

# HOUSE BILL 1026

C2, K3

EMERGENCY BILL

6lr2934  
CF SB 893

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By: **Delegate Queen**

Introduced and read first time: February 9, 2026

Assigned to: Economic Matters

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Committee Report: Favorable

House action: Adopted

Read second time: February 27, 2026

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## CHAPTER \_\_\_\_\_

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)

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### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Annotated Code of Maryland  
2 (2025 Replacement Volume)

3 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
4 That the Laws of Maryland read as follows:

5 **Article – Business Regulation**

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

7 **1-601.**

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

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

11 (2) “CASH” DOES NOT INCLUDE:

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

14 (II) A GIFT CARD.

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

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

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

21 (1) SUBTRACTS ANY DISCOUNT OR DEDUCTION;

22 (2) APPLIES ANY APPLICABLE TAX OR FEE; AND

23 (3) ROUNDS THE TRANSACTION CONSISTENT WITH THIS SUBTITLE.

24 **1-602.**

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

1 **1-603.**

2 (A) THIS SECTION APPLIES TO:

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

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

7 (B) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A MERCHANT  
8 DOING BUSINESS IN THE STATE MAY:

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

12 (I) IF THE PRICE ENDS IN 1 CENT, 2 CENTS, 6 CENTS, OR 7  
13 CENTS, BY ROUNDING THE PRICE DOWN TO THE NEAREST CENT DIVISIBLE BY FIVE;  
14 OR

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

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

19 **1-604.**

20 (A) THIS SECTION APPLIES TO:

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

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

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

1 **1-605.**

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

6 **1-606.**

7 **THIS SUBTITLE SUPERSEDES ANY REGULATION, RULE, OR ORDINANCE THAT**  
8 **CONFLICTS WITH THIS SUBTITLE.**

9 **1-607.**

10 **THE SECRETARY MAY ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS**  
11 **OF THIS SUBTITLE.**

## 12 **Article – Labor and Employment**

13 **3-502.**

14 (a) (1) Each employer:

15 (i) shall set regular pay periods; and

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

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

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

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