

Testimony by Judge Glenn A. Grant, Acting Administrative Director of the Courts
Senate Budget and Appropriations Committee
Fiscal Year 2010
Monday April 27, 2009

Thank you Senator Buono, and members of the committee, for inviting me to testify today and address the proposed FY 2010 judiciary budget. Seated with me are members of the Judicial Council Budget and Planning Committee, including the chair of the committee, Judge Georgia M. Curio, assignment judge of Vicinage 15, which includes Cumberland, Gloucester and Salem Counties; Monmouth Vicinage Assignment Judge Lawrence M. Lawson; Assignment Judge Yolanda Ciccone, of Hunterdon, Somerset and Warren Counties, Vicinage 13; Ocean Vicinage Assignment Judge Vincent J. Grasso; and Bergen Vicinage Assignment Judge Peter E. Doyne. Also seated here is committee member Shelley R. Webster, who is the director of the Office of Management and Administrative Services. Please allow me to recognize, for the record, the recent passing of retired Bergen Assignment Judge Sybil R. Moses, the long-time chair of the Judicial Council Budget Committee who served us all with distinction. The Judiciary and the state experienced a great loss and we all miss her.

Chief Justice Rabner and I have traveled the state to hold three regional meetings with judges and managers to discuss our serious financial situation. I can assure you, based on face-to-face conversations, that judges and staff alike are dedicating themselves to getting through this economic crisis while maintaining our high standards of justice in every area of court business. The proposed budget requires the judiciary to absorb a further reduction of \$52 million for FY 2010. We are here today to address the issues generated by this reduction—where to cut spending, where to allocate diminishing resources most effectively and efficiently, but all with the overarching objective of maintaining the quality of justice that is the hallmark of the New Jersey court system.

As a starting point for this discussion, I note that last year the judiciary faced this committee to discuss our plans to absorb a budget cut of what ultimately became \$33 million. We did what we promised to do. We reduced the number of judiciary staff by about 300 through the early retirement program. We deferred information technology initiatives, in effect suspending portions of our IT strategic plan that has proven so successful not only in judiciary operations, but in our extensive IT support of state police, local police, corrections facilities, the Motor Vehicle Commission and other executive branch agencies. Through careful management and cost-saving initiatives suggested by our hard-working and dedicated staff, we achieved the savings needed. And as you know, we are poised to participate in the temporary lay-off program, often referred to as “mandatory furlough,” to help the state close the budget gap we all are facing today.

For fiscal year 2010, the challenge is far greater. The court system is personnel driven. That is, we have very few programs available to us to reduce or cut. Most of our budget consists of salaries. We have judges and staff who keep the courthouses open and cases moving; and we have staff here in Trenton to ensure that the courts have the support they need in areas such as technology and program operations to be able to do their jobs. As we face the difficult year

ahead, we have a great concern about being able to meet our core mission of administering justice in a timely way.

In New Jersey's courts, when we talk about "timely justice," we have very specific timeframes we use as measures. We impose demanding time goals for the disposition of every type of case. Those that are not resolved within the established time goals for resolution are considered to be in "backlog."

We are extraordinarily proud of our 10-year history of success in addressing case backlog. Between 1996 and 2006 we reduced the number of cases in backlog by 66 percent or 45,000 cases.

But we are seeing a number of factors come together that could change that record of success, a change that would mean some New Jersey residents will have to wait longer for their cases to be resolved.

Since 2006 we have seen the total caseload increase each year. In 2006, the year of the lowest-ever number of cases in backlog, 1,052,552 cases were filed. In 2009 we project approximately 1,150,000 cases will be filed, almost 100,000 more.

At the same time as the filing volume has been increasing, the number of sitting judges has decreased. In April 2006 there were 394 trial court judges. In April 2009 there are 374 judges in the trial courts, 20 fewer. We have 40 judicial vacancies, or an average of nearly three judges per vicinage. We also, as I mentioned, have experienced a significant statewide staff reduction in the past year.

With those three factors coming together—increased filings, staff reductions and the critical number of judicial vacancies, it is my unpleasant responsibility to inform you that even with the continuing tremendous efforts of judges and staff, backlog in court year 2008-2009 will increase. Backlogs in several case types have grown and the total is expected to reach more than 26,000 cases, a 2 percent increase in cases in backlog over the previous year.

These projections are based on solid information. We are able to project our case flow because each and every case is monitored through our monthly statistical analyses. Our statistics are published each month online and are reviewed and analyzed in monthly meetings of judges, managers, and staff. New strategies for backlog reduction are introduced and evaluated. Teams of judges and managers visit courthouses to make sure that case processing standards and best practices are in place. All of this is important not because of the numbers, but because of the cases and the people involved in those cases, who deserve to have their cases resolved without undue delay.

First and foremost, it is the presence of a judge that ultimately leads to case dispositions. And as I mentioned earlier, we currently are at 40 judicial vacancies. Until more of those vacancies are filled, the allocation of trial judges among counties will need to be constantly reassessed in order to assign the limited judicial resources to the best advantage, but those

reallocations are at best a stop-gap approach. We appreciate your consideration of this critical need and hope you will do whatever you can to address it.

We cannot talk about case management without acknowledging the impact the economy is having directly on certain type of cases, especially mortgage foreclosures. These cases have increased dramatically, more than doubling from 29,827 in court year 2007 to a projection of 65,250 new cases by June 30 for this year. We are receiving about 250 new foreclosure cases every day. That is an astounding number.

While the judiciary has the responsibility to foreclosure cases, we also are involved in the foreclosure mediation program that became available statewide on January 5. I offer special thanks, on behalf of all New Jersey residents who have been adversely affected by this economic crisis, to Middlesex Vicinage Assignment Judge Travis L. Francis for spearheading an innovative pilot project on foreclosure mediation. His vision set the stage for all three components of the program - legal representation to qualified homeowners through Legal Services-- free HUD-certified housing counseling through HMFA, and free mediation through the courts. This joint project has been supported by the Governor and the Legislature. From January through March, 301 mediations have been scheduled and we are receiving new requests daily.

This program is one of those situations when all of us who are here today in public service, along with our colleagues and counterparts in nonprofit agencies, can hold our heads high and be proud of our working together to meet the needs of the residents of our state in their darkest hour.

Another area where the three branches of New Jersey state government have worked together to address one of society's most intractable societal problems is drug abuse. Together, we have made unimagined progress with drug-addicted defendants through Drug Courts - a diversionary program that treats drug-addicted offenders at a cost far less than incarceration and with the capacity to transform drug-addicted offenders into productive citizens.

Last year, despite the dire economy the state was facing, the Legislature and the governor saw the wisdom in not only maintaining but in actually expanding the Drug Court program. As you are aware, the GEAR Commission estimates that by spending \$38.8 million on drug court in a year, the state can avoid spending \$58 million on incarceration, for a net savings of \$19.5 million. By that simple analysis, drug courts provide real cost savings to the state. Last year you passed the bill the governor signed that expanded Drug Court in our state. Your confidence in this program is well-placed and I would like to provide you with some significant numbers to illustrate my point:

- We increased the number of defendants in the program to almost 3,500, up from 3,000 last year. Since the inception of the program, 1,400 adults have graduated from drug court, and an additional 528 currently are in the final phase of the program.
- We increased the amount paid by participants in court assessed fees, fines and penalties by nearly \$1 million. This year they paid \$2.1million, up from \$1.3 million at this time last year.

- We increased the number of minor children who are benefiting from their parent's sobriety by 439, up from 1,060 last year to 1,499 this year.
- We increased the number of babies born drug-free to previously addicted mothers to 138, up from 127 last year. The nationally estimated savings in medical costs for one baby born drug-free is \$250,000. That represents about \$34.5 million cost avoidance in medical costs alone.

In addition to those dramatic increases in services and successes, we are holding steady with the basic measures of the efficacy of the Drug Court program when we look at program graduates.

- 6 percent of drug court graduates have been convicted of another crime, compared to 43 percent of those who came out of prison.
- 90 percent of all drug court graduates were employed, compared to 24 percent upon entry
- 54 percent had a valid driver's license compared to 11 percent when they entered.

New Jersey's drug court accomplishments continue to be acknowledged nationally. Last June, The National Association of Drug Court Professionals recognized New Jersey's leadership in expanding and improving drug courts and drug court professionals from across the nation honored New Jersey's Drug Courts for our exemplary program, our leadership and our successes.

Perhaps the most significant factor that defines New Jersey as a national leader in Drug Courts is that we have operated with your strong support, both through legislation and through funding. We are proud of our role in developing this worthwhile and effective program in New Jersey and are grateful to you for supporting its expansion. Senator Bucco and Senator Turner, on behalf of the judiciary and for the lives saved from ruin by Drug Courts, I acknowledge your vision as one of the original sponsors of the Drug Court legislation. We share our success with you.

The judiciary has moved ahead with other collaborative initiatives to help address societal problems. I will provide you with a summary of two of those initiatives.

The New Jersey Veterans Assistance Project is a 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. Sadly, we all know that some veterans 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. This initiative aims to connect service members who need help with existing programs and with mentors to help address those issues. It does not divert veterans from the courts. 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 veterans' program began in December 2008 as a pilot program in the Municipal Courts and the criminal division of the Superior Court in Atlantic and Union counties. The pilot will run through May 2009. We are especially grateful to the Atlantic County judges and court staff, especially Assignment Judge Valerie Armstrong, Municipal Court Presiding Judge Lou Belasco, as well as DMAVA and DHS managers and staff for their roles in this initiative.

The other innovative program I am reporting on here today is Fugitive Safe Surrender. This program, developed by the U.S. Marshals Service, is an initiative that encourages persons wanted for non-violent felony or misdemeanor crimes to voluntarily surrender to the law in a faith-based or other neutral setting in order to reduce the risk to law enforcement officers who pursue fugitives, to the neighborhoods in which they hide, and to the fugitives themselves.

At the request of the U.S. Marshals Service, we agreed to participate in the first such program in New Jersey in Camden on Nov. 19 to Nov. 22, 2008. Although it is an executive branch program, the Judiciary provided access to court personnel and judges to assist in the disposition of matters for which there were outstanding warrants. The program took several months of intensive planning and the support of more than 30 faith-based organizations and dozens of state and social service agencies. Over the four-day period of the operation in Camden, 2,245 fugitives surrendered. Roughly 97 percent of the cases processed involved municipal court warrants. Superior Court and municipal court judges were assigned to hear the cases and public defenders were available to represent the fugitives.

We are in discussions to determine whether a Fugitive Safe Surrender program in multiple counties in the northern part of the state is feasible. There are costs associated with the effort, although the Camden cost was largely borne by the U.S. Marshals Service through a federal grant. We will continue to cooperate with all such efforts in New Jersey, maintaining the courts' neutrality while at the same time assisting in this important public safety initiative.

The proposed significant budget cuts for the coming fiscal year present unique challenges for the judiciary. One area that overrides all others is our information technology program. Whether managing case flow and case files or developing innovative programs to address specific needs, we cannot function without maintaining and constantly improving our technology infrastructure. We are getting dangerously behind in our long-term strategic plan to maintain and modernize our systems.

We provide data on a 24/7 basis to law enforcement and other agencies and keep records on every case in the state court system—more than 1 million last year. We keep records on every municipal court case in the state, an average of more than 6 million cases every year. The size and scope is among the most significant in the nation because we are one of the few truly unified court systems from top to bottom – Supreme Court cases to municipal court cases are on the Judiciary's computer system. About 4 million transactions a day are processed on our system and we interface with some of the most important databases in the executive branch.

Last year, we were compelled to defer \$6 million in key IT initiatives. While a necessary deferral, it is one that will adversely affect our efforts in electronic case filing, the transition to paperless court operations, and the addition of internet capability and accessibility to court information systems. We anticipate a spending need of \$39 million in FY2010 to complete the infrastructure upgrade and database conversion phases of our IT strategic plan and to fund initial efforts directed at web-enabling of our systems. However, we will have available only \$14 million for these projects in FY2010, and we expect this \$25 million shortfall to compound in future years.

As a statewide judiciary, we cannot afford the long-term costs of deferring our IT needs any longer. We must begin a comprehensive e-filing system similar to what has been in place for years in the federal system. This is a top priority for Chief Justice Rabner and he has a blue-ribbon panel of experts from industry and government identifying the needs and solutions to bring a paperless e-filing system into our courts. The plain and simple truth is this: we have no more room to store millions of files and we have fewer people to retrieve them.

We must be positioned to expand our innovative customer service applications such as NJMCDirect, to pay traffic and parking tickets online. I note here that we are offering more than just a convenience. Since the inception of the program, more than 5.5 million transactions, totaling more than \$335 million in collections have been processed. Of even greater significance may be that during this time when every municipality in the state is stretched to the maximum, NJMCDirect has reduced the number of transactions processed by municipal court staff by 35 percent. That level of service can provide true opportunities for cities and towns to operate more efficiently and economically. We must be positioned to develop more public safety applications such as E-TRO for domestic violence cases. We are operating a 20th century system in the 21st century and the price for delaying will soon be much greater than the price to pay now.

In hard economic times, we expect to see certain types of cases, such as credit collection cases and mortgage foreclosure cases, increase. That has happened here in New Jersey. Foreclosures have more than doubled. Special civil part contract and collection case filings reached nearly 610,000 cases last year and are on track to remain at historic levels for this court year and beyond. The growth in the 2008 court year included 383,154 contract and collections cases, a 28 percent increase over the previous year. We are working hard every day to be creative and to devise programs and practices to keep our court system operating effectively and efficiently with fewer staff, fewer judges and less money.

I have listed many of the challenges we face in the judiciary as well as some of our successes. As I close my remarks I would like to report to you on our continuing efforts to ensure diversity in the management of the judiciary. Because of a number of changes in higher-level management positions, we had the opportunity to seek and attract a diverse selection of highly qualified candidates. Today we have the highest percentage of minority court executives we have ever had in the judiciary and the highest percent of women in leadership positions. As an institution, we are determined to reflect the rich diversity of this great state and I want to thank Senator Turner for her encouragement and vigilance in this area.

The work we are doing in the judiciary with such a dramatic decrease in the size of our staff and with the judicial vacancies straining the system is a testament to the dedication of each and every judiciary employee. I am proud to sit here today as their administrative leader and to work alongside them in this crisis.

Together, we will stay focused. We will get through this. We will improvise and create and emerge stronger. But we ask, as you go through the enormous task ahead of working on this year's budget under such dire circumstances, we ask you to be mindful of our mission and the

needs of the people we serve so that, even under the most desperate circumstances, justice will be done.

That concludes my prepared testimony. I would be pleased to respond to your questions.