MDCEP
MARYLAND CENTER ON ECONOMIC POLICY

FEBRUARY 10, 2026

Taking Down Payment Barriers Would Ensure Maryland's Economy Remains Inclusive

Position statement in support of House Bill 191

Given before the House Economic Matters Committee

In recent years there has been a growing trend of retailers declining to accept cash payments. This practice raises barriers that make it harder for many to purchase necessities, and these barriers are often highest for Marylanders of color, families surviving on low incomes, and people with disabilities. Ensuring Marylanders can purchase the things they need with cash will foster an inclusive economy. **For these reasons, the Maryland Center on Economic Policy supports House Bill 191.**

About 79,000 Maryland households did not have a bank account in 2023, according to data from the Federal Deposit Insurance Corporation.[i] Another 284,000 had a bank account but sometimes relied on expensive financial institutions like check cashing services and payday lenders. For people with little or no access to mainstream financial institutions, cash is often the only option for buying necessities like food or clothing. **Ensuring these Marylanders can meet their needs with the form of money they have is essential to make our economy inclusive.**

While Marylanders of all backgrounds may be without a bank account, those who already face discrimination or other economic roadblocks are especially likely to rely [ii]cash:[iii]

- Between 2019 and 2023, about 19% of Maryland households with annual income under $30,000 did not have a bank account (they were "unbanked"), compared to less than 1% of those with annual income over $75,000.
- About 9% of Black-led households were unbanked during the same period, compared to only 1% of white households. Other racial and ethnic groups are not individually reported in the FDIC data due to small sample size but, taken together, 5% of these households were unbanked.
- About 18% of households led by a working-age person with a disability were unbanked, compared to only 4% of other working-age households.
- About 8% of households led by a Marylander who was not a United States citizen were unbanked, compared to only 4% of households led by a person born in the United States.
- While aging adults are not among those most likely to be unbanked, retailers report that they are more likely to prefer cash or be uncomfortable with electronic payment methods.[iv]

Requiring retailers to accept cash would put Maryland in good company:

- Last year, New York passed legislation requiring all grocery stores and other retailers to accept cash.[v]
- Philadelphia, San Francisco, and Berkeley, California, required acceptance of cash in 2019.[vi]
- New Jersey has required retailers across the state to accept cash since 2019.

- Massachusetts has prohibited rejection of cash for decades.

Following the lead of other states and ensuring that Marylanders can buy necessities using cash will help foster an inclusive economy.

For these reasons, the Maryland Center on Economic Policy respectfully requests that the Economic Matters Committee make a favorable report on House Bill 191.

Equity Impact Analysis: House Bill 191

Bill summary

House Bill 191 would require vendors in Maryland to accept payment in cash.

Background

News reports have documented an increasing number of stores and restaurants going "cashless," or accepting only cards or electronic payment.[vii] This trend began before 2020 but accelerated during the COVID-19 pandemic and has continued since then. A number of cities and states have passed legislation mandating that businesses accept cash payments.

Equity Implications

Requiring acceptance of cash would benefit Marylanders who have inadequate access to financial services and therefore must rely on cash for most purchases. Research by the FDIC shows that people who face economic barriers or discrimination because of factors like their race or a disability are less likely to have a bank account:[viii]

- Between 2019 and 2023, about 19% of Maryland households with annual income under $30,000 did not have a bank account (they were "unbanked"), compared to less than 1% of those with annual income over $75,000.
- About 9% of Black-led households were unbanked during the same period, compared to only 1% of white households. Other racial and ethnic groups are not individually reported in the FDIC data due to small sample size, but taken together, 5% of these households were unbanked.
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Impact

House Bill 191 would likely **improve racial, economic, and disability equity** in Maryland.

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[i] MDCEP analysis of FDIC 2023 data on household use of banking and financial services, https://household-survey.fdic.gov/

[iii] MDCEP analysis of 2019–2023 FDIC banking survey five-year estimates, https://household-survey.fdic.gov/

[iv] Liz Alderman, "Our Cash-Free Future Is Getting Closer," *The New York Times*, July 6, 2020

[v] Shane O'Brien, "New York Passes Bill Requiring Stores to Accept Cash Payments, Protecting Unbanked and Low-Income Shoppers," *QNS*, 2025, https://qns.com/2025/06/cash-payments-to-protect-unbanked-shoppers/

[vi] Ann Carrns, "Who Gets Hurt When the World Stops Using Cash," *The New York Times*, September 11, 2020, https://www.nytimes.com/2020/09/11/your-money/cash-credit-cards-coronavirus.html

[vii] Alderman, 2020
Carrns, 2020

[viii] 2019–2023 FDIC data on household use of banking and financial services, https://household-survey.fdic.gov/

[ix] Liz Alderman, "Our Cash-Free Future Is Getting Closer," *The New York Times*, July 6, 2020