

1 HB28  
2 208242-1  
3 By Representative Wood (D)  
4 RFD: Commerce and Small Business  
5 First Read: 02-FEB-21  
6 PFD: 10/29/2020

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8 SYNOPSIS: Under federal law, United States coins and  
9 currency are legal tender for all debts, public  
10 charges, taxes, and dues. However, there is no  
11 federal requirement that a private business, a  
12 person, or an organization must accept currency or  
13 coins as payment for goods or services. According  
14 to the Board of Governors of the Federal Reserve  
15 System, private businesses may develop their own  
16 policies on whether to accept cash unless there is  
17 a state law that says otherwise.

18 This bill would prohibit retail  
19 establishments from discriminating against a cash  
20 buyer by requiring that buyer to use credit in  
21 order to purchase goods or services.

22 This bill would also require retail  
23 establishments experiencing a cash or coin shortage  
24 to provide store credit in the amount of any  
25 unavailable change due to a customer in lieu of  
26 exact change.

1 A BILL  
2 TO BE ENTITLED  
3 AN ACT  
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5 Relating to retail sales; to prohibit retail  
6 establishments from requiring customers to make purchase  
7 transactions with credit rather than with legal tender; and to  
8 require retail establishments to extend store credit in the  
9 amount of change due to the customer when that customer makes  
10 a purchase using legal tender and the establishment is  
11 experiencing a cash or coin shortage.

12 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

13 Section 1. (a) For the purposes of this section,  
14 both "cash" and "legal tender" mean United States currency,  
15 whether in paper or coin form.

16 (b) (1) No retail establishment offering goods or  
17 services for sale shall discriminate against a cash buyer by  
18 requiring the use of credit by a buyer in order to purchase  
19 goods and services. All retail establishments shall accept  
20 legal tender when offered as payment by the buyer.

21 (2) A retail establishment may choose to set a  
22 policy not to accept legal tender notes larger than twenty  
23 dollars (\$20).

24 (c) If a retail establishment has a shortage of  
25 coins or legal tender with which to make change for a customer  
26 during a transaction, and the establishment is unable to make  
27 correct change, the establishment shall issue, in lieu of

1 exact change, store credit or a gift card in the amount of the  
2 change due to the customer.

3 Section 2. This act shall become effective on the  
4 first day of the third month following its passage and  
5 approval by the Governor, or its otherwise becoming law.