

Suspend the Rules and Pass the Bill, HR. 3074, With Amendments

(The amendments strike all after the enacting clause and insert a new text and a new title)

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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. 3074

To direct the Secretary of the Treasury to stop minting the penny, to require cash transactions to be rounded up or down to the nearest five cents, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 29, 2025

Mrs. MCCLAIN (for herself and Mr. GARCIA of California) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To direct the Secretary of the Treasury to stop minting the penny, to require cash transactions to be rounded up or down to the nearest five cents, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Common Cents Act”.

1 **SEC. 2. SPECIFICATIONS OF 5-CENT COINS AND CEASING**
2 **PRODUCTION OF ONE-CENT COINS.**

3 Section 5112 of title 31, United States Code, is
4 amended—

5 (1) in subsection (a)—

6 (A) in paragraph (5), by striking “weighs
7 5 grams.” and inserting the following:
8 “weighs—

9 “(A) 5 grams, with respect to such coin
10 that is an alloy of copper and nickel; or

11 “(B) between 4 and 6 grams, with respect
12 to such coin as described in subsection (c).”;

13 and

14 (B) in paragraph (6)—

15 (i) by striking “except as provided
16 under subsection (c) of this section,”; and

17 (ii) by striking “and weighs 3.11
18 grams”;

19 (2) in subsection (b)—

20 (A) in the sixth sentence—

21 (i) by inserting “either” before “an
22 alloy”; and

23 (ii) by inserting “or a composition de-
24 scribed in subsection (c)” before the pe-
25 riod;

1 (B) by inserting “with respect to such
2 coins that are an alloy of copper and nickel”
3 after “nickel required”; and

4 (C) by striking “Except” through “zinc”
5 and inserting “The one-cent coin is composed of
6 copper and zinc”;

7 (3) by amending subsection (c) to read as fol-
8 lows:

9 “(c) 5-CENT COIN.—

10 “(1) IN GENERAL.—The 5-cent coin may be a
11 coin with an inner layer of zinc and an outer layer
12 of nickel.

13 “(2) COMPOSITION.—The Secretary may pre-
14 scribe the composition of zinc and nickel in the 5-
15 cent coin, subject to testing and evaluation that such
16 composition—

17 “(A) reduces the cost incurred to produce
18 such coin; and

19 “(B) to the greatest extent practicable, has
20 a minimal adverse impact on machines designed
21 to accept coins.”; and

22 (4) by adding at the end the following:

23 “(bb) CEASING PRODUCTION OF ONE-CENT COIN.—

24 “(1) IN GENERAL.—Notwithstanding any other
25 provision of law, the Secretary shall cease production

1 of one-cent coins for general circulation, but may
2 continue to produce and issue one-cent coins for sale
3 as numismatic items.

4 “(2) NO EFFECT ON LEGAL TENDER.—Any
5 one-cent coin that is minted and issued on any date
6 before the date of the enactment of this subsection
7 shall remain legal tender for all debts, public
8 charges, taxes, and dues.”.

9 **SEC. 3. CASH TRANSACTION ROUNDING.**

10 (a) IN GENERAL.—Any person, including a financial
11 institution, selling goods or services in a cash transaction
12 or entering into any other transaction that results in a
13 payment or transfer of cash between the parties to the
14 transaction may, if exact change cannot be provided at
15 that time of such transaction, round the covered amount
16 in the following manner:

17 (1) ROUNDING DOWN.—Except as provided in
18 paragraph (2)(B), in any case in which the covered
19 amount ends with 1 cent, 2 cents, 6 cents, or 7
20 cents as the final digit, the amount of cents in the
21 sum may be rounded down to the nearest amount di-
22 visible by 5 for any person seeking to make payment
23 with cash.

24 (2) ROUNDING UP.—

1 (A) IN GENERAL.—In any case in which
2 the covered amount ends with 3 cents, 4 cents,
3 8 cents, or 9 cents as the final digit, the
4 amount of cents in the sum may be rounded up
5 to the nearest amount divisible by 5 for any
6 person seeking to make payment with cash.

7 (B) SMALL TRANSACTIONS.—In any case
8 in which the covered amount totals \$0.01 or
9 \$0.02, such amount may be rounded up to \$.05
10 for any person seeking to make payment with
11 cash.

12 (b) ADDITIONAL AUTHORITY TO ROUND.—With re-
13 spect to a person, including a financial institution, con-
14 ducting a cash transaction with a customer of the person,
15 the amount of cents in the sum of the transaction may
16 be rounded, if such rounding is in favor of the customer,
17 as follows:

18 (1) Up to the nearest amount divisible by 5, if
19 the person is paying the customer in cash.

20 (2) Down to the nearest amount divisible by 5,
21 if the customer is paying the person in cash.

22 (c) EMPLOYER PAYMENTS TO EMPLOYEES.—

23 (1) IN GENERAL.—With respect to an employer
24 providing a cash payment to an employee in an
25 amount that is not divisible by 5 cents, if the em-

1 ployer chooses to round the amount of cents in such
2 payment, the employer shall round the amount of
3 cents in such payment up to the nearest amount di-
4 visible by 5 cents.

5 (2) NO ROUNDING REQUIREMENT.—Nothing in
6 this subsection may be construed to require round-
7 ing by an employer described in paragraph (1) who
8 provides a cash payment to an employee in an exact
9 amount.

10 (d) APPLICATION.—Subsections (a), (b), and (c) shall
11 not apply to any transaction for which payment is made
12 by any demand or negotiable instrument, electronic fund
13 transfer, check, gift card, money order, credit card, or
14 other like instrument or method.

15 (e) RULE OF CONSTRUCTION.—Nothing in this Act
16 may be construed to require any person to round a pay-
17 ment as described in subsections (a) or (b).

18 (f) COVERED AMOUNT DEFINED.—In this section,
19 the term “covered amount” means—

20 (1) the total transaction amount, including
21 taxes; or

22 (2) in the case of a person selling goods or serv-
23 ices in a cash transaction or entering into any other
24 transaction that results in a payment or transfer of
25 cash between the parties to the transaction, the

1 amount of change due to the customer if the cus-
2 tomer provides a cash payment that exceeds the
3 total transaction amount, including taxes.

4 **SEC. 4. TREATMENT OF FEDERAL, STATE, AND TRIBAL LAW**
5 **WITH RESPECT TO CASH TRANSACTION**
6 **ROUNDING.**

7 (a) **FEDERAL LAW.**—Any person selling goods or
8 services in a cash transaction, including a financial institu-
9 tion, entering into any other transaction that results in
10 a payment or transfer of cash between the parties to the
11 transaction shall not be in violation of any Federal re-
12 quirement, law, regulation, or standard based on the ad-
13 herence to the cash rounding provisions described in sec-
14 tion 3.

15 (b) **STATE AND TRIBAL LAW.**—Any person selling
16 goods or services in a cash transaction, including a finan-
17 cial institution, entering into any other transaction that
18 results in a payment or transfer of cash between the par-
19 ties to the transaction shall not be in violation of any re-
20 quirement, law, regulation, or standard of a State, Tribe,
21 or a political subdivision of a State based on the adherence
22 to the cash rounding provisions described in section 3.

23 (c) **RULE OF CONSTRUCTION.**—Nothing in this Act
24 or of any order thereunder shall excuse noncompliance
25 with any Federal, State, Tribal, or local law, regulation,

1 ordinance, or requirement establishing a minimum wage,
2 providing for overtime pay requirements, or providing for
3 paid leave.

4 **SEC. 5. STRATEGIC PLAN AND REPORT ON COIN TERMINAL**
5 **OPERATIONS AND COIN DISTRIBUTION STA-**
6 **BILITY.**

7 (a) STRATEGIC PLAN AND REPORT.—Not later than
8 90 days after the date of the enactment of this Act, the
9 Board of Governors of the Federal Reserve System shall
10 submit to the covered committees and make publicly avail-
11 able a report that outlines a strategic plan for the accept-
12 ance of penny orders and deposits at commercial coin ter-
13 minals providing services under agreements with the Fed-
14 eral reserve banks nationwide, including—

15 (1) a description of the Board’s approach to
16 limiting disruptions in penny supply and maintain-
17 ing the stability of and efficiency of the coin dis-
18 tribution system, to the greatest extent practicable;

19 (2) an evaluation of such coin terminals where
20 the Federal reserve banks no longer accept penny
21 deposits or penny orders;

22 (3) an assessment of whether processing penny
23 deposits or penny orders at such coin terminals
24 could mitigate any challenges related to ceasing the

1 production of the penny, including challenges related
2 to the implementation of rounding practices;

3 (4) an assessment by the Secretary of the
4 Treasury, which the Secretary shall conduct and de-
5 liver to the Board not less than 60 days after the
6 date of enactment of this Act—

7 (A) on the impact of penny supply and de-
8 mand disruptions, and rounding practices for
9 check cashing, on low-income communities,
10 older consumers, debanked, unbanked, and
11 underbanked individuals, including feedback
12 from State or local entities; and

13 (B) that includes recommendations to the
14 Congress to address any adverse impacts identi-
15 fied under subparagraph (A); and

16 (4) any additional considerations the Board de-
17 termines relevant to maintaining penny distribution
18 stability.

19 (b) EVALUATION.—

20 (1) IN GENERAL.—Not later than 6 months
21 after submission of the report required under sub-
22 section (a), the Board of Governors of the Federal
23 Reserve System shall submit to the covered commit-
24 tees and make publicly available a report that evalu-

1 ates the progress of implementing the strategic plan
2 described in subsection (a), including—

3 (A) any material changes to the plan; and

4 (B) any identified or emerging stress in
5 the penny distribution system.

6 (2) **SUCCESSIVE REPORTS.**—The Board of Gov-
7 ernors of the Federal Reserve System shall submit
8 to the covered committees and make publicly avail-
9 able 2 additional reports that evaluate the progress
10 described in paragraph (1) on dates that are not
11 later than—

12 (A) 18 months after the submission of the
13 report required under subsection (a); and

14 (B) 30 months after the submission of the
15 report required under subsection (a).

16 **SEC. 6. DEFINITIONS.**

17 In this Act:

18 (1) **COVERED COMMITTEES.**—The term “cov-
19 ered committees” means—

20 (A) the Committee on Financial Services
21 of the House of Representatives; and

22 (B) the Committee on Banking, Housing,
23 and Urban Affairs of the Senate.

24 (2) **FINANCIAL INSTITUTION.**—The term “fi-
25 nancial institution” means any person, other than

1 an individual, the business of which is engaging in
2 financial activities in section 4(k) of the Bank Hold-
3 ing Company Act of 1956 (12 U.S.C. 1843(k))

Amend the title so as to read: “A bill to direct the Secretary of the Treasury to stop minting the penny, to permit cash transactions to be rounded up or down to the nearest five cents, and for other purposes.”.