LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 4463

STATE OF NEW JERSEY
221st LEGISLATURE

DATED: JANUARY 14, 2026

SUMMARY

Synopsis: Provides for rehabilitative release for certain incarcerated persons.

Type of Impact: Annual State expenditure decreases and increases.

Agencies Affected: Department of Corrections; State Parole Board; the Judiciary; Office of Public Defender.

Office of Legislative Services Estimate

Fiscal Impact	Annual
Net State Expenditure Impact	Indeterminate

- The Office of Legislative Services (OLS) finds this bill may result in indeterminate annual savings to the Department of Corrections due to potentially reduced or suspended terms of incarceration under the bill.

- The OLS determines the bill may also result in annual State expenditure increases, including to the State Parole Board from additional parolees who are granted rehabilitative release. An incarcerated person who receives a modified sentence under the bill is to be sentenced to a five-year term of parole supervision.

- The OLS notes that this bill may result in an indeterminate increase in annual State expenditures from an increased caseload for the Judiciary and the Office of the Public Defender. The OLS lacks sufficient information to determine how many incarcerated individuals will petition for rehabilitative release, and therefore is unable to quantify the caseload increases.

BILL DESCRIPTION

Under the bill, the Department of Corrections is required to issue a Certificate of Eligibility for Rehabilitative Release to an incarcerated person who: 1) is at least 60 years of age and has served

at least 20 years in custody on the sentence imposed for the offense or offenses of which the incarcerated person was convicted; and 2) has not been convicted of murder or aggravated sexual assault, or who has been deemed a repetitive, compulsive sex offender.

An incarcerated person who has been issued a certificate, and has not previously sought relief under the bill, may petition the court for rehabilitative release. The Office of the Public Defender is required to represent the incarcerated person, unless the incarcerated person retains other counsel.

At least 60 days prior to the date the certificate is issued, the department is required to notify the State Parole Board of its intent to issue the certificate. The superintendent or other chief executive officer of the institution in which the incarcerated person is held would be required to prepare a report for any incarcerated person issued a certificate under the bill for consideration by the court at a hearing for rehabilitative release.

In accordance with the provisions of the bill, a hearing on a petition for rehabilitative release is to be held in the Superior Court in the county in which the incarcerated person was originally sentenced and in accordance with the Rules of Court. In addition to other service requirements under the bill, the county prosecutor or the Director of the Division of Criminal Justice, as appropriate, is required to provide a copy of the petition for rehabilitative release to any victim or family member of a victim entitled to notice relating to a parole or the consideration of a parole under current law. The victim or family member also is to be notified of their opportunity to supplement the report to be issued under the bill with a statement attached to the report or a written or videotaped statement at the hearing on the petition, or to testify to the court at the time of the hearing.

Upon consideration of a petition and following a hearing, the Superior Court is required to modify, reduce, or suspend an incarcerated person's sentence in situations that meet the bill's requirements.

The court is required to issue a written order stating the reasons for granting or denying modification.

An incarcerated person who receives a modified sentence under the bill also is to be sentenced to a five-year term of parole supervision. An order for rehabilitative release under the bill is not to become final for 10 days in order to permit the prosecution an opportunity to appeal the court's order. A petitioner may also appeal a denied petition.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that this bill may result in savings to the Department of Corrections due to potentially reduced or suspended terms of incarceration under the bill. As of January 2025, the total number of incarcerated individuals that would meet the age criterion per the bill is 1,083, approximately eight percent of the total incarcerated population in State prisons. To be considered for rehabilitative release, the incarcerated individuals also must meet other criteria. The OLS does not have information concerning how many individuals will potentially be granted rehabilitative release and the likely impact on the prison population. To the extent the bill results in any reduction in sentence, based on information provided by the Department of Corrections, the

FY2024 average annual cost for housing, ensuring security, and providing services to an incarcerated individual was $75,254, with an average marginal cost of housing one additional incarcerated person, accounting for food, clothes and wages, of $11.39. However, the superintendent or other chief executive officer of the institution in which the incarcerated person is held is required to prepare a report for any incarcerated person issued a certificate under the bill for consideration by the court at a hearing for rehabilitative release, which may result in additional costs to the department. Though unclear, this may potentially result in additional administrative work for the State prisons and therefore, may increase costs due to regular or overtime hours worked.

The OLS determines the bill may also result in annual State expenditure increases, including to the State Parole Board from additional parolees who are granted rehabilitative release. An incarcerated person who receives a modified sentence under the bill is to be sentenced to a five-year term of parole supervision. According to the State Parole Board, the FY2025 average marginal cost for one additional parolee is estimated at $3,886. The average cost per parolee, with all overhead costs included, is estimated at $6,609.

The OLS finds that the Judiciary may incur costs from increased caseload. Per the bill, an incarcerated individual may petition the court for rehabilitative release. The Office of the Public Defender may also incur costs due to an increase in caseload. Per the bill, the office is required to represent the incarcerated person who petitions the court for rehabilitative release. The OLS lacks sufficient information to determine how many incarcerated individuals will petition for rehabilitative release, and therefore is unable to quantify the caseload increases.

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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.).