On behalf of Chief Justice Stuart Rabner and all of the justices, judges and staff of the judiciary, thank you, Senator Sarlo, and the members of the committee, for inviting me to testify today and address the proposed FY 2011 judiciary budget.

Seated with me are members of the Judicial Council Budget Committee, including the chair of the committee, Assignment Judge Georgia M. Curio, of Vicinage 15, which includes Cumberland, Gloucester, and Salem Counties; Monmouth County Assignment Judge Lawrence M. Lawson; Ocean County Assignment Judge Vincent J. Grasso; Assignment Judge Yolanda Ciccone, of Vicinage 13, which includes the counties of Somerset, Hunterdon and Warren; and Bergen County Assignment Judge Peter E. Doyne; and Shelley R. Webster, Director of Management and Administrative Services.

Before we begin to answer your questions, I would like to take just a few minutes to tell you about the work we have accomplished during the past year and how we have planned and strategized to make the best possible use of every resource available to us.

REVIEW OF RECENT BUDGET YEARS

These are difficult days, to be sure. The reality of the budget situation requires an extraordinary commitment to our fiscal obligations and to our court users, and a partnership among the three branches of government unlike any in recent memory.

It must be noted that serving our core mission has been a significant challenge during the past few years. Two years ago we absorbed a budget cut of $33 million and lost 300 staff. Last fiscal year we managed another cut of $52 million and lost another 170 staff.

This year, we have been asked to reduce our budget by an additional $39 million in order to pay for contracted raises for unionized staff. The increase needed to pay for these raises has not been included in the proposed budget. Therefore, the shortfall must be absorbed in our existing allocation. That said, we know what our duty is and we are struggling to meet our core functions and responsibilities to the public so that litigants will not suffer a reduction in services.

It is through three key principles—partnership, commitment and sacrifice--that we have kept the work of the judiciary on course and brought benefits to programs in the other branches. It is a testament to the creativity and hard work of judges and staff alike that the judiciary has been able to stay true to the core mission of the courts.
I. PARTNERSHIPS

VETERANS ASSISTANCE. Some of the most noteworthy partnerships we have developed with the executive branch have added services at little or no cost. The Veterans Assistance Project is one such partnership. Last year I reported to you that we had begun a pilot scheduled to run through May 2009. Today I am happy to report that we have moved beyond pilot into expansion. Atlantic County was the first county to come on board in December 2008. Since then Union, Burlington, Cape May Morris, Passaic, Mercer, Bergen, Camden and Sussex counties have launched the program.

This combined effort of the Judiciary, the New Jersey Department of Military and Veterans Affairs, and the New Jersey Department of Human Services’ Division of Mental Health Services targets those veterans who return from military service with physical, mental or personal issues and may turn to drugs or alcohol in an attempt to manage the stress of returning to civilian life and end up on the wrong side of the law.

Veterans who are charged with indictable and non-indictable offenses, other than minor traffic matters, as well as veterans who are on probation are eligible to participate in the program. The program is geared toward providing services to veterans, not diverting them from the courts.

A creative idea, bolstered by hard work and enthusiasm, is now in place without any new programs or new funds. Rather, through communication and inter-branch cooperation, a partnership now connects government-run existing resources with the men and women who need them.

DRUG COURTS. Some of our partnerships must be funded, and the money spent reaps enormous rewards for the state budget and for society at large. The drug court program is another example that began as a pilot some 15 years ago and today is a national model.

Every discussion of New Jersey’s drug court must include a tribute to the members of the Legislature who have, over many years, provided the program with funding and with strong support for the participants. Many of you here today have attended graduation ceremonies and see first-hand the resilience of the human spirit. As a former drug court judge myself, in family court, I can assure you that personal support and affirmation of their success means more to drug court graduates even than the money spent to fund the program.

Drug courts divert nonviolent, drug-dependant offenders from costly state prison sentences into treatment and rehabilitation. The Judiciary works with the Division of Addiction Services in the Department of Human Services to provide participants with individualized substance abuse treatment. Since the program went statewide in 2002, the drug courts have diverted 8,571 offenders, most of whom were prison bound.
By reducing costs associated with incarceration, the drug court program resulted in a net savings of $19 million to the state in fiscal year 2009, $22 million in fiscal year 2010 and a projected savings of approximately $24 million in fiscal year 2011.

The savings to our society may be more significant than the budget savings. Reunited families, drug-free babies, employment, health insurance, drivers’ licenses, child support payments, fees and fines paid—these are the true benefits of bringing drug offenders back into society. I will forward specific statistics to any member of the committee who would like to get more information on drug court successes.

**NJKids.** In another partnership, NJKids, the child support case management system used by the judiciary and the Department of Human Services, is in its final implementation stages. Both the courts and Human Services play significant roles in the wellbeing of New Jersey’s children by ordering, collecting and tracking child support payments.

**E-TICKETING.** Through the collaborative partnership between the AOC, New Jersey State Police and New Jersey Attorney General’s Office a standard methodology and interface for the state’s law enforcement agencies to generate and electronically file traffic tickets was developed. This new approach to issuing traffic tickets provide critical information to law enforcement officers instantly reducing the time spent on any one stop, thereby, keeping our streets and highways safe. This process updates the court’s statewide data base - which is strategically integrated with other Judiciary and Executive Branch agencies, including the Motor Vehicle Commission (MVC), the NJSP and NJMCdirect – the judiciary’s on-line payment and information website.

**NJMCDirect.** The NJMCDirect online payment system saves countless hours of manual work in the state’s 529 municipal courts. NJMCDirect saves court staff from processing mail, performing data entry functions, making bank deposits, processing and balancing financial records and answering phone inquiries regarding payment amounts and status. In addition to the on-line payment feature, the system includes a direct link to MVC for license restoration, a statewide search for all outstanding tickets, and other conveniences. On average, drivers resolve over 130,000 tickets monthly through NJMCDirect.

**FORECLOSURE MEDIATION PROGRAM.** New Jersey families continue to struggle in this economy. Facing the possibility of losing theirs homes to foreclosure, many have turned to the state’s foreclosure mediation program.

In a true partnership, the three branches of government created a program to address the foreclosure crisis. The judiciary, the Attorney General’s office, the Public Advocate's Office of Dispute Settlement and the New Jersey Housing Mortgage Finance Agency, with funding from the Legislature, came together in January 2009 to launch the program.

More than 700 mediators have been trained to assist. Housing counselors were trained to participate in the process.
As of this March, 6,825 cases had been scheduled for mediation through the program. Of course, not all homeowners will be able to keep their homes, but all will have had the opportunity to resolve their case with dignity and to make plans to move forward with their lives. To date, more than 1,200 cases have been resolved short of foreclosure.

In addition to the original funding to start the program, we have secured additional resources through a legal settlement with a large mortgage company. We are doing everything we can to keep the program viable for those who need it. Foreclosure filings remain at historic highs and we anticipate total foreclosure filings to be about 66,000 this court year.

II. COMMITMENT

FUGITIVE SAFE SURRENDER. The fugitive safe surrender program is a unique partnership among state, federal, municipal and county law enforcement agencies acting in concert with local community organizations and the judiciary.

While certainly it is another example of partnership, it is more an example of the extraordinary commitment of our judges and court staff, without whom this project would have been impossible. Judges held hearings off-site, with their staff assisting, until well beyond normal court hours, on weekends and until 11 o’clock at night on some days. Fugitives from justice were given the opportunity to resolve their outstanding legal issues in an effort to get their lives back on track. They were before the judge as soon as humanly possible so the courage they had to appear would not dissipate because of long delays. And the potential dangers to the community posed by those who are running from law enforcement are abated when a voluntary surrender is made possible.

To date, surrender dates have been held in Camden, Essex and Union counties. We will continue to explore the feasibility of this program in other counties and will continue to rely on the commitment of the judges and staff that will go beyond their usual duties.

IT INITIATIVES. Thanks to your help, we have in recent years modernized and transformed our underlying technology and now have a platform where we can improve the services provided to the public and make a more efficient court system. We have updated our court record data bases, implemented a web-based email system, improved our telecommunication network and upgraded the operating systems of all our computer servers. We were able to accomplish this major transformation successfully without diminishing our ongoing day-to-day court operations during the transition. The technological foundation we have in place should be safely supported by the computer industry for the years ahead.

While the recent budget cuts have delayed some of our planned improvement, we stand ready to leverage that infrastructure modernization to continue our efforts to make the New Jersey Court system the most efficient possible.
Now we are well-positioned to build upon these new foundations. We must continue our transition by moving into Internet browser based-services that we have all come to expect in our daily lives. We are behind in our plans to provide Internet-based services directly to the public, to self-represented litigants and the law firms and businesses. Even within the judiciary, we could operate more efficiently if internal operations for judges and staff were all Internet based. However, we are unable to take the necessary steps forward without substantial additional funds, which we know are not available at this dire time.

**FILINGS AND BACKLOG**

Year after year, when the judiciary appears before you we have talked about our efforts to ensure that cases are heard timely and do not linger, in backlog, as we call it, beyond the time goals we have set for ourselves.

Last year I told you that our backlog numbers were expected to creep up and indeed they have. By the end of court year 2009, we saw an increase of 6 percent. That was about 27,500 cases in backlog.

One would think, perhaps, with the cuts in budget, cuts in staff and at times a serious issue with judicial vacancies the number of backlogged cases would have sky-rocketed. We are not happy with the increase. But I can tell you without reservation that we have managed to control caseload management for one reason – the people who work in the courts are doing a great job. I am proud, and I know they are too, that in domestic violence cases, landlord-tenant cases, foreclosure cases and other cases of human suffering, court staff and judges do all in their power to justly resolve cases as timely as possible.

They know these are not about numbers, but are about people. A 6 percent increase is not good, but under the circumstances I want to tell you that I appreciate the hard work that went into holding back the tide.

**SACRIFICE**

The leadership team of this organization, judges and managers alike, have brought us successfully through the budget cuts, caseload increases and need for new programs, such as the foreclosure mediation program, during the past few years. Their sacrifice has been great. In order to get everything done, staff put in as many as 60 hours a week. Family life and individual pursuits suffer from such long hours. Our most senior managers have not received a raise since 2007 despite their increased workload. I am here to tell you that our managers, our staff and our judges are amongst the most committed and hardest working public servants in all of New Jersey. I am proud to be here and to have had the opportunity to tell you about their successes and their challenges.

**PARTNERSHIP, COMMITMENT, SACRIFICE**

We will continue to be guided by our three principles. We will move forward with creative collaborations with the executive and legislative branches to maintain services to New Jersey’s citizens. We intend to continue to stretch beyond just maintaining the status
quo. We intend to seek additional creative solutions and services without spending additional money. Our Web site, njcourts.com, is a wealth of free information for the public on foreclosure, on representing one’s self in court, on court decisions and schedules. We even have videos posted online to inform citizens about our programs. We are looking at every program, every budget item, and every practice area to find efficiencies to improve how we spend and how we operate. We follow every opportunity to secure grant funds for initiatives and to expand efforts where we can.

All branches of government are being challenged because of the fiscal crisis confronting our state. The judiciary intends to participate in the cost reductions that are being asked of our partners in government and of the citizens of New Jersey. Despite these difficulties our goal remains the same, to provide timely justice to the citizens who access our court system.

Thank you for your time.