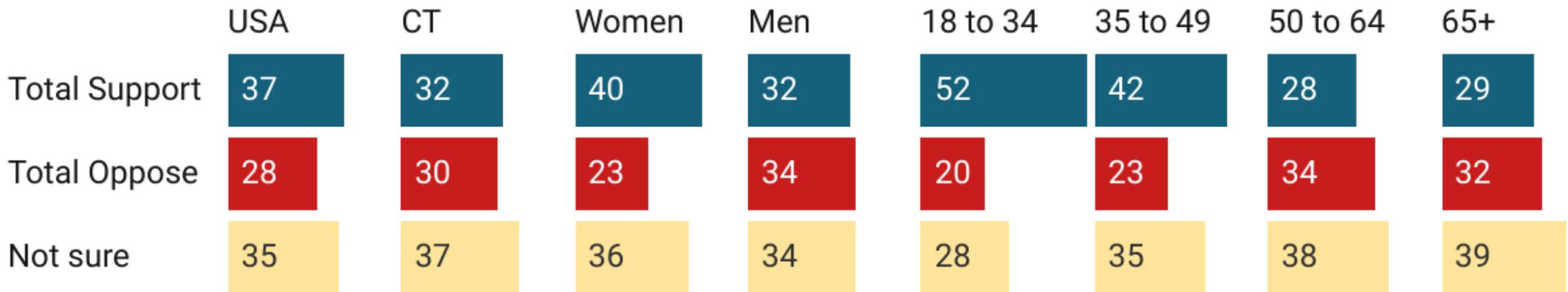


Voter Opinion Landscape on EWA

Prior to learning more about EWA, voters do not have strong opinions about EWA innovations. In Connecticut, a plurality of respondents say they are not sure. In anticipation of many voters being unfamiliar with EWA, we prefaced the following question with:

“Some Earned Wage Access providers want to dramatically shift the consumer experience with financial services by challenging the status quo and giving workers more freedom to choose when they get paid. Instead of mandatory fees, EWA providers use a pay-what-you-think-is-fair model “tip” model and/or a small, expedited transfer fee (\$1-\$4). EWA providers do not sell customer data or have a right to collect or sue customers who do not pay back. EWA supporters say this innovative technology is a win-win because it gives millions of workers access to billions of dollars of wages they have already earned when they need it without having to wait for a payday.”

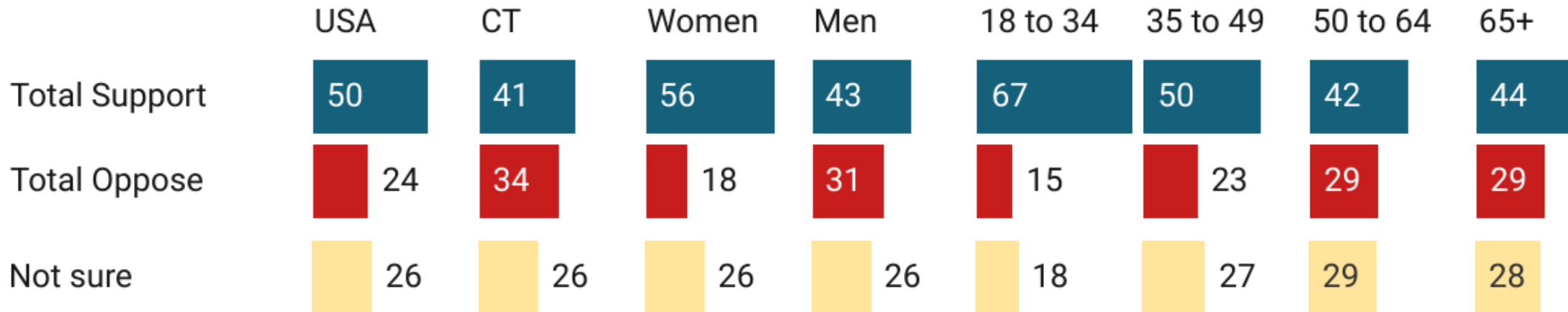
Do you support or oppose innovations like EWA in the financial services industry?



Voter Opinion Landscape on EWA

Half of voters say that they are supportive of businesses offering EWA benefits, and few voters oppose EWA partnerships with corporations. This is particularly evident with Democrats, 60% of which respond that they support more businesses offering EWA benefits. Only 16% of Democrats oppose – a 44-point margin of support.

Large corporations like Walmart and Amazon have partnered with Earned Wage Access companies to offer same-day pay, allowing employees to receive up to 70% of their eligible earned pay whenever they choose. Would you support or oppose other companies offering earned wage access benefits?

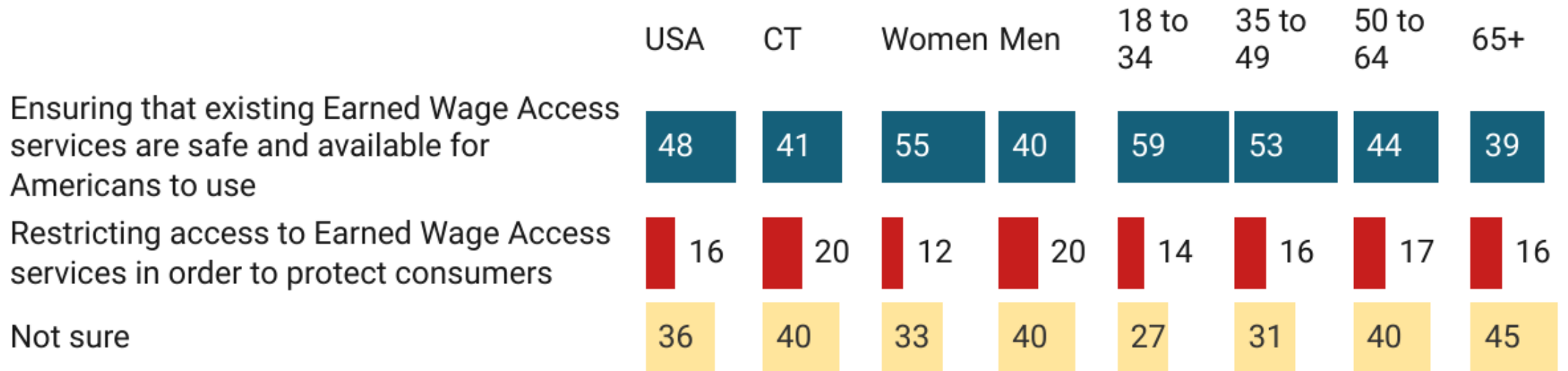


Voter Opinion Toward EWA Policies

Voter Opinion Toward EWA Policies

Despite being unfamiliar with EWA, voters do not believe the current system and fall on the side of policies that create more financial freedom for working families. Few voters want EWA services to be restricted, and nearly half nationally say they believe that the government should focus on making sure that EWA services are safe and available. Once again, this resonates with Democrats, with 57% nationally and 56% in Connecticut responding that the government should ensure EWA is safe rather than restrict access to these services.

Millions of American workers already use Earned Wage Access services to access their pay when they want it. Some regulators have proposed mandatory fees on EWA transactions or forcing EWA companies to change their practices. Should government regulators prioritize:

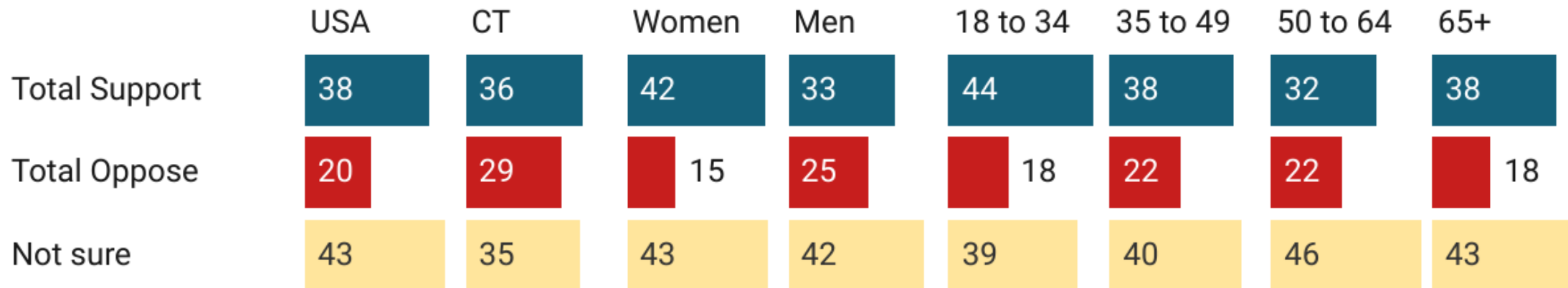


Voter Opinion Toward EWA Policies

Voters still need to learn more about proposed federal legislation to regulate EWAs. After hearing some background about the legislation, a plurality of voters nationally responded Not sure about their support.

We provided voters a background of recent legislation: “Earned Wage Access (EWA) Consumer Protection Act is a proposed federal law that would establish national standards for the Earned Wage Access industry. Supporters of the legislation say that EWA is an innovative new model that does not fit within old regulatory frameworks, and new national standards are needed. Opponents of the legislation say that more consumer protections are needed, even if that means consumers losing access to EWA services.”

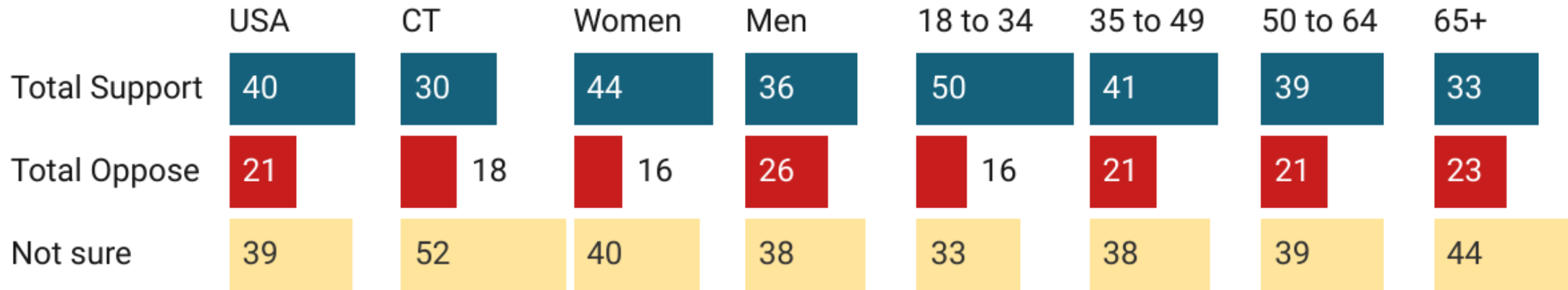
Do you support or oppose the Earned Wage Access Consumer Protection Act?



Voter Opinion Toward EWA Policies

Voters are similarly divided on whether or not they would like Congress to pass a similar law as the state of Nevada to regulate EWA providers.

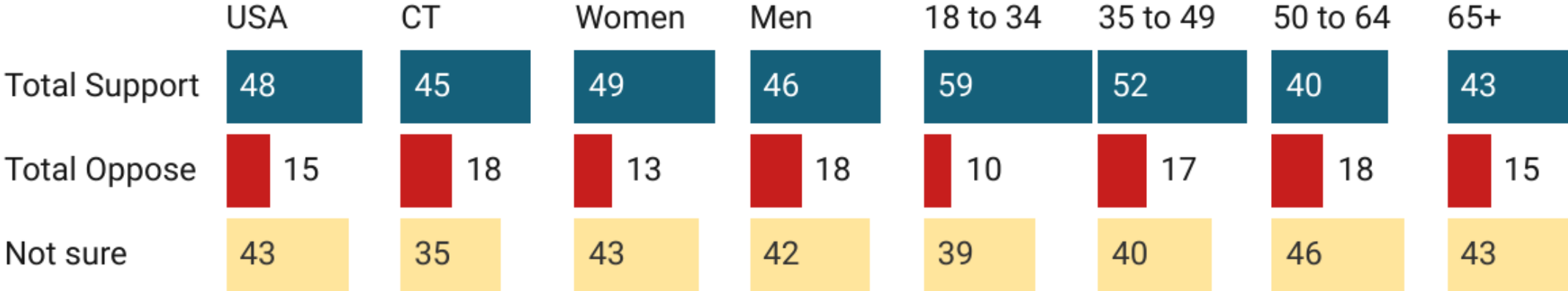
Because of their unique model, the state of Nevada recently passed a law that establishes new licensing for Earned Wage Access companies to operate outside of the traditional regulatory structure that lending companies are required to operate. Would you support a similar law being passed by the U.S. Congress?



Voter Opinion Toward EWA Policies

However, more voters expressed support for the U.S. Treasury Department’s proposal to define EWA in the tax code. Nearly half of voters nationally say they support this, and few oppose it.

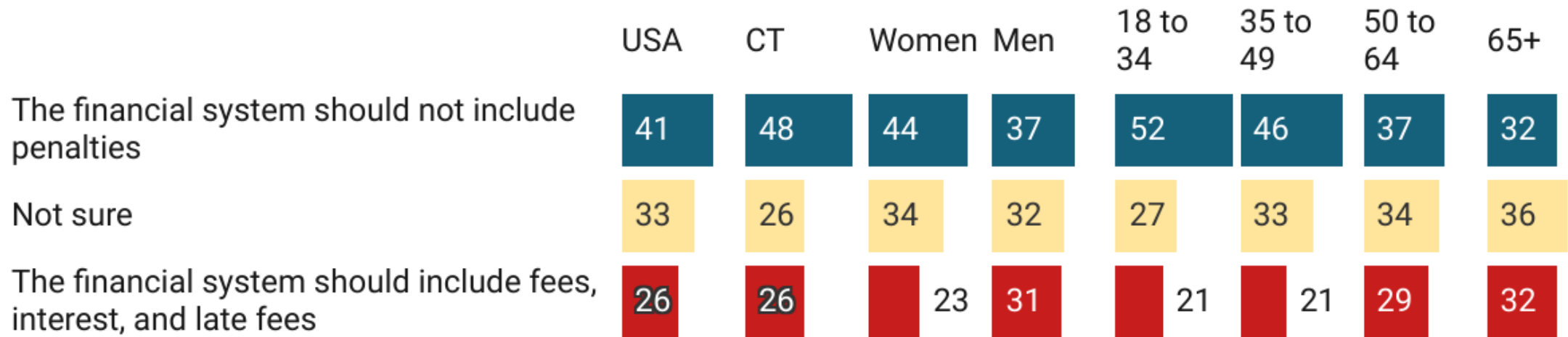
The U.S. Treasury Department has proposed that Earned Wage Access (EWA) be defined in the tax code, including that on-demand pay arrangements are not loans that can be collected. The Treasury Department says that this will provide "certainty and uniformity for taxpayers" who use EWA services. Do you support or oppose this rule?



Voter Opinion Toward EWA Policies

Voters generally prefer financial systems without punishment. We provided voters a background: “*The Consumer Financial Protection Bureau released guidance stating that pay-what-you-think-is-fair, or tipping models, “are likely to benefit consumers and unlikely to lead to risks and harms” and are “likely to be beneficial for consumers across the spectrum.”*

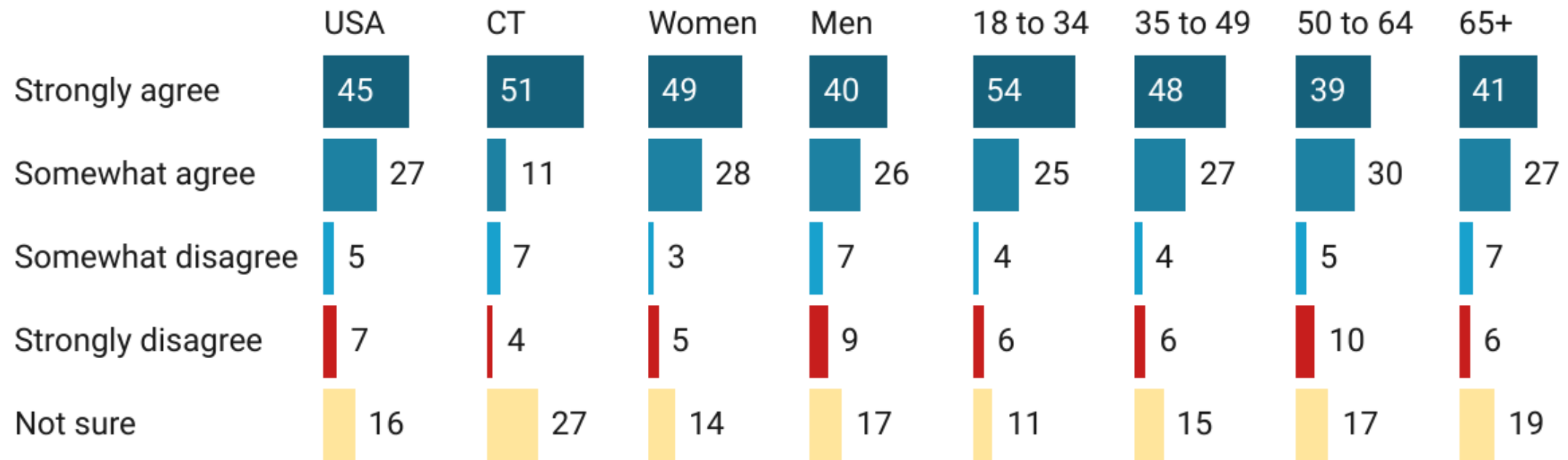
Do you think the financial system should include fees, interest, and late fees for missed payments, or should the financial system include no penalties for those who are unable to pay back the money?



Voter Opinion Toward EWA Policies

Voters are very supportive of the government working to make it easier for workers to get paid. This is one of the key areas where more intensity is observed toward these issues. **Overall, 72% of voters nationally agree.** We provided voters a background: *“Estimates suggest that Americans spend \$15 billion or more each year on unnecessary fees. Despite new technologies and innovation in our financial system, Secretary of the Treasury Janet Yellen recently highlighted that tens of millions of Americans are forced to wait up to two days for a check to hit their bank account. This delay contributes to workers being charged overdraft fees or high-interest alternatives.”*

Do you agree or disagree that government regulators should work to make it easier for people to be paid their already-earned wages faster?

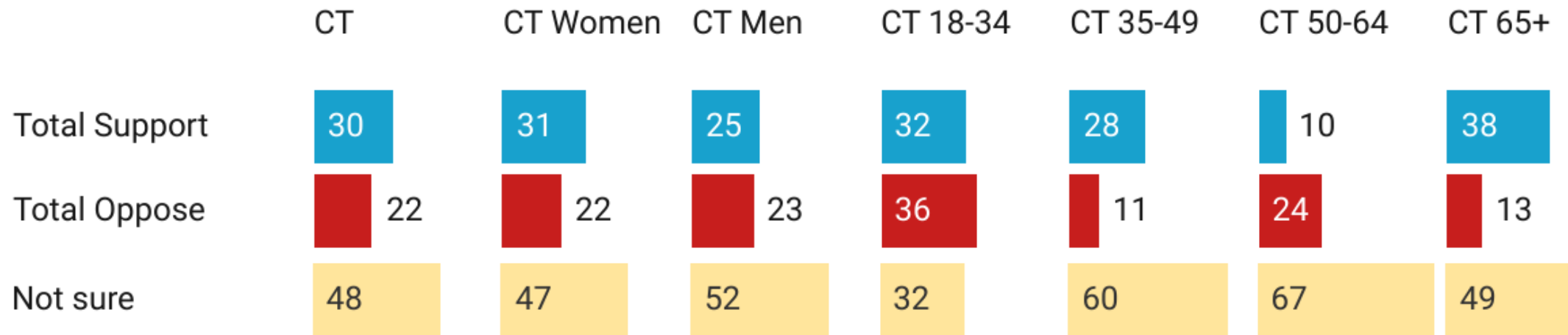


Connecticut Voter Opinion Toward EWA Policies

CT Voter Opinion Toward EWA Policies

Connecticut recently introduced a new law to establish EWA policies. The solutions provided regulators are not yet clear to voters; nearly half are not sure whether they support it or not. We provided context: *“Connecticut recently enacted a new law to regulate Earned Wage Access companies. The new law requires EWA providers to hold a small loan license, which makes EWA services unavailable to consumers in the same way. Supporters of the law say it protects consumers, while opponents say it has caused thousands of Connecticut residents to lose access to service providers who are no longer able to operate and have left the state.”*

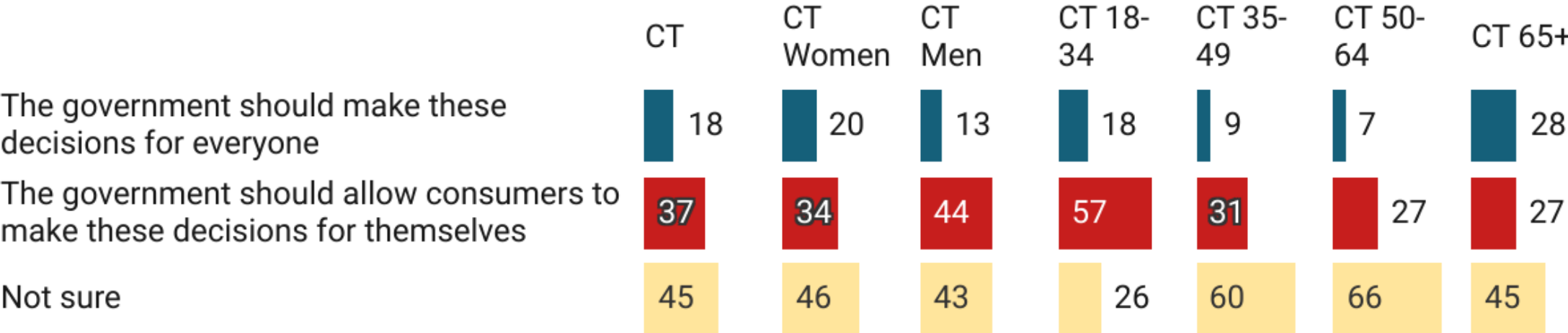
Do you support or oppose the new Connecticut law?



CT Voter Opinion Toward EWA Policies

However, despite their uncertainty, few say the government should make these decisions for everyone. A plurality say that consumers should make decisions themselves.

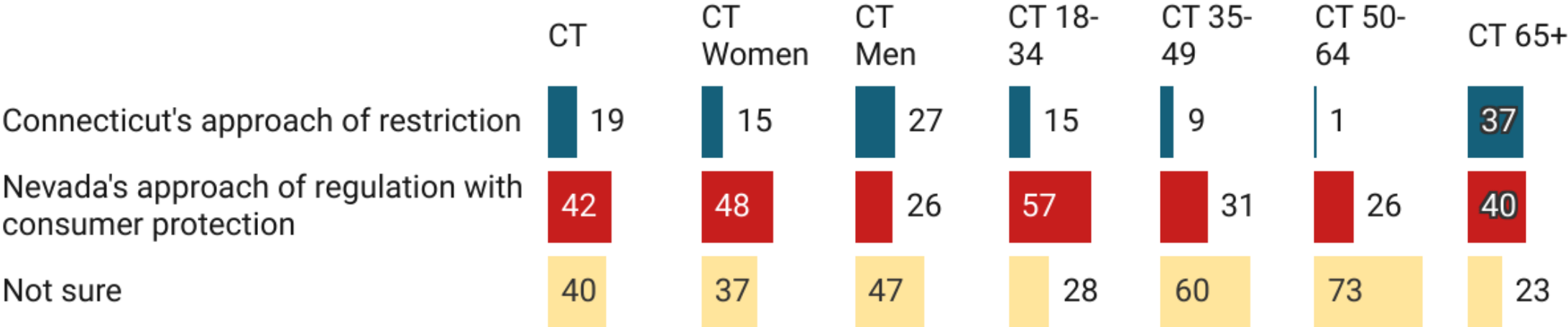
At least one Earned Wage Access provider has received approval from the Connecticut Department of Banking to offer its services without applying for a lending license because it is not considered a lender based upon its business practices. Do you believe the government should make these decisions, or are these decisions best left to the consumer?



CT Voter Opinion Toward EWA Policies

Few voters say that they support the current approach that Connecticut has taken. These voters say that they would prefer their state lawmakers to take a similar approach as Nevada, offering regulation and consumer protection rather than restriction.

Other states like Nevada have passed laws to regulate Earned Wage Access, but have put some restrictions on EWA providers to protect consumers. Laws enacted by Connecticut have restricted EWA much more severely, making it unavailable for most consumers. Do you prefer Connecticut's approach of restricting EWA or Nevada's approach of regulation with consumer protection?



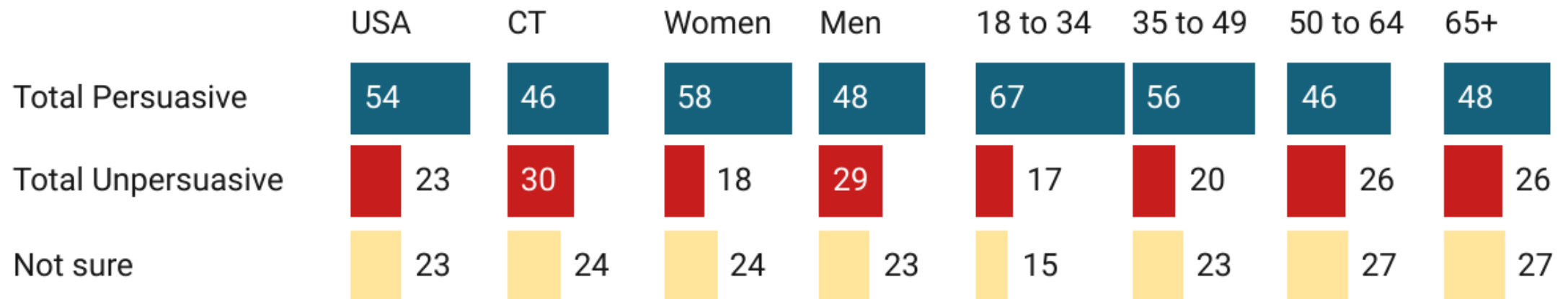
Messages That Work

In general, the messages we tested in favor of EWA earned majority support in almost every case. There are other areas of opportunity to expand or build upon existing frameworks to create more compelling arguments. This overall thematic was particularly persuasive for Democrats. 68% responded that the message was persuasive, while 47% of Independents said it was. 36% of Republican respondents said it was persuasive.

Messages That Work

We provided voters with a background statement: “Supporters of Earned Wage Access (EWA) say the current wage system in America is broken and surrenders power to employers over workers with an arbitrary monthly or biweekly payroll, allowing employers as gatekeepers of wages already earned by workers. Up to \$1 trillion of workers' hard-earned money is held up in pay cycles while Americans wait for their next paycheck. This system leads many workers to seek out financial solutions that carry high interest or risk missing payments or overdraft fees while corporations make a profit as they hold workers' earned wages. EWA gives workers more financial freedom by providing access to a percentage of their already-earned income, often with no mandatory fees.”

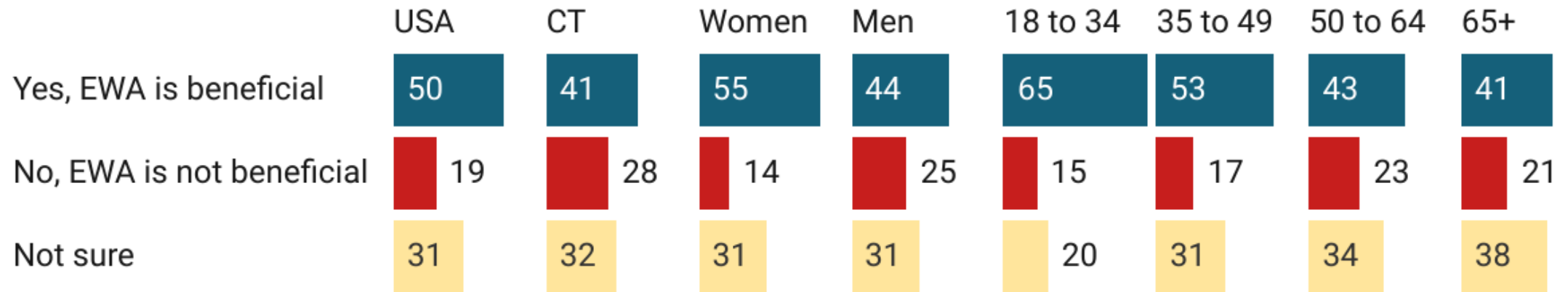
How persuasive do you find this argument in persuading you that EWA is a workers' right?



Messages That Work

After learning more about Earned Wage Access, half of voters say that it is a beneficial service, and few (19%) say that it is not. Among Democrats, just 9% say that EWA services are not.

Based on the information you have read, do you think Earned Wage Access is beneficial to workers' financial freedom?



Messages That Work

We also asked voters whether or not they agree with a series of statements. Some statements focused specifically on Earned Wage Access, while others were more broad. Overall, voters are very likely to agree with arguments they see as protecting or expanding workers’ rights and financial freedom. Messages contrasting with special interests, taking advantage of today’s technology to boost workers, and giving workers the freedom to choose what is best for them are particularly effective.

Do you agree or disagree with the following statements? (% Total Agree)

| | USA | CT |
|---|-----|----|
| “The government and special interests backed by big banks and corporations are too resistant to innovations because they fear they will lose control of their market share.” | 79 | 68 |
| “Too many Americans struggle to make ends meet. Workers should be able to access their wages as soon as possible, not forced to pay overdraft fees because of their pay schedule.” | 74 | 66 |
| “With today's technology, we need to question old norms like the biweekly or monthly payday, which was created by corporations to prioritize profit over people, and we need to make sure that workers' rights are protected.” | 72 | 63 |
| “Workers deserve the freedom to access some of their already-earned wages if they need it. Earned Wage Access gives workers greater freedom and control over their finances, even if they pay an optional fee, typically less than an ATM fee.” | 67 | 61 |
| “Government regulators should work to foster innovations like Earned Wage Access that give Americans more financial freedom, because life does not happen on a biweekly pay period.” | 67 | 61 |
| “The government tries to regulate new industries far too quickly without understanding how new corporations influence the market, which stifles or kills competition.” | 63 | 52 |
| “Earned Wage Access is a 21st-century solution to America's archaic wage system that gives workers more financial freedom and provides a safe alternative to predatory lenders' practices, high interest credit cards, and junk fees like overdraft charges.” | 63 | 47 |
| “Gig workers like carshare and delivery drivers get paid every time they work, but if they accept a full-time position with benefits, they're forced into a two-week pay cycle, and that's wrong.” | 56 | 55 |

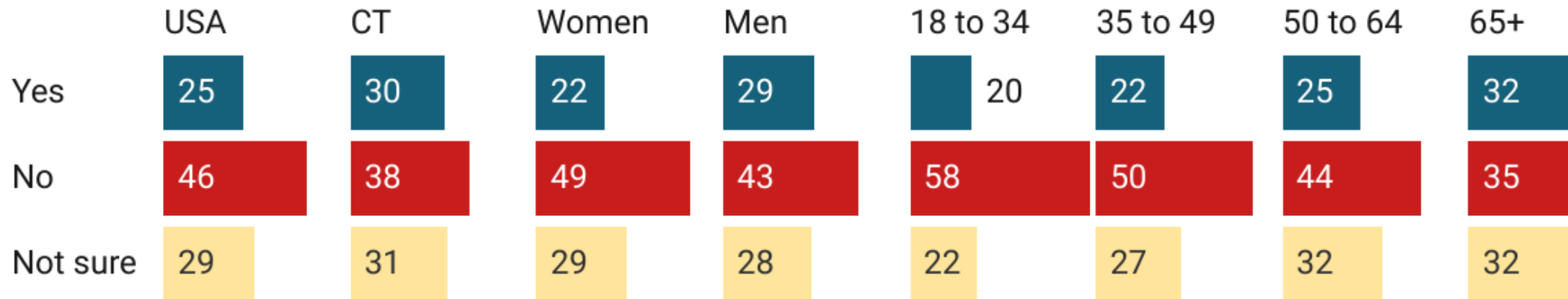
Villains in Financial Services

Villains in Financial Services

Voters have an idea about who is to blame for the difficult economic landscape. Most voters say that the system is not fair to workers, and a wide margin believe that big banks and others have stacked that system.

We provided historical context around the current payroll system: *“Workers used to get paid every day; however, due to the complications of modern payroll, workers are usually paid every two weeks or once a month. Critics of the system say this is essentially a zero-dollar loan from worker to employer from the time work is completed until payday. Modern technology could enable workers to be paid every day, but this is prevented due to government regulation.”*

Do you think the current system is fair to workers?



Villains in Financial Services

More than two-thirds of voters nationally say that workers' freedom is limited because of big banks and other special interests. They further agree that overdraft fees are ultimately just exploiting working-class Americans.

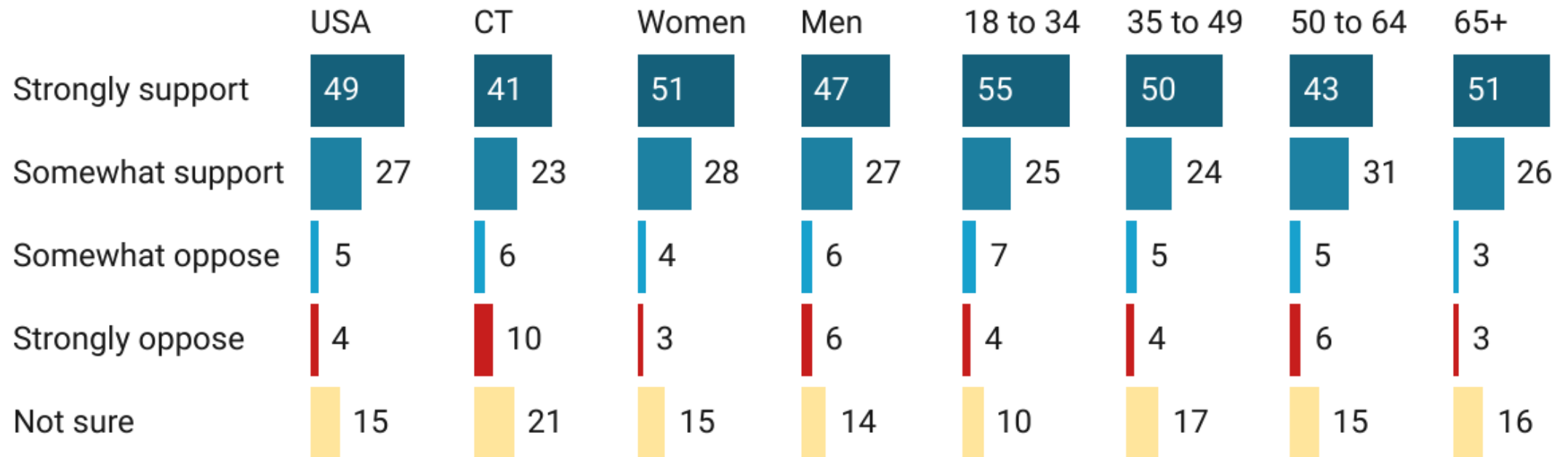
% Responding Yes

| | Total | CT |
|--|--------------|-----------|
| Do you believe big banks and other large financial institutions have created a system that limits the ability of everyday people to gain the financial freedoms they desire? | 70 | 66 |
| Do you believe that overdraft fees in bank accounts are exorbitant and lead to the exploitation of working-class individuals? | 78 | 63 |

Villains in Financial Services

These sentiments are reflected in voters' desire for action. By a 67-point margin, voters nationally support a CFPB proposal to curb overdraft fees. Further, 49% of voters nationally respond that they **strongly support** the proposal. It also transcends political divides with 88% of Democrats, 71% of Independents, and 65% of Republicans support.

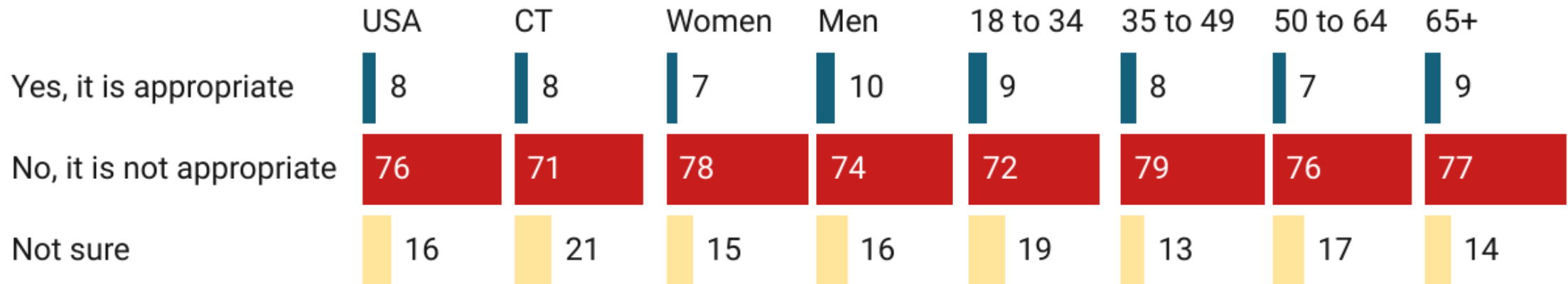
The federal Consumer Financial Protection Bureau (CFPB) has a proposal to curb overdraft fees that, if adopted, would close a regulatory loophole that it says unfairly allowed banks to extend costly credit on undisclosed terms to less wealthy depositors. The proposed rule would potentially save consumers \$3.5 billion. Do you support or oppose this rule?



Villains in Financial Services

Similarly, voters believe it is not appropriate for special-interest consumer groups to advocate against services like Earned Wage Access.

Is it appropriate for consumer special-interest groups to accept millions of dollars in donations from big banks and trial lawyers while advocating against legislation that would protect consumers' access to services like EWA?

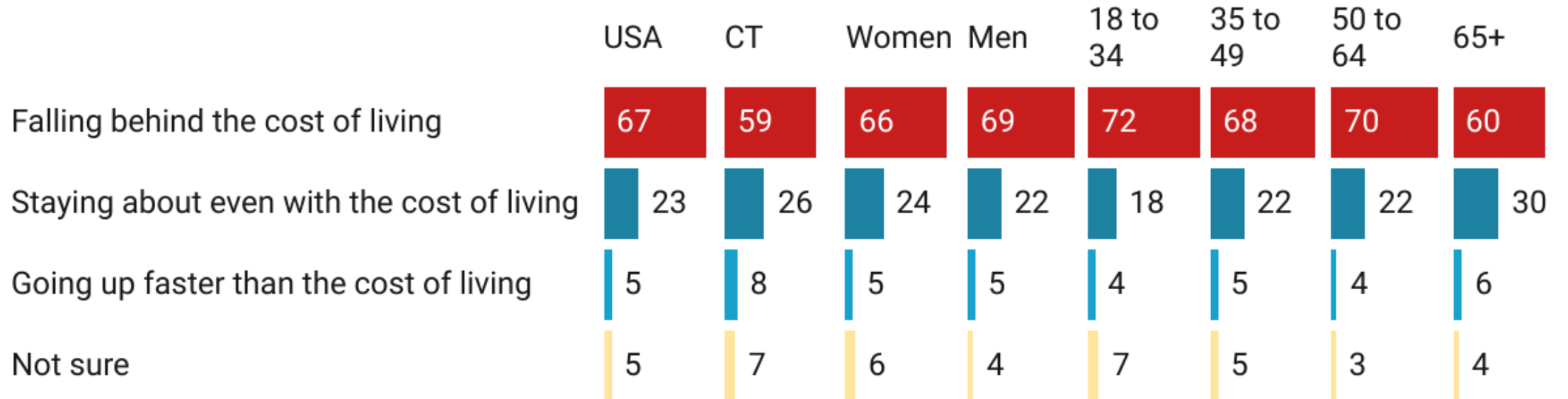


The Economic Landscape

The Economic Landscape

Against a difficult economic backdrop, this survey makes clear that voters are eager for new ideas. We asked a range of questions about economic indicators and how voters perceive their personal finances, including how their income fairs is compared to the cost of living.

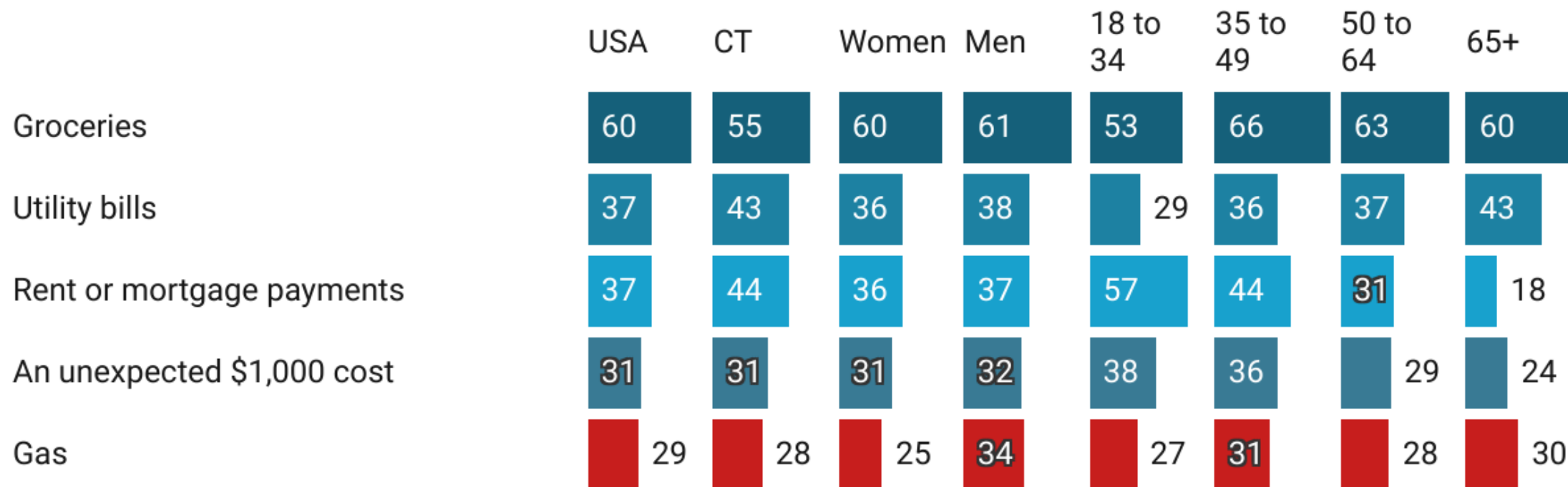
Would you say that your income is:



The Economic Landscape

Voters are most concerned about needs that aren't necessarily on their payday schedule: groceries. Tied for second most concerning: Utilities and Rent/mortgage, which combine under the banner of housing costs.

Which aspects of the cost of living concern you the most? Please choose two.



Others: Payments for other types of loans/debt (29% USA), Prescription medications (21%), Car payments (13%), An unexpected \$100 cost (12%), Child care (6%), and None of these concern (5%).

The Economic Landscape

The survey also reveals voter tendencies when they are unable to make ends meet. More than one third of voters say that they have been charged a late fee in the past year. Similarly, nearly one third have been charged an overdraft fee. In open-ended responses, voters who say that they have been charged late fees report losing tens, hundreds, even thousands of dollars in late fee charges. One respondent said that they had been charged “too much to count” in overdraft fees to pay their other bills on time.

| | <i>% Responding Yes</i> | |
|--|-------------------------|-----------|
| | Total | CT |
| In the past year, have you been charged a late fee on a bill or credit card because you could not make a payment before your payday? | 38 | 49 |
| In the past year, have you been charged an overdraft fee? | 31 | 42 |
| In the past year, have you used a payday lending service? | 5 | 3 |

While voters are not currently familiar with Earned Wage Access, once they learn more about it, they see that it can be a benefit to workers. They are supportive of proposals that would allow innovation while protecting consumer interests, such as prohibiting mandatory fees, but are oppose efforts to restrict their freedom of choice. They want the government to work with innovators to find ways to improve the financial system that they believe is stacked against them.

Methodology:

Future Majority & Change Research surveyed respondents nationwide and in Connecticut. The survey of 2,976 (n= 2,411 nationwide; 565 Connecticut) voters was conducted by Change Research February 1-7, 2024. The survey has a modeled margin of error of 2.4%.

Future Majority was founded in 2017 to fill the critical need for an outside, non-biased, data-driven strategy center focused on reclaiming freedom and making the American worker the hero of our story. The Future Majority and Change Research team has studied more than 30 million data points from 205,000+ unique voters. **We have built one of the most comprehensive data sets on how American voters feel about issues, their leaders, and their own lives.**



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