OFFICE OF LEGISLATIVE RESEARCH
Objective Research for Connecticut's Legislature

ResearchReport

Cash Vouchers In Lieu of Change

By: Julia Singer Bansal, Senior Legislative Attorney
June 29, 2020 | 2020-R-0040

Issue

Can a business in Connecticut that uses an automated payment system issue "cash vouchers" to patrons, in lieu of the correct change?

This question stems from a situation in which a customer using a payment kiosk was given change for cash paid in the form of a cash voucher, which could be used for a discount on a subsequent visit or turned into an attendant for cash, before a specified expiration date. The voucher stated that it was issued because the automated payment system did not have the correct change ($1 bills).

The Office of Legislative Research is not authorized to give legal opinions and this report should not be considered one.

Summary

According to the Department of Consumer Protection, the answer turns on whether a customer using an automated payment system is given notice of the business's cash voucher issuance policy before finalizing the transaction. A business cannot issue a cash voucher in lieu of change unless notice of the policy is given to the customer at a point in the transaction at which the customer can cancel it without penalty.

Businesses that do not comply with the notice requirement may be found to have violated the Connecticut Unfair Trade Practices Act (CUTPA), which prohibits businesses from engaging in unfair and deceptive acts or practices (CGS § 42-110a et seq.).

CUTPA allows the consumer protection commissioner to issue regulations defining what constitutes an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than $10,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney's fees; and impose civil penalties of up to $5,000 for willful violations and $25,000 for violation of a restraining order.

JSB:kc