

ASSEMBLY LABOR COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5517

STATE OF NEW JERSEY

DATED: OCTOBER 19, 2026

The Assembly Labor Committee reports favorably Assembly Bill No. 5517.

This bill requires employers of tipped employees to provide a statement each pay period concerning gratuities and tips received by customers who pay with credit cards. The bill additionally requires employers to provide tipped employees with a written tip policy and certain notice of rights available under State and federal law.

Under the bill, an employer is required to furnish an employee who customarily and regularly receives gratuities or tips with a statement for each pay period that includes the total amount of gratuities or tips the employee received during the pay period which were processed in a credit card or other electronic transaction by the employer.

Additionally under the bill, an employer of employees who customarily and regularly receive gratuities or tips is required to establish and distribute to those employees a written gratuity and tip policy that provides information concerning how gratuities and tips are collected and how they are allocated, including, but not limited to, pooling, splitting, and whether the employer takes a tip credit. Further, an employer is required to post in a conspicuous location or locations accessible to employees a notice of the rights available to tipped employees under State and federal law.

Finally, the bill requires the Commissioner of Labor and Workforce Development to create and publish on the Internet website of the Department of Labor and Workforce Development a printable notice of the rights available under State and federal law for employees who customarily receive gratuities and tips. The notice is to be updated periodically as necessary in the determination of the commissioner. An employer may satisfy the notice requirements established in the bill by using the notice published on the department's website.