

**Wagestream, Inc.**  
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May 15, 2023

Department of Financial Protection and Innovation  
Attn: Araceli Dyson  
2101 Arena Boulevard  
Sacramento, California 85834

**Submitted via E-Mail to:** [regulations@dfpi.ca.gov](mailto:regulations@dfpi.ca.gov)  
[Peggy.Fariman@dfpi.ca.gov](mailto:Peggy.Fariman@dfpi.ca.gov)

Re: Notice of Proposed Rulemaking (PRO 01-21)

To Whom it May Concern:

This letter is being submitted to the California Department of Financial Protection and Innovation (the "DFPI") on behalf of Wagestream, Inc. ("Wagestream"), one the largest global providers of employerintegrated earned wage access services, in response to the Notice of Proposed Rulemaking (PRO 01-21) issued by the DFPI in March 2023 (the "Proposed Rule"). In relevant part, the Proposed Rule would require providers of earned wage access ("EWA") products in California to register with the DFPI and provide certain records to the DFPI to facilitate its oversight of registrants and to detect risks to California consumers.

First, and most importantly, Wagestream believes it is critical that the DFPI takes into consideration and understands that within the EWA industry there are different models of EWA; the most common models are the direct-to-consumer model and the employer-integrated model. Wagestream does not believe it is appropriate, or in the best interest of California consumers, to regulate these models in the same manner because of their drastic differences. Specifically, the two models have different features, functionality, pricing and risk to consumers. Wagestream supports and urges the DFPI to adopt a separate registration requirement for direct-to-consumer models and those EWA models that do not resemble credit but instead are integrated directly with the consumer's employer.

Second, Wagestream is a member of the Innovative Payments Association ("IPA") and we would like to state for the record that we fully support, and agree with, the comments that the IPA submitted on May 11, 2023, in response to the Proposed Rule.

Wagestream appreciates the opportunity to submit these comments to the DFPI on the Proposed Rule. If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,

Kevin Lefton  
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Inc.  
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