

**MINNESOTANS  
FOR FAIR LENDING**

# Earned Wage Advance Apps

Their impact on Minnesotans



Earned Wage Advance (EWA) products offer workers access to their wages before payday, usually for a fee.

**We surveyed our Exodus Lending program participants about their use of EWA Products. Here's what our respondents had to say:**

**34%**

reported having to turn to other loans, such as payday or high cost online loans as a result of using EWA products.

"Ideally, we wouldn't have to use these at all"

- Dakota County Resident

**53%**

reported difficulty ending the use of EWA products.

More than **HALF** reported using EWA products at least twice per month \*

\* with 22% using them weekly or multiple times per week.

"They help, but it's a never ending cycle once you start."

-Sterns County Resident

**59%**

reported overdraft fees and/or difficulty paying bills...

...as a RESULT of using EWA products.

If these concerns sound familiar, it's because we've been here before: EWA products can create a debt trap if left unchecked by regulators. In recent years, EWA companies have attempted to evade existing state credit laws, like rate caps, by claiming EWA products are not loans. However, in July 2024, the Consumer Financial Protection Bureau (CFPB) proposed an interpretive rule clarifying that EWA products are consumer loans and subject to the Truth in Lending Act.

**We urge the CFPB to issue a strong final rule that ensures EWA lenders disclose their true costs, just like any other loan.** We call on Minnesota regulators to aggressively enforce our state interest rate caps and take action against any EWA companies violating our credit laws.

For more details on this campaign:

Contact [meghan@exoduslending.org](mailto:meghan@exoduslending.org) and follow our [website, fairlendingmn.org](https://www.fairlendingmn.org)