

ACT No. 496

2025 Regular Session

HOUSE BILL NO. 368

BY REPRESENTATIVE ST. BLANC

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AN ACT

To enact Chapter 5 of Code Title XII of Code Book III of Title 9 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 9:3591.1 through 3591.7, relative to consumer-directed earned wage access services; to provide definitions; to require and prohibit certain acts of providers of earned wage access services; to provide for statutory compliance and applicability; to provide for annual reporting of earned wage access services data; to provide for enforcement; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Chapter 5 of Code Title XII of Code Book III of Title 9 of the Louisiana Revised Statutes of 1950, comprised of R.S. 9:3591.1 through 3591.7, is hereby enacted to read as follows:

CHAPTER 5. LOUISIANA EARNED WAGE ACCESS SERVICES

§3591.1. Short title

This Chapter shall be known and may be cited as the "Louisiana Earned Wage Access Services Act".

1 §3591.2. Definitions

2 As used in this Chapter, the following terms have the following meanings
3 ascribed to them:

4 (1) "Consumer" means a natural person residing in this state. A provider
5 may use the mailing address provided by a consumer or the consumer's employer to
6 determine the consumer's state of residence.

7 (2) "Consumer-directed earned wage access services" means the business of
8 delivering to consumers access to earned but unpaid income based on the consumer's
9 representation and the provider's reasonable determination of the consumer's earned
10 but unpaid income.

11 (3) "Earned but unpaid income" means the salary, wages, compensation, or
12 other income that a consumer or an employer has represented and, that a provider has
13 reasonably determined, has been earned or has accrued to the benefit of the consumer
14 in exchange for the consumer's provision of services to an employer or on behalf of
15 an employer, including services provided on an hourly, project-based, piecework, or
16 other basis or when the consumer is an independent contractor of the employer, but,
17 which has not, at the time of the payment of proceeds, been paid to the consumer by
18 the employer.

19 (4) "Earned wage access services" means consumer-directed earned wage
20 access services or employer-integrated earned wage access services, or both.

21 (5) "Employer" means a person who employs a consumer or any other
22 person who is contractually obligated to pay a consumer's earned but unpaid income
23 in exchange for a consumer's provision of services to the person or on behalf of the
24 person, including but not limited to a consumer who is employed on an hourly basis,
25 a project-based, a piecework, or other basis or as independent contractor with respect
26 to the person. "Employer" does not mean a customer of an employer or any other
27 person whose obligation to make a payment of salary, wages, compensation, or other
28 income to a consumer is not based on the provision of services by the consumer for
29 or on behalf of the person.

1 (6) "Employer-integrated earned wage access services" means the business
2 of delivering to consumers access to earned but unpaid income that is based on
3 employment, income, and attendance data obtained directly or indirectly from an
4 employer, including without limitation an employer's payroll service provider.

5 (7) "Fee" means a charge imposed by a provider for delivery or expedited
6 delivery of proceeds to a consumer, a subscription or membership charge imposed
7 by a provider for a bona fide group of services that include earned wage access
8 services, or an amount paid by an employer to a provider on a consumer's behalf,
9 which entitles the consumer to receive proceeds at reduced or no cost to the
10 consumer. "Fee" does not mean a voluntary tip, gratuity, or donation.

11 (8) "Outstanding proceeds" means a payment of proceeds to a consumer by
12 a provider that has not yet been repaid to that provider.

13 (9) "Proceeds" means a payment to a consumer by a provider that is based
14 on earned but unpaid income.

15 (10) "Provider" means a person that is engaged in the business of offering
16 and providing earned wage access services to consumers. "Provider" does not
17 include any of the following:

18 (a) A service provider, such as a payroll service provider, whose role may
19 include verifying the available earnings but who is not contractually obligated to
20 fund proceeds delivered as part of an earned wage access service.

21 (b) An employer that offers a portion of salary, wages, or compensation
22 directly to his employees or independent contractors prior to the normally scheduled
23 pay date.

24 (c) An entity that offers or provides earned wage access services and reports
25 a consumer's payment or nonpayment of outstanding proceeds, fees, or voluntary
26 tips, gratuities, or other donations solely attributable to the earned wage access
27 services to a consumer reporting agency, as defined in Section 603(p) of the federal
28 Fair Credit Reporting Act, 15 U.S.C. 1681a(p).

1 §3591.3. Required acts of a provider

2 A provider shall:

3 (1) Develop and implement policies and procedures for responding to
4 questions raised by consumers and addressing complaints from consumers.

5 (2) Before entering into an agreement with a consumer for the provision of
6 earned wage access services, do all of the following:

7 (a) Inform the consumer of the consumer's rights under the agreement.

8 (b) Fully and clearly disclose to the consumer all provider-imposed fees or
9 a schedule of fees associated with the provision of earned wage access services.

10 (3) Inform the consumer of any material changes to the terms and conditions
11 of the earned wage access services agreement before implementing those changes.

12 (4) Allow the consumer to cancel use of the provider's earned wage access
13 services at any time, without incurring a fee for that cancellation.

14 (5) Whenever he offers a consumer the option to receive proceeds for a fee
15 or solicits a tip, gratuity, or other donation, provide the consumer at least one
16 reasonable option to obtain the same amount of proceeds at no cost and clearly
17 explain how the consumer may select the no-cost option.

18 (6) Comply with all applicable local, state, and federal privacy and
19 information security laws.

20 (7) Provide proceeds to a consumer via any means mutually agreed upon by
21 the consumer and the provider.

22 (8) If he seeks repayment of outstanding proceeds, fees, voluntary tips,
23 gratuities, or other donations from a consumer's account at a depository institution,
24 including via electronic transfer, do all of the following:

25 (a) Comply with applicable provisions of the federal Electronic Fund
26 Transfer Act, 15 U.S.C. 1693 et seq., and its implementing regulations.

27 (b) Reimburse the consumer for the full amount of any overdraft or non-
28 sufficient funds fees imposed on that consumer by the consumer's depository
29 institution, which were caused by the provider's attempt to seek payment of any
30 outstanding proceeds, fees, voluntary tips, gratuities, or other donations on a date

1 before, or in an incorrect amount from, the date or amount disclosed to the consumer.
2 The provisions of this Subparagraph shall not apply with respect to payments of
3 outstanding proceeds, fees, tips, gratuities, or other donations incurred by a consumer
4 through fraudulent means.

5 (9) If he solicits or receives a tip, gratuity, or donation from a consumer, do
6 all of the following:

7 (a) Clearly and conspicuously disclose to the consumer immediately prior
8 to each transaction that a tip, gratuity, or donation amount may be zero and is
9 voluntary.

10 (b) Clearly and conspicuously disclose in the agreement with the consumer
11 that tips, gratuities, or donations are voluntary and that the offering of earned wage
12 access services, including the amount of proceeds a consumer is eligible to request
13 and the frequency with which proceeds are provided to a consumer, is not contingent
14 on whether the consumer pays any tip, gratuity, or donation or on the size of any tip,
15 gratuity, or donation.

16 §3591.4. Prohibited acts of a provider

17 A provider shall not:

18 (1) Compel or attempt to compel repayment by a consumer of outstanding
19 proceeds, fees, voluntary tips, gratuities, or other donations through any of the
20 following means:

21 (a) By initiating a civil suit against the consumer in a court of competent
22 jurisdiction.

23 (b) By making unsolicited, outbound telephone calls.

24 (c) By using a third party to pursue collection of outstanding proceeds or
25 payments on the provider's behalf.

26 (d) By selling any outstanding amounts to a third-party debt collector or debt
27 purchaser.

28 (2) Share with an employer any fees, voluntary tips, gratuities, or other
29 donations that were received from or charged to a consumer for earned wage access
30 services.

1 (3) Require a consumer's credit score from a credit report to determine a
 2 consumer's eligibility for earned wage access services.

3 (4) Accept payment from a consumer of outstanding proceeds, fees,
 4 voluntary tips, gratuities, or donations via credit card or charge card.

5 (5) Charge a late fee, deferral fee, interest, or any other charge for failure to
 6 repay outstanding proceeds, fees, voluntary tips, gratuities, or other donations.

7 (6) Condition the amount of proceeds a consumer is eligible to request or the
 8 frequency with which a consumer is eligible to request proceeds on whether the
 9 consumer pays fees, voluntary tips, gratuities, or other donations or on the size of
 10 any fee, voluntary tip, gratuity, or donation.

11 (7) If he solicits or accepts voluntary tips, gratuities, or other donations,
 12 mislead or deceive consumers about the voluntary nature of the tips, gratuities, or
 13 other donations or make representations that tips, gratuities, or other donations will
 14 benefit any specific individuals.

15 (8) Advertise, print, display, publish, distribute, broadcast or cause to be
 16 advertised, printed, displayed, published, distributed, or broadcasted, in any manner,
 17 any statement or representation with regard to the earned wage access services
 18 offered by the provider that does either of the following:

- 19 (a) Is false, misleading, or deceptive.
- 20 (b) Omits material information that is necessary to make the statement or
 21 representation not false, misleading, or deceptive.

22 §3591.5. Statutory compliance; applicability

23 A provider shall not deemed to be engaging in lending, a money
 24 transmission, or a debt collection in this state or in violation of the laws of this state
 25 relating to the payment of minimum or overtime wages, deductions from payroll,
 26 salary, wages, compensation or other income, or the sale or assignment of, or an
 27 order for earned but unpaid income, if that provider complies with the provisions of
 28 R.S. 9:3591.3 and 3591.4.

1 §3591.6. Fee reporting; consumer protection

2 A. Notwithstanding any other provision of this Chapter, a provider that
 3 charges a fee for the provision of earned wage access services, including transaction
 4 fees, membership fees, or any other form of compensation, shall submit an annual
 5 report to the Office of Financial Institutions. The report shall pertain to the preceding
 6 calendar year and shall be submitted no later than March first of the following year.

7 All reports shall include the following information:

8 (1) Gross revenue attributable to its earned wage access services.

9 (2) The total number of transactions in which the provider provided proceeds
 10 to consumers.

11 (3) The total number of unique consumers to whom the provider provided
 12 proceeds.

13 (4) The total dollar amount of proceeds the provider provided to consumers.

14 (5) The total dollar amount of fees, voluntary tips, gratuities, or other
 15 donations the provider received from consumers.

16 (6) The number and nature of consumer complaints received by the provider
 17 and the resolution status of each complaint.

18 B. The Office of Financial Institutions shall make this data available to the
 19 public in aggregated form in an annual report assessing the impact of earned wage
 20 access services in the state by July first of each year.

21 C. Submission by providers of the annual report in Subsection A shall not be
 22 deemed an action or transaction subject to the jurisdiction of the Office of Financial
 23 Institutions.

24 §3591.7. Enforcement of this Chapter; penalties

25 A. Providers subject to the provisions of this Chapter shall be subject to
 26 enforcement by the attorney general pursuant to the provisions of the Unfair Trade
 27 Practices and Consumer Protection Law, R.S. 51:1401 et seq.

28 B. Any provider that fails to timely submit the required annual report as
 29 required by R.S. 51:3591.6 shall not be authorized to utilize the provisions of this
 30 Chapter.

1 C. If a provider fails to timely submit the annual report required by R.S.
 2 51:3591.6, any agreement made by that provider with a consumer for
 3 consumer-directed earned wage access services, credit agreements, promissory notes,
 4 or other contracts with a consumer shall be an absolute nullity.

5 Section 2. The first report required by R.S. 51:3591.6 as enacted by Section 1 of this
 6 Act shall be filed with the Office of Financial Institutions no later than March 1, 2027.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____