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February 8, 2022

To: The Senate Committee on Labor and Business
From: Anthony K. Smith, National Federation of Independent Business
Re: NFIB Testimony in Opposition to SB 1565

Chair Taylor, Vice-Chair Knopp, and Members of the Committee:

On behalf of the thousands of Oregon small business members of the National Federation of Independent Business, many being the smallest of small businesses, I would like to share our concerns with SB 1565, which would ban cashless point-of-sale systems in most circumstances.

SB 1565 includes a list of nearly 20 exclusions for certain businesses so that they could continue to operate on a cashless basis if this bill were to pass. These exemptions correctly acknowledge that there are legitimate business reasons why it may not be appropriate or pragmatic for a business to accept cash payments – reasons that have nothing to do with discrimination, but rather for reasons relating to efficiency, security, and overall customer experience.

Cash is a labor-intensive process – and under SB 1565, as more and more customers pay electronically, employees would still have to make bank deposits and count out cash registers, before and after each shift, accounting for every transaction down to the last penny, even if the business makes very few – or no cash sales in an average day. Having cash on hand can also prove to be a security risk, exposing employees to the risk of robbery and employers to theft.

As customer behaviors change, businesses respond by meeting those changing expectations in ways that will keep customers coming back again and again. Customers expect quick check-out lines and fast transactions. SB 1565 limits the ability of a business to safely operate at peak efficiency with customer experiences in mind, except at those businesses that are included in the list of exemptions.

In light of the events of the two years, I have little doubt that this list of exemptions is incomplete at best and will not adequately differentiate between actual discrimination and legitimate cashless business practices.

The COVID-19 pandemic has presented us with new occupational health and safety challenges – and our understanding of the virus has evolved over time. We know that social distancing is effective, and cashless payment systems have been one important tool used by businesses to limit person to person contact in a way that protects both employees and the public. This pandemic, as well as any future public health emergency, is a perfect example of the fact that there are inevitably going to be other valid reasons for going cashless.

On a final note, I'd just like to say that most NFIB members currently accept cash and have no plans to change that. Many are enthusiastic about receiving cash as payment and spending that cash at other businesses. Others are thinking about moving to cashless point-of-sale systems – and some may already have. The one thing that NFIB members agree on is that the state should not be dictating which forms of payments private businesses should or should not be required to accept.

Considering these many factors, NFIB respectfully asks you to oppose SB 1565.

Thank you for your time and consideration,



Anthony K. Smith
NFIB Oregon State Director