

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

SENATE, No. 2535

STATE OF NEW JERSEY 219th LEGISLATURE

DATED: NOVEMBER 19, 2020

SUMMARY

- Synopsis:** Provides for certain criminal and civil justice reforms, particularly addressing legal consequences associated with certain marijuana and hashish offenses as well as raising awareness of available expungement relief.
- Type of Impact:** Annual expenditure decreases to the State, counties, and municipal governments. Annual revenue decreases to the State and municipal governments.
- Agencies Affected:** Judiciary; Department of Law and Public Safety; Office of the Public Defender; Department of Corrections; State Parole Board; Department of Labor and Workforce Development; Department of Banking and Insurance; Municipal and County Governments.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Expenditure Decrease	Indeterminate
State Revenue Decrease	Indeterminate
County and Municipal Expenditure Decreases	Indeterminate
Municipal Revenue Decrease	Indeterminate

- The Office of Legislative Services (OLS) estimates that the bill would reduce annual State expenditures by an indeterminate amount as fewer marijuana- and hashish-related acts would enter the criminal justice system and other marijuana- and hashish-related delinquencies would be downgraded to lower terms of incarceration. The State expenditure decrease would be somewhat offset by additional expenses the Judiciary would incur in developing a multilingual public awareness concerning the expungement process.
- An indeterminate decrease in annual State revenues would occur from the decriminalization and downgrading of certain marijuana- and hashish-related offenses, as collections from court

filing fees and penalties would decline by indeterminate amounts. The annual revenue loss would be somewhat offset by the collection of certain new civil penalties.

- Annual county expenditures would decrease by an indeterminate amount on account of the bill reducing the number of cases county prosecutor's offices would have to prosecute and the number of defendants who would be convicted to county jail terms.
- Annual municipal expenditures would decrease attributable to a reduction in the number of marijuana- and hashish-related disorderly persons offenses that would be tried in municipal courts. Annual municipal revenue in the form of court filing fees would also be reduced as fewer cases would enter municipal court.

BILL DESCRIPTION

This bill would eliminate or reduce the legal consequences associated with certain marijuana, hashish and controlled dangerous substances offenses. Among other provisions, the bill would decriminalize the possession of up to 6 ounces (170 grams) of marijuana and hashish, when under current law the act is punishable as either a crime of the fourth degree (up to 18 months of imprisonment and up to \$25,000 fine) or a disorderly persons offense (up to six months imprisonment and up to \$1,000 fine), depending on the amount. In addition, the bill would regrade the distribution of lesser amounts of marijuana and hashish. The distribution of one ounce or less of marijuana, or five grams or less of hashish would become, for a first offense, an act subject to a written warning. A second or subsequent offense would remain a crime of the fourth degree. In addition, the bill would permit anyone to petition a court for a reduction or change in a sentence that person is currently serving due to a past conviction of any delinquency for marijuana or hashish offenses for which this bill eliminates or reduces the legal consequences.

Furthermore, the bill requires the automatic expungement of any arrest or court record related to a delinquency that is the subject of this bill if the delinquency occurred prior to the bill's effective date but is still awaiting final disposition.

The Administrative Office of the Courts would also be required to maintain and provide to any person upon request information about the expungement process and pertinent legal services programs statewide and in each county. In addition, the office would be required to develop a multilingual public awareness campaign to promote awareness of the expungement process existing under current law as well as job training programs available to certain marijuana offenses-related expungees.

Additionally, the bill prohibits employers and mortgage lenders from discriminating against applicants based on an arrest, charge, conviction, or adjudication of delinquency for certain marijuana and hashish offenses. Employers who violate these provisions would be subject to a civil penalty of \$1,000 for the first offense, \$5,000 for the second offense, and \$10,000 for subsequent offenses to be collected by the Department of Labor and Workforce Development. Also, mortgage lenders who continue to violate the bill's provisions after being ordered by the Department of Banking and Insurance to cease the discriminatory practices would be liable for a penalty of \$10,000 for each offense.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the bill would reduce annual State expenditures by an indeterminate amount as fewer marijuana- and hashish-related acts would enter the criminal justice system and other marijuana- and hashish-related delinquencies would be downgraded to lower terms of incarceration. The State expenditure decrease would be somewhat offset by additional expenses the Judiciary would incur in developing a multilingual public awareness concerning the expungement process.

An indeterminate decrease in annual State revenues would occur from the decriminalization and downgrading of certain marijuana- and hashish-related offenses, as collections from court filing fees and penalties would decline by indeterminate amounts. The annual revenue loss would be somewhat offset by the collection of certain new civil penalties.

Annual county expenditures would decrease by an indeterminate amount on account of the bill reducing the number of cases county prosecutor's offices would have to prosecute and the number of defendants who would be convicted to county jail terms.

Annual municipal expenditures would decrease attributable to a reduction in the number of marijuana- and hashish-related disorderly persons offenses that would be tried in municipal courts. Annual municipal revenue in the form of court filing fees would also be reduced as fewer cases would enter municipal court.

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.).