

## **SB 1565 -1, -3, -4 STAFF MEASURE SUMMARY**

### **Senate Committee On Labor and Business**

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**Meeting Dates:** 2/8

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#### **WHAT THE MEASURE DOES:**

Provides that a place of public accommodation that refuses to accept United States coin and currency as payment for goods and services engages in an unlawful practice. Provides that a place of public accommodation that makes a distinction, discrimination, or restriction because a patron offers United States coin or currency as payment for goods and services engages in an unlawful practice. Permits a place of public accommodation to refuse to accept as payment for goods and services coins in an amount equal to or greater than \$100 or currency in denominations of \$50 or \$100. Makes specified exceptions, including farmers' markets and roadside stands, transactions occurring on aircraft, transactions involving transient lodging or transportation, internet-based transactions, and the purchase of Class 1 flammable liquids at specified locations. Permits a place of public accommodation to require patrons to use a payment system that converts cash into a cashless payment instrument, such as tokens, cards, or wristbands so long as no transaction fee for the conversion is required. Provides a process by which a complaint may be filed with the Commissioner of the Bureau of Labor and Industries for refusal to accept United States coin and currency. Takes effect on the 91st day after sine die.

#### **ISSUES DISCUSSED:**

##### **EFFECT OF AMENDMENT:**

-1 Limits the exception that permits a place of public accommodation to refuse payment in United States coin and currency for the purchase of Class 1 flammable liquids at locations where such flammable liquids are dispensed to apply to those locations where the liquids are sold at retail, during the hours in which the location is unattended by a person to dispense the liquids.

-3 Includes on-street and off-street parking pay stations that do not accept currency, provided that the pay station accepts coins as one method of payment.

-4 Removes the exception that allows for the purchase of Class 1 flammable liquids and replaces the exception to allow for the purchase of diesel fuel or Class 1 flammable liquids at a filling station, service station, garage, or other dispensary where diesel fuel or Class 1 flammable liquids are sold at retail during the hours in which the location is unattended or attended by only one person to dispense the fuel or liquids.

##### **BACKGROUND:**

According to the most recent Diary of Consumer Payment Choice published by the Federal Reserve, the use of cash dropped to 19 percent of all payments in 2020, down seven percentage points from 2019. Consumers increased their online and not-in-person transactions, usually through mobile phones, which reduced the opportunity to use cash. The study also found that the average value of cash in a consumer's pocket increased by \$20 from 2019 to \$74. In 2020, consumers reduced the number of small-value cash payments by more than 40 percent compared to 2019. Additionally, 72 percent of consumers made in-person payments, down from 91 percent in 2019. These changes are viewed largely to be attributable to the impact on consumer spending caused by the COVID-19 pandemic.

Senate Bill 1565 provides that a place of public accommodation engages in an unlawful practice by refusing to accept United States coin and currency as payment for goods and services and by making a distinction,

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discrimination, or restriction because a patron offers United States coin or currency as payment for goods and services.

PRELIMINARY