

LEGISLATIVE FISCAL ESTIMATE

ASSEMBLY, No. 2738

STATE OF NEW JERSEY

222nd LEGISLATURE

DATED: MARCH 11, 2026

SUMMARY

Synopsis: Creates penalty for child endangerment via use of social media.

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; Office of the Public Defender; Department of Corrections; State Parole Board.

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) concludes that this bill will result in an indeterminate annual increase in State and local expenditures and State revenues. The OLS lack sufficient information to quantify the fiscal impact, as it is not possible to estimate the number of crimes likely to be prosecuted under the provisions of this bill.
- If the number of prosecutions were to increase, the following agencies would experience a caseload increase: i) the Department of Law and Public Safety would provide guidance and other information related to the prosecution of the cases; ii) county prosecutors would have to prosecute additional cases; iii) the Judiciary would have to adjudicate additional complaints and monitor additional probationers; iv) the Office of the Public Defender would have to represent additional low-income criminal defendants; v) the Department of Corrections would have to house and care for additional offenders; and vi) the State Parole Board would have to supervise the return to society of additional offenders. The OLS notes that a presumption of non-incarceration generally applies to first time offenders of crimes of the third degree.
- The OLS notes that the State may receive indeterminate revenues from fines imposed on individuals convicted of these crimes; however, the State’s ability to collect fines has been historically limited.

BILL DESCRIPTION

This bill provides that a person may be guilty of child endangerment through the use of social media.

Under the bill, a person is guilty of child endangerment if via electronic communication that person knowingly acts in a manner likely to be injurious to the physical, mental, or moral welfare of a child less than 18 years of age or directs or authorizes a child to engage in an occupation involving a substantial risk of danger to the child's life or health.

The bill provides that violators would be subject to current child endangerment penalties, making this offense a second degree crime if the actor has a legal duty for the care of the child or has assumed responsibility for the care of the child. For all other persons, it is a crime of the third degree.

The penalty for a second degree crime is a term of five to 10 years imprisonment, a fine of up to \$150,000, or both. The penalty for a third degree crime is a term of three to five years imprisonment, a fine of up to \$15,000, or both.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that this bill will result in an indeterminate annual increase in State and local expenditures and State revenues. The OLS lacks sufficient information to quantify the fiscal impact, as it is not possible to estimate the number of crimes likely to be prosecuted under the provisions of this bill.

The following agencies could incur caseload and expenditure increases: i) the Department of Law and Public Safety would provide guidance and other information related to the prosecution of the cases; ii) county prosecutors would have to prosecute additional cases; iii) the Judiciary would have to adjudicate additional complaints and monitor additional probationers; iv) the Office of the Public Defender would have to represent additional low-income criminal defendants; v) the Department of Corrections would have to house and care for additional offenders; and vi) the State Parole Board would have to supervise the return to society of additional offenders.

Under the bill, a person is guilty of child endangerment if via electronic communication that person knowingly acts in a manner or authorizes a child to engage in an occupation likely to be injurious to the physical, mental, or moral welfare of a child or poses to be a substantial risk to the child's life or health. The bill provides that violators would be subject to current child endangerment penalties, making this offense a second degree crime if the actor has a legal duty for the care of the child. For all other persons, it is a crime of the third degree. Generally, a presumption of non-incarceration applies to first time offenders of crimes of the third degree.

The OLS notes that to the extent the bill results in additional incarcerations, the Department of Corrections would incur those costs. Based on information provided by the department in response to an FY 2026 OLS Budget Discussion Point question, the projected FY 2026 average annual cost for housing an incarcerated individual is \$71,514, with an average daily marginal cost of housing one additional incarcerated person of \$12.03.

According to the State Parole Board, the annual average marginal cost of supervising one additional parolee is estimated at \$3,886 for FY 2025. The average cost per parolee, with all overhead costs included, is estimated at \$6,609 for FY 2025.

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

Section: Judiciary

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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.).