

SENATE CONCURRENT RESOLUTION NO. 90

BY SENATOR MARTINY

A CONCURRENT RESOLUTION

To recognize the importance of electronic payments and their superiority in terms of cost, safety, and convenience over cash and to encourage the use of electronic payments by all of Louisiana's citizens and particularly in government financing in the state.

WHEREAS, in 2013 The Fletcher School of Law and Diplomacy at Tufts University published the results of a study regarding the cost of cash in the United States; and

WHEREAS, this study found that cash, although ubiquitous, is costly to produce and manage and degrades through its lifetime; and

WHEREAS, according to the study, cash costs society billions of dollars in foregone tax revenues annually and recovering even a fraction of what is lost in taxes to the cash economy would supply much-needed revenue for governments; and

WHEREAS, cash costs retail businesses billions in cash theft, bank robbery, and other cash losses annually; and

WHEREAS, this burden significantly affects smaller businesses that are less likely to utilize high-level security for their cash; and

WHEREAS, cash is vulnerable to theft and inconvenient to transport, and may allow an underground economy to flourish because of the anonymity of cash transactions, all of which may create challenges for law-enforcement and tax authorities; and

WHEREAS, American households with bank accounts at formal financial institutions use only a little cash at a low cost, but households without such accounts carry higher cash balances and are more likely to pay fees to access their own money; and

WHEREAS, cash is losing share in consumer transactions to other payment methods and since 2010 has been superseded by electronic payments, primarily triggered by businesses seeking to reduce vulnerability to theft, and consumers seeking to reduce loss of time spent obtaining cash.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby request all state agencies to seek out opportunities to replace cash-based government payment systems with electronic systems that reduce costs for government, taxpayers, and

citizens.

BE IT FURTHER RESOLVED that the Legislature of Louisiana encourages Louisiana citizens to choose electronic payment methods over cash.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the Commissioner of Administration.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to Bhaskar Chakravorti and Benjamin D. Mazzotta at The Fletcher School of Law and Diplomacy, Tufts University.

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PRESIDENT OF THE SENATE

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SPEAKER OF THE HOUSE OF REPRESENTATIVES