

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 5233
STATE OF NEW JERSEY
222nd LEGISLATURE

DATED: SEPTEMBER 25, 2026

SUMMARY

- Synopsis:** Allows rounding for cash transactions.
- Type of Impact:** Annual State expenditure and revenue increases.
- Agencies Affected:** The Judiciary, Department of Law and Public Safety.

Office of Legislative Services Estimate

Fiscal Impact	Annual
State Expenditure Increase	Indeterminate
State Revenue Increase	Indeterminate

- The Office of Legislative Services (OLS) finds that the bill’s creation of a new civil offense would lead to an increase in annual Judiciary expenditures by an indeterminate amount as additional resources will likely have to be allocated for any increase in civil caseload. The OLS lacks the informational basis to project how many persons would violate the provisions of the bill in a given year and therefore cannot estimate the magnitude of the cost increase.
- The OLS notes that the State may receive indeterminate revenues from civil penalties imposed, ranging from \$1,000 for the first offense, \$2,500 for the second offense, and \$5,000 for the third and each subsequent offense. Under the bill, each day on which a violation occurs constitutes a separate and distinct offense, which could result in potentially larger amounts to be collected in civil penalties.

BILL DESCRIPTION

This bill establishes the rounding requirements, for merchants that choose to follow them, for cash transactions in response to the end of the production of pennies by the federal government in November of 2025. While pennies will still circulate, the bill intends to assist businesses in preparation for a phaseout in the use of the penny for cash transactions. As noted by the National

Conference of State Legislatures, guidance issued by states on this issue will provide critical clarity and fairness for businesses and subsequently, consumers. Penalties are also established in the bill for merchants who adopt the rounding requirements but round up the price of a transaction in violation of the bill's provisions. Any merchant that violates the provisions of this bill would be subject to a civil penalty of \$1,000 for the first offense, \$2,500 for the second offense, and \$5,000 for the third and each subsequent offense. Each day on which a violation occurs shall constitute a separate and distinct offense.

Nothing in the bill will be construed to prohibit a program that rounds a purchase or transaction up as a donation; provided that the program is voluntary, and the consumer has the right to opt in to and opt out of the donation.

The rounding of any transaction under the bill will only be applied to the final transaction total after all taxes, fees, discounts, and any other adjustments have been accounted for.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that the bill's creation of a new civil offense would lead to an indeterminate increase in annual Judiciary expenditures as additional resources will likely have to be allocated for any increase in civil caseload. The OLS lacks the informational basis to project how many persons would violate the provisions of the bill in a given year and therefore cannot estimate the magnitude of the cost increase.

Under the bill, any business that violates the provisions of this bill will be subject to a civil penalty of \$1,000 for the first offense, \$2,500 for the second offense, and \$5,000 for the third and each subsequent offense. Each day on which a violation occurs constitutes a separate and distinct offense. The OLS finds that State may collect indeterminate amounts in civil penalties; however, the OLS does not have sufficient information to gauge the estimated number of civil cases likely to be filed or the amount in penalties likely to be collected under the bill.

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 Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).