

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 191 (Delegate Wims)
Economic Matters

Consumer Protection - Retail Transactions - Cash Payments

This bill establishes that a merchant may not, in certain transactions, (1) prohibit a person from making a cash payment to purchase a good or service; (2) require a person to use a credit or debit card to purchase a good or service; or (3) charge or collect a fee for making a cash payment for the purchase of a good or service. The bill applies only to an in-person retail transaction totaling at least \$5 (but less than \$300). The bill does not apply to (1) a telephone, mail, or Internet transaction or (2) a transaction to pay to park a vehicle in a parking lot (or garage) or a metered parking space. 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 \$5,000 for each violation; if the merchant is fined and violates the bill again, the merchant is subject to a fine of up to \$10,000 for each subsequent violation.

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.

Analysis

Bill Summary: 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. 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 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.

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
me/jkb

Analysis by: Eric F. Pierce

Direct Inquiries to:
(410) 946-5510
(301) 970-5510