## [First Reprint]

## ASSEMBLY COMMITTEE SUBSTITUTE FOR ASSEMBLY, No. 763

# STATE OF NEW JERSEY 215th LEGISLATURE

ADOPTED MARCH 8, 2012

Sponsored by:

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#### Co-Sponsored by:

Assemblyman Coughlin, Senators Sweeney, Vitale, Cunningham, Greenstein, Ruiz and Stack

#### **SYNOPSIS**

Authorizes Judiciary to revise or supplement fees, subject to limitations, to fund e-court information system and Legal Services of New Jersey; provides for review of such fees by Judiciary.

#### **CURRENT VERSION OF TEXT**

As reported by the Senate Budget and Appropriations Committee on June 18, 2012, with amendments.

(Sponsorship Updated As Of: 6/26/2012)

1	AN ACT concerning certain court fees, amending P.L.1995, c.325
2	and supplementing Title 2B of the New Jersey Statutes.
3	
4	BE IT ENACTED by the Senate and General Assembly of the State
5	of New Jersey:
6	

- 1. (New section) <sup>1</sup>a. <sup>1</sup> The Supreme Court <sup>1</sup>, subject to the limitations set forth in subsection b. of this section, <sup>1</sup> may adopt Rules of Court to revise or supplement filing fees and other statutory fees payable to the court for the sole purpose of funding:
- <sup>1</sup>[a.] (1)<sup>1</sup> the development, maintenance and administration of a Statewide digital e-court information system; <sup>1</sup>and <sup>1</sup>
- <sup>1</sup>[b.] (2)<sup>1</sup> the provision to the poor of legal assistance in civil matters by Legal Services of New Jersey and its affiliates <sup>1</sup>[; and c. other justice-related programs]<sup>1</sup>.
- <sup>1</sup>b. All existing filing fees and other statutory fees payable to the court on the effective date of this section shall not be increased more than \$50 in the aggregate for each fee from the effective date of this section. <sup>1</sup>
- As used in P.L. , c. (C. ) (pending before the Legislature as this bill) "digital e-court information system" shall mean a Statewide integrated system that includes but is not limited to electronic filing, electronic service of process, electronic document management, electronic case management, electronic financial management, and public access to digital court records.

2. (New section) The proposed rules shall be publicly announced by the Supreme Court. On the same day on which the rule or rules are publicly announced, the Supreme Court shall deliver true copies to the President of the Senate, the Speaker of the General Assembly, and the Governor. The Supreme Court shall provide the public with a reasonable opportunity to comment on the proposed rule or rules. The rule or rules shall take effect on the date provided by the Supreme Court.

3. (New section) <sup>1</sup>a. <sup>1</sup> There is established in the General Fund a dedicated, non-lapsing fund to be known as the "21<sup>st</sup> Century Justice Improvement Fund," which shall be credited annually with a sum equal to the revenue to be derived annually from the incremental amount of any filing fees or other statutory fees payable to the court that are revised or supplemented pursuant to P.L. , c. (C. ) (pending before the Legislature as this bill) and the related fee revisions as provided by operation of

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>&</sup>lt;sup>1</sup> Senate SBA committee amendments adopted June 18, 2012.

- 1 N.J.S.22A:2-5 and section 2 of P.L.1993, c.74 (C.22A:5-1). The
- 2 fund shall be administered by the State Treasurer. Interest and
- 3 other income earned on monies in the fund shall be credited to the
- 4 fund. Monies credited to the fund shall be appropriated annually
- 5 and used exclusively for the purposes of funding:
  - <sup>1</sup>[a.] (1)<sup>1</sup> the development, maintenance and administration of a Statewide digital e-court information system; <sup>1</sup>and <sup>1</sup>
  - <sup>1</sup>[b.] (2)<sup>1</sup> the provision to the poor of legal assistance in civil matters by Legal Services of New Jersey and its affiliates <sup>1</sup>[; and
  - c. other justice-related programs 1.
  - <sup>1</sup>b. Any amount remaining in the fund after the appropriation of funds as provided in paragraphs (1) and (2) of subsection a. of this section shall be retained by the Judiciary for the sole purpose of developing, maintaining and administering court information technology. The monies credited to the fund shall not be used for any purpose other than those purposes set forth in P.L. ,
- 17 c. (C. ) (pending before the Legislature as this bill).

- 4. (New section) To the extent that sufficient funds are available, monies annually credited in the "21<sup>st</sup> Century Justice Improvement Fund" shall be allocated pursuant to the following priority:
- a. The first \$17 million credited annually in the fund shall be appropriated annually to the Judiciary to be used to fund the development, maintenance and administration of a Statewide digital e-court information system, which appropriations shall include amounts necessary to pay all service charges or other costs assessed by financial institutions or other entities for the use of credit cards, debit cards, electronic funds transfer, or any other method deemed feasible by the Administrative Office of the Courts. An appropriation made pursuant to this section shall not be used to replace appropriations from other sources for Judiciary information technology.
- b. <sup>1</sup>[From amounts remaining in the fund after the appropriation of funds as provided in subsection a. of this section, an amount not exceeding \$25 million shall be appropriated annually and used exclusively to support justice-related programs including, but not limited to, the following: Court Appointed Special Advocates, Justice Involved Mental Health Diversions, Family Crisis Intervention, Juvenile Detention Alternatives Initiative, Alternatives to Juvenile Incarceration, Crisis Intervention Programs, Victims of Crime Compensation Office, Juvenile Justice Commission Female Substance Abuse Programs, Enhanced DNA Testing, State Police Laboratory Enhancement, and the Office of the Public Guardian for Elderly Adults.
- c.] From amounts remaining in the fund after the appropriation of funds as provided in '[subsections] subsection' a. '[and b.]' of

this section, an amount not exceeding \$10.1 million shall be appropriated annually to the Department of the Treasury for distribution to Legal Services of New Jersey and its affiliates to facilitate the provision to the poor of legal assistance in civil matters, which shall supplement other funds as may be appropriated from any other source in a fiscal year for the same purpose. All State funds distributed to Legal Services of New Jersey shall be used exclusively for the provision to the poor of legal assistance in

ocivil matters.

Id.] c.¹ Any amount remaining in the fund after the appropriation of funds as provided in subsections a. ¹[,] and¹ b.

I and c.]¹ of this section shall be retained by the Judiciary for the isole¹ purpose of developing, maintaining and administering court information technology. ¹The monies credited to the fund shall not be used for any purpose other than those purposes set forth in

16 P.L., c. (C. ) (pending before the Legislature as this bill).

5. Section 6 of P.L.1995, c.325 (C.2B:1-5) is amended to read as follows:

6. a. (1) Notwithstanding the provisions of any other law to the contrary, the [Supreme Court, the Superior Court and the Tax Court, and the various municipal and joint municipal courts when permitted by resolution of the appropriate municipal governing bodies, are ] Administrative Office of the Courts is authorized to establish systems to accept the payment of filing fees, administrative charges, fines and penalties imposed for violations of Title 39 of the Revised Statutes, civil and criminal fines and penalties [and], all other judicially imposed financial obligations, and related charges by card based payment, electronic funds transfer, or any other method deemed feasible by the [Supreme Court] Administrative <sup>1</sup>[Director] Office <sup>1</sup> of the Courts.

(2) The various municipal 'and joint municipal' courts, when permitted by resolution of the appropriate 'municipal' governing bodies, are authorized to establish systems to accept the payment of filing fees, administrative charges, fines and penalties imposed for violations of Title 39 of the Revised Statutes, civil and criminal fines and penalties, all other judicially imposed financial obligations, and related charges by card based payment, electronic funds transfer, or any other method deemed feasible by the Administrative '[Director] Office' of the Courts.

b. No person or organization that is a defendant in a criminal matter shall be entitled to offer a credit card for the payment of bail or for the payment of fines or penalties related to the imposition of a sentence, for a crime of the first, second or third degree under Title 2C of the New Jersey Statutes.

- c. If not legally prohibited by an association, financial <u>institution</u>, or [by an] <u>a card</u> issuer, any court <u>or the Administrative</u> Office of the Courts is authorized to assess [and], collect and pay from receipts service charges [related to ] and other costs associated with the collection of filing fees, administrative fees, judicially imposed financial obligations, and related charges owed to [or collected by ] the court when credit cards, debit cards [or], electronic funds transfer systems, or any other methods deemed feasible by the Administrative '[Director] Office' of the Courts are utilized. Alternatively, the Administrative Office of the Courts may pay such service charges and other costs out of the monies appropriated to the Judiciary pursuant to subsection a. of section 4 of P.L., c. (C.) (pending before the Legislature as this bill).
  - d. The Supreme Court of the State of New Jersey [shall] may adopt Rules of Court appropriate or necessary to effectuate the purposes of this section.

18 (cf: P.L.1995, c.325, s.6)

6. (New section) Not later than the six month after the end of each State fiscal year, the Administrative Director of the Courts shall submit a report to the Governor, the President of the Senate, and the Speaker of the General Assembly describing the Judiciary's use of funding pursuant to P.L. , c. (C. ) (pending before the Legislature as this bill) and the Judiciary's progress toward the development and deployment of a Statewide digital e-court information system.

7. (New section) Not later than the sixth month after the end of each State fiscal year, Legal Services of New Jersey, through the Department of the Treasury, shall submit to the Governor, the President of the Senate, the Speaker of the General Assembly, and the State Auditor a detailed financial statement describing how funds appropriated in the prior fiscal year pursuant to P.L., c. (C. ) (pending before the Legislature as this bill) were used for the provision to the poor of legal assistance in civil matters. The use of public funds appropriated to Legal Services of New Jersey shall be subject to oversight by the State Auditor.

<sup>1</sup>8. (New section) a. The authority of the Supreme Court to revise or supplement filing fees and other statutory fees payable to the court pursuant to sections 1 and 2 of this act shall expire on the first day of the seventh month next following the date of enactment of those sections, except that any filing fees and other statutory fees payable to the court that have been revised or supplemented pursuant to those sections shall continue in effect, subject to the provisions of this section.

b. Within 30 days of the fifth anniversary of the effective date of 1 2 the Rules of Court first adopted pursuant to P.L. , c. (C. ) 3 (pending before the Legislature as this bill), and additionally within 30 days of the 10<sup>th</sup> anniversary of that effective date, the Court may 4 5 review all filing fees and other statutory fees revised or supplemented pursuant to P.L. , c. (C. ) (pending before the 6 7 Legislature as this bill) through its rulemaking process, which 8 includes a reasonable opportunity for public comment, to determine 9 if the fees should remain unchanged as originally adopted pursuant to P.L., c. (C. ) (pending before the Legislature as this bill) 10 11 or be reduced to reflect the funding needs associated with 12 developing, maintaining and administering the Statewide digital e-13 court information system; and 14 c. On or after five years from the effective date of the Rules of 15 Court first adopted pursuant to P.L. , c. (C. ) (pending before the Legislature as this bill), if the annual grants provided to 16 17 Legal Services of New Jersey by the Board of Trustees of the 18 Interest on Lawyers' Trust Accounts (IOLTA) Fund of the Bar of 19 New Jersey, as established and operated pursuant to the Rules of 20 Court, for use by Legal Services of New Jersey and its affiliates, 21 equal or exceed \$25 million based on the most currently available 22 information from the Supreme Court or as indicated in the most 23 recently published annual report by the trustees, then beginning 24 with the fiscal year next following the fiscal year in which the 25 grants equaled or exceeded \$25 million: (1) The monies to be annually credited to the "21st Century 26 27 Justice Improvement Fund" established by section 3 of P.L. , 28 ) (pending before the Legislature as this bill) for 29 appropriation to the Department of the Treasury for distribution to 30 Legal Services of New Jersey and its affiliates pursuant to subsection b. of section 4 of P.L. , c. (C. ) (pending before 31 32 the Legislature as this bill) shall no longer be credited to the "21st 33 Century Justice Improvement Fund." The remainder of any monies 34 in the "21st Century Justice Improvement Fund" that exceeds \$17 35 million, as set forth in subsection a. of section 4 of P.L. c. (C. ) (pending before the Legislature as this bill), shall be 36 37 deposited in the General Fund; and 38 (2) All filing fees and other statutory fees revised or supplemented pursuant to P.L. , c. (C. ) (pending before the 39 40 Legislature as this bill) shall be reduced so that the fees payable to 41 the court shall total no more than \$17 million annually and, 42 pursuant to subsection a. of section 4 of P.L. , c. (C. ) 43 (pending before the Legislature as this bill), shall be used to fund 44 the development, maintenance and administration of the Statewide 45 digital e-court information system.<sup>1</sup>

### [1R] ACS for A763 P.BARNES, III, GREENWALD

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1	<sup>1</sup> [8.] 9. This act shall take effect on July 1, 2012, except for
2	sections 1 and 2 which shall take effect immediately. <sup>1</sup> [The
3	authority of the Supreme Court to revise and supplement filing fees
4	and other statutory fees payable to the court pursuant to sections 1
5	and 2 of this act shall expire on the first day of the seventh month
6	following the date of enactment, except that any filing fees and
7	other statutory fees payable to the court that have been revised or
8	supplemented pursuant to those sections shall continue in effect. ]