SLS 14RS-1667 ORIGINAL

Regular Session, 2014

SENATE CONCURRENT RESOLUTION NO. 90

BY SENATOR MARTINY

BANKS/BANKING. Recognizes the importance and superiority of electronic payments over cash and encourages the use of electronic payments.

A CONCURRENT RESOLUTION 1 2 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 3 by all of Louisiana's citizens and particularly in government financing in the state. 4 5 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 6 7 WHEREAS, this study found that cash, although ubiquitous, is costly to produce and 8 manage and degrades through its lifetime; and 9 WHEREAS, according to the study, cash costs society billions of dollars in foregone 10 tax revenues annually and recovering even a fraction of what is lost in taxes to the cash 11 economy would supply much-needed revenue for governments; and 12 WHEREAS, cash costs retail businesses billions in cash theft, bank robbery, and 13 other cash losses annually; and WHEREAS, this burden significantly affects smaller businesses that are less likely 14 to utilize high-level security for their cash; and 15 16 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 17 which may create challenges for law-enforcement and tax authorities; and 18

1	WHEREAS, American households with bank accounts at formal financial institutions
2	use only a little cash at a low cost, but households without such accounts carry higher cash
3	balances and are more likely to pay fees to access their own money; and
4	WHEREAS, cash is losing share in consumer transactions to other payment methods
5	and since 2010 has been superseded by electronic payments, primarily triggered by
6	businesses seeking to reduce vulnerability to theft, and consumers seeking to reduce loss of
7	time spent obtaining cash.
8	THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
9	request all state agencies to seek out opportunities to replace cash-based government
10	payment systems with electronic systems that reduce costs for government, taxpayers, and
11	citizens.
12	BE IT FURTHER RESOLVED that the Legislature of Louisiana encourages
13	Louisiana citizens to choose electronic payment methods over cash.
14	BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
15	Commissioner of Administration.
16	BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to
17	Bhaskar Chakravorti and Benjamin D. Mazzotta at The Fletcher School of Law and
18	Diplomacy, Tufts University.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by LG Sullivan.

DIGEST

Martiny SCR No. 90

Recognizes the superiority of electronic forms of payment in lieu of cash.