

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY, No. 4367
STATE OF NEW JERSEY
220th LEGISLATURE

DATED: JULY 1, 2022

SUMMARY

Synopsis: Upgrades certain crimes related to manufacturing firearms from third degree to second degree.

Type of Impact: Annual expenditure and revenue increases to the State.

Agencies Affected: Department of Law and Public Safety; Department of Corrections; State Parole Board; Judiciary.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Expenditure Increases		Indeterminate	
State Revenue Increases		Indeterminate	

- The Office of Legislative Services (OLS) anticipates that the bill will result in indeterminate additional annual costs to the Department of Corrections to house and care for more individuals who are sentenced to prison terms under the upgraded offenses established by the bill. The State Parole Board would also have to supervise the return to society of additional formerly incarcerated persons.
- Crimes of the second degree carry a presumption of incarceration for all persons convicted of these crimes while a presumption of non-incarceration applies to first time offenders of crimes of the third degree. The upgraded offenses could create a reluctance on the part of a defendant to enter a guilty plea, thereby generating additional costs for the Department of Law and Public Safety to prosecute additional cases, the Judiciary to adjudicate more cases, and the Office of the Public Defender to represent additional low-income criminal defendants.
- The State may receive indeterminate additional annual revenue from fines and penalties imposed on and collected from individuals convicted of the upgraded offenses related to manufacturing certain firearms established by this bill. However, the State’s ability to collect these fines and penalties has historically been limited.

BILL DESCRIPTION

This bill upgrades purchasing firearm parts to manufacture: a firearm without a serial number; a firearm with a three-dimensional printer; a covert or undetectable firearm; and

transporting a manufactured firearm without a serial number from crimes of the third degree to crimes of the second degree. A crime of the second degree is punishable by five to 10 years imprisonment, a fine of up to \$150,000, or both.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS anticipates that the bill will result in indeterminate additional annual costs to the Department of Corrections to house and care for more individuals who are sentenced to prison terms under the upgraded offenses established by the bill. The State Parole Board would also have to supervise the return to society of additional formerly incarcerated persons. The OLS notes that to the extent that the bill will result in additional incarcerations, based on information provided by the Department of Corrections, the FY 2021 average annual costs for housing an inmate were \$55,389, whereas the average daily cost was \$151.75.

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Additional indeterminate annual State revenue will accrue from fine and penalty payments from convicted violators of the upgraded statutory provisions related to manufacturing certain firearms.

In upgrading the crimes of the third degree to crimes of the second degree, the bill creates the potential for increased recurring State revenue gains:

- Crimes of the second degree are punishable by a term of imprisonment of five to 10 years, a fine of up to \$150,000, or both; whereas,
- Crimes of the third degree are punishable by a term of imprisonment of three to five years, a fine of up to \$15,000, or both.

The OLS cannot determine the number of convictions the bill's provisions may generate, and by extension, the total of any resultant fine and penalty revenue. The OLS additionally notes that due to financial constraints, many penalties go unpaid.

Section: Law and Public Safety

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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.).