SENATE BILL REPORT
SB 6230

As of January 27, 2026

Title: An act relating to adjusting the price of a cash transaction to eliminate the need for pennies.

Brief Description: Adjusting the price of a cash transaction to eliminate the need for pennies.

Sponsors: Senators Frame and Stanford.

Brief History:
Committee Activity: Business, Trade & Economic Development: 1/28/26.

Brief Summary of Bill

- Requires the total price of a cash transaction to be rounded to the nearest amount divisible by $0.05.
- Specifies that rounding is applied after all applicable taxes, fees, adjustments, and discounts.

SENATE COMMITTEE ON BUSINESS, TRADE & ECONOMIC DEVELOPMENT

Staff: John Kim (786-7453)

Background: In 2025, the United States Department of the Treasury (U.S. Treasury) announced it would cease manufacturing new pennies and that the Federal Reserve will continue to recirculate the approximately 114 billion pennies currently in existence, but how long existing pennies will remain in circulation would depend largely on consumer behavior.

The U.S. Treasury advised that retailers should continue accepting pennies and providing penny change for cash transactions while the coin remains in circulation. When penny change is not available, businesses may round the final amount of a cash transaction to the

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nearest five-cent increment. The U.S. Treasury stated how states and localities will ultimately amend their sales tax laws is the right and responsibility of those jurisdictions.

Summary of Bill: For purchases made by legal tender, if the total price ends in $0.01, $0.02, $0.06, or $0.07, the amount must be rounded down to the nearest $0.05. If the total price ends in $0.03, $0.04, $0.08, or $0.09, the total price must be rounded up to the nearest $0.05. This rounding requirement does not apply to payments made by other methods.

The total price of a transaction means the final amount due and payable by the buyer for the purchase of any good, service, or other product, after all applicable taxes and fees are applied as well as any adjustments or discounts are made by the seller.

For example, for cash transactions with a total price ranging from $1.00 to $1.10:

Total price	*Rounded price to nearest $0.05*
$1.00	$1.00 (not rounded)
$1.01	$1.00
$1.02	$1.00
$1.03	$1.05
$1.04	$1.05
$1.05	$1.05 (not rounded)
$1.06	$1.05
$1.07	$1.05
$1.08	$1.10
$1.09	$1.10
$1.10	$1.10 (not rounded)

The Department of Revenue must adopt rules for transactions that made by a combination of legal tender and any other form of payment.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.