

# The Impacts of Earned Wage Access

Professor Jonathan M. V. Davis  
University of Oregon, Department of Economics

January 2026

# Who am I?

- Associate Professor in Department of Economics
- PhD, University of Chicago
- Research focuses on inequality, matching workers to jobs, and social policy
- Partnerships with the US Army, the City of Chicago, Teach For America, the government of Peru, the World Bank, and EarnIn.
- Publications in leading peer-reviewed journals including the *American Economic Review*, *Econometrica*, the *Journal of Labor Economics*, and the *Review of Economics and Statistics*

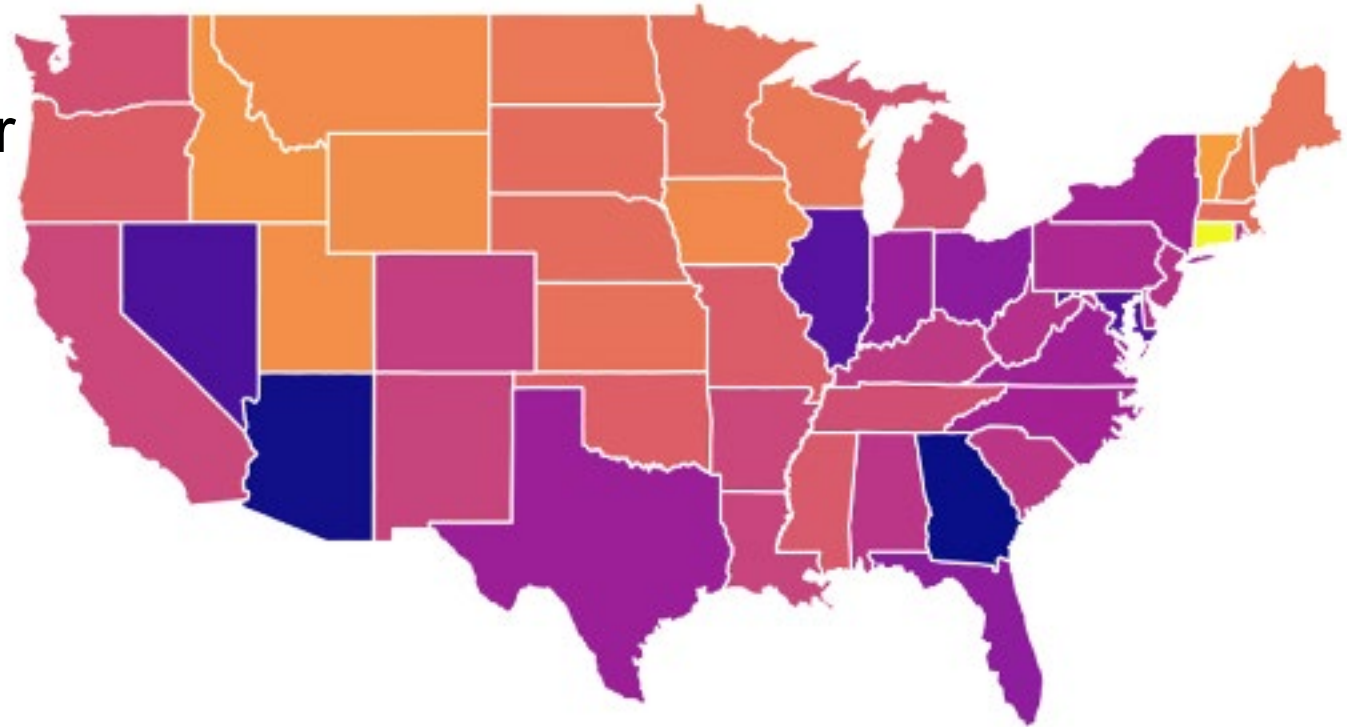
# My Study

- Earned Wage Access (EWA) allows workers to access their earnings nearly immediately after they are earned
- What is the impact of direct-to-consumer EWA on users?
- Use data on over 1,000,000 EarnIn customers in 2024 for analysis
- EarnIn is the largest direct-to-consumer EWA provider

# EWA is (increasingly) popular

- Over 1,000,000 EarnIn customers in 2024
  - Over 25,000 in Oregon last year
- Access about \$95 each use
- Fee structure is entirely voluntary:
  - Fewer than half of users tip
  - More users choose to pay a “Lightning Speed” fee

## EarnIn Usage by State, 2024



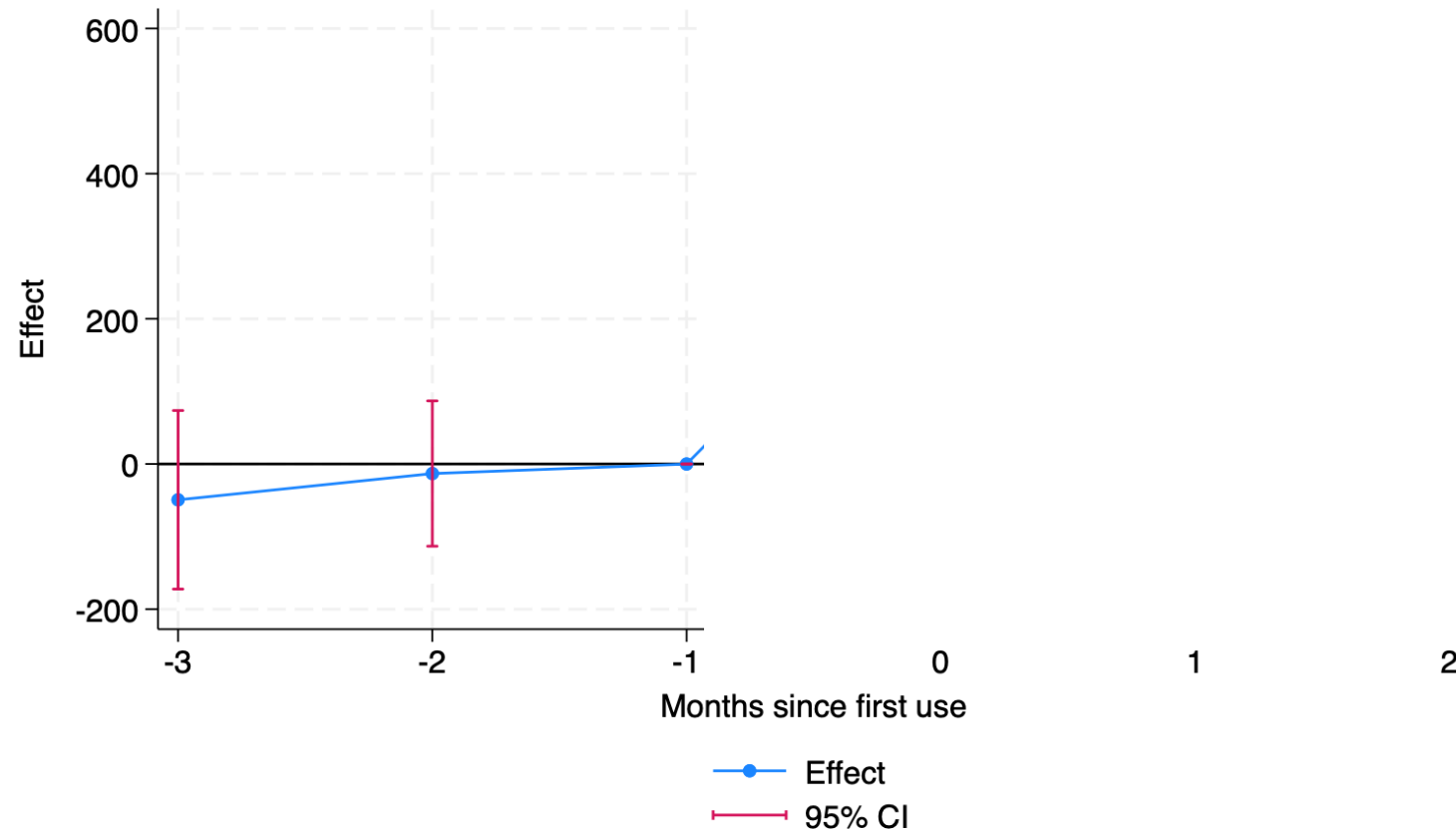
# The challenge: Finding a comparison group

- Goal: estimate the causal effect of EWA use on outcomes
- Challenge: people use EWA for a reason – we don't want to confound those reasons with the effects of EWA itself
- Solution: Need to find a group that would look comparable to new users if not for EWA usage

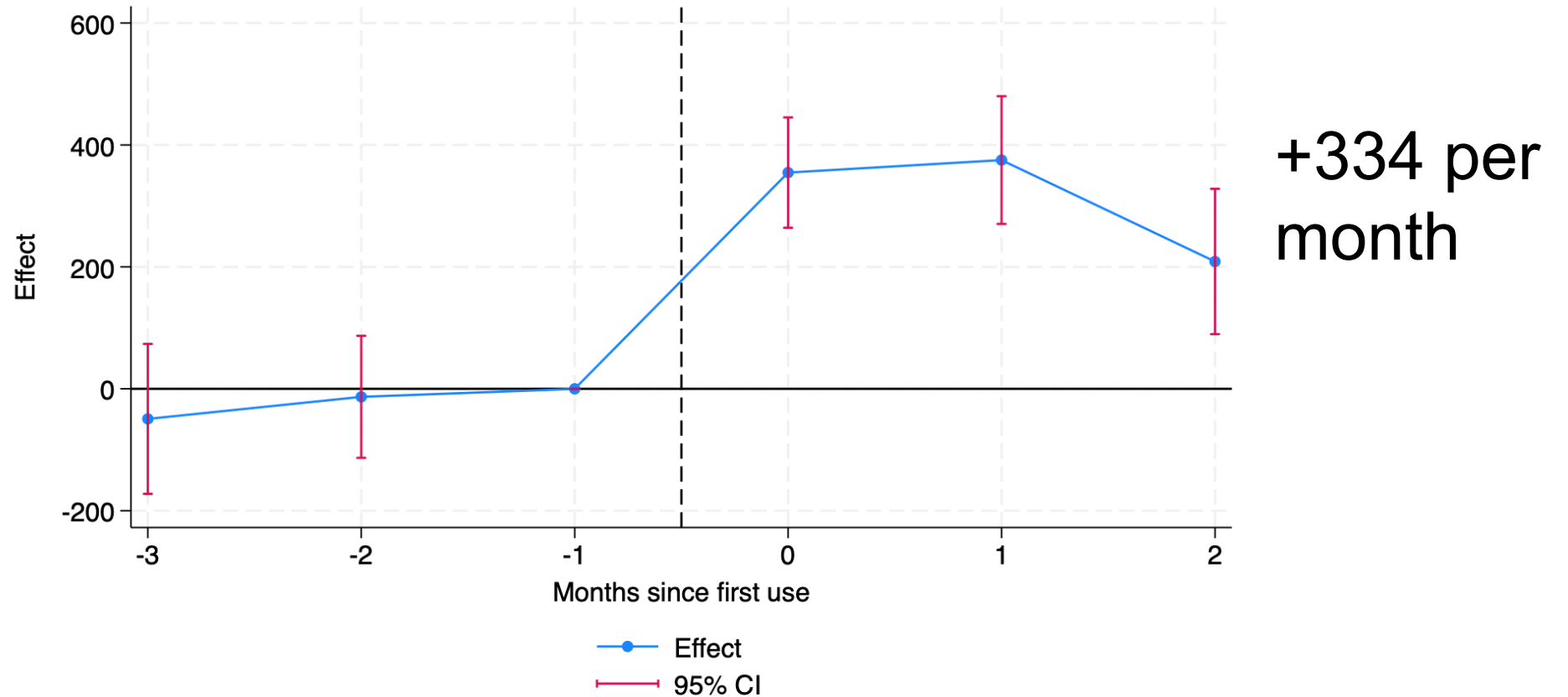
# The solution: Compare early and late users

- Data include all EarnIn users in 2024
- Treatment group: users whose first EarnIn use occurs in spring 2024
- Comparison group: matched users whose first EarnIn use occurs in fall 2024
- Early adopters and comparison users look similar prior to first use

# Early adopters and comparison group are comparable before first use



# EWA usage increases net income by 11.5%





# Why does income go up?

- EWA primarily affects the timing of income, so why does income rise?
- EWA makes work rewards more immediate, increasing labor supply incentives
- In an experiment with Uber drivers, Chen, Feinerman, and Haggag (2024) find that EWA users work 21% more, explaining the income gains

Majority of accessed wages goes to necessities

# No (or very small) effects on bank fees

	Amount			
	Overdraft Fees	Insufficient Funds	Interest	Other
EWA Effect	0.130 (0.124)	0.294 (0.132)	0.038 (0.036)	0.057 (0.101)
EWA Effect After Day 0	0.147 (0.125)	0.301 (0.134)	0.041 (0.037)	0.061 (0.104)
Outcome Mean for Matched Comparison Group	0.75	0.33	0.14	0.29
Unit of Observation	Person- Day	Person- Day	Person- Day	Person- Day
Observations	969,220	969,220	969,220	969,220
Matched Pairs	9,890	9,890	9,890	9,890

# Recap

- EWA is a widely used product
- New EWA users' net income increases by 11.5%
- Users access about \$95 per transaction and primarily spend it on rent, bills, gas, and debt payments
- There is a small increase in insufficient funds fees, equivalent to roughly one NSF fee per 15 EWA uses