



March 8, 2022

**Testimony of the National Automatic Merchandising Association  
Before the Delaware House of Representatives  
House Economic Development/Banking/Insurance & Commerce  
House Bill 299: Consumer Equal Access Protection Act**

**Summary:**

The National Automatic Merchandising Association (NAMA) and Tri-State Automatic Merchandising Council represent the convenience services industry, which includes operators of vending companies specializing in vending machines, micro markets and office coffee and pantry services.

NAMA is understanding of the goal of this bill; however, we are asking for an amendment to the legislation that would exclude unattended retail locations called micro markets from coverage under the bill. Micro markets are unattended retail locations located in secured buildings or workplaces, which are not open to the public, that offer fresh foods, snacks, and beverages for purchase via a self-checkout kiosk. Because of this, NAMA urges an amendment on this bill that clarifies the definition of retail store as “in person, open to the public” and/or exempts “transactions that occur through unattended retail.”

**Prepared Testimony:**

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Good afternoon Chair Bush, Vice Chair Bennett, and members of the committee:

On behalf of the National Automatic Merchandising Association (NAMA) and the Tri-State Automatic Merchandising Council, I appreciate the opportunity to address the committee regarding House Bill 299.

NAMA represents the \$31 billion U.S. convenience services industry. Through traditional vending and micro markets, office coffee and pantry services, product manufacturing, and small-drop distribution, convenience services meets the needs of over 40 million American consumers daily at work, home, school, and play.

In Delaware, the convenience services industry employs more than 400 residents, pays \$25 million in wages, provides nearly \$73 million in economic output each year, and contributes nearly \$7 million in taxes.



Cash and coin payments are still the majority of transactions in the convenience services industry, and NAMA understands the goal of inclusion that House Bill 299 is aiming to achieve. However, we are concerned that the legislation would have negative impacts specific to unattended retail.

Convenience services would be uniquely impacted by this legislation, which would affect a new vending concept – unattended retail locations called micro markets. These locations replace traditional banks of vending machines with an innovative self-service kiosk. Primarily, these locations are situated in workplaces and other restricted access areas not open to the general public, and offer healthier and more abundant selections compared to traditional vending machines. Micro markets often do not accept cash but instead use employee stored value cards, credit and debit cards, or biometric payment.

Micro markets continue to grow in popularity and there is renewed enthusiasm for their utilization in the workplace as employers announce returns to in-person work. As written, though, House Bill 299 would create increased cost for operators to switch over to install cash settlement devices, and in some cases, make it impractical to operate.

Because of the unique spaces where micro markets typically operate other states and localities have created an exemption for micro markets from cashless retail prohibitions. On HB 299, we request a narrow amendment that limits the retailer definition to in-person, public transactions, and exempts unattended retail locations. This amendment would not disrupt the desired effect of the legislation while allowing operators to continue providing convenient and affordable food and beverage options through micro markets.

Thank you for allowing us to testify and we hope to engage with you further on this legislation.

Proposed Amendments to House Bill 299  
(new text in bold and underlined)

Lines 19-20:

(d) “Retail store” means an establishment where consumer goods or services are offered for sale or lease through an in-person, **open to the public** transaction. The term does not include any of the following:

AND/OR

After line 22 insert:

**(3) transactions that occur through unattended retail.**