# LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

# ASSEMBLY, No. 4215

# STATE OF NEW JERSEY
# 222nd LEGISLATURE

DATED: OCTOBER 28, 2026

## SUMMARY

**Synopsis:** Upgrades offense of prostitution as patron; directs fines collected to "Human Trafficking Survivor's Assistance Fund" and "Victims of Crime Compensation Board Account."

**Type of Impact:** Annual State expenditure and revenue increases; annual local expenditure and revenue decreases.

**Agencies Affected:** Department of Law and Public Safety; County Prosecutors; the Judiciary; Office of the Public Defender; Department of Corrections; State Parole Board; local governments.

**Office of Legislative Services Estimate**

| Fiscal Impact | Annual |
|---|---|
| **State Cost Increase** | Indeterminate |
| **State Revenue Increase** | Indeterminate |
| **Local Cost Decrease** | Indeterminate |
| **Local Revenue Decrease** | Indeterminate |

- The Office of Legislative Services (OLS) finds that the bill will result in an indeterminate increase in annual State expenditures and revenues. The OLS lacks sufficient information to quantify the fiscal impact, as it is not possible to know how many individuals will be prosecuted, tried, and sentenced for the crimes under the bill.

- The bill upgrades the offense of prostitution as a patron from a disorderly persons offense to a crime of the fourth degree, which would result in the following State agencies incurring 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 would have to prosecute 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 State may receive indeterminate revenues from the enhanced fines; however, the State's ability to collect fines has historically been limited.

- As for local entities, the OLS notes that annual expenditures and revenues are likely to decrease since first-time offenders will now be adjudicated in State court rather than municipal court, and any defendants sentenced to incarceration will be sent to State prison rather than county jail. The local entities will also incur a revenue loss from forgone fines and court fees.

## BILL DESCRIPTION

This bill provides for enhanced penalties for the crime of engaging in prostitution as a patron. Currently, engaging in prostitution as a patron is a disorderly persons offense for a first offense, punishable by up to six months imprisonment, a fine of up to $1,000, or both. For a second or third violation, it is a crime of the fourth degree, punishable by up to 18 months imprisonment, a fine of up to $10,000, or both. For a fourth violation, it is a crime of the third degree, punishable by three to five years imprisonment, a fine of up to $15,000, or both. In addition to any other disposition for the offense, current law assesses additional penalties upon persons convicted of engaging in prostitution as a patron, which include an assessment of $500 and participation in a prostitution offender program.

This bill upgrades prostitution as a patron to a crime of the fourth degree, except that a fourth violation remains a crime of the third degree. In addition, the bill provides that any fine collected be deposited in the Human Trafficking Survivor's Assistance Fund and the Victims of Crime Compensation Board Account by the Department of the Treasury. All monies deposited in the fund are required to be used to provide services to victims of human trafficking, to promote awareness of human trafficking, and to develop, operate, maintain, and distribute training courses, educational materials, and training programs.

## FISCAL ANALYSIS

### *EXECUTIVE BRANCH*

None received.

### *OFFICE OF LEGISLATIVE SERVICES*

The OLS finds that this bill will result in indeterminate annual increases in State expenditures and revenues. The OLS lacks sufficient information to quantify the fiscal impact of this bill, as it is not possible to know how many individuals will be prosecuted, tried, and sentenced for the crimes under the bill or if they have prior offenses. This bill upgrades the offense of prostitution as a patron from a disorderly persons offense to a crime of the fourth degree, which would result in the following State agencies incurring 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 would have to prosecute 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.

Generally, a presumption of non-incarceration applies to first-time offenders of crimes of the fourth degree. The OLS notes that to the extent the bill results in additional incarcerations, the Department of Corrections would incur those costs, with the State Parole Board also incurring corresponding supervision costs after incarceration. Based on information provided by the Department of Corrections, the average annual cost of incarceration is projected to be $78,848 per incarcerated person in FY 2026, or $216 per day. However, the marginal cost of housing one additional incarcerated person, accounting for food, clothing, and wages is projected to be closer to $4,385. According to the State Parole Board, the annual average marginal cost of supervising one additional parolee is estimated at $4,002 for FY 2026. The average cost per parolee, with all overhead costs included, is estimated at $6,884 for FY 2026.

The State may also receive indeterminate revenues from the enhanced fines; however, the State's ability to collect fines has historically been limited.

As for local entities, the OLS notes that annual expenditures and revenues are likely to decrease since first-time offenders will now be adjudicated in State court rather than municipal court and any defendants sentenced to incarceration will be sent to State prison rather than county jail.

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| *Section:* | *Judiciary* |
| *Analyst:* | *Carolyn Roscoe Wright*<br>*Principal Counsel* |
| *Approved:* | *Thomas Koenig*<br>*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.).