

HB1048 Businesses Must Accept Cash

Testimony in House Commerce and Energy Committee

By Representative John Sjaarda

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Madam Chair, friends and colleagues of the Commerce & Energy committee, today I bring before you, HB1048 -an act that cash be accepted for certain transactions.

I'd like to point out that this bill is:

- Applicable to transactions \$100 or less & in-person sales only.
- Does not apply to financial institutions, airplanes or the sale of goods or services that require a security deposit or covering unforeseen expenses such as hotels, rental agreements such as car rentals.

In an increasingly digital world, the debate over whether businesses should accept cash remains crucial. While technological advancements have made electronic payments more convenient, there are compelling reasons why businesses should continue to accept cash for certain transactions.

First, cash is accessible to everyone unlike credit cards, bank accounts and digital apps which are unattainable for some people. Millions of Americans rely solely on cash for daily transactions. By refusing cash, businesses exclude these individuals.

Second, cash is a universal legal tender. As you see on this dollar bill, it says "This note is legal tender for all debts, public and private." So if someone wants to pay with cash they should have the right to do so. It is legal tender recognized by our government. Even though I believe in a limited government, I recognize that this is a place where government needs to do its job. It is universally accessible and does not require technology, internet, or a bank account. Accepting cash upholds its role as a foundational element of the monetary system, fostering trust and stability in commerce.

Third, cash provides privacy and security. Unlike digital payments, cash transactions are not tracked and do not require personal data, protecting consumers from potential breaches or misuse of sensitive information. Additionally, it offers a reliable backup during system outages or cyberattacks.

Finally, cash supports financial literacy and budgeting. For many, physical money provides a tangible way to manage expenses effectively, avoiding the risks of overspending associated with credit or digital payments.

While cash handling involves costs and risks like theft or mismanagement, these challenges can be mitigated through proper safeguards. Striking a balance between modern payment methods and traditional cash acceptance ensures fairness, accessibility, and resilience in our economy.

I have some great citizens here that want to testify on why they want to see this bill passed.
Thank you for your time and consideration. I will stand by for any questions.