

Philadelphia says no to totally cashless future

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An increasing number of US businesses are only taking payments by card or mobile phone, but amid a backlash, Philadelphia is insisting that cash be accepted everywhere

With an increasing number of US businesses no longer accepting cash, Philadelphia—the City of Brotherly Love—is taking a stand to protect the so-called "unbanked" and will force merchants to accept greenbacks.

It will be the first major US city to outright reject a trend that has seen more and more retail outlets, especially restaurants, move to only accept payments via credit or [debit cards](#) and mobile phones.

Consumers and businesses who support digital payments say they are faster and more practical, but opponents say such practices exclude the "unbanked"—those without [bank accounts](#) or credit cards.

Philadelphia Mayor Jim Kenney recently signed into law an amendment to the city's Fair Practices Ordinance prohibiting stores and restaurants from refusing to accept [cash](#), calling it "unlawful discrimination."

The measure will go into effect on July 1.

Despite the cashless trend, the United States remains far behind other countries in terms of digital payment technology. In China, paying by smartphone is widely used.

According to data published by the Federal Reserve Bank of San Francisco, 32 percent of all consumer transactions were made with cash in 2015, down from 40 percent in 2012.

According to a study by the Federal Deposit Insurance Corporation, 6.5 percent of American households were "unbanked" in 2017—a figure that has steadily declined since 2011, but which still accounts for nearly eight million households.

Beyond the action taken in Philadelphia, state lawmakers in New Jersey passed a bill in February that would make it illegal to run a cashless store, but Democratic Governor Phil Murphy has not yet signed it.

In New York and San Francisco, initiatives are working their way through legislative channels, but no city council votes are scheduled for

now.

Lawmakers in Washington and Chicago have passed similar legislation, but they have not yet been ratified.

That makes Massachusetts the only US state so far which has a law on the books forcing all merchants to accept cash. But the measure, adopted more than 40 years ago, has not been applied in practice.

Fast-casual salad chain Sweetgreen, which no longer accepts cash in any of its restaurants, declined to comment when asked by AFP how it would implement the measure passed in Philadelphia.

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