

Department of Legislative Services  
Maryland General Assembly  
2026 Session

FISCAL AND POLICY NOTE  
Third Reader - Revised

House Bill 191  
Economic Matters

(Delegate Wims)

Finance

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Consumer Protection - Retail Transactions for Essential Consumer Goods - Cash Payments

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This bill establishes that, for certain transactions, a merchant may not (1) prohibit a person from making a cash payment to purchase an essential consumer good; (2) require a person to use a credit or debit card to purchase an essential consumer good; or (3) charge or collect a higher price than charged or collected for an equivalent cashless transaction (whether or not the difference in price is described as a fee) for making a cash payment for the purchase of an essential consumer good. Violation of the bill is an unfair, abusive, or deceptive trade practice under the Maryland Consumer Protection Act (MCPA). However, certain enforcement provisions of MCPA (including MCPA’s criminal penalties) do not apply to violations of the bill; instead, the bill establishes a unique penalty structure for violators. The Office of the Attorney General (OAG) must provide a merchant who violates the bill with at least two separate opportunities to comply. A merchant who does not subsequently comply is subject to a fine of up to \$500 for each violation; if the merchant is fined and violates the bill again, the merchant is subject to a fine of up to \$1,000 for each subsequent violation.

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**Fiscal Summary**

**State Effect:** The bill’s penalty provisions likely do not have a material impact on State finances or operations. OAG’s Consumer Protection Division can handle the bill’s requirements with existing resources.

**Local Effect:** The bill’s penalty provisions likely do not have a material impact on local government finances or operations.

**Small Business Effect:** Meaningful.

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## Analysis

**Bill Summary:** “Essential consumer good” means:

- food, including human and animal food;
- water, including ice, and other beverages;
- personal hygiene products, including toiletries and cleaning products;
- health products, including medicine, medical supplies and equipment, and personal protective equipment; and
- fuel.

The bill applies only to an in-person transaction at a retail establishment totaling less than \$300. The bill does not apply to (1) a telephone, mail, or Internet transaction; (2) a vending machine or kiosk transaction; or (3) a transaction with a merchant that sells to the public primarily food or beverages for on-premises consumption or a limited variety of gourmet or specialty foods (including cheeses, fruits, nuts, candy, spices, and oils).

A merchant *may* prohibit a person from making a cash payment for the purchase of a consumer good in a cash denomination greater than \$20 or if the merchant (1) provides and maintains a device on the premises that converts cash into a prepaid card that a person may use to purchase a consumer good at the establishment; (2) does not charge any fee or require a deposit; and (3) if the device malfunctions or becomes inoperable, accepts payment in cash in accordance with the bill until the device resumes normal operations.

The fines established by the bill are civil penalties recoverable by the State in the same manner as other MCPA fines. Likewise, as with other MCPA violations, OAG must consider specified factors in setting the amount of a civil penalty imposed in an administrative proceeding (*e.g.*, the severity of the violation, the good faith of the violator, etc.).

**Current Law:** An unfair, abusive, or deceptive trade practice under MCPA includes, among other acts, any false, falsely disparaging, or misleading oral or written statement, visual description, or other representation of any kind that has the capacity, tendency, or effect of deceiving or misleading consumers. The prohibition against engaging in any unfair, abusive, or deceptive trade practice encompasses the offer for or actual sale, lease, rental, loan, or bailment of any consumer goods, consumer realty, or consumer services; the extension of consumer credit; the collection of consumer debt; or the offer for or actual purchase of consumer goods or consumer realty from a consumer by a merchant whose business includes paying off consumer debt in connection with the purchase of any consumer goods or consumer realty from a consumer.

The Consumer Protection Division is responsible for enforcing MCPA and investigating the complaints of aggrieved consumers. The division may attempt to conciliate the matter, issue a cease-and-desist order, or file a civil action in court. A merchant who violates MCPA is subject to a fine of up to \$10,000 for each violation and up to \$25,000 for each repetition of the same violation. In addition to any civil penalties that may be imposed, any person who violates MCPA is guilty of a misdemeanor and, on conviction, is subject to a fine of up to \$1,000 and/or imprisonment for up to one year.

**Small Business Effect:** Any small businesses in the State that engage in the activities prohibited by the bill may be meaningfully affected, as the bill stipulates that such businesses must generally accept cash payments for certain types of transactions for essential goods. This may result in operational changes for businesses that only accept electronic payments for retail transactions. The prevalence of small businesses in the State that no longer take cash for retail transactions covered by the bill is unknown.

**Additional Comments:** According to the [Board of Governors of the Federal Reserve System](#), there is no federal statute mandating that a private business, a person, or an organization must accept currency or coins as payment for goods or services. Private businesses are free to develop their own policies on whether to accept cash unless there is a state law that says otherwise.

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### Additional Information

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** None.

**Information Source(s):** Office of the Attorney General (Consumer Protection Division); Department of Legislative Services

**Fiscal Note History:** First Reader - February 5, 2026  
jg/jkb Third Reader - March 31, 2026  
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