

FISCAL NOTE

SENATE, No. 1526

STATE OF NEW JERSEY

222nd LEGISLATURE

DATED: JUNE 9, 2026

SUMMARY

Synopsis: Increases penalties for identity theft when victim is a senior citizen or veteran.

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

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

Judiciary Estimate

Fiscal Impact	Year 1	Year 2	Year 3
State Expenditure Increase	\$14.8 million	\$13.6 million	\$14.2 million

Office of Legislative Services Estimate

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

- The Judiciary estimates that it would incur annual costs of \$14.8 million in the first year following enactment, \$13.6 million in the second year, and \$14.2 million in the third year as a result of this bill. The Office of Legislative Services (OLS) does not have sufficient information to confirm nor refute these estimates.
- The OLS, however, finds that this bill will result in annual indeterminate State and local expenditure increases. The following State and local agencies would incur caseload and expenditure increases: i) the Department of Law and Public Safety would prosecute cases or provide guidance and other information to the county prosecutors; ii) county prosecutors would have to prosecute additional cases if the increased penalties create a reluctance on the part of the defendant to enter a guilty plea; iii) the Judiciary would have to adjudicate additional cases; iv) the Office of the Public Defender may have to represent additional low-income criminal

defendants; and v) the Department of Corrections may have to house more inmates for longer terms of imprisonment and the State Parole Board would have to supervise their return to society.

- The OLS does not have sufficient information on the potential increase in the number of convictions and terms of imprisonment resulting from the bill's provisions and therefore is unable to estimate the costs to the State. The OLS finds that to the extent that the bill will result in additional incarcerations, based on information provided by the Department of Corrections, the FY 2026 projected average annual cost for housing, ensuring security, and providing services to an incarcerated individual was \$78,848.
- The OLS notes the State may receive indeterminate revenue from increased fines imposed on individuals convicted of the upgraded crime under this bill. However, the State's ability to collect criminal fines and penalties has historically been limited.

BILL DESCRIPTION

This bill increases the penalties for identity theft when the victim is a senior citizen or veteran.

Under current law, if the actor obtains a benefit or deprives another of a benefit in an amount less than \$500 and the offense involves the identity of one victim, the offense constitutes a crime of the fourth degree and a second or subsequent offense constitutes a crime of the third degree. Under this bill, if the victim is a senior citizen or veteran, a first offense constitutes a crime of the third degree and a second or subsequent offense constitutes a crime of the second degree.

In addition, current law provides that if an actor obtains a benefit or deprives another of a benefit in an amount of at least \$500, but less than \$75,000 or the offense involves the identity of at least two but less than five victims, the actor is guilty of a crime of the third degree. Under this bill, if any of the victims is a senior citizen or a veteran, the offense constitutes a crime of the second degree.

Further, under current law, if the actor obtains a benefit or deprives another of a benefit in the amount of \$75,000 or more, or the offense involves the identity of five or more victims, the actor is guilty of a crime of the second degree. Under this bill, if any of the victims is a senior citizen or a veteran, the offense constitutes a crime of the first degree.

In addition, current law provides that a person who knowingly distributes, manufactures, or possesses any item containing personal identifying information pertaining to another person, without that person's authorization and with knowledge that the actor is facilitating a fraud or injury to be perpetrated by anyone is guilty of a crime of the fourth degree. Under this bill, in cases where the item containing personal identifying information was obtained through records owned or maintained by a continuing care retirement community, nursing home, retirement community, or veterans' facility, the offense constitutes a crime of the third degree.

Current law also provides that if the person distributes, manufactures, or possesses 20 or more items containing personal identifying information pertaining to another person, or five or more items containing personal identifying information to five or more separate persons without authorization and with knowledge that the actor is facilitating a fraud or injury to be perpetrated by anyone the person is guilty of a crime of third degree. Under this bill, if the items containing personal identifying information were obtained through records owned or maintained by a continuing care retirement community, nursing home, retirement community, or veterans' facility, the offense constitutes a crime of the second degree.

Finally, current law provides that if a person distributes, manufactures, or possesses 50 or more items containing personal identifying information pertaining to another person or 10 or more items containing personal identifying information pertaining to five or more separate persons, without authorization and with knowledge that the actor is facilitating a fraud or injury to be perpetrated by anyone the person is guilty of a crime of the second degree. Under this bill, if the items containing personal identifying information were obtained through records owned or maintained by a continuing care retirement community, nursing home, retirement community, or veterans' facility, the offense constitutes a crime of the first degree.

A crime of the fourth degree is punishable by up to 18 months imprisonment, a fine of \$10,000, or both. A crime of the third degree is punishable by three to five years imprisonment, a fine of up to \$15,000, or both. A crime of the second degree is punishable by five to 10 years imprisonment, a fine of up to \$150,000, or both. A crime of the first degree is punishable by 10 to 20 years imprisonment, a fine of up to \$200,000, or both.

FISCAL ANALYSIS

JUDICIAL BRANCH

The Judiciary has provided OLS with a fiscal note that estimates that enactment of the bill would result in a significant increase in State expenditures, totaling approximately \$14.8 million in the first year following enactment, \$13.6 million in the second year, and \$14.2 million in the third year over the initial implementation period, due to the need for additional judicial resources. The Judiciary anticipates that enhanced penalties under the bill would reduce defendants' incentives to plead guilty, resulting in longer case processing times, more trials, and an increase in pretrial detention motions. To address the resulting workload, the Judiciary projects the need for 15 additional judge teams, consisting of a Superior Court judge, judge's secretary, law clerk, and court clerk, one team for each vicinage. Estimated costs include salaries and fringe benefits, office and courtroom space, start-up expenses, and recurring operating costs. The projection also assumes annual cost increases of five percent in the second and third years of implementation. While the Judiciary cannot estimate the exact number of affected cases, it expects the bill to have a substantial fiscal impact on court operations.

EXECUTIVE BRANCH

None received on this bill.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that bill will result in annual indeterminate State and local expenditure increases. The following State and local agencies would incur caseload and expenditure increases: i) the Department of Law and Public Safety would prosecute cases or provide guidance and other information to the county prosecutors; ii) county prosecutors would have to prosecute additional cases if the increased penalties create a reluctance on the part of the defendant to enter a guilty plea; iii) the Judiciary would have to adjudicate additional cases; iv) the Office of the Public Defender may have to represent additional low-income criminal defendants; and v) the Department of Corrections may have to house more inmates for longer terms of imprisonment and the State Parole Board would have to supervise their return to society.

As noted above, the Judiciary estimated that to address the bill's requirements there would need to be 15 more authorized judgeships, which would result in expenditures for salaries and fringe benefits, office and courtroom space, and other operating costs. The Judiciary further estimated that it would incur annual costs of \$14.8 million in the first year following enactment, \$13.6 million in the second year, and \$14.2 million in the third year. The OLS does not have sufficient information to confirm nor refute these estimates.

This bill increases penalties for identity theft when the victim is a senior citizen or veteran. In certain cases, there would be an upgrade in crime to a crime of a second degree or first degree, both of which carry a presumption of incarceration. The OLS does not have sufficient information on the potential increase in the number of convictions and terms of imprisonment resulting from the bill's provisions and therefore is unable to estimate the costs to the State. The OLS finds that to the extent that the bill will result in additional incarcerations, 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 and the marginal cost of housing one additional incarcerated person, accounting for food, clothing, and wages is projected to be \$4,385.

According to the State Parole Board, the annual average marginal cost to 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.

According to some news reports, in 2023 more than 2,000 seniors in New Jersey reported scams to the Federal Bureau of Investigation, and the State had \$251.7 million in fraud losses reported to the Federal Trade Commission (FTC). According to the AARP, service members and veterans are more likely than civilians to be targeted with fraudulent solicitations. Also in 2023, veterans and their families reported more than 93,000 fraud cases to the FTC nationally with \$477 million in financial losses.

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This fiscal note has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).