

ASSEMBLY FINANCIAL INSTITUTIONS AND INSURANCE COMMITTEE

STATEMENT TO ASSEMBLY, No. 5233

with committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 17, 2026

The Assembly Financial Institutions and Insurance Committee reports favorably and with committee amendments Assembly Bill No. 5233.

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.

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.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

- (1) replace the term "business" with "merchant";
- (2) clarify that the rounding of any transaction under the bill will only be applied to the final transaction total after accounting for taxes, fees, discounts, and any other adjustments; and
- (3) clarify that violations of the bill will apply to merchants that round up the price of a transaction in violation of the bill's provisions.