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Chairman Lang, Vice Chair Wilkin, and Ranking Member Sykes, thank you for the opportunity to give sponsor testimony on SB 38. SB 38 is not a new bill it was SB 242 in the 134th General Assembly. This bill simply requires retail merchants to accept cash. Though not an exhaustive list, there are exceptions: parking facilities, large stadiums, etc. Conceptually it is a very simple bill.

The genesis of this legislation is based on New Jersey legislation that has become law. In the last year, there has been a number of states that have introduced legislation similar to New Jersey. Similar legislation has recently passed in Rhode Island and Colorado and, in both cases, was sponsored and signed into law by Democrats. Yet Democrats are not the only ones introducing this legislation. Republicans in Indiana and Tennessee have also introduced this legislation. This issue is not just a Republican or Democrat issue. It's an issue that effects all Americans.

For starters, many low income Americans remain unbanked and prefer to operate in cash. Should they be shut out of society because they either have difficulty becoming banked, or simply distrust plastic? What of senior citizens? Many prefer to use cash and write checks. As the NJ bill's sponsor noted, "The U.S. dollar is legal tender and should be accepted at any retail establishment". This is absolutely correct. Unfortunately, there is a far more sinister angle to a cashless society that isn't immediately obvious.

I would urge all of you to read the “Gentrification of Payments” by Brett Scott, which we sent to the chairman for distribution to the committee. The move towards a cashless society makes sense on its face, and I’ll concede that I almost never use cash. Unfortunately, that ignores the problems that can arise from an alliance between Big Tech, the largest banks, and the Federal government. The sheer amount of data that is available about any given citizen through their transactions is disconcerting, to put it charitably. Is it so hard to believe that a social credit system, or negative interest rate policy (NIRP), could occur in America? Neither idea is conceptual: the former exists in China now, and the latter has been implemented in Europe. Have you considered that one day your credit card could be declined as the powers that be have determined that, say, you’ve already had two fast food meals this week and that a third would be adverse to your health? Sounds scary, doesn’t it. Cash is a bulwark against such systems, unless of course it is phased out.

At one time this would have all been the stuff of science fiction, the domain of George Orwell. I can assure you that this is no longer the case. It is already here, but we can fight back with legislation such as SB 38. Thank you for your indulgence, Mr. Chairman, and I’ll be happy to answer any questions from the committee.