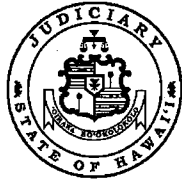


HB 301

SD1



The Judiciary, State of Hawaii

Testimony to the Senate Committee on Ways and Means

Senator David Y. Ige, Chair
Senator Michele Kidani, Vice Chair

Wednesday, March 30, 2011, 9:30 a.m.
Conference Room 211

by
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Chief Information Officer
Information Technology and Communications Division

WRITTEN TESTIMONY ONLY

Bill No. and Title: House Bill No. 301, S.D. 1, Relating to the Judiciary Computer System Special Fund.

Purpose: To provide that fees prescribed by Supreme Court rule for electronic document certification and copies, and for providing bulk access to electronic court records and compilations of data shall be deposited into the Judiciary Computer System Special Fund.

Judiciary's Position:

The Judiciary strongly supports this bill, which is part of the Judiciary's 2011 legislative package. This bill would amend HRS §§ 601-3.7, 607-1 and 607-2, to provide that fees prescribed by supreme court rule for electronic document certification and copies, and for providing bulk access to electronic court records and compilations of data shall be deposited into the Judiciary Computer System Special Fund (JCSSF).

In 1996, the Legislature established the JCSSF to provide a source of revenue "to enable the judiciary to upgrade its computer system," "increase its efficiency, productivity, and accessibility by computer-based digital and electronic document filing," purchase "hardware and related software," and pay "for other expenses relating to new technology in traffic enforcement and civil, criminal, and appellate case processing and management, including operations and maintenance." The fund has been used for a number of major technology initiatives to improve the efficiency, productivity, and accessibility of the judicial process, the cornerstone project of



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which is the implementation of the Judiciary Information Management System (JIMS), an automated integrated case management system that will improve court operations and revolutionize the way courts do business and interface with the public. JIMS has already been implemented for the Traffic and Appellate courts, as well as the statewide Jury system. The JIMS implementation roadmap identifies the projects which, once completed, will result in a statewide integrated case management system by the end of FY 2015. Attachment A (JIMS Implementation Roadmap) shows these several components of the JIMS solution.

Until recently the JCSSF was projected to have adequate funds to support the completion of this initiative. However, due to the impact of legislation passed during 2009 through 2010, the JCSSF balance now is projected to be inadequate to complete deployment of the final two modules (Family Court and Probation). This legislation includes:

- Act 79/09 - transfers \$1M from the JCSSF to General Fund.
- Act 192/10 - transfers \$2M from the JCSSF to General Fund.
- Act 64/10 - increases traffic abstract fee from \$7 to \$20 (with the additional \$13 going to the General Fund)

FY 2010 Q1/Q2 abstract revenue to JCSSF has decreased by approximately 49% compared to the same time period in FY 2009. FY 2010 Q1/Q2 traffic abstracts provided \$0.47M to the JCSSF versus \$0.24M during same period in FY 2011. Attachment B (JCSSF Revenues) summarizes this decrease in revenue. Relative to completing development and implementation of all JIMS modules, the combined impact leads to an anticipated shortfall of \$0.39M in FY 2014 and \$1.27M in FY 2015. This is summarized in Attachment C (JCSSF Projections).

HB 301 serves as a proposal intended to help close this funding gap. The Judiciary already charges court users and members of the public for the costs of searching, reproducing, certifying, transmitting, and handling court documents. The Judiciary seeks the changes outline in HB 301 to help offset the reduction in revenues to the JCSSF as well as to support additional operational, personnel, system and equipment costs that the Judiciary will incur in continuing the JIMS implementation.

The recent implementation of JIMS for the Appellate court provides the means for court documents to be electronically filed, served, certified, and verified, thus allowing increased information accessibility by the public, since non-confidential dockets and pleadings can be immediately posted and viewed over the Internet. The system also allows for the near 24-hour electronic filing of court documents, and electronic service of court documents, thus saving litigants the costs of postage, paper, and courier services; reduces paper storage costs; and provides for the electronic transmission of court documents.



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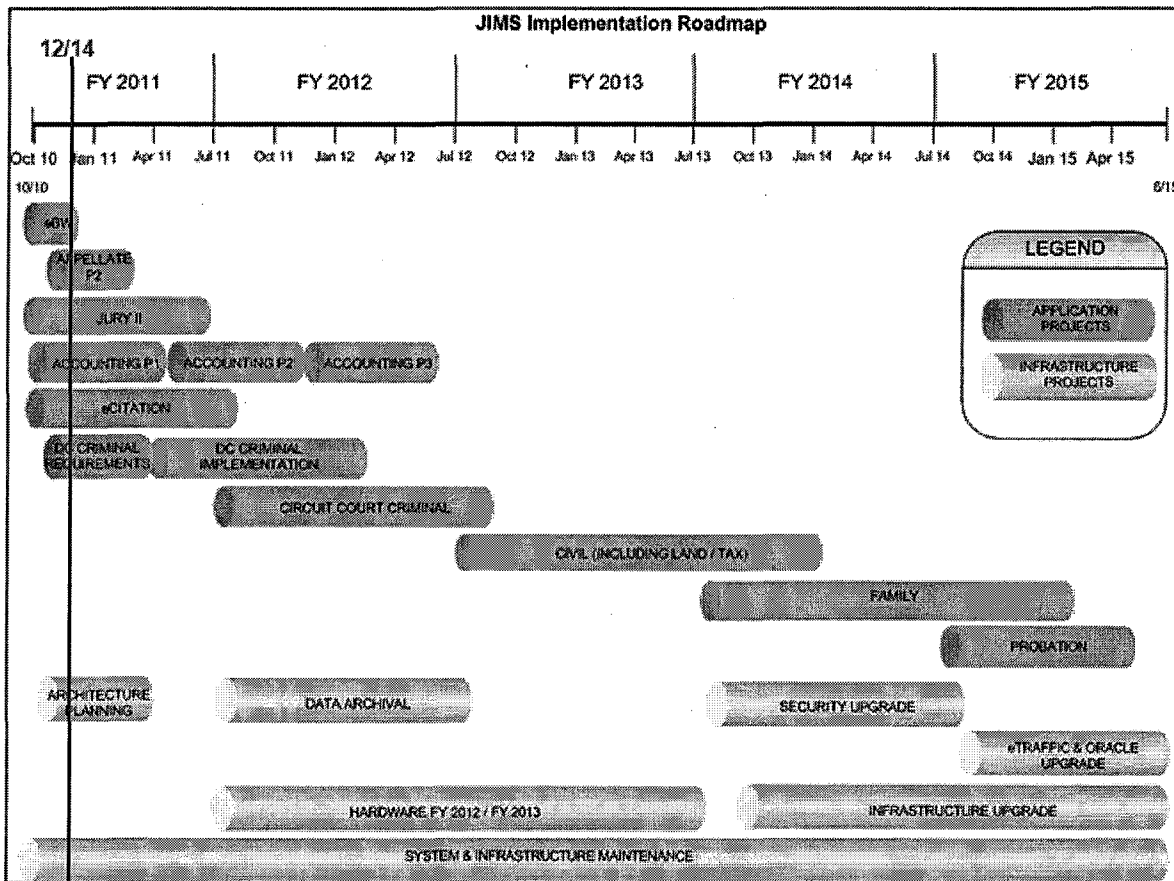
JIMS lets the Judiciary to be more responsive to public requests for court information by allowing electronic transmissions of such information. JIMS extends the court's ability to answer public needs by providing an electronic filing system, as well as an electronic public access system. In providing these capabilities, the court incurs additional operational, personnel, system, and equipment costs. The proposed bill permits the supreme court to set fees by supreme court rule for providing electronic access to court documents. In addition, the proposed bill provides that the fees collected support the future improvements and hardware replacements that such access will require by depositing the fees to the JCSSF. The fees charged for providing electronic access to court records will help offset the costs of providing the service. This will assist the courts in matching future upgrades to project revenues, in keeping rates at a reasonable level, and in avoiding both excess income and shortfalls.

The implementation of JIMS is crucial to the Judiciary's technological future and the ability of Judiciary staff to serve the people of Hawai'i efficiently and effectively. The Judiciary strongly urges your support for this bill.

Thank you for the opportunity to testify on this measure.



Attachment A: JIMS Implementation Roadmap

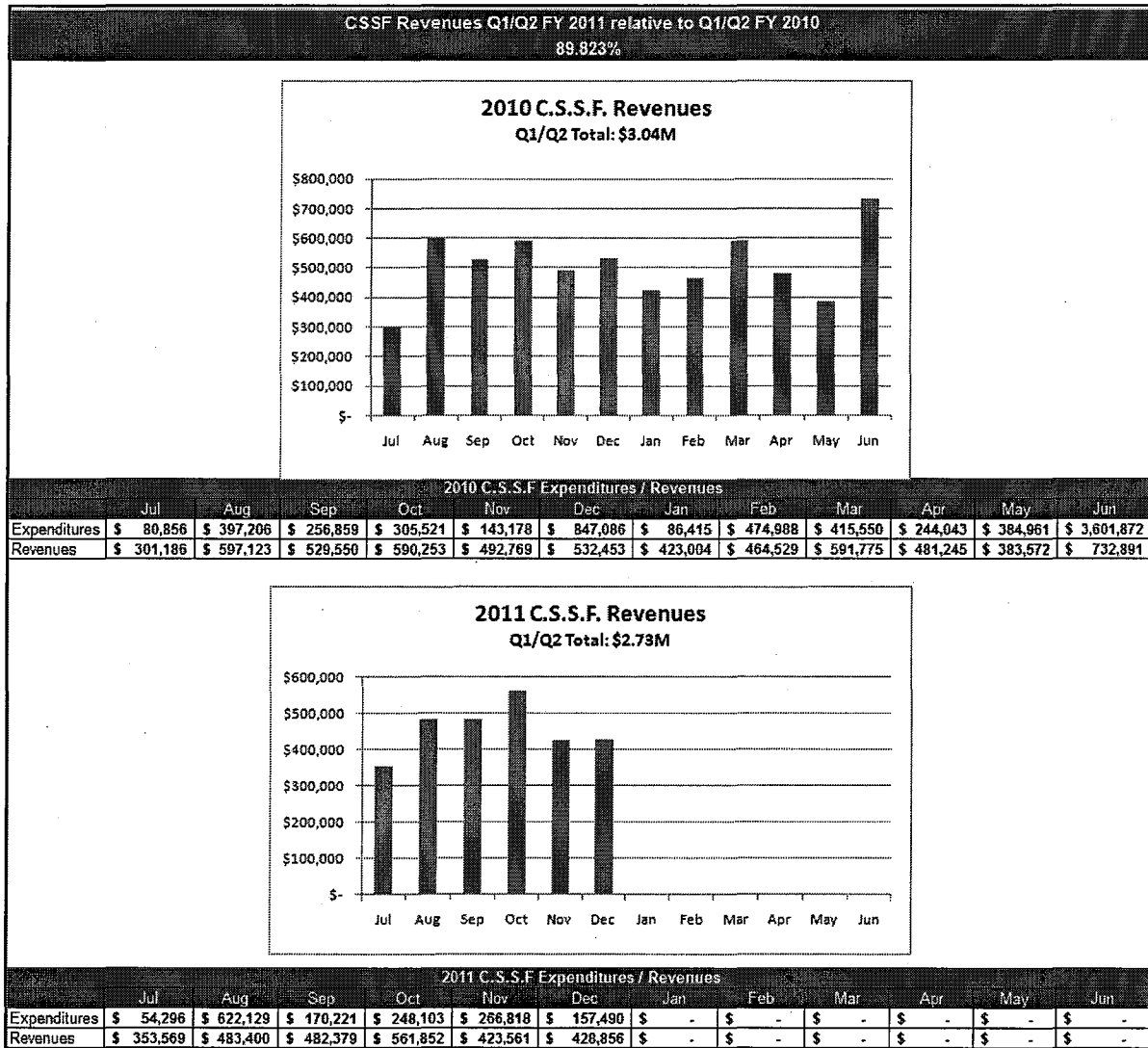


Note: JIMS Implementation Roadmap as shown in the JIMS Legislative Update presented on December 14, 2010.



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Attachment B: JCSSF Revenues





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Attachment C: JCSSF Projections

DEPARTMENT:	JUD	CONTACT NAME:	Gary Teramae	PHONE #:	639-4785					
NAME OF FUND:	Judiciary Computer System Special Fund									
LEGAL AUTHORITY:	Act 203, SLH 1996 and Act 299, SLH 1999		APPR. ACCT. #:	S-315-J						
PROGRAM ID(s):	JUD 601									
MOF:	B									
SOURCE OF REVENUES:	Act 203, SLH 1996, as amended by Act 299, SLH 1999, established the Computer System Special Fund and authorizes the collection of \$2 from each traffic abstract issued effective July 1, 1996. Act 216, SLH 2003 authorizes the collection of \$20 for each civil filing in the district courts (with some exceptions) and \$50 for each civil filing in the circuit courts (with some exceptions) effective July 1, 2003. Act 231, SLH 2004 authorizes the collection of \$10 for administrative costs associated with the processing of traffic citations that involve stopping (where prohibited), standing, or parking; \$40 for administrative costs associated with the processing of traffic citations which do not include stopping, standing, or parking; and \$30 for administrative costs associated with the processing of traffic citations issued for violations of a statute or ordinance relating to vehicles or their drivers, or owners not covered by the earlier two provisions with one-half of the collections being deposited into the Computer System Special Fund effective January 1, 2005.									
ALLOWABLE EXPENSES:	Act 203 states that the fund shall be used for: consulting and other related fees and expenses in the selection, implementation, programming, and subsequent upgrades in judiciary computer system for a statewide computer system; and for the purchase of hardware and related software for a judiciary computer system. It may also be used for other expenses relating to new technology in traffic enforcement, and for civil, criminal, and appellate case processing and management, including operations and maintenance.									
PURPOSE OF PROPOSED CEILING INCREASE (IF APPLICABLE):	Requested annual ceiling increase of +\$42,348 beginning FY 2012 will restore ceiling previously cut to reflect furlough savings.									
Reported Data										
	FY07	FY08	FY09	FY10	FY11 (proj.)	FY12 (proj.)	FY13 (proj.)	FY14 (proj.)	FY15 (proj.)	
Appropriation Ceiling	5,004,237	5,670,076	5,133,661	7,846,900	6,337,942	6,380,290	6,380,290	6,380,290	6,380,290	
Beginning Balance	3,035,025	5,351,402	6,001,252	6,242,704	5,101,510	2,261,055	1,378,252	495,449	(387,354)	
Revenues (+)	5,138,221	5,615,120	6,153,169	6,120,351	5,497,487	5,497,487	5,497,487	5,497,487	5,497,487	
Transfers in (+)										
Expenditures (-)	(2,821,844)	(4,965,270)	(4,360,599)	(3,942,831)	(6,337,942)	(6,380,290)	(6,380,290)	(6,380,290)	(6,380,290)	
Encumbrances (-)				(3,318,714)						
Transfers out / CIP Expenditure (-)										
Ending Balance	5,351,402	6,001,252	7,794,022	5,101,510	4,261,055	1,378,252	495,449	(387,354)	(1,270,157)	
Estimated Writedown from Investment Loss FY 08			(195,946)	2)						
Estimated Writedown from Investment Loss FY 09			(355,372)	2)						
Transf \$1M to Gen Fnd Act 79/09			(1,000,000)	3)						
Transf \$2M to Gen Fnd Act 192/10					(2,000,000)	5)				
Adjusted Ending Balance	5,351,402	6,001,252	6,242,704	5,101,510	2,261,055	1,378,252	495,449	(387,354)	(1,270,157)	
1) Reflects one-time ACS Settlement; therefore not included in subsequent revenue estimates. 2) Potential negative adjustment to cash balance due to Judiciary's share of investment write-down of auction rate securities estimated by DAGS. 3) Transfer \$1M to State General Fund per Act 79/09. 4) Includes carryover DAGS contract encumbrance from FY09 (\$23,008) 5) Transfer \$2M to State General Fund per Act 192/10. 6) Q1/Q2 FY2011 revenue is 89.8% of the same time period in FY 2010.										