
A BILL FOR AN ACT

RELATING TO CASH TRANSACTION ROUNDING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the United States
2 Treasury has stopped minting the penny for general circulation.

3 Accordingly, the purpose of this Act is to require that
4 cash transactions be rounded up or down to the nearest five
5 cents.

6 The legislature notes that a person who violates the
7 requirements of this Act shall be deemed to have engaged in an
8 unfair or deceptive act or practice in the conduct of trade or
9 commerce, pursuant to section 481B-4, Hawaii Revised Statutes,
10 and will be subject to the penalties established in chapter 480,
11 Hawaii Revised Statutes.

12 SECTION 2. Chapter 481B, Hawaii Revised Statutes, is
13 amended by adding a new section to part I to be appropriately
14 designated and to read as follows:

15 "§481B- Cash transaction rounding. (a)
16 Notwithstanding any law to the contrary, any person selling
17 goods or services in a cash transaction, entering into any other



1 transaction that results in a payment or transfer of cash
2 between the parties to the transaction, or paying cash wages to
3 an employee as compensation, shall round the payment in the
4 following manner for any person seeking to make payment with
5 legal tender:

- 6 (1) In any case in which the total transaction amount,
7 including any taxes, ends with one cent, two cents,
8 six cents, or seven cents as the final digit, the
9 amount of cents in the sum shall be rounded down to
10 the nearest amount divisible by five;
11 (2) In any case in which the total transaction amount,
12 including any taxes, ends with three cents, four
13 cents, eight cents, or nine cents as the final digit,
14 the amount of cents in the sum shall be rounded up to
15 the nearest amount divisible by five; and
16 (3) Notwithstanding paragraph (1) to the contrary, in any
17 case in which the total transaction amount, including
18 any taxes, totals \$0.01 or \$0.02, the transaction
19 shall be rounded up to \$0.05.
20 (b) Subsection (a) shall not apply to any transaction for
21 which payment is made by any demand or negotiable instrument,



1 electronic fund transfer, check, gift card, money order, credit
2 card, or other like instrument or method."

3 SECTION 3. This Act does not affect rights and duties that
4 matured, penalties that were incurred, and proceedings that were
5 begun before its effective date.

6 SECTION 4. New statutory material is underscored.

7 SECTION 5. This Act shall take effect on January 1, 2027.

8

INTRODUCED BY: ST.C.R.

JAN 26 2026



H.B. NO. 2346

Report Title:

Cash Transactions; Rounding; Pennies; Unfair and Deceptive Practices

Description:

Requires cash transactions to be rounded up or down to the nearest 5 cents. Requires cash transactions that total \$0.01 or \$0.02 to be rounded up to \$0.05. Exempts transactions in which payment is made by demand or negotiable instrument, electronic fund transfer, check, gift card, money order, credit card, or other like instrument or method.

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