



Testimony in SUPPORT of HB191
Consumer Protection - Retail Transactions - Cash Payments
House Economic Matters Committee
February 10, 2026

Dear Honorable Chair Valderrama, Vice Chair Charkoudian, and Members of the Committee,

CASA supports House Bill 191. CASA supports this critical piece of legislation because an increasing number of Maryland retailers refuse cash, effectively locking unbanked and undocumented residents out of everyday necessities like food, fuel, and medicine¹.

CASA is a national organization building power and improving the quality of life in the working-class: Black, Latino/a/e, Afro-descendent, Indigenous, and Immigrant communities. With a membership of over 173,000 members, CASA creates change with its power-building model blending human services, community organizing, and advocacy to serve the full spectrum of the needs, dreams, and aspirations of members. For nearly forty years, CASA has employed grassroots community organizing to bring our communities closer together and fight for justice, while simultaneously providing vital services to communities across the state and beyond. As part of this work, CASA's community services and engagement provide a clear window into the social and economic life of our members and their communities here in Maryland.

Cash remains the most accessible and reliable form of payment for many Marylanders. When retailers refuse cash, workers paid in cash, such as day laborers and tipped service workers, can be turned away from getting their basic needs met. HB0191 requires most merchants of consumer goods to accept cash for transactions between \$5 and \$300. This is a good thing for consumers in general, and for the working-class immigrant communities that CASA represents in particular, because it ensures that anyone who has the means to purchase everyday goods is able to do so, puts meaningful choice about where their money and data goes into consumers' hands, where those choices belong.

¹ https://www.federalreserve.gov/faqs/currency_12772.htm

It is the position of the federal reserve that nothing in federal law prevents alternatives to cash from being used, but that state law could establish such a prohibition.

1. Accepting Cash Supports Access to Critical Goods

The price range in which HB191 would operate includes most everyday goods that working people and families need; groceries, household supplies, clothing, fuel, medicine, etc. We take the position that the important part of such a small transaction is whether the customer has the money to pay for the goods, not whether they have a bank account and a debit card. Requiring cash payment to be available for such purchases ensures that nobody finds themselves at the store in an emergency, with cash, and unable to make a purchase.

Infrastructure system outages and natural disasters can leave businesses unable to use sophisticated payment processing, and by requiring cash payment availability, Maryland protects against some follow-on effects of such events. CASA members have reported being unable to purchase groceries or household necessities despite having cash, simply because a retailer refused it.

2. The Most Vulnerable Depend On Cash

Service industry, day labor, and skilled trade jobs that many working-class immigrants hold are often paid in cash for a number of reasons. Some 5% of Americans are “unbanked”, meaning they do not have any bank accounts or access to financial institutions². Most likely to be unbanked out of all Americans are those who belong to ethnic minorities and who are also very poor³.

People are unbanked for a variety of reasons, some of them financial, practical, or because of a lack of access to financial literacy resources. For people with intermittent incomes or very little money, the minimum balance requirements and overdraft fees associated with many accounts are burdensome to the point of making the accounts too risky or cost-prohibitive. Identification requirements and language barriers are another factor that can make opening an account difficult or impossible. The last thing that people in these situations need is for a shop clerk to tell them that the United States Dollar that they are trying to buy food with is no good.

3. Vendors and Consumers Should Have the Option to Transact Directly

Every payment made with a card is subject to a processing fee. These fees vary, but

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<https://www.clevelandfed.org/publications/economic-commentary/2022/ec-202207-unbanked-in-america-a-review-of-the-literature>

³ <https://www.philadelphiafed.org/-/media/FRBP/Assets/working-papers/2025/wp25-02.pdf>

they are significant: in the neighborhood of 2-3% on Square, one of the most popular POS systems for small businesses. Those fees drain money from local economies, to the benefit of the payment processors and the detriment of local cashflows. Consider a series of payments made with a single \$100 bill, passed from buyer to seller, and so on. After 35 transactions, that \$100 bill is still \$100 (assuming no sales tax for simplicity). If everyone was using a credit card (instead of cash) with a 2% transaction fee, only \$49.30 would be left after 35 transactions⁴. Maryland law should protect consumers' option to avoid participating in those fee arrangements.

Merchants already have the ability to only accept cash payments, a choice for which they bear the burden- they choose not to prioritize convenience, and instead keep that 2% or pass it on to their customers through lower prices.

4. Marylanders' Privacy is at Stake

Cash payments allow transactions to be made without creating a record held by banks and payment processors. Protecting cash payment gives Maryland consumers the option to keep their daily transactions between themselves and the merchant of their choice. CASA has further concerns about what might be done with those records; once the record is made, it is difficult to control where that information goes. To be clear, the information at stake includes where someone was at a particular time when they purchased something, what they purchased, and how often they go there. Every time a consumer taps or swipes a payment card, or uses a mobile phone to pay, a record of the transaction, including the time, location, and purchase details, is collected by the payment processor (like Square or Clover), vendors, and in some cases mobile phones..

Recently, federal actors such as Immigration and Customs Enforcement (ICE) have tapped every source of information available to them in support of their deportation efforts- efforts that have extremely disruptive and harmful effects on the communities to which CASA's members belong. These efforts have targeted not only people who might be legally subject to deportation, but also those who are not. This concern extends to all Marylanders.

CASA Policy Team

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⁴ Alternatively, consider a couple of friends who trade off babysitting each other's kids. They charge \$100 every time. They would essentially be passing the same \$100 back and forth if they paid each other with cash, but if they paid with a card through a 3rd party payment processor with a 2% fee, after they did it 35 times, they would be passing \$49 back and forth. The point is that every time money changes hands via credit/debit card, a payment processor takes a cut, and that processor does not take a cut of cash payments.