LEGISLATIVE FISCAL ESTIMATE

[Third Reprint]

SENATE, No. 3946

STATE OF NEW JERSEY
222nd LEGISLATURE

DATED: OCTOBER 30, 2026

SUMMARY

Synopsis: Expands criminal and civil penalties for human trafficking, and expands human trafficking training requirements for law enforcement.

Type of Impact: Annual State expenditure and revenue increases. Annual local expenditure increase.

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

Office of Legislative Services Estimate

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

- The Office of Legislative Services (OLS) finds that this bill will result in an indeterminate annual increase in State and local expenditures and State revenues. The bill expands criminal and civil penalties for human trafficking and expands human trafficking training requirements for law enforcement. The bill amends current law to provide that an attempt to commit the crime of human trafficking is a crime of the first degree. Therefore, the OLS finds that the following State and local agencies may incur caseload and expenditure increases: a) the Department of Law and Public Safety may need to prosecute cases and provide guidance to the county prosecutors, as well as address new training requirements; b) county prosecutors may have to prosecute additional cases and negotiate an increased number of plea agreements; c) the Judiciary may have to adjudicate additional cases; d) the Department of Corrections may have to house more offenders for longer terms of imprisonment; e) the State Parole Board would have to supervise an additional number of offenders returning to society; and f) the Office of the Public Defender would have to represent additional low-income criminal defendants.

- The OLS notes that the Judiciary will incur an indeterminate increase in annual operating expenditures, as additional resources will likely have to be allocated to a potentially increased

civil caseload for lawsuits related to human trafficking. The OLS also anticipates collections from court fees to grow in tandem with the caseload.

BILL DESCRIPTION

The bill clarifies several aspects of current human trafficking law. First, the bill clarifies that a person who knowingly receives anything of value, including non-monetary items, or benefits financially from participation in a scheme or course of conduct which the person knew or should have known violates the provisions of the statute, is guilty of human trafficking. Second, the bill clarifies that a person is guilty of human trafficking if the person knowingly holds, recruits, lures, entices, harbors, transports, provides, or obtains, by any of the means enumerated in the statute, a child under 18 years of age to provide labor or services, whether or not the actor mistakenly believed that the child was 18 years of age or older, even if that mistaken belief was reasonable. Third, the bill separates sex trafficking of adults and sex trafficking of children into distinct crimes which that be charged under the statute.

The bill amends current law to provide that an attempt to commit the crime of human trafficking is a crime of the first degree, the same degree that applies under current law to committing the crime or conspiring to commit it. A crime of the first degree is punishable by a term of imprisonment of 10 to 20 years, a fine of up to $200,000, or both.

The bill expands the crime of failure to report an act of child abuse or sexual abuse of a child by adding provisions concerning a person's efforts to prevent or attempt to prevent the making of a report. Such criminal prevention efforts would be graded as a crime of the fourth degree, punishable by a term of imprisonment of up to 18 months, a fine of up to $10,000, or both. If an employer engaged in such criminal prevention efforts, the employer would be guilty of a crime of the third degree, punishable by a term of imprisonment of three to five years, a fine of up to $15,000, or both.

The bill provides that a prosecutor, in consideration of the interests of the victim, may offer a negotiated plea agreement in which the defendant would be sentenced to a specific term of imprisonment that is not less than 10 years, during which the defendant shall not be eligible for parole. The prosecutor is required to provide, in writing, specific reasons for making such an offer. The court is authorized to accept a negotiated plea and, upon conviction, impose the term of imprisonment and period of parole ineligibility provided in the plea agreement. However, the court may not impose a sentence that is less than the term provided in the plea agreement.

The Office of the Attorney General is required to develop guidelines to ensure the uniform exercise of discretion regarding a negotiated plea agreement.

In addition to civil liability for certain other crimes pursuant to current law, the bill provides that certain individuals or entities are not entitled to immunity from civil liability for damages resulting from human trafficking offenses or advertising commercial sexual abuse of a minor caused by a willful, wanton, or certain grossly negligent act.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that this bill will result in an indeterminate annual increase in State and local expenditures and State revenues. The bill expands criminal and civil penalties for human trafficking and expands human trafficking training requirements for law enforcement. The bill amends current law to provide that an attempt to commit the crime of human trafficking is a crime of the first degree. Therefore, the OLS finds that the following State and local agencies may incur caseload and expenditure increases: a) the Department of Law and Public Safety may need to prosecute cases and provide guidance to the county prosecutors, as well as address new training requirements; b) county prosecutors may have to prosecute additional cases and negotiate an increased number of plea agreements; c) the Judiciary may have to adjudicate additional cases; d) the Department of Corrections may have to house more offenders for longer terms of imprisonment; e) the State Parole Board would have to supervise an additional number of offenders returning to society; and f) the Office of the Public Defender would have to represent additional low-income criminal defendants.

The OLS notes that the Judiciary will incur an indeterminate increase in annual operating expenditures, as additional resources will likely have to be allocated to a potentially increased civil caseload related to human trafficking. The OLS also anticipates collections from court filing fees to grow in tandem with the caseload.

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 OLS also notes that the State may receive indeterminate revenue from fines imposed on individuals convicted of human trafficking; however, the State's ability to collect fines has historically been limited.

For informational purposes, the OLS notes that the Attorney General listed combating human trafficking as one of her top five priorities in her April 8, 2026, testimony to the Assembly Budget Committee, and that there is a dedicated Human Trafficking Unit in the Division of Criminal Justice.

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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.).