



Mid-Atlantic Petroleum Distributors Association  
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TO: House Economic Matters Committee

FROM: Mid-Atlantic Petroleum Distributors Association

DATE: February 25, 2026

RE: **SUPPORT HOUSE BILL 1026** – Business Regulation – Rounding Cash Transactions - Authorization

On behalf of Maryland’s convenience stores and energy marketers, MAPDA urges the committee to issue a favorable report on HB1026.

This legislation would allow retailers, such as convenience stores, round a cash transaction up or down based on the final price as stipulated in the bill.

This legislation is offered as a response to the federal government’s decision to cease manufacturing by the U.S. Mint of new pennies. While existing pennies remain legal tender and can still be used, they are gradually being removed from circulation. This will result in difficulties for our retailers when processing cash transactions that do not come to a factor of \$0.05.

The U.S. Treasury issued a “non-binding guidance” in December of 2025 on how retailers can handle the issues that will arise. However, the guidance defers to states and localities on how to amend their tax laws. HB1026 offers a commonsense approach that Maryland can use to address these concerns.

The National Conference of State Legislatures (NCSL), in its report, [Elimination of the Penny: Cents-able Considerations](#), noted a growing consensus among retailers, economists, and other stakeholders that symmetrical rounding to the nearest nickel is the fairest method to all parties when applying to cash transactions. HB1026 does exactly this.

As a point of reference, Canada eliminated the penny in 2013. It addresses the issue of rounding the same way HB1026 contemplates. Several other states have issued their own guidance or are actively considering similar legislation. Though there is legislation pending in Congress, Maryland retailers hope the state will take the lead on this issue before it becomes a critical problem.

For these reasons, MAPDA respectfully requests a favorable committee report on HB1026.

**Feeding and fueling the economy through gas, coffee, food, heating oil and propane.**

MAPDA is an association of convenience stores and energy distributors in Maryland, Delaware & the District of Columbia.