

September 30, 2025

The Honorable Tim Scott
Chairman
U.S. Senate Committee on Banking,
Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Elizabeth Warren
Ranking Member
U.S. Senate Committee on Banking,
Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, DC 20510

The Honorable French Hill
Chairman
U.S. House Committee on
Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

The Honorable Maxine Waters
Ranking Member
U.S. House Committee on
Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

Re: Urgent Needs Relating to Penny Production and Distribution

Dear Chairmen Scott and Hill, and Ranking Members Warren and Waters:

Our associations represent Main Street businesses that serve and employ millions of Americans across the nation. These businesses—large and small— must be able to continue their commitment to our communities in ways that are fair to everyone and avoid unintended operational hurdles that are being caused by the rapid loss of the U.S. penny.

As you are aware the U.S. Mint produced its last pennies in June of this year. The Federal Reserve distributes these coins throughout the nation and is reporting that dozens of coin distribution locations have already run out of pennies to distribute to facilitate commerce.¹ Many more will run out soon in the coming days that will impact every congressional district. Main Street businesses do not have the insight into where pennies will stop being available next and how soon that will occur.

Given this situation, our members need clear and expedited guidelines and relief in order to be able to carry out cash transactions with customers. Specifically, we need legislation that will:

- **Create a national law allowing businesses to round transactions to the nearest nickel.** At least ten states and localities have cash laws that would prohibit this practice. While that did not cause problems when all denominations of coins were available, it causes problems now. Businesses simply cannot provide exact change any longer because they cannot get pennies. And, it is worth noting that businesses cannot avoid this problem by changing their pricing. State and local sales taxes impact the prices of many products which cause final sales prices to vary in a way that makes it impossible to avoid the need for rounding.
- **Ensure rounding for cash customers does not violate terms of the Supplemental Nutrition Assistance Program (SNAP).** The SNAP program sensibly requires that SNAP customers cannot

¹ See “Frequently Asked Questions About Penny Distribution and Orders,” The Federal Reserve (available at [September 2025 FAQ | Federal Reserve Financial Services](#)).

be treated differently than other customers.² These provisions prohibit treating SNAP customers less favorably or more favorably than other customers. That means that rounding the price of food for a cash customer in either direction risks creating a violation of SNAP regulations for stores that participate in the SNAP program.

- **Facilitate check cashing at retail locations.** Retailers provide an important role in serving their customers by cashing checks, including paychecks. These services are particularly important for customers without bank accounts – of which there are millions. Retailers must be able to round these and similar amounts when pennies are not available, just like need for the ability to do that for purchase transactions. Unless these services are covered by legislation, many low-income customers may lose access to the services they need and have come to expect.

These are the most immediate needs our members are facing in light of the fundamental changes ignited by the end of production of the penny. The Common Cents Act, H.R. 3074 and S. 1525, sponsored by Representatives Lisa McClain (R-AZ) and Robert Garcia (D-CA) in the House and Senators Cynthia Lummis (R-WY) and Kirsten Gillibrand (D-NY) in the Senate, dealt with the need for rounding in the language of the bill. Our members need these specific provisions added to any final bill – and we need the legislation to be addressed immediately by Congress.³

If these remedies are not addressed in short order, it will be challenging to legally engage in cash transactions with customers in growing swaths of the country.

We are eager to work with you and your staff to ensure that we are able to continue to serve our customers without interruption.

Sincerely,

FMI – The Food Industry Association
Merchant Advisory Group
National Association of Convenience Stores
National Grocers Association
National Restaurant Association
National Retail Federation
NATSO, Representing America's Travel Centers and Truck Stops
Retail Industry Leaders Association
SIGMA: America's Leading Fuel Marketers

cc: Members of the U.S. Senate Committee on Banking, Housing, and Urban Affairs
Members of the U.S. House Committee on Financial Services

² SNAP equal treatment provision regulations can be found at [7 CFR 278.2\(b\)](#) and [7 CFR 274.7\(f\)](#).

³ The bill should also dispense with the delayed effective date of the rounding provisions. We need those to be effective as soon as possible.