

## HB205 INTRODUCED



1 HB205  
2 AB9EQQQ-1  
3 By Representatives Chestnut, Drummond, Brown, Hassell, Shaw,  
4 Sorrells, Smith, Stringer, Moore (M), Sells, Yarbrough,  
5 Jackson, Starnes, Stubbs, Fidler, Hollis, Givens, Lawrence,  
6 McClammy, Bolton, Mooney, Fincher, Travis, Tillman  
7 RFD: Commerce and Small Business  
8 First Read: 20-Feb-24



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SYNOPSIS:

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

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

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

A BILL  
TO BE ENTITLED  
AN ACT



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29  
30 Relating to retail sales; to prohibit retail  
31 establishments from requiring customers to make purchase  
32 transactions with credit rather than with legal tender; and to  
33 require retail establishments to extend store credit in the  
34 amount of change due to the customer when that customer makes  
35 a purchase using legal tender and the establishment is  
36 experiencing a cash or coin shortage.

37 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

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

46 (2) A retail establishment may choose to set a policy  
47 not to accept legal tender notes larger than twenty dollars  
48 (\$20).

49 (c) If a retail establishment has a shortage of coins  
50 or legal tender with which to make change for a customer  
51 during a transaction, and the establishment is unable to make  
52 correct change, the establishment shall issue, in lieu of  
53 exact change, store credit or a gift card in the amount of the  
54 change due to the customer.

55 Section 2. This act shall become effective on October  
56 1, 2024.