

REVISED LEGISLATIVE DIGEST
(Amended in Committee - April 11, 2019)

[Police Code - Acceptance of Cash by Brick-and-Mortar Businesses]

Ordinance amending the Police Code to require, in general, that brick-and-mortar businesses accept payment in cash in connection with the purchase of goods and services other than professional services.

Existing Law

Nothing in existing state or local law requires businesses to accept payment in cash.

Amendments to Current Law

This ordinance would generally require “brick-and-mortar” businesses in the City to accept payment in cash for goods and services other than professional services, for transactions for which the business would accept any other form of payment. It would also prevent such businesses from charging a fee or placing any other condition on accepting cash payments.

“Brick-and-mortar” businesses are defined as operating at fixed, permanent physical premises. Businesses not fitting this definition (e.g., online-only businesses, businesses operating from mobile spaces like vehicles, or temporary businesses like pop-ups) would not be covered by the ordinance. In addition, only transactions where the customer is physically present at the place of business are covered; hence, a transaction where goods are delivered to a customer and paid for on delivery is not covered by the ordinance.

The ordinance would not require a business to accept currency other than valid U.S. currency; would allow it to reject cash it reasonably suspects to be counterfeit; and would allow it to refuse to accept cash in denominations larger than a \$20 bill, but would require accepting paper currency and coins in smaller denominations. For single transactions above \$5,000, a business could require payment in some form other than cash for the amount above \$5,000.

The ordinance would be enforced by the County Sealer of Weights and Measures. Violation of the ordinance would be either an infraction or (for three or more offenses within twelve months) a misdemeanor, punishable by escalating fines. Only businesses or business owners could be held liable for violations of the ordinance; no liability would fall on employees.

The ordinance would require the Treasurer to submit a report by December 31, 2026 on the 2025 National Survey of Unbanked and Underbanked Households issued by the Federal Deposit Insurance Corporation.