

# COVID-19 Best Practice Information: Monetary Transactions

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## Background

- This document describes how, as the coronavirus disease (COVID-19) pandemic increases demand for contactless payment options, businesses can encourage contactless payment and state/local governments can ensure that new payment options are accessible to unbanked and underbanked residents.
- The following is a list of key findings and considerations for jurisdictions and communities regarding ongoing COVID-19 pandemic operations across the country. These are best practices for consideration and do not constitute and should not be considered as guidance in any way.<sup>1</sup>

## Key Considerations

- Despite the lack of conclusive evidence that COVID-19 can be transmitted via cash bills, consumers and businesses are beginning to limit and discourage the use of cash, instead opting for contactless payment methods such as credit cards, debit cards, and mobile applications.
- The move to contactless payment has created a need to ensure businesses remain accessible for consumers without bank accounts and/or other technologies. A 2017 [Federal Deposit Insurance Corporation \(FDIC\) National Survey of Unbanked and Underbanked Households](#) estimated that 8.4 million households were unbanked, meaning they do not have an account at an insured institution, and 24.2 million were underbanked, meaning they have an account but have obtained alternative financial services in the past 12 months. As monetary transactions transition away from using cash, money orders, and checks, any new practices should consider unbanked and underbanked individuals.<sup>2</sup>
- Those most likely to be dependent on cash include rural communities without access to reliable internet/mobile coverage, the elderly, those with physical or mental health disabilities, and those who use cash to manage budgets and avoid debt.<sup>3</sup>

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<sup>1</sup> This document contains references and links to non-federal resources and organizations. This information is meant solely for informational purposes and is not intended to be an endorsement of any non-federal entity by FEMA, U.S. Department of Homeland Security, or the U.S. government.

<sup>2</sup> 2017 FDIC, FDIC National Survey of Unbanked and Underbanked Households, <https://www.fdic.gov/householdsurvey/>.

<sup>3</sup> 2019 Access to Cash Review, Final Report, <https://www.accesstocash.org.uk/media/1087/final-report-final-web.pdf>



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# Lessons Learned Related to Monetary Transactions During the COVID-19 Pandemic

## Handling Cash Payments

- **Potential Best Practice:** Fast food restaurants have changed cash-handling procedures at drive-thru windows. They now designate a single person to handle transactions and allow, but do not mandate, employees to wear gloves. Employees should change gloves between transactions.<sup>4</sup>
- **Potential Best Practice:** Businesses have implemented strict employee handwashing policies, requiring employees to wash their hands every 30 minutes and/or every time they handle cash. Restaurants have installed outdoor handwashing stations for employees working at drive-thru and curbside locations.<sup>5</sup>
- **Potential Best Practice:** As wearing cloth face coverings become more prevalent or required, banks are adopting policies that accommodate the practice and maintain security precautions. Banks may request that members remove coverings and look into a security camera upon entering the lobby or answer security/identification verification questions. Banks may limit the number of customers inside the bank and ask customers to use drive-through services if they are unwilling to comply with the bank's health and security rules.<sup>6 7</sup>

## Encouraging Contactless Payment

- **Potential Best Practice:** To limit cash payments and other forms of contact payment, many businesses have expanded touchless payments using mobile applications like Venmo, Zelle, Apple Pay, and Google Pay.<sup>8</sup> Additionally, restaurants are allowing customers to pre-pay by providing their credit card information over the phone.<sup>9</sup>
- **Potential Best Practice:** An increasing number of full-service restaurants have invested in pay-at-the-table technology, including tablets and smartphone applications, to limit contact and exchange of cards/cash between restaurant staff and customers.<sup>10</sup>

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<sup>4</sup> 2020 National Restaurant Association, Pivoting to Off-Premises, <https://www.restaurant.org/Articles/News/Pivoting-to-off-premises>

<sup>5</sup> 2020 Hospitality Technology, Chick-fil-A Adds Outdoor Handwash Stations for Drive-Thrus, <https://hospitalitytech.com/chick-fil-adds-outdoor-handwash-stations-drive-thrus>

<sup>6</sup> 2020 Wisconsin Bankers Association, WBA Press Release: Can I Wear a Mask Into My Bank?, <https://www.wisbank.com/press-releases/2020/05/wba-press-release-can-i-wear-a-mask-into-my-bank/>

<sup>7</sup> 2020 American Banker, Banks Alter Security Practices to Let Customers Wear Masks, <https://www.americanbanker.com/news/banks-alter-security-policies-to-let-customers-wear-masks>

<sup>8</sup> 2020 Bloomberg, Contactless Payments Skyrocket Because No One Wants to Handle Cash, <https://www.bloomberg.com/news/articles/2020-04-16/no-touch-payments-skyrocket-because-no-one-wants-to-handle-cash>

<sup>9</sup> 2020 National Restaurant Association, Pivoting to Off-Premises, <https://www.restaurant.org/Articles/News/Pivoting-to-off-premises>

<sup>10</sup> 2020 National Restaurant Association, Restaurant Payments, [https://www.restaurant.org/downloads/pdfs/advocacy/restaurant\\_payments](https://www.restaurant.org/downloads/pdfs/advocacy/restaurant_payments)

- **Potential Best Practice:** A credit card company has created an antibacterial and antiviral payment card that is coated with a special metal covering that prevents pathogens from living on the card's surface and may kill nearby free-floating bacteria.<sup>11</sup>
- **Potential Best Practice:** Businesses can consider notifying customers via website, email listserv, and/or social media of changes in payment policies before they place an order.<sup>12</sup>
- **Potential Best Practice:** Public health officials have advised hotels and other businesses to adopt payment methods that reduce physical contact with customers/guests and potentially contaminated surfaces like terminal PIN pads, receipts, electronic signature capture stylus, and pens for signing receipts. Businesses should consider eliminating signature collection and PIN entry for small transactions to reduce cardholder contact.<sup>13 14</sup>
  - Restaurants have started to ask customers to swipe their own cards when paying in the drive thru.<sup>15</sup>

## Increasing Accessibility of Contactless Payment

- **Potential Best Practice:** To avoid limiting services to customers with access to credit cards, debit cards, and/or mobile payment, businesses should consider continuing to accept cash payments, while encouraging customers to avoid using cash if they are able to do so. In the past year, some cities, including New York City, San Francisco, and Philadelphia, have banned cashless stores to increase accessibility.<sup>16</sup>
- **Potential Best Practice:** The City of Los Angeles launched a program to provide low-income residents of Los Angeles pre-paid debit cards prior to the stay-at-home order. This program allows low-income residents, especially unbanked and underbanked individuals, to use the debit cards for online and cashless purchases.<sup>17</sup>
- **Potential Best Practice:** Some states allow residents to choose to receive unemployment payments via debit cards. States and localities can encourage residents to opt to receive funds through a debit card by messaging the benefits of contactless purchasing.<sup>18</sup>

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<sup>11</sup> 2020 Mobi Health News, First-ever 'Clean Payment' Bank Card Launched,

<https://www.mobihealthnews.com/news/europe/first-ever-clean-payment-bank-card-launched>

<sup>12</sup> 2020 National Restaurant Association, Pivoting to Off-Premises, <https://www.restaurant.org/Articles/News/Pivoting-to-off-premises>

<sup>13</sup> 2020 Hospitality Net, Credit Card Processing Best Practices During COVID-19 and Other Challenging Times, <https://www.hospitalitynet.org/opinion/4098306.html>

<sup>14</sup> 2020 Governing, The Future of States and Localities, The Future of Cash Transactions in Question Amid COVID-19, <https://www.governing.com/now/The-Future-of-Cash-Transactions-in-Question-Amid-COVID-19.html>

<sup>15</sup> 2020 Nation's Restaurant News, McDonald's, Chick-fil-A, Dunkin' Step Up Coronavirus Safety Procedures for Employees, <https://www.nrn.com/quick-service/mcdonald-s-chick-fil-dunkin-step-coronavirus-safety-procedures-employees>

<sup>16</sup> 2020 NPR, Cities and States Are Saying No to Cashless Shops <https://www.npr.org/2020/02/06/803003343/some-businesses-are-going-cashless-but-cities-are-pushing-back>

<sup>17</sup> 2020 CBS Los Angeles, Garcetti Announces Prepaid Debit Card Program for Low-Income Angelenos Struggling <https://losangeles.cbslocal.com/2020/04/13/coronavirus-los-angeles-garcetti-prepaid-debit-card-low-income-families/>

<sup>18</sup> 2020 Balance Careers, How Unemployment Debit Cards Work <https://www.thebalancecareers.com/how-do-unemployment-debit-cards-work-2064182>

- **Potential Best Practice:** State and local governments, as well as banking institutions, can educate consumers on the benefits of digital banking and electronic payments and the process to obtain credit and debit cards with fair payment plans to ensure people become more comfortable with using less cash.<sup>19</sup>

Topics for the “Best Practices” series are generated from crowd sourced suggestions. Have an idea? Let us research it! Organizations and individuals can e-mail best practices or lessons learned to [fema-cipsupport@dhs.gov](mailto:fema-cipsupport@dhs.gov).

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<sup>19</sup> 2020 Payments Source, Cash’s Decline Can’t Leave People Behind, <https://www.paymentssource.com/opinion/cashs-decline-cant-leave-people-behind>