

LEGISLATIVE FISCAL ESTIMATE
[First Reprint]
SENATE COMMITTEE SUBSTITUTE FOR
SENATE, Nos. 3612 and 3717
STATE OF NEW JERSEY
222nd LEGISLATURE

DATED: JUNE 30, 2026

SUMMARY

Synopsis: Establishes “Fair Price Protection Act.”

Type of Impact: Annual State expenditure and revenue increases.

Agencies Affected: Department of Law and Public Safety; Department of the Treasury.

Office of Legislative Services Estimate

Fiscal Impact	Annual
State Expenditure Increase	Indeterminate
State Revenue Increase	Indeterminate

- The Office of Legislative Services (OLS) anticipates a one-time indeterminate State expenditure increase for the New Jersey Innovation Authority in the Department of the Treasury to conduct a study on the use of electronic shelf labels, in consultation with the Division of Consumer Affairs in the Department of Law and Public Safety.
- The OLS finds that annual Department of Law and Public Safety expenditures would increase for investigations, civil enforcement actions, and potential litigation undertaken by the Office of the Attorney General. The magnitude of these costs, as well as any associated court costs, is indeterminate and would depend on the extent to which there are violations of the bill’s provisions.
- The OLS concludes there maybean indeterminate annual State revenue increase from moneta ry penalties and damages collected from violators of the bill’s provisions.

BILL DESCRIPTION

This bill makes it an unlawful practice and a violation of the Consumer Fraud Act for a person to use surveillance pricing or any other pricing strategy that determines or varies the sale price of groceries and other foodstuffs based, in whole or in part, on personal data.

The bill establishes a one-year moratorium on the new use of electronic shelf labels in this State. Before and during the moratorium, the New Jersey Innovation Authority in the Department of the Treasury, in consultation with the Division of Consumer Affairs in the Department of Law and Public Safety, is required to conduct a study on the use of electronic shelf labels. The study is to examine, at a minimum, the effects of electronic shelf labels and the impact of electronic shelf labels on surveillance pricing.

Additionally, the New Jersey Innovation Authority is required by the bill to submit, no later than six months before the expiration of the moratorium, the study's findings and conclusions in a report, together with any recommendations for legislative or administrative action, to the Governor and to the Legislature. Upon the expiration of the moratorium, the new use of electronic shelf labels is permitted, provided its use is in compliance with current law or promulgated regulations, unless the Legislature enacts a law to the contrary.

The Attorney General may bring a civil action to enjoin an act or practice that is in violation of the provisions of the bill, enforce compliance, and obtain actual monetary damages incurred from the violation or \$50,000, whichever is greater, as well as any other restitution, penalties, or relief the court may deem appropriate.

A violation of the Consumer Fraud Act is punishable by a monetary penalty of not more than \$10,000 for a first offense and not more than \$20,000 for any subsequent offense. In addition, violations may result in cease and desist orders issued by the Attorney General, the assessment of punitive damages, and the awarding of treble damages and costs to the injured party.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes the bill would result in a one-time indeterminate State expenditure increase for the New Jersey Innovation Authority to conduct a study on the use of electronic shelf labels, increased annual State costs for the Department of Law and Public Safety to enforce the bill's provisions, and indeterminate annual State revenue increases from monetary penalties and damages collected from violators of the bill's provisions.

State Expenditure Increase: The New Jersey Innovation Authority would incur a one-time expenditure increase to conduct the study, analyze the results, and provide a report no later than six months before the end of the one-year moratorium on the new use of electronic shelf labels. The New Jersey Innovation Authority was established pursuant to P.L.2025, c.190 and partners with State agencies to design and deploy more effective and efficient government services through the use of technology, design, data, policy, marketing, and communications. The FY2027 Governor's Budget recommends increasing the appropriation for the New Jersey Innovation Authority by \$13.3 million, from \$10.2 million in FY2026 to \$23.5 million in FY2027.

The OLS finds that annual Department of Law and Public Safety expenditures would increase for investigations, civil enforcement actions, and potential litigation undertaken by the Office of the Attorney General. The magnitude of these costs, as well as any associated court costs, is indeterminate and would depend on the extent to which there are violations of the bill's provisions.

State Revenue Increase: A violation of the bill's prohibition on the use of surveillance pricing is an unlawful practice and violation of the Consumer Fraud Act, punishable by a monetary penalty of not more than \$10,000 for a first offense and not more than \$20,000 for any subsequent offense. In addition, violations may result in cease and desist orders issued by the Attorney General, the assessment of punitive damages, and the awarding of treble damages and costs to the injured party. The bill also provides that for any violation the Attorney General may bring a civil action to enjoin the act or practice; enforce compliance with the bill's provisions; obtain for certain acts the greater of actual monetary damages or \$50,000; or obtain any other restitution, penalty, or relief a court of competent jurisdiction deems appropriate.

The OLS, however, has no information on which to base an estimate of the number and magnitude of future penalty assessments and payments and thus cannot project the amount the State will collect.

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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.).