

SB 716 -1 STAFF MEASURE SUMMARY

Senate Committee On Business and General Government

Prepared By: Tyler Larson, LPRO Analyst

Meeting Dates: 2/21, 4/9

WHAT THE MEASURE DOES:

Requires retail seller or provider of essential goods and services to accept a retail buyer's offer to pay by cash to purchase goods or services. Prohibits retail seller or provider of essential goods and services from requiring retail buyer to use credit card or another form of payment to purchase goods or services. Defines "provider of essential goods and services" as person that retails a good or service essential to the retail buyer's life, health, or welfare. Creates exemption for deposits and contingent expenses for transaction that exceeds or may exceed \$100.

ISSUES DISCUSSED:

- Discriminatory impact of cashless operations on low-income Oregonians
- Lack of banking options for Oregon's marijuana industry

EFFECT OF AMENDMENT:

-1 Defines "micro market" as unattended food establishment that provides packaged foods or whole fruit using automated payment system. Exempts vending machines and micro markets from requirement to accept cash.

BACKGROUND:

A 2017 survey by the Federal Deposit Insurance Corporation (FDIC) found 6.5 percent or 8.4 million U.S. households did not have an account at an FIDC-insured institution in 2017. These households may not have access to credit or debit cards, and most likely rely on cash to purchase goods and services. Oregon's marijuana industry is also currently dependent on cash, as regulated institutions fear that accepting deposits from the industry could lead to reprisal from federal regulators.

Senate Bill 716 requires specified retailers to accept cash as payment for goods or services essential to a consumer's life, health, or welfare, including medical services, treatments, and medication; and, food, water, sanitation, and shelter.