

HOUSE BILL No. 1125

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-21.5-3-6; IC 28-1-2-30; IC 28-8-6; IC 28-11-1-3; IC 35-52-28-11.1.

Synopsis: Earned wage access services. Establishes within the Indiana Code a new chapter, to be known as the Indiana Earned Wage Access Act (Act), governing the offering and provision of earned wage access services to Indiana consumers. Provides that the Act is to be administered by the division of consumer credit within the department of financial institutions (department). Sets forth provisions that address the following: (1) Definitions of terms. (2) Exemptions from the Act's requirements. (3) The department's supervisory authority under the Act. (4) The licensing of providers of earned wage access services (providers). (5) The acquisition of control of a licensee. (6) Reporting and record keeping requirements for licensees. (7) Duties of providers under the Act. (8) Prohibited acts by providers. (9) The department's enforcement authority under the Act. (10) Criminal liability for certain prohibited acts. (11) Statutory construction of the Act's provisions. Makes conforming changes to sections of the Indiana Code codified outside the Act.

Effective: July 1, 2025.

Teshka, Lehman, Miller K

January 8, 2025, read first time and referred to Committee on Financial Institutions.



First Regular Session of the 124th General Assembly (2025)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2024 Regular Session of the General Assembly.

HOUSE BILL No. 1125

A BILL FOR AN ACT to amend the Indiana Code concerning financial institutions.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-21.5-3-6, AS AMENDED BY P.L.241-2023,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2025]: Sec. 6. (a) Notice shall be given under this section
4 concerning the following:

- 5 (1) A safety order under IC 22-8-1.1.
- 6 (2) Any order that:
 - 7 (A) imposes a sanction on a person or terminates a legal right,
 - 8 duty, privilege, immunity, or other legal interest of a person;
 - 9 (B) is not described in section 4 or 5 of this chapter or
 - 10 IC 4-21.5-4; and
 - 11 (C) by statute becomes effective without a proceeding under
 - 12 this chapter if there is no request for a review of the order
 - 13 within a specified period after the order is issued or served.
- 14 (3) A notice of program reimbursement or equivalent
- 15 determination or other notice regarding a hospital's
- 16 reimbursement issued by the office of Medicaid policy and
- 17 planning or by a contractor of the office of Medicaid policy and



1 planning regarding a hospital's year end cost settlement.

2 (4) A determination of audit findings or an equivalent
3 determination by the office of Medicaid policy and planning or by
4 a contractor of the office of Medicaid policy and planning arising
5 from a Medicaid postpayment or concurrent audit of a hospital's
6 Medicaid claims.

7 (5) A license suspension or revocation under:

8 (A) IC 24-4.4-2;

9 (B) IC 24-4.5-3;

10 (C) IC 28-1-29;

11 (D) IC 28-7-5;

12 (E) IC 28-8-4.1; ~~or~~

13 (F) IC 28-8-5; ~~or~~

14 **(G) IC 28-8-6.**

15 (6) An order issued by the secretary or the secretary's designee
16 against providers regulated by the division of aging or the bureau
17 of disabilities services and not licensed by the Indiana department
18 of health under IC 16-27 or IC 16-28.

19 (b) When an agency issues an order described by subsection (a), the
20 agency shall give notice to the following persons:

21 (1) Each person to whom the order is specifically directed.

22 (2) Each person to whom a law requires notice to be given.

23 A person who is entitled to notice under this subsection is not a party
24 to any proceeding resulting from the grant of a petition for review
25 under section 7 of this chapter unless the person is designated as a
26 party in the record of the proceeding.

27 (c) The notice must include the following:

28 (1) A brief description of the order.

29 (2) A brief explanation of the available procedures and the time
30 limit for seeking administrative review of the order under section
31 7 of this chapter.

32 (3) Any other information required by law.

33 (d) An order described in subsection (a) is effective fifteen (15) days
34 after the order is served, unless a statute other than this article specifies
35 a different date or the agency specifies a later date in its order. This
36 subsection does not preclude an agency from issuing, under
37 IC 4-21.5-4, an emergency or other temporary order concerning the
38 subject of an order described in subsection (a).

39 (e) If a petition for review of an order described in subsection (a) is
40 filed within the period set by section 7 of this chapter and a petition for
41 stay of effectiveness of the order is filed by a party or another person
42 who has a pending petition for intervention in the proceeding, an



1 administrative law judge shall, as soon as practicable, conduct a
 2 preliminary hearing to determine whether the order should be stayed in
 3 whole or in part. The burden of proof in the preliminary hearing is on
 4 the person seeking the stay. The administrative law judge may stay the
 5 order in whole or in part. The order concerning the stay may be issued
 6 after an order described in subsection (a) becomes effective. The
 7 resulting order concerning the stay shall be served on the parties and
 8 any person who has a pending petition for intervention in the
 9 proceeding. It must include a statement of the facts and law on which
 10 it is based.

11 SECTION 2. IC 28-1-2-30, AS AMENDED BY P.L.198-2023,
 12 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2025]: Sec. 30. (a) As used in this section, "financial
 14 institution" means any bank, trust company, corporate fiduciary,
 15 savings association, credit union, savings bank, bank of discount and
 16 deposit, or industrial loan and investment company organized or
 17 reorganized under the laws of this state, and includes licensees and
 18 registrants under IC 24-4.4, IC 24-4.5, IC 24-7, IC 24-12, IC 28-1-29,
 19 IC 28-7-5, IC 28-8-4.1, IC 28-8-5, **IC 28-8-6**, and 750 IAC 9.

20 (b) Except as otherwise provided, a member of the department or
 21 the director or deputy, assistant, or any other person having access to
 22 any such information may not disclose to any person, other than
 23 officially to the department, by the report made to it, or to the board of
 24 directors, partners, or owners, or in compliance with the order of a
 25 court, the names of the depositors or shareholders in any financial
 26 institution, or the amount of money on deposit in any financial
 27 institution at any time in favor of any depositor, or any other
 28 information concerning the affairs of any such financial institution.

29 SECTION 3. IC 28-8-6 IS ADDED TO THE INDIANA CODE AS
 30 A **NEW CHAPTER** TO READ AS FOLLOWS [EFFECTIVE JULY
 31 1, 2025]:

32 **Chapter 6. Indiana Earned Wage Access Act**

33 **Sec. 101. This chapter shall be known as and may be cited as the**
 34 **Indiana Earned Wage Access Act.**

35 **Sec. 201. The following definitions apply throughout this**
 36 **chapter:**

37 (1) "Consumer" means an individual who:

38 (A) resides in Indiana, as may be determined by a provider
 39 on the basis of the:

40 (i) mailing address; or

41 (ii) state of residence;

42 provided by the individual; or



- 1 **(B) requests proceeds in Indiana, as may be determined by**
 2 **a provider by using any legal, readily available commercial**
 3 **means to determine the location from which the individual**
 4 **requests proceeds.**
- 5 **(2) "Consumer directed wage access services" means the**
 6 **business by a provider of delivering to a consumer access to**
 7 **earned but unpaid income based on:**
- 8 **(A) the consumer's representations of; and**
 9 **(B) the provider's reasonable determination of;**
 10 **the consumer's earned but unpaid income.**
- 11 **(3) "Control" means any of the following:**
- 12 **(A) The power to vote, directly or indirectly, at least**
 13 **twenty-five percent (25%) of the outstanding voting shares**
 14 **or voting interests of a licensee or of a person in control of**
 15 **a licensee.**
- 16 **(B) The power to elect or appoint a majority of key**
 17 **individuals or executive officers, managers, directors,**
 18 **trustees, or other persons exercising managerial authority**
 19 **of a person in control of a licensee.**
- 20 **(C) The power to exercise, directly or indirectly, a**
 21 **controlling influence over the management or policies of a**
 22 **licensee or of a person in control of a licensee. For**
 23 **purposes of this clause, a person is presumed to exercise a**
 24 **controlling influence if the person holds the power to vote,**
 25 **directly or indirectly, at least ten percent (10%) of the**
 26 **outstanding voting shares or voting interests of a licensee**
 27 **or of a person in control of a licensee, subject to the**
 28 **person's right to rebut the presumption if the person is a**
 29 **passive investor.**
- 30 **For purposes of this subdivision, the percentage of a person**
 31 **controlled by any other person is determined by aggregating**
 32 **the other person's interest with the interest of any other**
 33 **immediate family member of that person, including the**
 34 **person's spouse, parents, children, siblings, mothers-in-law**
 35 **and fathers-in-law, sons-in-law and daughters-in-law, and any**
 36 **other person who shares the person's home.**
- 37 **(4) "Department" refers to the members of the department of**
 38 **financial institutions.**
- 39 **(5) "Director" refers to the director of the department**
 40 **appointed under IC 28-11-2-1.**
- 41 **(6) "Earned but unpaid income", with respect to a consumer,**
 42 **means salary, wages, compensation, or other income that:**



- 1 (A) the consumer represents, and a provider reasonably
 2 determines, has been earned by, or has accrued to the
 3 benefit of, the consumer in exchange for the consumer's
 4 provision of services to an employer or on behalf of an
 5 employer, including the provision of services by the
 6 consumer:
- 7 (i) on an hourly, project based, piecework, or other
 8 basis; and
 9 (ii) regardless of whether the consumer is an employee of
 10 the employer or acts as an independent contractor with
 11 respect to the employer; but
- 12 (B) has not, at the time of payment of proceeds to the
 13 consumer by the provider, been paid to the consumer by
 14 the employer.
- 15 (7) "Earned wage access services" includes the following:
- 16 (A) Consumer directed wage access services.
 17 (B) Employer integrated wage access services.
- 18 The term does not include a small loan.
- 19 (8) "Employer" means a person that employs a consumer or
 20 that is contractually obligated to pay a consumer earned but
 21 unpaid income. The term does not include:
- 22 (A) a customer of the person; or
 23 (B) any other person whose obligation to make a payment
 24 of salary, wages, compensation, or other income to a
 25 consumer is not based on the provision of services by the
 26 consumer for or on behalf of that person.
- 27 (9) "Employer integrated wage access services" means the
 28 business by a provider of delivering to a consumer access to
 29 earned but unpaid income on the basis of:
- 30 (A) employment;
 31 (B) income; or
 32 (C) attendance;
- 33 data obtained directly or indirectly from an employer.
- 34 (10) "Federally insured depository financial institution"
 35 means:
- 36 (A) a bank;
 37 (B) a credit union;
 38 (C) a savings and loan association;
 39 (D) a trust company;
 40 (E) a corporate fiduciary;
 41 (F) a savings association;
 42 (G) a savings bank;



- 1 **(H) an industrial bank; or**
 2 **(I) an industrial loan company;**
 3 **that is organized under the law of the United States or any**
 4 **state of the United States and that has federally or privately**
 5 **insured deposits as permitted by state or federal law.**
 6 **(11) "Fee" includes the following, however denominated:**
 7 **(A) An amount charged by a provider for:**
 8 **(i) expedited delivery; or**
 9 **(ii) other delivery;**
 10 **of proceeds to a consumer.**
 11 **(B) A subscription or membership fee imposed by a**
 12 **provider for a bona fide group of services that include**
 13 **earned wage access services.**
 14 **(C) An amount that:**
 15 **(i) is paid by an employer to a provider on a consumer's**
 16 **behalf; and**
 17 **(ii) entitles the consumer to receive proceeds at reduced**
 18 **or no cost to the consumer.**
 19 **The term does not include a voluntary tip, gratuity, or**
 20 **donation paid to a provider.**
 21 **(12) "Individual" means a natural person.**
 22 **(13) "Key individual" means an individual ultimately**
 23 **responsible for establishing or directing policies and**
 24 **procedures of a licensee, such as an executive officer,**
 25 **manager, director, or trustee.**
 26 **(14) "Licensee" means a person licensed under this chapter.**
 27 **(15) "NMLSR" means the Nationwide Multistate Licensing**
 28 **System and Registry:**
 29 **(A) developed by the Conference of State Bank Supervisors**
 30 **and the American Association of Residential Mortgage**
 31 **Regulators; and**
 32 **(B) owned and operated by the State Regulatory Registry,**
 33 **LLC, or by any successor or affiliated entity;**
 34 **for the licensing and registry of persons in financial services**
 35 **industries.**
 36 **(16) "Outstanding proceeds" means proceeds that:**
 37 **(A) have been paid to a consumer by a provider; and**
 38 **(B) have not yet been repaid to the provider.**
 39 **(17) "Passive investor" means a person that:**
 40 **(A) does not have the power to elect a majority of key**
 41 **individuals or executive officers, managers, directors,**
 42 **trustees, or other persons exercising managerial authority**



- 1 over a person in control of a licensee;
- 2 (B) is not employed by and does not have any managerial
- 3 duties with respect to the licensee or a person in control of
- 4 the licensee;
- 5 (C) does not have the power to exercise, directly or
- 6 indirectly, a controlling influence over the management or
- 7 policies of the licensee or a person in control of the
- 8 licensee; and
- 9 (D) either:
- 10 (i) attests to as facts the characteristics of passivity set
- 11 forth in clauses (A) through (C), in a form and by a
- 12 medium prescribed by the director; or
- 13 (ii) commits to the characteristics of passivity set forth in
- 14 clauses (A) through (C) in a written document.
- 15 (18) "Person" means any individual, general partnership,
- 16 limited partnership, limited liability company, corporation,
- 17 trust, association, joint stock corporation, or other corporate
- 18 entity, as so identified by the director.
- 19 (19) "Proceeds" means a payment that:
- 20 (A) is made to a consumer by a provider; and
- 21 (B) is based on earned but unpaid income.
- 22 (20) "Provider" means a person in the business of offering
- 23 and providing earned wage access services to consumers. The
- 24 term does not include the following:
- 25 (A) A service provider that:
- 26 (i) provides one (1) or more services in connection with
- 27 earned wage access services; but
- 28 (ii) is not contractually obligated to fund proceeds
- 29 delivered as part of the earned wage access services;
- 30 such as a payroll service provider that verifies a
- 31 consumer's available earnings.
- 32 (B) An employer that offers a portion of salary, wages,
- 33 compensation, or other income directly to its employees or
- 34 independent contractors before the normally scheduled
- 35 pay date.
- 36 (21) "Small loan" has the meaning set forth in
- 37 IC 24-4.5-7-104.
- 38 **Sec. 301. This chapter does not apply to the following:**
- 39 (1) A federally insured depository financial institution.
- 40 (2) An individual employed by:
- 41 (A) a licensee; or
- 42 (B) a person exempt from the licensing requirements of



- 1 **this chapter;**
 2 **when acting within the scope of employment and under the**
 3 **supervision of the licensee or exempt person as an employee**
 4 **and not as an independent contractor.**
 5 **(3) An employer that offers a portion of salary, wages,**
 6 **compensation, or other income directly to its employees or**
 7 **independent contractors before the normally scheduled pay**
 8 **date.**
 9 **Sec. 302. The director may require any person claiming to be**
 10 **exempt from licensing under section 301 of this chapter to provide**
 11 **information and documentation to the director demonstrating that**
 12 **the person qualifies for the claimed exemption.**
 13 **Sec. 401. (a) To administer and enforce this chapter, the**
 14 **director may, subject to section 402 of this chapter, do any of the**
 15 **following:**
 16 **(1) Enter into agreements or relationships with other**
 17 **government officials or federal and state regulatory agencies**
 18 **and regulatory associations in order to improve efficiencies**
 19 **and reduce regulatory burden by:**
 20 **(A) standardizing methods or procedures; and**
 21 **(B) sharing resources, records, or related information**
 22 **obtained under this chapter.**
 23 **(2) Use, contract for, or employ analytical systems, methods,**
 24 **or software to examine or investigate any person subject to**
 25 **this chapter.**
 26 **(3) Accept, from other state or federal government agencies**
 27 **or officials, licensing, examination, or investigation reports**
 28 **made by those other state or federal government agencies or**
 29 **officials.**
 30 **(4) Accept audit reports made by an independent certified**
 31 **public accountant or another qualified third party auditor for**
 32 **an applicant or licensee and incorporate the audit report in**
 33 **any report of examination or investigation.**
 34 **(b) The department has broad administrative authority to:**
 35 **(1) administer, interpret, and enforce this chapter;**
 36 **(2) promulgate rules implementing this chapter; and**
 37 **(3) recover the cost of administering and enforcing this**
 38 **chapter by imposing and collecting proportionate and**
 39 **equitable fees and costs associated with applications,**
 40 **examinations, investigations, and other actions required to**
 41 **administer and enforce this chapter.**
 42 **Sec. 402. (a) Except as otherwise provided in this section, the**



1 following are confidential:

2 (1) All information or reports obtained by the department
3 from an applicant or licensee.

4 (2) All information contained in or related to an examination,
5 investigation, operating report, or condition report prepared
6 by, on behalf of, or for the use of the department.

7 (3) Financial statements or balance sheets of an applicant or
8 licensee.

9 (b) Subject to the confidentiality provisions contained in
10 IC 5-14-3 and this section, the director may regularly report
11 significant or recurring violations of this chapter to the NMLSR.

12 (c) Subject to the confidentiality provisions contained in
13 IC 5-14-3 and this section, the director may report complaints
14 received regarding licensees to the NMLSR.

15 (d) The director's authority to use the NMLSR under this
16 chapter is subject to the following:

17 (1) Information stored in the NMLSR is subject to the
18 confidentiality provisions of IC 5-14-3 and this section. A
19 person may not:

20 (A) obtain information from the NMLSR, unless the
21 person is authorized to do so by statute;

22 (B) initiate any civil action based on information obtained
23 from the NMLSR if the information is not otherwise
24 available to the person under any other state law; or

25 (C) initiate any civil action based on information obtained
26 from the NMLSR if the person could not have initiated the
27 action based on information otherwise available to the
28 person under any other state law.

29 (2) Documents, materials, and other forms of information in
30 the control or possession of the NMLSR that are confidential
31 under this section and that are:

32 (A) furnished by the director, the director's designee, or a
33 licensee; or

34 (B) otherwise obtained by the NMLSR;

35 are confidential and privileged by law and are not subject to
36 inspection under IC 5-14-3, subject to subpoena, subject to
37 discovery, or admissible in evidence in any civil action.
38 However, the director may use the documents, materials, or
39 other information available to the director in furtherance of
40 any action brought in connection with the director's duties
41 under this chapter.

42 (3) Disclosure of documents, materials, and information:



- 1 (A) to the director; or
2 (B) by the director;
3 under this subsection does not result in a waiver of any
4 applicable privilege or claim of confidentiality with respect to
5 the documents, materials, or information.
6 (4) Information provided to the NMLSR is subject to
7 IC 4-1-11.
8 (5) This subsection does not limit or impair a person's right
9 to:
10 (A) obtain information;
11 (B) use information as evidence in a civil action or
12 proceeding; or
13 (C) use information to initiate a civil action or proceeding;
14 if the information may be obtained from the director or the
15 director's designee under any law.
16 (6) The requirements under any federal law or IC 5-14-3
17 regarding the privacy or confidentiality of any information or
18 material provided to the NMLSR, and any privilege arising
19 under federal or state law, including the rules of any federal
20 or state court, with respect to the information or material,
21 continue to apply to the information or material after the
22 information or material has been disclosed to the NMLSR.
23 The information and material may be shared with all state
24 and federal regulatory officials with financial services
25 industry oversight authority without the loss of privilege or
26 the loss of confidentiality protections provided by federal law
27 or IC 5-14-3.
28 (7) Information or material that is subject to a privilege or
29 confidentiality under subdivision (6) is not subject to:
30 (A) disclosure under any federal or state law governing the
31 disclosure to the public of information held by an officer or
32 an agency of the federal government or the respective
33 state; or
34 (B) subpoena, discovery, or admission into evidence, in any
35 private civil action or administrative process, unless with
36 respect to any privileged information or material held by
37 the NMLSR, the person to whom the information or
38 material pertains waives, in whole or in part, in the
39 discretion of the person, that privilege.
40 (e) Notwithstanding any other provision of law, all information
41 or reports obtained by the director from an applicant or a licensee,
42 whether obtained through reports, applications, examination,



1 audits, investigation, or otherwise, including:

2 (1) all information contained in or related to:

3 (A) examination;

4 (B) investigation;

5 (C) operation; or

6 (D) condition;

7 reports prepared by, on behalf of, or for the use of the
8 director; or

9 (2) financial statements or balance sheets of an applicant or
10 licensee;

11 are confidential and may not be disclosed or distributed outside the
12 department by the director or any officer or employee of the
13 department, except as provided in subsection (b).

14 (f) The director may provide for the release of information to
15 representatives of:

16 (1) financial institution and financial services business
17 supervisory agencies;

18 (2) law enforcement agencies; or

19 (3) prosecutorial agencies or offices;

20 of a state (as defined in IC 28-2-17-19), the United States, or a
21 foreign country. An agency or office that receives information
22 from the director under this subsection shall maintain the
23 confidentiality of the information as described in IC 28-1-2-30.

24 (g) This section does not prohibit the director from releasing to
25 the public a list of persons licensed under this chapter or from
26 releasing aggregated financial data with respect to such licensees.

27 Sec. 403. (a) The director may conduct an examination or
28 investigation of a licensee or otherwise take independent action
29 authorized by this chapter, or by a rule adopted or order issued
30 under this chapter, as reasonably necessary or appropriate to
31 administer and enforce this chapter and rules implementing this
32 chapter. The director may:

33 (1) conduct an examination either onsite or offsite as the
34 director may reasonably require;

35 (2) conduct an examination in conjunction with an
36 examination conducted by other state agencies or agencies of
37 another state or of the federal government;

38 (3) accept the examination report of another state agency or
39 an agency of another state or of the federal government, or a
40 report prepared by an independent accounting firm, with any
41 such report considered, upon being accepted and for all
42 purposes, as an official report of the director; and



1 (4) summon and examine under oath a key individual or
2 employee of a licensee or authorized delegate and require the
3 person to produce records regarding any matter related to the
4 condition and business of the licensee.

5 (b) A licensee shall provide, and the director shall have full and
6 complete access to, all records the director may reasonably require
7 to conduct a complete examination. The records must be provided
8 at the location and in the format specified by the director. The
9 director may use multistate record production standards and
10 examination procedures when those standards will reasonably
11 achieve the purposes of this subsection.

12 (c) Unless otherwise directed by the director, a licensee shall pay
13 all costs reasonably incurred in connection with an examination of
14 the licensee.

15 (d) The director shall determine the sufficiency of the licensee's
16 records and whether the licensee has made the required
17 information reasonably available.

18 (e) To discover violations of this chapter, the director may
19 investigate and examine the records of any person the director
20 believes is operating without a license, when a license is required
21 under this chapter. The person examined must pay the reasonably
22 incurred costs of the examination.

23 Sec. 404. (a) To efficiently and effectively administer and
24 enforce this chapter and to minimize regulatory burden, the
25 director may participate in multistate supervisory processes
26 established between states and coordinated through the Conference
27 of State Bank Supervisors and any affiliate or successor of that
28 organization for all licensees that hold licenses in Indiana and
29 other states. As a participant in multistate supervision, the director
30 may:

31 (1) cooperate, coordinate, and share information with other
32 state and federal regulators in accordance with section 402 of
33 this chapter;

34 (2) enter into written cooperation, coordination, or
35 information sharing contracts or agreements with
36 organizations the membership of which is made up of state or
37 federal governmental agencies; and

38 (3) cooperate, coordinate, and share information with
39 organizations the membership of which is made up of state or
40 federal governmental agencies, as long as the organizations
41 agree in writing to maintain the confidentiality and security
42 of the shared information in accordance with section 402 of



1 **this chapter.**

2 **(b) The director may not waive, and nothing in this section**
 3 **constitutes a waiver of, the director's authority to conduct an**
 4 **examination or investigation or to otherwise take independent**
 5 **action authorized by this chapter, or by a rule adopted or order**
 6 **issued under this chapter, to enforce compliance with applicable**
 7 **state or federal law.**

8 **(c) The performance of a joint examination or investigation, or**
 9 **acceptance of an examination or investigation report, does not**
 10 **wave the director's authority to perform an examination**
 11 **assessment provided for in this chapter.**

12 **Sec. 501. (a) A person may not:**

13 **(1) engage in the business of offering or providing earned**
 14 **wage access services; or**

15 **(2) advertise, solicit, or hold itself out as offering or providing**
 16 **earned wage access services;**

17 **unless the person is licensed under this chapter.**

18 **(b) Subsection (a) does not apply to a person that is exempt**
 19 **under section 301 of this chapter and does not engage in the**
 20 **business of offering or providing earned wage access services**
 21 **outside the scope of the exemption.**

22 **(c) A license issued under section 503 of this chapter is not**
 23 **transferable or assignable without the approval of the department.**

24 **Sec. 502. (a) To establish consistent licensing between this state**
 25 **and other states, the director may:**

26 **(1) implement all licensing provisions of this chapter in a**
 27 **manner that is consistent with other states that have adopted:**

28 **(A) a law containing the same provisions of this chapter; or**

29 **(B) multistate licensing processes; and**

30 **(2) participate in nationwide protocols for licensing**
 31 **cooperation and coordination among state regulators if those**
 32 **protocols are consistent with this chapter.**

33 **(b) To administer and enforce this chapter, the director may**
 34 **establish relationships or contracts with the NMLSR or other**
 35 **entities designated by the NMLSR to enable the director to:**

36 **(1) collect and maintain records;**

37 **(2) coordinate multistate licensing processes and supervision**
 38 **processes;**

39 **(3) process fees; and**

40 **(4) facilitate communication between the state and licensees**
 41 **or other persons subject to this chapter.**

42 **(c) The director may use the NMLSR for all aspects of licensing**



1 in accordance with this chapter, including license applications,
 2 applications for acquisitions of control, surety bonds, reporting,
 3 criminal history background checks, credit checks, fee processing,
 4 and examinations.

5 (d) The director may use NMLSR forms, processes, and
 6 functionalities in accordance with this chapter. If the NMLSR does
 7 not provide functionality, forms, or processes for a provision of this
 8 chapter, the director may implement the requirements in a manner
 9 that facilitates uniformity with respect to licensing, supervision,
 10 reporting, and regulation of licensees that are licensed in multiple
 11 jurisdictions.

12 (e) For the purpose of participating in the NMLSR, the director
 13 is authorized to waive or modify, in whole or in part, by rule or
 14 order, any or all of the requirements for licensure and to establish
 15 new requirements as reasonably necessary to participate in the
 16 NMLSR.

17 **Sec. 503. (a)** The department shall receive and act on all
 18 applications for licenses to offer or provide earned wage access
 19 services. Applications must be made as prescribed by the director.
 20 If, at any time, the information or record contained in:

- 21 (1) an application filed under this section; or
- 22 (2) a renewal application filed under section 506 of this
 23 chapter;

24 is or becomes inaccurate or incomplete in a material respect, the
 25 applicant shall promptly file a correcting amendment with the
 26 department.

27 (b) A license may not be issued unless the department finds that
 28 the professional training and experience, financial responsibility,
 29 character, and fitness of:

- 30 (1) the applicant;
- 31 (2) each executive officer, director, or manager of the
 32 applicant, or any other individual having a similar status or
 33 performing a similar function for the applicant; and
- 34 (3) if known, each person directly or indirectly owning of
 35 record or owning beneficially at least ten percent (10%) of the
 36 outstanding shares of any class of equity security of the
 37 applicant;

38 are such as to warrant belief that the business will be operated
 39 honestly and fairly.

40 (c) The director is entitled to request evidence of compliance
 41 with this section at:

- 42 (1) the time of application;



- 1 (2) the time of renewal of a license; or
 2 (3) any other time considered necessary by the director.
 3 **(d) Evidence of compliance with this section must include:**
 4 (1) criminal background checks, as described in section 504 of
 5 this chapter, including a national criminal history background
 6 check (as defined in IC 10-13-3-12) by the Federal Bureau of
 7 Investigation, for any individual described in subsection (b);
 8 (2) credit histories as described in section 504 of this chapter;
 9 (3) surety bond requirements as described in section 505 of
 10 this chapter;
 11 (4) a review of licensure actions in Indiana and in other states;
 12 and
 13 (5) other background checks considered necessary by the
 14 director.
 15 **(e) For purposes of this section and in order to reduce the points**
 16 **of contact that the director has to maintain under this section, the**
 17 **director may use the NMLSR as a channeling agent for requesting**
 18 **and distributing information to and from any source as directed by**
 19 **the director.**
 20 **(f) The department may deny an application under this section**
 21 **if the director of the department determines that the application**
 22 **was submitted for the benefit of, or on behalf of, a person who does**
 23 **not qualify for a license.**
 24 **(g) Upon written request, an applicant is entitled to a hearing,**
 25 **in the manner provided in IC 4-21.5, on the question of the**
 26 **qualifications of the applicant for a license.**
 27 **(h) An applicant shall pay the following fees at the time**
 28 **designated by the department:**
 29 (1) An initial license fee as established by the department
 30 under IC 28-11-3-5.
 31 (2) Examination fees as established by the department under
 32 IC 28-11-3-5.
 33 (3) An annual renewal fee as established by the department
 34 under IC 28-11-3-5.
 35 **(i) A fee as established by the department under IC 28-11-3-5**
 36 **may be charged for each day a fee under subsection (h)(2) or (h)(3)**
 37 **is delinquent.**
 38 **(j) Except in a transaction approved under section 601 of this**
 39 **chapter, a license issued under this section is not assignable or**
 40 **transferable.**
 41 **(k) If the department of state revenue notifies the department**
 42 **that a person is on the most recent tax warrant list, the department**



1 shall not issue or renew the person's license until:

- 2 (1) the person provides to the department a statement from
 3 the department of state revenue that the person's tax warrant
 4 has been satisfied; or
 5 (2) the department receives a notice from the commissioner of
 6 the department of state revenue under IC 6-8.1-8-2(k).

7 **Sec. 504. (a)** An individual in control of a licensee or an
 8 applicant, an individual who seeks to acquire control of a licensee,
 9 and each key individual with respect to a licensee or an applicant
 10 shall furnish to the department through the NMLSR the following
 11 items:

12 (1) The individual's fingerprints for submission to the Federal
 13 Bureau of Investigation and the department for purposes of
 14 a national criminal history background check.

15 (2) Personal history and experience, in a form and by a
 16 medium prescribed by the director, including the following:

17 (A) An independent credit report from a consumer
 18 reporting agency unless the individual does not have a
 19 Social Security number, in which case a credit report is not
 20 required.

21 (B) Information related to any criminal convictions with
 22 respect to, or pending charges against, the individual.

23 (C) Information related to any:

24 (i) regulatory or administrative action; or

25 (ii) civil litigation;

26 involving claims of fraud, misrepresentation, conversion,
 27 mismanagement of funds, breach of fiduciary duty, or
 28 breach of contract.

29 (b) The director may:

30 (1) waive one (1) or more requirements set forth in subsection
 31 (a); or

32 (2) permit an applicant to submit other information instead of
 33 meeting one (1) or more of the requirements set forth in
 34 subsection (a).

35 **Sec. 505. (a)** An applicant for an earned wage access services
 36 license must provide, and a licensee at all times must maintain,
 37 security consisting of a surety bond in a form satisfactory to the
 38 director.

39 (b) Subject to subsections (c) and (d), the amount of the required
 40 security under this section is the greater of:

41 (1) one hundred thousand dollars (\$100,000); or

42 (2) an amount equal to the licensee's average daily provision



1 of proceeds to Indiana consumers, as calculated for the most
 2 recently completed calendar quarter, up to a maximum of two
 3 hundred fifty thousand dollars (\$250,000).

4 (c) A licensee that maintains a bond in the maximum amount of
 5 two hundred fifty thousand dollars (\$250,000) set forth in
 6 subsection (b)(2) is not required to calculate the licensee's average
 7 daily provision of proceeds to Indiana consumers for purposes of
 8 this section.

9 (d) A licensee may exceed the maximum required bond amount
 10 of two hundred fifty thousand dollars (\$250,000) set forth in
 11 subsection (b)(2).

12 **Sec. 506. (a) A license under this chapter shall be renewed**
 13 **annually as follows:**

14 (1) An annual renewal fee, as set by the department, shall be
 15 paid not later than December 31 of each year.

16 (2) The renewal term is for a period of one (1) year and:

17 (A) begins on January 1 of each year after the initial
 18 license term; and

19 (B) expires on December 31 of the year the renewal term
 20 begins.

21 (b) A licensee shall submit a renewal report with the renewal
 22 fee, in a form and by a medium prescribed by the director. The
 23 renewal report must state or contain a description of each material
 24 change in the information submitted by the licensee in its original
 25 license application, if such change has not been previously reported
 26 to the department.

27 (c) The director may grant an extension of the renewal date for
 28 good cause.

29 (d) The director may use the NMLSR to process license
 30 renewals, as long as the functionality of the NMLSR for such
 31 purpose is consistent with this section.

32 **Sec. 507. (a) If a licensee does not continue to meet the**
 33 **qualifications or satisfy the requirements that apply to an applicant**
 34 **for a new earned wage access services license, the department may**
 35 **suspend or revoke the licensee's license in accordance with the**
 36 **procedures established by this chapter or other applicable state**
 37 **law for such suspension or revocation.**

38 (b) An applicant for an earned wage access services license must
 39 demonstrate that it meets or will meet, and an earned wage access
 40 services licensee must at all times meet, the requirements set forth
 41 in section 505 of this chapter.

42 **Sec. 601. (a) Any person, or group of persons acting in concert,**



1 seeking to acquire control of a licensee shall obtain the written
 2 approval of the department before acquiring control. An
 3 individual:

- 4 (1) is not considered to acquire control of a licensee; and
 5 (2) is not subject to the acquisition of control provisions set
 6 forth in this chapter;

7 when that individual becomes a key individual in the ordinary
 8 course of business.

9 (b) A person, or group of persons acting in concert, seeking to
 10 acquire control of a licensee shall, in cooperation with the licensee,
 11 submit:

- 12 (1) an application in a form and by a medium prescribed by
 13 the director; and
 14 (2) a nonrefundable fee, as determined by the department,
 15 with the request for approval.

16 (c) Upon request, the director may permit a licensee or the:

- 17 (1) person; or
 18 (2) group of persons acting in concert;

19 seeking to acquire control of the licensee, to submit some or all
 20 information required in an application under subsection (b)(1)
 21 without using the NMLSR.

22 (d) The application required under subsection (b)(1) must
 23 include information required by section 504 of this chapter for any
 24 new key individuals that have not previously completed the
 25 requirements of section 504 of this chapter for a licensee.

26 (e) Subject to subsection (f), when an application for acquisition
 27 of control appears to include all the items, and to address all the
 28 matters, that are required for an application for change in control,
 29 as determined by the director, the application is considered
 30 complete, and the director shall promptly notify the applicant, in
 31 a record, of the date on which the application is determined to be
 32 complete, and:

- 33 (1) the department shall approve or deny the application not
 34 later than sixty (60) days after the completion date, as
 35 determined in accordance with this subsection; or
 36 (2) if the application is not approved or denied not later than
 37 sixty (60) days after the completion date:

- 38 (A) the application is considered approved; and
 39 (B) the person, or group of persons acting in concert,
 40 seeking to acquire control of the licensee is not prohibited
 41 from acquiring control.

42 However, the director may for good cause extend the sixty (60) day



1 period described in this subsection.

2 (f) A determination by the director that an application is
3 complete and is accepted for processing means only that the
4 application, on its face, appears to:

- 5 (1) include all of the items; and
6 (2) address all of the matters;

7 that are required for an application for acquisition of control
8 under this chapter, and is not an assessment of the substance of the
9 application or of the sufficiency of the information provided.

10 (g) When an application is filed and considered complete under
11 subsection (e), the director shall investigate the financial condition
12 and responsibility, financial and business experience, character,
13 and general fitness of the person, or group of persons acting in
14 concert, seeking to acquire control. The department shall approve
15 an acquisition of control under this section if the department finds
16 that all of the following conditions have been met:

17 (1) The requirements set forth in subsections (b) and (d) have
18 been met, as applicable.

19 (2) Both the:

20 (A) financial condition and responsibility, financial and
21 business experience, competence, character, and general
22 fitness of the person, or group of persons acting in concert,
23 seeking to acquire control; and

24 (B) competence, experience, character, and general fitness
25 of the key individuals and persons that would be in control
26 of the licensee after the acquisition of control;

27 indicate that it is in the interest of the public to permit the
28 person, or group of persons acting in concert, to control the
29 licensee.

30 (h) If an applicant avails itself of, or is otherwise subject to, a
31 multistate licensing process:

32 (1) the director may accept the investigation results of a lead
33 investigative state for the purpose of subsection (g) if the lead
34 investigative state has sufficient staffing, expertise, and
35 minimum standards; or

36 (2) if Indiana is a lead investigative state, the director may
37 investigate the applicant pursuant to subsection (g) and to the
38 time frames established by agreement through the multistate
39 licensing process.

40 (i) The department shall issue a formal written notice of the
41 denial of an application to acquire control not later than thirty (30)
42 days after the decision to deny the application. The department



1 shall set forth in the notice of denial the specific reasons for the
 2 denial of the application. An applicant whose application is denied
 3 by the department under this subsection may appeal the denial to
 4 the department for an administrative review under IC 4-21.5-3.

5 (j) The requirements of subsections (a) and (b) do not apply to
 6 any of the following:

7 (1) A person that acts as a proxy for the sole purpose of voting
 8 at a designated meeting of the:

9 (A) shareholders;

10 (B) holders of voting shares; or

11 (C) voting interests;

12 of a licensee or a person in control of a licensee.

13 (2) A person that acquires control of a licensee as a
 14 conservator or as an officer appointed by a court of
 15 competent jurisdiction or by operation of law.

16 (3) A person that is exempt under section 301 of this chapter.

17 (4) A person that the director determines is not subject to
 18 subsection (a) based on the public interest.

19 (5) A public offering of securities of a licensee or of a person
 20 in control of a licensee.

21 (6) An internal reorganization of a person in control of the
 22 licensee if the ultimate person in control of the licensee
 23 remains the same.

24 (k) A person described in subsection (j)(2), (j)(3), (j)(5), or (j)(6),
 25 in cooperation with the licensee, shall notify the director not later
 26 than fifteen (15) days after the acquisition of control.

27 (l) The requirements of subsections (a) and (b) do not apply to
 28 a person that has complied with, and received approval to engage
 29 in, the business of offering or providing earned wage access
 30 services under this chapter, or that was identified as a person in
 31 control in a prior application filed with and approved by the
 32 department, if all of the following apply:

33 (1) The person has not:

34 (A) had a license revoked or suspended; or

35 (B) controlled a licensee that has had a license revoked or
 36 suspended while the person was in control of the licensee;
 37 in the most recent five (5) years.

38 (2) The licensee to be acquired will not implement any
 39 material changes to its business plan as a result of the
 40 acquisition of control, and if the person acquiring control is a
 41 licensee, the person acquiring control also will not implement
 42 any material changes to its business plan as a licensee as a



1 result of the acquisition of control.

2 (3) The person provides notice of the acquisition in
3 cooperation with the licensee and attests to meeting the
4 requirements set forth in subdivisions (1) and (2) in a form
5 and by a medium prescribed by the director.

6 If the notice described in subdivision (3) is not disapproved within
7 thirty (30) days after the date on which the notice is determined to
8 be complete by the director, the notice is considered approved.

9 (m) Before filing an application for approval to acquire control
10 of a licensee, a person may request in writing a determination from
11 the director as to whether the person would be considered a person
12 in control of a licensee upon consummation of a proposed
13 transaction. If the director determines that the person would not
14 be a person in control of a licensee, the proposed person and
15 transaction is not subject to the requirements of subsections (a)
16 and (b).

17 (n) If a multistate licensing process includes a determination
18 described in subsection (m), and an applicant avails itself of, or is
19 otherwise subject to, the multistate licensing process:

20 (1) the director may accept the control determination of a lead
21 investigative state with sufficient staffing, expertise, and
22 minimum standards for the purpose of subsection (m); or

23 (2) if Indiana is a lead investigative state, the director may
24 investigate the applicant pursuant to subsection (m) and to the
25 time frames established by agreement through the multistate
26 licensing process.

27 Sec. 602. (a) A licensee adding or replacing any key individual
28 shall:

29 (1) provide notice in a manner prescribed by the director not
30 later than fifteen (15) days after the effective date of the key
31 individual's appointment; and

32 (2) provide information as required by section 504 of this
33 chapter not later than forty-five (45) days after the effective
34 date of the key individual's appointment.

35 (b) Not later than ninety (90) days after the date on which a
36 notice provided under subsection (a) is determined by the director
37 to be complete, the department may issue a notice of disapproval
38 of a key individual if the competence, experience, character, or
39 integrity of the individual would not be in the best interests of:

40 (1) the public; or

41 (2) the customers of the licensee;

42 so as to permit the individual to be a key individual of such



1 licensee.

2 (c) A notice of disapproval under subsection (b) must contain a
3 statement of the basis for disapproval and shall be sent to the
4 licensee and the disapproved individual. A licensee that receives a
5 notice of disapproval under subsection (b) may appeal the denial
6 to the department for an administrative review under IC 4-21.5-3.

7 (d) If a notice provided under subsection (a) is not disapproved
8 within ninety (90) days after the date on which the notice was
9 determined by the director to be complete, the key individual is
10 considered approved.

11 (e) If a multistate licensing process includes a key individual
12 notice and review and approval process as described in this section,
13 and a licensee avails itself of, or is otherwise subject to, the
14 multistate licensing process:

15 (1) the director may accept the determination of another state
16 if the investigating state has sufficient staffing, expertise, and
17 minimum standards for the purpose of this section; or

18 (2) if Indiana is a lead investigative state, the director may
19 investigate the applicant pursuant to this section and to the
20 time frames established by agreement through the multistate
21 licensing process.

22 Sec. 701. (a) A provider required to be licensed under this
23 chapter shall maintain records in a manner that will enable the
24 department to determine whether the provider is complying with
25 the provisions of this chapter. The department shall be given free
26 access to the records wherever the records are located. Records
27 concerning any earned wage access services transaction shall be
28 retained for two (2) years after the transaction is initiated. A
29 provider licensed or required to be licensed under this chapter is
30 subject to IC 28-1-2-30.5 with respect to any records maintained by
31 the provider.

32 (b) A provider required to be licensed under this chapter shall
33 file with the department, in the form and manner required by the
34 department, but not more frequently than annually, a composite
35 report relating to all earned wage access services transactions
36 made by the provider in Indiana during the reporting period
37 covered by the report. Information contained in the reports is
38 confidential and may be published only in composite form. The
39 department may impose a fee in an amount fixed by the
40 department under IC 28-11-3-5 for each day that a provider fails
41 to file the report required by this subsection.

42 Sec. 801. A provider required to be licensed under this chapter



- 1 shall do the following:
- 2 (1) Develop and implement policies and procedures to:
- 3 (A) respond to questions raised by consumers; and
- 4 (B) address complaints from consumers;
- 5 in an expedient manner.
- 6 (2) Whenever the provider offers a consumer the option to
- 7 receive proceeds for a fee or solicits a tip, gratuity, or other
- 8 donation:
- 9 (A) offer that consumer at least one (1) reasonable option
- 10 to obtain proceeds at no cost; and
- 11 (B) clearly explain to the consumer how to elect each no
- 12 cost option offered.
- 13 (3) Before entering into an agreement with a consumer to
- 14 provide earned wage access services, do both of the following:
- 15 (A) Inform the consumer of the consumer's rights under
- 16 the agreement.
- 17 (B) Fully and clearly disclose all fees associated with the
- 18 earned wage access services to be provided.
- 19 (4) Inform the consumer of the fact of any material changes
- 20 to the terms and conditions of the earned wage access services
- 21 before implementing those changes for that consumer.
- 22 (5) Allow the consumer to cancel use of the provider's earned
- 23 wage access services:
- 24 (A) at any time; and
- 25 (B) without incurring a cancellation fee imposed by the
- 26 provider.
- 27 (6) Comply with all applicable local, state, and federal privacy
- 28 and information security laws.
- 29 (7) If the provider solicits, charges, or receives a tip, gratuity,
- 30 or other donation from a consumer:
- 31 (A) clearly and conspicuously disclose to the consumer
- 32 immediately before each transaction that a tip, gratuity, or
- 33 other donation:
- 34 (i) is voluntary; and
- 35 (ii) may be in the amount of zero dollars (\$0); and
- 36 (B) clearly and conspicuously disclose in the provider's
- 37 service contract with the consumer that tips, gratuities, or
- 38 other donations are voluntary and that the offering of
- 39 earned wage access services, including:
- 40 (i) the amount of proceeds that a consumer is eligible to
- 41 request; and
- 42 (ii) the frequency with which proceeds are provided to a



- 1 consumer;
 2 is not contingent on whether the consumer pays any tip,
 3 gratuity, or other donation, or on the amount of the tip,
 4 gratuity, or other donation.
 5 (8) Provide proceeds to a consumer by any means mutually
 6 agreed upon by the provider and the consumer.
 7 (9) If the provider seeks repayment of outstanding proceeds
 8 or the payment of fees or other amounts owed (including
 9 voluntary tips, gratuities, or other donations) in connection
 10 with earned wage access services provided under this chapter
 11 from a consumer's deposit account, including by means of
 12 electronic funds transfer, the provider must do the following:
 13 (A) Comply with applicable provisions of the federal
 14 Electronic Funds Transfer Act (15 U.S.C. 1693 et seq.).
 15 (B) Reimburse the consumer for the full amount of any
 16 overdraft or nonsufficient funds fees that are imposed on
 17 the consumer by the consumer's depository financial
 18 institution if the overdraft or nonsufficient funds fees
 19 resulted from the provider's attempt to seek payment of
 20 any outstanding proceeds, fees, or other amounts
 21 (including voluntary tips, gratuities, or other donations)
 22 under this chapter:
 23 (i) on a date before; or
 24 (ii) in an incorrect amount from;
 25 the date or amount disclosed to the consumer. However, a
 26 provider is not subject to the requirements of this clause
 27 with respect to the payment of any outstanding proceeds,
 28 fees, or other amounts incurred by a consumer through
 29 fraudulent or other unlawful means.
 30 **Sec. 802.** A provider required to be licensed under this chapter
 31 shall not do any of the following:
 32 (1) Share with an employer a portion of any:
 33 (A) fees; or
 34 (B) voluntary tips, gratuities, or other donations;
 35 received from or charged to a consumer for earned wage
 36 access services.
 37 (2) Use a consumer's consumer report (as defined in
 38 IC 24-5-24-2) to determine:
 39 (A) a consumer's eligibility for earned wage access
 40 services;
 41 (B) the amount of proceeds that a consumer is eligible to
 42 request or receive in an earned wage access services



- 1 transaction; or
 2 (C) the frequency with which proceeds may be provided to
 3 a consumer through earned wage access services
 4 transactions.
- 5 (3) Accept payment of outstanding proceeds, fees, or
 6 voluntary tips, gratuities, or other donations by means of a
 7 credit card (as defined in IC 24-5-27.5-3).
- 8 (4) Charge or collect a late fee, a deferral fee, interest, or any
 9 other charge or penalty for a consumer's failure to pay
 10 outstanding proceeds, fees, or voluntary tips, gratuities, or
 11 other donations.
- 12 (5) Report to:
- 13 (A) a consumer reporting agency (as defined in
 14 IC 24-5-24-3); or
 15 (B) a debt collector;
- 16 any information regarding a consumer's failure to repay to
 17 the provider any outstanding proceeds, fees, or voluntary tips,
 18 gratuities, or other donations.
- 19 (6) Compel or attempt to compel a consumer to pay to the
 20 provider any outstanding proceeds, fees, or voluntary tips,
 21 gratuities, or other donations through any of the following
 22 means:
- 23 (A) The use of unsolicited outbound telephone calls to the
 24 consumer.
 25 (B) A suit against the consumer in a court of competent
 26 jurisdiction.
 27 (C) The use of a third party to pursue collection from the
 28 consumer on the provider's behalf.
 29 (D) The sale of outstanding amounts to a third party
 30 collector or debt buyer for collection from the consumer.
- 31 However, this subdivision does not preclude a provider from
 32 using any of the means set forth in clauses (A) through (D) to
 33 pursue payment of outstanding amounts incurred by a
 34 consumer through fraudulent or other unlawful means, or
 35 from pursuing any available remedies against an employer for
 36 breach of the employer's contractual obligations to the
 37 provider.
- 38 (7) If the provider solicits, charges, or receives a tip, gratuity,
 39 or other donation from a consumer:
- 40 (A) mislead or deceive consumers about the voluntary
 41 nature of the tips, gratuities, or donations; or
 42 (B) represent that tips, gratuities, or donations will benefit



- 1 any specific individuals.
- 2 **(8) If the provider also offers small loans to consumers under**
- 3 **IC 24-4.5-7:**
- 4 **(A) provide proceeds to a consumer who has a small loan**
- 5 **outstanding from that provider, as verified by the provider**
- 6 **in accordance with IC 24-4.5-7-404(4); or**
- 7 **(B) make a small loan to a consumer who has outstanding**
- 8 **proceeds from that provider.**
- 9 **Sec. 901. (a) A license issued by the department under this**
- 10 **chapter may be revoked or suspended by the department if the**
- 11 **person fails to:**
- 12 **(1) file any renewal form required by the department; or**
- 13 **(2) pay any license renewal fee described under section**
- 14 **506(a)(1) of this chapter;**
- 15 **not later than sixty (60) days after the due date.**
- 16 **(b) A person whose license is revoked or suspended under this**
- 17 **section may:**
- 18 **(1) pay all delinquent fees and apply for a reinstatement of the**
- 19 **person's license; or**
- 20 **(2) appeal the revocation or suspension to the department in**
- 21 **an administrative review under IC 4-21.5-3.**
- 22 **Pending the decision resulting from a hearing under IC 4-21.5-3**
- 23 **concerning license revocation or suspension, a license remains in**
- 24 **force.**
- 25 **Sec. 902. Except as otherwise provided, IC 4-21.5 applies to and**
- 26 **governs all agency action taken by the department under this**
- 27 **chapter. A proceeding for administrative review under IC 4-21.5-3**
- 28 **or judicial review under IC 4-21.5-5 must be held in Marion**
- 29 **County.**
- 30 **Sec. 903. (a) If the department determines, after notice and an**
- 31 **opportunity to be heard, that a person has violated this chapter,**
- 32 **the department may, in addition to or instead of all other remedies**
- 33 **available under this chapter, impose upon the person a civil**
- 34 **penalty not greater than ten thousand dollars (\$10,000) per**
- 35 **violation.**
- 36 **(b) A penalty collected under this section shall be deposited into**
- 37 **the financial institutions fund established by IC 28-11-2-9.**
- 38 **Sec. 904. The director, in the exercise of reasonable judgment,**
- 39 **is authorized to compromise, settle, and collect civil penalties from**
- 40 **a person for a violation of:**
- 41 **(1) a provision of this chapter; or**
- 42 **(2) an order issued or promulgated pursuant to this chapter.**



1 **Sec. 905.** If it appears to the director that a person has
 2 committed or is about to commit a violation of a provision of this
 3 chapter or an order of the director, the director may apply to a
 4 court having jurisdiction for:

5 (1) an order enjoining the person from violating or continuing
 6 to violate this chapter or the order; or

7 (2) injunctive or other relief;

8 as the nature of the case may require.

9 **Sec. 906. (a)** The director may enter into a consent order with
 10 a person to resolve a matter arising under this chapter.

11 **(b)** A consent order must:

12 (1) be signed by the person to whom it is issued or by an
 13 authorized representative of that person; and

14 (2) indicate agreement to the terms contained within the
 15 consent order.

16 **(c)** A consent order does not:

17 (1) constitute an admission by a person that a provision of this
 18 chapter or an order promulgated or issued under this chapter
 19 has been violated; or

20 (2) constitute a finding by the director that the person has
 21 violated a provision of this chapter or an order promulgated
 22 or issued under this chapter.

23 **(d)** Notwithstanding the issuance of a consent order, the director
 24 may seek civil or criminal penalties or compromise civil penalties
 25 concerning matters encompassed by the consent order, unless the
 26 consent order by its terms expressly precludes the director from
 27 doing so.

28 **Sec. 907.** A person who knowingly or intentionally:

29 (1) makes a material false statement, or omits a material
 30 entry, in a document filed or required to be filed under this
 31 chapter, with the intent to deceive the recipient of the
 32 document; or

33 (2) fails to file a document required to be filed under this
 34 chapter;

35 commits a Class A misdemeanor.

36 **Sec. 1001. (a)** Rules promulgated by the director or the
 37 department under this chapter must be adopted in accordance with
 38 IC 4-22-2.

39 **(b)** At the time the director or department files a notice of
 40 proposed adoption, amendment, or repeal of a rule under this
 41 chapter for public comment, a copy of the notice must be sent by
 42 first class mail postage prepaid to all licensees and applicants for



1 licenses under this chapter as of the time the notice is sent.

2 **Sec. 1002. (a) Notwithstanding any other provision of law,**
 3 **earned wage access services offered or provided by a licensee in**
 4 **accordance with this chapter are not considered to be any of the**
 5 **following:**

6 (1) A violation of, or noncompliance with, any Indiana law
 7 governing deductions from payroll, salary, wages,
 8 compensation, or other income.

9 (2) A violation of, or noncompliance with, any Indiana law
 10 governing:

11 (A) the purchase of;

12 (B) the sale or assignment of; or

13 (C) an order for;

14 earned but unpaid income.

15 (3) A loan or other form of credit or debt.

16 (4) Money transmission (as defined in IC 28-8-4.1-201(19)).

17 (b) Notwithstanding any other provision of law, a licensee that
 18 offers or provides earned wage access services in accordance with
 19 this chapter is not considered to be any of the following solely by
 20 reason of offering or providing the earned wage access services:

21 (1) A lender, creditor, credit services organization (as defined
 22 in IC 24-5-15-2), or debt collector.

23 (2) A money transmitter for purposes of IC 28-8-4.1.

24 However, this subsection does not exempt a licensee under this
 25 chapter from complying with section 802(8) of this chapter, as
 26 applicable.

27 (c) Notwithstanding any other provision of law:

28 (1) fees; or

29 (2) voluntary tips, gratuities, or other donations;

30 paid by a consumer to a licensee in accordance with this chapter
 31 are not considered to be interest or finance charges.

32 (d) If there is a conflict between the provisions of this chapter
 33 and any other Indiana law, the provisions of this chapter control.

34 **Sec. 1003. The division of consumer credit within the**
 35 **department is responsible for administering this chapter.**

36 SECTION 4. IC 28-11-1-3, AS AMENDED BY P.L.198-2023,
 37 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2025]: Sec. 3. (a) The ultimate authority for and the powers,
 39 duties, management, and control of the department are vested in the
 40 following seven (7) members:

41 (1) The director of the department, who serves as an ex officio,
 42 voting member.



- 1 (2) The following six (6) members appointed by the governor as
 2 follows:
 3 (A) Three (3) members must have practical experience at the
 4 executive level of a:
 5 (i) state chartered bank;
 6 (ii) state chartered savings association; or
 7 (iii) state chartered savings bank.
 8 (B) One (1) member must have practical experience at the
 9 executive level as a:
 10 (i) lender licensed under IC 24-4.5;
 11 (ii) mortgage lender licensed under IC 24-4.4;
 12 (iii) registrant under IC 24-7;
 13 (iv) licensee under IC 28-1-29;
 14 (v) licensee under IC 28-7-5;
 15 (vi) licensee under IC 28-8-4.1; **or**
 16 (vii) licensee under IC 28-8-5; **or**
 17 **(viii) licensee under IC 28-8-6.**
 18 (C) One (1) member must have practical experience at the
 19 executive level of a state chartered credit union.
 20 (D) One (1) member must be appointed with due regard for the
 21 consumer, agricultural, industrial, and commercial interests of
 22 Indiana.
 23 (b) Not more than three (3) members appointed by the governor
 24 under subsection (a)(2) after June 30, 2006, may be affiliated with the
 25 same political party.
 26 SECTION 5. IC 35-52-28-11.1 IS ADDED TO THE INDIANA
 27 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 28 [EFFECTIVE JULY 1, 2025]: **Sec. 11.1. IC 28-8-6-907 defines a**
 29 **crime concerning financial services.**

