

Communication from Public

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Comments for Public Posting: I am against the ban against cashless businesses. I consider the motion to be well-intentioned, but poorly executed. Cashless businesses often convert to this format not due to any malicious intention but due to a desire to reduce their risk to crime. I frequent a couple establishments that have chosen to go cashless: Homestate in Sherman Oaks (under LA City jurisdiction) which made the decision to go cashless after experiencing seven burglaries in the course of seven months Pedalers Fork (not under LA City jurisdiction, but right outside) which made the decision to go cashless after a robbery that turned violent It is no myth: removing cash from society reduces the chance that individuals and businesses will fall prey to crimes such as burglary, assault, and larceny. See linked study from Missouri: <https://docs.iza.org/dp8402.pdf> The decision to go cashless is also not one that is particularly advantageous to businesses. In order to process debit and credit cards, merchants often have to pay fees of up to 3% of the transaction. To accept Apple Pay and Cash App, merchants can pay fees of up to 5%. I am certain that under better circumstances, businesses would love to be able to accept cash, but given their responsibility to provide a safe environment to patrons and staff, they choose to move to cashless. Coincidentally, in the incident of burglary, the primary individuals who have the highest chance of becoming victims of violence are exactly the people that the motion is aimed at protecting: under-served, under-represented, minimum wage workers. In that sense, I view this motion as addressing a symptom of the problem rather than the problem itself. The issue here isn't cashless businesses, but the fact that so many people in our community are underbanked. The large reason for this is that our current banking system is exploitative of our poorer communities. To that end, the City of Los Angeles could set to work on other motions: Set a maximum APR limit on payday loans, or at the very least require more transparent representation of the overall loan costs as part of the loan initiation process. Set maximum allowable fees for check processing. Ban overdraft fees. I realize these are not simple things to do, but they would do more to address the issues that the motion is purporting to resolve – i.e. “ensuring that our economy is inclusionary and accessible to everyone” – than banning cashless businesses would achieve. Homestate Burglaries: <https://la.eater.com/2023/2/10/23585111/homestate-tex-mex-restaurant-burglary-crime-cashless-sherman-oaks-am-intel> Pedalers Fork Burglary: <https://www.instagram.com/p/Cocyo8QvyEc/> <https://ktla.com/news/local-news/3-sought-in-commercial-break-in-robbery-in-calabasas/> EBT Crime Reduction Study: <https://docs.iza.org/dp8402.pdf> Why Poverty Persists in America: <https://www.nytimes.com/2023/03/09/magazine/poverty-by-america-matthew-desmond.html>