

# General Law Committee JOINT FAVORABLE REPORT

**Bill No.:** HB-5172

AN ACT CONCERNING ACCEPTABLE FORMS OF CURRENCY AS PAYMENT

**Title:** IN LOCAL BUSINESSES.

**Vote Date:** 3/10/2020

**Vote Action:** Joint Favorable

**PH Date:** 2/27/2020

**File No.:**

***Disclaimer:** The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

## **SPONSORS OF BILL:**

General Law Committee

## **REASONS FOR BILL:**

This bill with exceptions would not allow retailers to refuse cash as a form of payment, post signs stating cash is not accepted, or charge higher prices for patrons who pay with cash.

Please refer to HB 5703 with amendment House A from 2019 as it is the identical, which passed the House of Representatives in 2019.

## **RESPONSE FROM ADMINISTRATION/AGENCY:**

No Response from administration/agency

## **NATURE AND SOURCES OF SUPPORT:**

### **Holly Cheeseman, Representative, State of Connecticut, General Assembly**

According to a 2017 survey from the FDIC approximately 25% of the population are either unbanked or underbanked. Many people in this population use check cashing services, payday loans or rent to own services. Data shows that this group of people are predominately low income. As a result, they have little or no access to credit cards. Also, in a cashless society all financial transactions are traceable which should be of great concern to libertarians. The refusal of cash also impacts those who suffer from domestic abuse. Abusers can track and monitor credit card use, etc. Several states including Massachusetts has state laws that state that "no retailer shall discriminate against a cash buyer." Please support HB5172.

**Houston Putnam Lowry, Polivy, Lowry, & Clayton, LLC, Attorney's at law**

This bill would not conflict with existing federal law. US currency is legal tender for all debts, public and private. Accepting cash seems to be fair and appropriate. Perhaps placing limitations on the amount of coinage that would be acceptable. An example would be if someone purchased a car for \$20,000 in pennies, this would not be reasonable or appropriate.

**Crystal Wright, External Affairs and Community Outreach, Cardtronics**

There is an alarming number of businesses large and small that are refusing to accept cash as a form of payment. Cardtronics applauds CT for joining the nationwide movement of 15 other cities and states introducing legislation that protects cash as payment of choice.

**NATURE AND SOURCES OF OPPOSITION:**

**Connecticut Bankers Association, Tom Mongellow, Art Corey, Fritz Conway**

CBA believes retail businesses should be free to choose the methods of payment they offer to customers. Reasons that a business might choose not to accept cash as payment are as follows: if a business has suffered multiple robberies or has suffered from accepting counterfeit bills. Electronic payments also increase operational efficiencies. Transaction times are also more streamline as technology allows for "tap and pay feature."

**Reported by: Bonnie Gray, Asst. Clerk**

**Date: 03/11/2020**