

HOUSE BILL 1026

C2, K3

EMERGENCY BILL

6lr2934
CF SB 893

By: **Delegate Queen**

Introduced and read first time: February 9, 2026

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Business Regulation – Rounding Cash Transactions – Authorization**

3 FOR the purpose of authorizing a merchant to round certain cash transactions in a certain
4 manner or round the amount of change due to a customer in a certain manner;
5 authorizing an employer to round a wage that the employer pays using cash in a
6 certain manner; providing that certain provisions of this Act shall preempt existing
7 regulations, rules, and ordinances that conflict with certain provisions of this Act;
8 and generally relating to rounding cash transactions.

9 BY adding to

10 Article – Business Regulation

11 Section 1–601 through 1–607 to be under the new subtitle “Subtitle 6. Rounding
12 Cash Transactions in a Trade or Business”

13 Annotated Code of Maryland

14 (2024 Replacement Volume and 2025 Supplement)

15 BY repealing and reenacting, without amendments,

16 Article – Labor and Employment

17 Section 3–502(a)

18 Annotated Code of Maryland

19 (2025 Replacement Volume)

20 BY adding to

21 Article – Labor and Employment

22 Section 3–502(g)

23 Annotated Code of Maryland

24 (2025 Replacement Volume)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

26 That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – Business Regulation

SUBTITLE 6. ROUNDING CASH TRANSACTIONS IN A TRADE OR BUSINESS.

1-601.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) (1) “CASH” MEANS UNITED STATES COINS AND CURRENCY.

(2) “CASH” DOES NOT INCLUDE:

(I) A PAPER INSTRUMENT OTHER THAN A FEDERAL RESERVE NOTE; OR

(II) A GIFT CARD.

(C) “CUSTOMER” MEANS A PURCHASER OF A GOOD OR SERVICE FROM A MERCHANT.

(D) “MERCHANT” MEANS A PERSON ENGAGED IN THE TRADE OR BUSINESS OF THE SALE OF GOODS OR SERVICES.

(E) “TOTAL PRICE” MEANS THE PRICE A CUSTOMER IS RESPONSIBLE FOR PAYING FOR A GOOD OR SERVICE AFTER A MERCHANT:

(1) SUBTRACTS ANY DISCOUNT OR DEDUCTION;

(2) APPLIES ANY APPLICABLE TAX OR FEE; AND

(3) ROUNDS THE TRANSACTION CONSISTENT WITH THIS SUBTITLE.

1-602.

THIS SUBTITLE DOES NOT APPLY TO A CASH TRANSACTION FOR A GOOD OR SERVICE IN EXCHANGE FOR EXACT CHANGE.

1-603.

(A) THIS SECTION APPLIES TO:

(1) AN IN-PERSON, CASH TRANSACTION IF THE PRICE TOTALS AT LEAST 5 CENTS; OR

1 **(2) A TELEPHONE, MAIL, OR INTERNET TRANSACTION FOR WHICH A**
2 **CUSTOMER PAYS USING CASH IF THE PRICE TOTALS AT LEAST 5 CENTS.**

3 **(B) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A MERCHANT**
4 **DOING BUSINESS IN THE STATE MAY:**

5 **(1) DETERMINE THE TOTAL PRICE OF A GOOD OR SERVICE, AFTER**
6 **SUBTRACTING ANY DISCOUNT OR DEDUCTION FROM THE PRICE AND APPLYING ANY**
7 **APPLICABLE TAX OR FEE TO THE PRICE, IN THE FOLLOWING MANNER:**

8 **(I) IF THE PRICE ENDS IN 1 CENT, 2 CENTS, 6 CENTS, OR 7**
9 **CENTS, BY ROUNDING THE PRICE DOWN TO THE NEAREST CENT DIVISIBLE BY FIVE;**
10 **OR**

11 **(II) IF THE PRICE ENDS IN 3 CENTS, 4 CENTS, 8 CENTS, OR 9**
12 **CENTS, BY ROUNDING THE PRICE UP TO THE NEAREST CENT DIVISIBLE BY FIVE; OR**

13 **(2) ROUND THE AMOUNT OF CHANGE DUE TO A CUSTOMER UP OR**
14 **DOWN CONSISTENT WITH ITEM (1) OF THIS SUBSECTION.**

15 **1-604.**

16 **(A) THIS SECTION APPLIES TO:**

17 **(1) AN IN-PERSON, CASH TRANSACTION IF THE PRICE TOTALS LESS**
18 **THAN 5 CENTS; OR**

19 **(2) A TELEPHONE, MAIL, OR INTERNET TRANSACTION FOR WHICH A**
20 **PERSON PAYS USING CASH IF THE PRICE TOTALS LESS THAN 5 CENTS.**

21 **(B) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A MERCHANT**
22 **DOING BUSINESS IN THE STATE MAY DETERMINE THE TOTAL PRICE OF A GOOD OR**
23 **SERVICE, AFTER SUBTRACTING ANY DISCOUNT OR DEDUCTION FROM THE PRICE**
24 **AND APPLYING ANY APPLICABLE TAX OR FEE TO THE PRICE, BY ROUNDING THE**
25 **PRICE UP TO 5 CENTS.**

26 **1-605.**

27 **AN EMPLOYER, AS DEFINED IN § 3-501 OF THE LABOR AND EMPLOYMENT**
28 **ARTICLE, MAY ROUND A WAGE, AS DEFINED IN § 3-501 OF THE LABOR AND**
29 **EMPLOYMENT ARTICLE, THAT THE EMPLOYER PAYS USING CASH CONSISTENT WITH**
30 **THIS SUBTITLE.**

1 **1-606.**

2 **THIS SUBTITLE SUPERSEDES ANY REGULATION, RULE, OR ORDINANCE THAT**
3 **CONFLICTS WITH THIS SUBTITLE.**

4 **1-607.**

5 **THE SECRETARY MAY ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS**
6 **OF THIS SUBTITLE.**

7 **Article – Labor and Employment**

8 **3-502.**

9 (a) (1) Each employer:

10 (i) shall set regular pay periods; and

11 (ii) except as provided in paragraph (2) of this subsection, shall pay
12 each employee at least once in every 2 weeks or twice in each month.

13 (2) An employer may pay an administrative, executive, or professional
14 employee less frequently than required under paragraph (1)(ii) of this subsection.

15 **(G) AN EMPLOYER MAY ROUND A WAGE THAT THE EMPLOYER PAYS USING**
16 **CASH, AS DEFINED IN § 1-601 OF THE BUSINESS REGULATION ARTICLE,**
17 **CONSISTENT WITH TITLE 1, SUBTITLE 6 OF THE BUSINESS REGULATION ARTICLE.**

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
19 measure, is necessary for the immediate preservation of the public health or safety, has
20 been passed by a yea and nay vote supported by three-fifths of all the members elected to
21 each of the two Houses of the General Assembly, and shall take effect from the date it is
22 enacted.