LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

ASSEMBLY, No. 4872

STATE OF NEW JERSEY
221st LEGISLATURE

DATED: JANUARY 14, 2026

SUMMARY

Synopsis:	Prohibits certain coordination among residential rental property owners who restrict competition with respect to residential dwelling units.
Type of Impact:	Annual State expenditure and revenue increases; annual local expenditure increases.
Agencies Affected:	Department of Law and Public Safety; County Prosecutors; the Judiciary; Office of the Public Defender; Department of Corrections; State Parole Board; Department of Community Affairs.

Office of Legislative Services Estimate

Annual Fiscal Impact	
State Expenditure Increase	Indeterminate
State Revenue Increase	Indeterminate
Local Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) finds that the bill would result in an indeterminate increase in annual State and local expenditures. The following State and local agencies would or may incur caseload and expenditure increases: a) the Department of Law and Public Safety would provide guidance and other information related to the prosecution of the cases; b) county prosecutors could have to prosecute or assist in the prosecution of additional cases; c) the Judiciary would have to adjudicate additional complaints and monitor additional probationers; d) the Office of the Public Defender would have to represent additional low-income criminal defendants; e) the Department of Corrections may have to house and care for more individuals in cases where the sentencing involves incarceration; and f) the State Parole Board may have to supervise the return to society of additional convicts. The OLS notes that a presumption of non-incarceration generally applies to first-time offenders of a crime of the third degree, although crimes of the second degree could result in incarceration.

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- The OLS expects an indeterminate increase in expenditures to the Department of Law and Public Safety and the Department of Community Affairs associated with the public education program required by the bill.

- The OLS also anticipates an indeterminate increase in State revenue as a result of penalties paid by individuals or organizations in violation of the bill. The amount of the penalty may vary based on the case, and the OLS cannot estimate the number of cases that will be brought by the Office of the Attorney General.

BILL DESCRIPTION

The bill would prohibit the facilitation of agreements among rental property owners who restrict competition with respect to residential dwelling units. Under the bill, it is unlawful and a violation of the New Jersey Antitrust Act for: (1) a rental property owner or representative to exchange for the services of a coordinator; (2) the owner of a coordinator to facilitate an agreement among rental property owners that restricts competition with respect to residential dwelling units, including by performing a coordinating function; or (3) two or more rental property owners to engage in consciously parallel pricing coordination. The bill provides that the provisions of the bill would not apply to the actions of an owner of multiple properties related exclusively to multiple properties controlled by the same rental property owner or to multiple listing services or their members.

The bill further stipulates that current enforcement provisions of the New Jersey Antitrust Act are to apply to violations committed pursuant to this bill.

The Department of Law and Public Safety and the Department of Community Affairs are required to develop and undertake a public education program designed to inform the citizens of this State of the provisions of the bill and develop steps a consumer may take if the consumer suspects a violation.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that the bill would result in an indeterminate increase in annual State and local expenditures. The following State and local agencies would or may incur caseload and expenditure increases: a) the Department of Law and Public Safety would provide guidance and other information related to the prosecution of the cases; b) county prosecutors could have to prosecute or assist in the prosecution of additional cases; c) the Judiciary would have to adjudicate additional complaints and monitor additional probationers; d) the Office of the Public Defender would have to represent additional low-income criminal defendants; e) the Department of Corrections may have to house and care for more individuals in cases where the sentencing involves incarceration; and f) the State Parole Board may have to supervise the return to society of additional convicts. The OLS notes, however, that a presumption of non-incarceration generally

applies to first-time offenders of a crime of the third degree, although crimes of the second degree could result in incarceration. Based on information provided by the Department of Corrections, the FY 2024 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.

The OLS also anticipates an indeterminate increase in State revenue as a result of penalties paid by individuals or organizations in violation of the bill. The amount of any penalty may vary based on the case and the OLS cannot estimate the number of cases that will be brought by the Office of the Attorney General.

Some indeterminate costs will be incurred by the Department of Law and Public Safety and the Department of Community Affairs from the administrative requirements of the bill and for the development of the required public education program. Depending on the scope and duration of this education program, the departments may be able to implement it using existing resources.

Section: *Local Government*

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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.).