

**ONE HUNDRED NINTH LEGISLATURE - SECOND SESSION - 2026**  
**COMMITTEE STATEMENT**  
**LB837**

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**Hearing Date:** Tuesday January 27, 2026  
**Committee On:** Banking, Commerce and Insurance  
**Introducer:** Jacobson  
**One Liner:** Provide for rounding of certain cash transaction amounts

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**Roll Call Vote - Final Committee Action:**  
Advanced to General File with amendment(s)

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**Vote Results:**

**Aye:** 8 Senators Jacobson, Bostar, Dungan, Hallstrom, Hardin, Riepe, von Gillern, Wordekemper  
**Nay:**  
**Absent:**  
**Present Not Voting:**

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**Testimony:**

**Proponents:**

Senator Mike Jacobson  
Ryan McIntosh  
Rich Otto

Dexter Schrodt  
Candace Meredith

**Opponents:**

**Neutral:**

**Representing:**

Opening Presenter  
Nebraska Bankers Association  
Nebraska Retail Federation / Nebraska Grocery Industry Association / Nebraska Petroleum Marketers & Convenience Store Association / Nebraska Hospitality Association  
Nebraska Independent Community Bankers  
Nebraska Association of County Officials

**Representing:**

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\* ADA Accommodation Written Testimony

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**Summary of purpose and/or changes:**

LB 837 is a proactive response to the federal government's decision to cease the minting of pennies due to rising production costs. The primary objective of the legislation is to provide a uniform, legal framework for businesses and consumers to round cash transaction amounts to the nearest nickel, ensuring clarity and consistency in daily commerce as the circulation of pennies diminishes.

The bill specifically targets physical cash transactions, including the sale of goods and services, cash transfers between parties, and the payment of cash wages. It does not apply to digital or non-cash payment methods such as credit cards, debit cards, checks, or electronic transfers, where exact cent amounts can still be processed without



physical currency. By establishing these rules, LB 837 aims to prevent disputes at the point of sale and provide guidance to financial institutions and retailers navigating the transition away from one-cent coins.

If the final digit of the transaction ends in 1, 2, 6, or 7, the amount is rounded down to the nearest multiple of five cents. If the final digit of the transaction ends in 3, 4, 8, or 9, the amount is rounded up to the nearest multiple of five cents. For transactions totaling only 1 or 2 cents, the amount shall be rounded up to 5 cents.

The bill explicitly states that these rounding rules do not apply to any transaction involving negotiable instruments, electronic fund transfers (EFT), checks, gift cards, money orders, credit cards, or similar non-cash methods.

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**Explanation of amendments:**

AM 1826 is a white copy amendment that makes the following changes to the original bill:

1. It allows persons selling goods or services in cash transaction to chose between rounding the total cash transaction amount or rounding the final cash amount paid out or returned to the customer. The method chosen must apply to the entire premise at which the sale occurs.
2. Provides clarifying language on how the rounding procedure will work in situations of split transactions.
3. Provides clarifying language stating that, notwithstanding any other provision of law to the contrary, including section 77-1737, any rounding under the bill shall be considered an administrative settlement of the physical payment and shall not be construed as a release, discharge, remission, or commutation of any tax, fee, or assessment within the meaning of Article VIII, section 4, of the Constitution of Nebraska.
4. Adds the emergency clause to the bill.

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Mike Jacobson, Chairperson

