

FISCAL NOTE TO  
**SENATE COMMITTEE SUBSTITUTE FOR  
SENATE, No. 2082**

**STATE OF NEW JERSEY**

DATED: DECEMBER 17, 1997

Senate Committee Substitute for Senate Bill No. 2082 of 1997 imposes a 10 percent surcharge on all commissary sales in State and county correctional facilities in order to generate additional revenues to compensate crime victims pursuant to the "Criminal Injuries Compensation Act of 1971," P.L.1971, c.317 (C.52:4B-1 et seq.) or any other law. The bill also provides that any sales subject to the surcharge would not be subject to sales tax.

Every defendant found guilty of a criminal offense is required by law to pay an assessment to the Victims of Crime Compensation Board (VCCB). The moneys paid into the VCCB's account are used to provide compensation to the victims of crime. However, although every defendant is assessed a penalty payable to the VCCB, not all of those assessments are paid.

The Department of Corrections states that about \$10 million is spent by State prisoners on commissary purchases each year. The department notes that it is not clear whether the 10 percent surcharge would be added to every commissary purchase regardless of whether an inmate owes VCCB assessment or not. Although the department is unable to estimate the cost of implementing this program, it states that if only inmates who owe VCCB assessments are subject to the surcharge, it would be required to identify the specific inmates and the amount of unpaid assessment for both current and prior convictions. Current computer systems lack the ability to identify and track VCCB assessment or any other revenue categories. Modification of software would be extremely costly, and even with the modifications, insufficient capacity for data storage would prohibit the ability to operate such a system. A manual system for researching and tracking assessments and payments would not be feasible.

The Office of Legislative Services (OLS) notes that if the assessment is placed on all inmate commissary purchases regardless of the amount owed per inmate, the department would simply be required to increase the product prices by 10 percent, for total annual collections of about \$1 million, to be transferred to the VCCB for the payment of claims. The OLS also notes that the elimination of the requirement to pay sales tax on certain items would reduce State revenue by up to \$600,000 per year. The cost of implementing such a program should be minimal.

This fiscal note has been prepared pursuant to P.L.1980, c.67.