



THE SUPREME COURT OF MINNESOTA
MINNESOTA JUDICIAL CENTER
25 REV. DR. MARTIN LUTHER KING JR. BLVD.
SAINT PAUL, MINNESOTA 55155

CHAMBERS OF
LORIE S. GILDEA
CHIEF JUSTICE

(651) 296-3380

October 15, 2012

Governor Mark Dayton
130 State Capitol
75 Rev. Dr. Martin Luther King Jr. Boulevard
Saint Paul, MN 55155

Commissioner James Schowalter
Minnesota Management & Budget
658 Cedar Street
Saint Paul, MN 55155

Dear Governor Dayton and Commissioner Showalter:

On behalf of the people of Minnesota, and the judges and employees of the Minnesota Judicial Branch, I transmit the Branch's FY14-15 biennial budget request. To provide context for our request, this letter begins with information on the Judicial Branch mission and services, and the initiatives we are undertaking to increase efficiency, reduce costs, and improve public service.

State of the Judicial Branch

By constitutional imperative and statute, Minnesota's courts must provide an open door for justice. The Minnesota court system adjudicates approximately 1.5 million cases each year. We collect approximately \$200 million annually in fines and fees that we distribute to municipalities, counties, and the state. Our workload reflects the needs of citizens, businesses, and local and state government agencies. These individuals and entities come to the courts seeking redress for wrongs, protection for children and vulnerable adults, and the enforcement of state and local laws.

The mission of the Judicial Branch is to provide equal access for the fair and timely resolution of cases and controversies. Significant financial challenges have greatly impacted our ability to

continue meeting this constitutional obligation. In 2011, after two consecutive biennia in which the Judicial Branch budget was cut, the Judicial Branch FY12-13 biennial appropriation was held harmless, with a modest increase to cover mandated insurance and pension cost increases. The Branch is grateful for the support shown by the Legislature and the Governor, which we recognize came at a time when the state was dealing with severe economic challenges.

In recognition of the need to make the best and most efficient use of the funding provided for judicial services and to maintain the quality of services provided to the public, the Judicial Branch is in the midst of a multi-year transformation. A significant part of this transformation is the use of new information technology and process re-engineering to streamline judicial operations and case processing. This transformation includes:

Centralized Payable Processing

The public expects convenient processes in this technological age and the Branch is responding by providing more payment options. Over the past biennium, we transferred the processing of payable citations from 85 local courts to a centralized Court Payment Center. The Court Payment Center has received two national awards for innovation in court business practices, and we are already seeing the benefits of this ambitious project.

By the end of 2011, 69 percent of payments were paid electronically (either by phone or via the Internet). For staff, electronic payments are more efficient and eliminate the need to hand process checks. The automated referral of overdue debt to the Branch's collections agent, the Department of Revenue, also resulted in the collection of \$4.8 million in 2011, more than four times the amount collected in each of the two previous years—money badly needed by crime victims, municipalities, and the state treasury.

We are currently working on the transfer of the processing of payable citations in Hennepin and Ramsey Counties to the Court Payment Center with the goal of completing the transition in 2014.

eCitations

We are working with law enforcement agencies across the state to promote the use of eCitations, the electronic filing of traffic citations. As a result, eCitations are now used by law enforcement agencies in more than 70 counties and by the State Patrol on a statewide basis. The use of eCitations reduces time and improves the accuracy of data entry for law enforcement and court staff.

eCharging

We are partnering with the Minnesota Bureau of Criminal Apprehension to institute eCharging on a statewide basis. eCharging allows county attorneys to file complaints electronically, speeding case processing and reducing staff time needed for data entry. It also eliminates significant law enforcement time spent delivering documents for judge and county attorney signatures, freeing the officers for higher priority public safety work. eCharging is now being used in more than 40 counties.

Expanded Use of Interactive Television (ITV) for Court Hearings

We are expanding the use of ITV to enable remote participation in preliminary hearings and testimony. Interactive television saves time for witnesses, law enforcement, prosecutors, and public defenders, reducing travel time that often took many hours of their busy day.

Centralized Digital Recording of Court Proceedings, with Video Preview Capability

We are expanding the use of centralized digital recording of court proceedings in lieu of an in-person court reporter for every judicial officer. Utilizing centralized digital recording for the verbatim record is proving to be a cost savings for the Branch. The overall result is a more efficient use of court reporter resources and real budget savings that can be invested in information technology to further streamline judicial operations and case processing.

Centralized Conservator Annual Accounting Reports

The Judicial Branch implemented a statewide online system for court conservators to provide statutorily mandated annual reports and for courts to review the conservator accounts. With an aging population in Minnesota, the courts are monitoring nearly \$625 million in conservator funds. The new on-line system provides a more efficient and consistent way for court staff to oversee these important cases.

eCourtMN

The Branch has begun implementation of an ambitious multi-year transformation project to move the court system from a paper-centered system to an electronic records environment. Hennepin and Ramsey counties pilot tested electronic filing (eFiling) and, as of September 1, 2012, implemented mandatory eFiling in most civil and family cases. Nine additional trial court

eFiling pilot sites have been identified and implementation is being rolled out over the next nine months. The Branch will evaluate what is learned from these pilots, determine best practices, and then continue the statewide rollout. At this time, eFiling is limited to attorneys and government entities. But the Branch is also working on an eFiling option for self-represented litigants with the goal of pilot testing in 2013. eFiling will provide more convenient access for litigants, will allow judges and staff instant access to court records from any location, and will save Branch resources involved in creating, moving, and storing paper files.

As this brief summary shows, the Judicial Branch has a proven track record of innovation and redesign. These efforts are aimed at providing essential judicial services in the most efficient and effective manner possible consistent with our constitutional charge.

FY 14-15 Biennial Budget Request

The State's difficult fiscal situation has given all of us in government an opportunity to focus on our priorities. For the Minnesota Judicial Branch, our priority is the ability to deliver prompt justice for the people we serve. We desire to continue our efforts to provide efficient, effective, and cost beneficial services to the citizens of this state. Any reductions to the Branch budget will, however, undermine our ability to provide the type of prompt justice Minnesotans expect and deserve, and erode the public's confidence in the fairness and competence of their government to deliver justice.

Moreover, in order to take full advantage of the technological advances we are implementing, it is crucial that the Judicial Branch be able to hire and retain qualified, skilled, and motivated workers. But for the last four years, the salaries of our staff have been frozen. Judicial Branch employees, therefore, continue to fall behind other public sector employees who, even in these difficult economic times, have received pay increases. The salaries of our judges have similarly been frozen for four years. As a result, Minnesota judges now rank near the bottom third nationally in judicial pay.

The people of Minnesota rely on the courts to resolve their most important matters. Every day, the Judicial Branch's hardworking staff and judges serve the public by resolving these matters in the manner prescribed by the Minnesota Constitution. This work is a core-government function, and we therefore seek an increase in our budget to recognize the importance and necessity of the Judicial Branch's constitutionally-required work.

Our budget request also recognizes that the Judge Pension Fund is currently underfunded. Based on input from the Minnesota State Retirement System (MSRS), legislation will be introduced

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during the 2013 legislative session to increase the employer contribution to the Plan by 2 percent, effective July 1, 2013. The Judicial Branch budget request includes funding to pay for this increased employer contribution.

Finally, as we did during the last biennium, we seek again to be held harmless from unavoidable increased costs for employee health insurance.

Our FY14-15 budget request will enable the Branch to maintain core justice operations. In addition to the base budgets of the Supreme Court, Court of Appeals, and the District Courts, I present a single change request of \$33,030,000 to maintain core justice operations. This request funds increases in the base pay of our judges and employees so that we can retain and attract the best workers, helps to shore up the Judge Pension Fund, and funds unavoidable costs. This request is sought to support our core mission and services and to allow us to continue to undertake initiatives designed to increase efficiency, reduce costs, and improve public services.

The courts are one of the first promises made in our Constitution. A fully-functioning court system is essential to safeguarding our democracy, securing the rule of law, and ensuring the public safety. Thank you for your past support, and we ask again for your support to preserve Minnesota's justice system.

Sincerely,



Lorie S. Gildea
Chief Justice