



TO: Chair Sanchez
Vice-Chair Bynum
Vice-Chair Sprenger
Members of the House Committee on Judiciary

FROM: Crystal Wright,
External Affairs and Community Outreach Consultant, Cardtronics

RE: Support for HB 4107

DATE: February 7, 2020

Cardtronics is the largest ATM operator in the world, connecting people to cash through 290,000 ATMs, located in ten countries across four continents: Africa, Australia, Europe, and North America. We operate 200,000 ATMs in the U.S. We believe that merchants should treat all forms of payment equally, be they digital, card, or cash, for brick-and-mortar purchases; and applaud the Oregon legislature for introducing HB 4107.

The Non-Discrimination Act, (HB4107), which would protect consumers against payment discrimination, addresses a key policy issue that 15 other states have also acknowledged and acted upon. There is great need for this legislation, particularly for marginalized groups, such as unbanked and underbanked residents in Oregon, who rely more upon cash more than other payment types to buy basic goods and services. According to the FDIC, 24% of Oregonians are either unbanked (4.2%) or underbanked (20.1%). Nationwide, there are 8.4 million unbanked households and 66% of those unbanked households use only cash to pay their monthly bills. Of the other 24.2 million households in the U.S. that are underbanked, nearly one in four households uses cash to pay their monthly bills.¹

Cardtronics supports Oregon for introducing legislation that would preserve the right of residents to pay with cash; however, we are concerned by the numerous proposed exemptions in the bill for local, state and federal government offices, farmer's markets, food trucks, businesses operating at airports, hotels, car rental companies, and gas stations.

These wide ranging exemptions proposed in the bill would place an undue burden on unbanked and underbanked consumers. This population would be forced either to pay fees to convert their cash into gift cards or prepaid cards to make these purchases or to forgo buying them all together.

What's does a cashless prohibition law accomplish, if so many businesses in Oregon are exempt from complying with it? Cardtronics urges members of the House Committee on Judiciary to reconsider eliminating these exemptions that weaken the consumer payment protection intent of the legislation.

¹ FDIC. *National Survey of Unbanked and Underbanked Households*, 2017.
<https://www.fdic.gov/householdsurvey/2017/2017report.pdf>



Since 2018, the District of Columbia,² California,³ Connecticut,⁴ New Hampshire,⁵ New York City,⁶ New York,⁷ Michigan,⁸ St. Louis,⁹ Vermont,¹⁰ West Hollywood¹¹, Wisconsin¹², and the Beaver State,¹³ have introduced bills to prohibit merchants from discriminating against cash-paying customers. In 1978, Massachusetts¹⁴ became the first state in the union to enact a law that prohibits businesses from not accepting cash. In 2019, New Jersey,¹⁵ Philadelphia,¹⁶ Rhode Island,¹⁷ and San Francisco¹⁸ enacted similar laws, banning businesses from not accepting cash.

The United States Congress also has introduced the Payment Choice Act (HR 2650), which would impose a federal ban on cashless retail establishments. The bill has received wide bi-partisan support. All levels of government are working assiduously to ensure that consumers have the right to choose cash.

Unlike other forms of payment, cash is an equal opportunity payment option: meaning anyone, regardless of age, race, or income can access cash. The choice to use cash should be *safeguarded*. Retailers should not be allowed to exclude any customer from commerce for their personal convenience, or out of a desire to serve only certain types of people.

For more information, please contact Crystal Wright at 202/549-8072 or cwright@cardtronics.com.

² B23-0122, (Council of the District of Columbia 2019).

<http://lims.dccouncil.us/layouts/15/uploader/AdminProxy.aspx?LegislationId=B23-0122>

³ SB 926, Regular Session 2019-2020, (California Legislature 2020).

http://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201920200SB926

⁴ HB 5703, January Session 2019, (Connecticut General Assembly).

<https://www.cga.ct.gov/2019/BA/pdf/2019HB-05703-R010931-BA.pdf>

⁵ HB 1589, Session 2020, (New Hampshire General Court 2019).

http://www.gencourt.state.nh.us/bill_status/billText.aspx?id=1304&txtFormat=html&sy=2020

⁶ No. 1281-A, (The New York City Council 2018).

<https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=3763665&GUID=7800AFC9-D8B1-41FD-9C31-172565712686&Options=ID%7CText%7C&Search=cashless>

⁷ S.4574, Regular Sessions 2019-2020, (New York State Legislature 2019).

<https://legislation.nysenate.gov/pdf/bills/2019/S4574>

⁸ S.310, Regular Sessions 2019-2020 (Michigan Legislature 2019).

<http://www.legislature.mi.gov/documents/2019-2020/billintroduced/Senate/pdf/2019-SIB-0310.pdf>

⁹ Board Bill No. 47, (St. Louis Board of Aldermen 2019). <https://www.stlouis-mo.gov/internal-apps/legislative/upload/boardbill/BB47-wd13.pdf>

¹⁰ H.902, Regular Session 2019-2020 (Vermont General Assembly 2020).

<https://legislature.vermont.gov/Documents/2020/Docs/BILLS/H-0902/H-0902%20As%20Introduced.pdf>

¹¹ Ordinance No.19-1085, (City Council of West Hollywood, 2019).

<https://www.weho.org/Home/ShowDocument?id=41637>

¹² AB364, Regular Session 2019-2020, (Wisconsin State Legislature 2019).

<http://docs.legis.wisconsin.gov/2019/related/proposals/ab364>

¹³ HB 4107, Regular Session 2020 (Oregon State Legislature 2020).

<https://olis.oregonlegislature.gov/liz/2020R1/Measures/Overview/HB4107>

¹⁴ Massachusetts Law, Discrimination Against Cash Buyers, (1978).

<https://malegislature.gov/laws/generallaws/partiii/titleiv/chapter255d/section10a>

¹⁵ New Jersey Law, Discrimination Against Cash-Paying Customers, (2019).

https://www.njleg.state.nj.us/2018/Bills/PL19/50_.PDF

¹⁶ Philadelphia, Cashless Retail Prohibition Ordinance, (2019).

<https://phila.legistar.com/LegislationDetail.aspx?ID=3710586&GUID=FD85947F-8151-4DB5-9949-AF6FEF14A9C9&Options=ID%7CText%7C&Search=180943>

¹⁷ Rhode Island, Deceptive Trade Practices, (2019).

<http://webserver.rilin.state.ri.us/BillText/BillText19/HouseText19/H5116A.pdf>

¹⁸ San Francisco, Ordinance 100-19, Acceptance of Cash by Brick-and-Mortar Businesses, (2019).

<https://sfbos.org/sites/default/files/o0100-19.pdf>