

HB 4107 A STAFF MEASURE SUMMARY

Carrier: Rep. Noble

House Committee On Judiciary

Minority Report

Action Date: 02/12/20**Action:** Do pass with different amendments. (Printed A-Eng.) Minority**Fiscal:** Fiscal impact issued**Revenue:** No revenue impact**Report Signers:** Rep. Ron Noble, Rep. Rick Lewis**Prepared By:** Channa Newell, Counsel**Meeting Dates:** 2/3, 2/12**WHAT THE MEASURE DOES:**

Declares refusal to accept United States coins or currency, or discrimination or distinction for offering coins or currency by a place of public accommodation, including those owned or operated by public bodies, an unlawful practice. Allows incentive for use of cash. Allows refusal of currency in \$50 or \$100 bills or of coins when coins total \$100 or more. Exempts farmers' markets, roadside stands, gas stations when no attendant is present to dispense fuel, electric vehicle charging stations, insurance sales, and retail transactions occurring entirely by phone or mail. Exempts internet-based transactions, defined as sale, purchase, reservation, or deposit for goods or services to be picked up or delivered. Exempts purchases from a vending machine unless vending machine is within group of eight or more machines that do not accept cash payment. Exempts hospitals or medical services if billing occurs after services are rendered, so long as option to pay cash by mail or at designated location is available. Exempts transactions for goods or services, including transient lodging and transportation, when transaction requires deposit of money or signing an agreement to rent or lease consumer goods. Defines consumer goods. Exempts transactions occurring in a micromarket, defined as unattended retail establishments without access to the general population offering food or beverage through an automated payment processing system. Includes physical characteristics, such as hair type and hair style, within the definition of race for purposes of school discrimination, school district participation in interscholastic organization activities, and unlawful employment practices. Requires interscholastic organization with which school districts contract to implement policies prohibiting discrimination based on race, color, or national origin. Prohibits school or employer dress codes from disproportionately impacting members of a protected class. Allows complaint to Bureau of Labor and Industries beginning July 1, 2021 and allows civil actions and complaint to Bureau of Labor and Industries on January 1, 2022. Authorizes Bureau of Labor and Industries to adopt rules and take action before operative dates.

ISSUES DISCUSSED:

- Application of prohibition on cash transaction to public entities
- Changes to fueling station standards
- Examples of discrimination based on natural hairstyles, braids, or locs
- Impact of refusal to accept cash on individuals without bank accounts or cards

EFFECT OF AMENDMENT:

Modifies provisions relating to cash sales. Removes exemption for public bodies. Allows incentive for use of cash. Exempts gas stations when no attendant present to dispense fluid and retail transactions occurring entirely by phone or mail. Exempts internet-based transactions, defined as sale, purchase, reservation, or deposit for goods or services to be picked up or delivered. Removes exemption for mobile food units. Adds exemption for electric vehicle charging stations, and insurance sales. Adds exemption for purchases from a vending machine unless vending machine is within group of eight or more machines that do not accept cash payment. Adds exemption for hospitals or medical services if billing occurs after services are rendered so long as option to pay cash by mail or at designated location is available. Clarifies exemption for transactions for goods or services, including transient

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lodging and transportation, when transaction requires deposit of money or signing an agreement to rent or lease consumer goods. Defines consumer goods. Exempts transactions occurring in a micromarket, defined as unattended retail establishments without access to the general population offering food or beverage through an automated payment processing system. Allows complaint to Bureau of Labor and Industries beginning July 1, 2021 and allows civil actions and complaint to Bureau of Labor and Industries on January 1, 2022. Authorizes Bureau of Labor and Industries to adopt rules and take action before operative dates. Clarifies disproportionate impact of dress code on protected class in education discrimination.

BACKGROUND:

According to the Federal Deposit Insurance Corporation (FDIC), in 2017, 6.5 percent, or 8.4 million households in the U.S. did not have a bank-issued debit or credit card. A 2019 study by the Federal Reserve's Cash Product Office found that consumers used cash in 26 percent of transactions, with nearly 50 percent of all payments under \$10 being in cash. But in some regions and commercial sectors, businesses refuse cash payments.

The Create a Respectful and Open World for Natural Hair (CROWN) Act prohibits discrimination based on hair style and texture. First enacted in California in 2019, it has been adopted by New York, and New Jersey, several municipalities and counties, and is before the U.S. Congress and twenty states.

House Bill 4107-MRA prohibits discrimination in two ways: 1) it makes refusal to accept cash an unlawful practice; and 2) it includes physical characteristics, such as hair type and hair style, within the definition of race in school discrimination policies, interscholastic organization activities, and in unlawful employment practices.