

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 1763

STATE OF NEW JERSEY
219th LEGISLATURE

DATED: DECEMBER 22, 2020

SUMMARY

Synopsis:	Criminalizes certain payments for referral of patients to substance use disorder treatment facilities.
Type of Impact:	Annual State Expenditure and Revenue Increases. Annual Expenditure Increases to County Governments.
Agencies Affected:	Department of Law and Public Safety; Judiciary; Office of the Public Defender; Department of Corrections; County Governments.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Expenditure Increase	Indeterminate
State Revenue Increase	Indeterminate
Local Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) finds that establishing the crime of making or receiving certain payments for referring patients to substance use disorder treatment facilities would result in indeterminate annual expenditure increases to the Department of Law and Public Safety, the Judiciary, the Office of the Public Defender, and county prosecutors’ offices to the extent the bill results in more trials and convictions. The OLS has insufficient data to serve as a basis for projecting the frequency of criminal violations subject to sanctions under the bill.
- The referral activities enumerated in the bill would be a crime of the fourth degree, which is punishable by a term of imprisonment of up to 18 months, a fine of up to \$10,000, or both.
- The Department of Corrections would incur increased annual costs if the bill’s provisions result in additional incarcerations.
- The State would incur an indeterminate annual revenue increase from fine and penalty payments if the bill’s provisions result in additional criminal convictions.

BILL DESCRIPTION

This bill provides that a person is guilty of a crime of the fourth degree if the person knowingly makes or receives a payment or otherwise furnishes or receives any fee, commission, or rebate to any person in connection with the referral of patients to substance use treatment disorder facilities regulated by the Division of Mental Health and Addiction Services in the Department of Human Services. The bill also provides that a person is guilty of a crime of the fourth degree if the person knowingly assists, conspires with, or urges any person to make, furnish, or receive a payment, fee, commission, or rebate in violation of the bill's provisions. A crime of the fourth degree is generally punishable by a term of imprisonment of up to 18 months, a fine of up to \$10,000, or both.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that establishing the crime of making or receiving certain payments for referral of patients to substance use disorder treatment facilities would result in indeterminate annual expenditure increases to the Department of Law and Public Safety, the Judiciary, the Office of the Public Defender, and county prosecutors' offices to the extent that the bill results in additional trials and convictions. The OLS has insufficient data to serve as a basis for projecting the frequency of criminal violations subject to sanctions under the bill.

Expenditure Increases: The referral activities enumerated in the bill would constitute a crime of the fourth degree, which is punishable by a term of imprisonment of up to 18 months, a fine of up to \$10,000, or both. A presumption of non-incarceration applies to first-time offenders for crimes of the fourth degree. However, there may be instances where violations of the bill's provisions lead to incarceration, resulting in increased costs to the Department of Corrections.

Revenue Increases: The State would incur an indeterminate annual revenue increase from fine and penalty payments if the bill's provisions result in additional convictions.

The OLS cannot determine the number of convictions that would result from passage of the bill and, by extension, the total of any resultant fine, fee, and assessment collections.

The OLS additionally notes that due to financial constraints, many penalties go unpaid by those persons convicted of crimes.

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.).