FISCAL NOTE
ASSEMBLY, No. 3988
STATE OF NEW JERSEY
221st LEGISLATURE

DATED: JUNE 3, 2024

SUMMARY

Synopsis: Provides free telecommunication services for incarcerated persons at State, county, and private adult and juvenile correctional facilities.

Type of Impact: Annual State and county expenditure increases.

Agencies Affected: The Department of Corrections; Counties.

Executive Estimate

Annual Fiscal Impact	
State Expenditure Increase	$14.3 million

Office of Legislative Services Estimate

Annual Fiscal Impact	
State Expenditure Increase	$14.3 million
Local Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) **concurs** with the Department of Corrections' estimate that this bill will increase the department's costs by $14.3 million annually. This estimate is based on the current contracted rates for telecommunication services, an anticipated increase in usage with the implementation of new technology, and trends in other states that expanded free telecommunication services to its incarcerated population.

- According to the Office of the Attorney General, all telecommunications in the form of phone calls and video visitations afforded to each youth in the care of the Juvenile Justice Commission are provided free of charge and so no fiscal impact is expected for the commission.

- The OLS does not have sufficient information to conclusively project the annual cost of providing free telecommunication services in county jails as required by the bill.

BILL DESCRIPTION

This bill provides that all adult and juvenile correctional facilities in the State operated by the Department of Corrections, the Juvenile Justice Commission, counties, and private operators allow incarcerated persons to make and receive telephone calls, video calls, and e-mail free of charge to both the sending and receiving party.

Under current law, incarcerated persons may be charged for domestic telephone calls up to 11 cents per minute using a debit, prepaid, or collect call system. Current law does not require incarcerated persons to have access to video calls or e-mail, although such capability is already in place at certain facilities, with a fee charged to the incarcerated person for usage.

The bill makes an appropriation of such funds as may be necessary for the implementation of the bill.

FISCAL ANALYSIS

EXECUTIVE BRANCH

The OLS has not received a formal fiscal note on this bill. However, in response to an FY 2025 Senate Budget and Appropriations Committee follow up question, the Department of Corrections noted that to continue to advance technology and the ability to enhance the family unification experience, it recently established a contract with the telecommunications company ViaPath Technologies. In partnership with ViaPath, incarcerated persons will receive new, advanced tablets with the ability to place phone calls, video visits, and other multimedia messaging directly from their tablet following the installation of new technology at each facility. Negotiations are underway, and the final costs of those services have yet to be determined.

Based upon the current contracted rates for telecommunication services and an anticipated increase in usage with the new technology, as well as trends in other states that expanded free telecommunication services for incarcerated persons, the department estimates $14.3 million in total costs annually from the enactment of this bill as detailed below:

Communication Costs		
Electronic Message Revenues by CY 2023:	$1,566,826.41	
Video visitation revenues for CY 2023:	$167,378.90	
Phone call revenues by CY 2023 (@ $0.04 per minute):	$4,848,249.26	
Current CY 2023 Total:	**$6,582,454.57**	
Anticipated costs due to anticipated increase in use:	+$3,159,578.19	(+48%)
Estimated final communication costs following enactment	**=$9,742,032.76**	
Anticipated soft costs		
12 additional investigators:	$1.6 Million	
Additional staffing: 24 SCPO's @ $100k each and 1 Sgt. @ $125k.	$2.7 Million	
Loss commissions benefiting the incarcerated population.	$300,000	
Cost for overtime	+ Indeterminate	
Total:	= **$4.6 million**	

The cost per unit currently charged for phone calls, electronic communications, and video visits is as follows:

Form of Communication	Cost Per Unit	CY 2023 Payments by Population
Phone Calls	0.04384/minute	$ 4,848,249.26
Electronic Communications	$0.35/email	$ 1,566,826.41
Video Visits*	$9.95/30 minutes	$ -

*This cost is not borne by incarcerated person but by the family or friend initiating the call.

OFFICE OF LEGISLATIVE SERVICES

The OLS concurs with the departmental estimate that this bill will increase the department's costs by $14.3 million annually based on the current contracted rates for telecommunication services, an anticipated increase in usage with the new technology being implemented by ViaPath Technologies, and trends in other states that expanded free telecommunication services to its incarcerated population. Since the department is currently undergoing negotiations with ViaPath for the new services that will be provided, State costs to provide these services could be higher.

According to the Office of the Attorney General, all telecommunications in the form of phone calls and video visitations afforded to each youth in the care of the Juvenile Justice Commission are provided free of charge and so no fiscal impact is expected for the commission.

The OLS does not have sufficient information to conclusively project the annual costs counties will incur to provide free telecommunication services in county jails as required by the bill.

Section: *Judiciary*

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