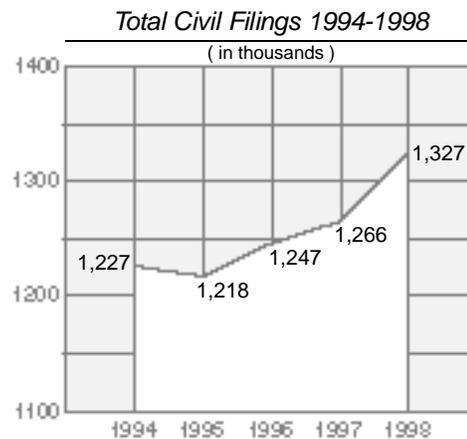


CIVIL JUSTICE

From actions in Small Claims Court to complex multi-party suits in the Commercial Division, civil matters make up the largest segment of the State courts' caseload. In 1998 over 1.3 million civil matters were filed, representing nearly a five percent increase over last year's civil submissions. The court system is currently undertaking a broad-based review of civil case processing procedures, and expects to announce a major Civil Justice Program later this year. Following are highlights of some of last year's targeted efforts in the civil law area.



New York City Housing Court Reforms

The Housing Part of the Civil Court of the City of New York, better known as the Housing Court, is easily the largest pro se court in the country. With over 300,000 new cases filed each year—most involving self-represented litigants—the Housing Court has historically been known for an environment that more resembled a hospital emergency room than a court of law. In January 1998, the court system set out to restore a sense of dignity, order and purpose in this vital court with implementation of a program of top-to-bottom reform. By year's end, significant improvements had been achieved.

One key change was the replacement of the chaotic central intake part with a system of computerized assignment of cases directly to specialized Resolution Parts. These new upfront parts conference all cases to reduce the incidence of unsupervised "hallway stipulations" and ensure that all claims and defenses are adequately addressed in any settlement. Those cases found not appropriate for settlement are referred out to Trial Parts, where the matter can be swiftly and continuously heard until its conclusion.

Increased staffing levels also contribute to higher levels of service in this busy court. Under the reform plan, two court attorneys are assigned to each Resolution Part to assist with conferencing duties. Eight “resource assistants” are assigned to the four major boroughs to assist judges in information gathering and to act as liaisons to relevant government agencies. An expanded interpreter staff works to ensure that the needs of the growing immigrant population in the court are met.

The Housing Court reform program also includes a significant expansion of services for self-represented litigants. In Public Resource Centers located in each major borough’s courthouse, litigants can pick up written materials on court procedures, consult with Housing Court Counselors on legal questions or view educational videos that

were recently produced in conjunction with the Association of the Bar of the City of New York. Thanks to the tremendous response received from members of a number of bar associations throughout the City, moreover, unrepresented tenants or landlords may also receive assistance through the Volunteer Lawyer Project, which recruited and trained over 235 lawyers in just one year’s time.

For further information, visit the New York City Housing Court Home Page at <http://ucs.ljx.com>. You’ll find profiles of the Housing Court judges, directions to the court-houses and descriptions of the Court’s reform initiatives. The site is currently under construction, with future plans to post a manual on court procedures as well as commonly used court forms.

In Queens County Housing Court, a pilot mediation program that began operating in January 1998 is showing promising results. In its first 11 months of operation, 291 cases had been referred with 223 resulting in agreements, for a settlement rate of 77 percent. The program is now being expanded to the Kings County Housing Court.

1998 also marked the opening of the new Queens Civil Court building, which houses both the housing and civil functions of the court. This building, like the new Bronx Housing Court which opened in November of 1997, provides a spacious, comfortable and dignified setting for Housing Court litigants.



Improving and expanding the deteriorated Kings County facility remains a priority.

Legislative achievements in 1998 increased the number of Housing Judges from forty to fifty. Efforts to elevate the Housing Court Judges to full constitutional status were not successful in 1998, but we will continue working to ensure that this vital court achieves the distinction it deserves.

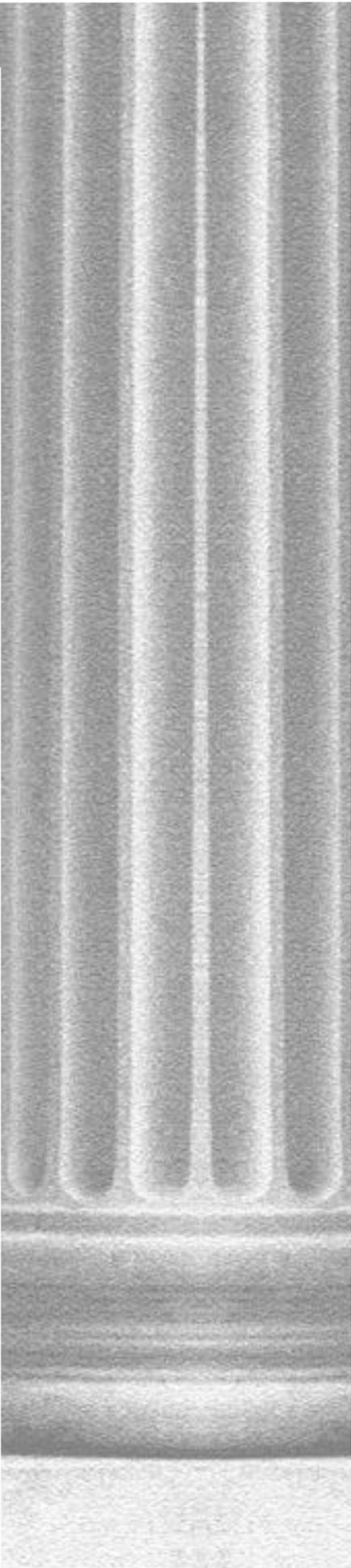
The Commercial Division of the New York State Supreme Court

The Empire State is, without question, the commercial and financial capital of the world—and is consequently home to some of the most complex business disputes on the planet. In November 1995, the New York State court system announced the opening of the Commercial Division of the New York State Supreme Court—a new court specifically designed to handle New York’s business disputes in a businesslike manner. Three years later, New York’s Commercial Division stands as a nationally acclaimed model for the handling of commercial litigation.

With dedicated judges using up-to-date technology and modern case management techniques, the Commercial Division focuses on providing expert and cost-effective adjudication of

Courtroom 2000, located in the Commercial Division of Manhattan Supreme Court, features a spectacular array of information-age technology, including computers, display monitors and multimedia equipment. Geared for a two-year pilot run with over \$100,000 worth of equipment on loan from various corporations, Courtroom 2000 is a hi-tech legal laboratory that places New York at the forefront of court technology nationwide.

After presiding over two cases tried in Courtroom 2000, New York County Administrative Judge Stephen Crane was impressed by the impact of automation on the litigation process. “The array of special equipment shortens trials by as much as 40 percent,” Judge Crane noted. “And the proceedings are much, much livelier. Even when the evidence deals with dry or technical business matters, the jurors stay more involved. Courtroom 2000 is pointing the way for the transformation of litigation practice in the 21st century.”



business cases. While consistently receiving rave reviews from practitioners and business leaders alike, Division administrators continue to work on improving the performance of this model tribunal. Finding the Division's court-annexed ADR program an effective tool for case resolution (it currently settles 57% of the cases it receives), the court plans to expand and refine the program. Responding to requests for broader access to Division decisions, the court now circulates The Commercial Division Law Report—a periodic summary of leading Division opinions—both in hard copy and on the court system's website (<http://ucs.ljx.com>). And realizing the tremendous opportunities that new technology presents for speeding and enhancing the trial process, the Division last year inaugurated its Courtroom 2000, a switched-on electronic courtroom for the 21st century.

Building on the successes achieved by the Commercial Division in New York and Monroe Counties, its operations will be expanded this year, with new parts scheduled to open in Nassau, Westchester and Erie Counties.

Alternative Dispute Resolution

For many kinds of cases, Alternative Dispute Resolution (“ADR”) programs can help litigants resolve disputes with more speed and less expense than traditional litigation. To provide the public with a range of appropriate dispute resolution alternatives, the New York State court system is exploring the spectrum of ADR models to find those that are the most responsive to local needs.

As described elsewhere in this report, ADR is an integral part of the Commercial Division's operations, and it also plays an important role in the matrimonial and Housing Court initiatives. But across the State, a number of additional pilot projects are also under way. In one New York County program, for example, a Neutral Evaluator meets with the parties and their counsel in tort matters, offers informed feedback on the strength of their positions and explores settlement options. Similar programs are also set to be established later this year in Brooklyn and Queens for personal injury cases.

In Erie County, a multi-step ADR program has been created for selected personal injury matters. Upon consent of the parties, cases are referred to an experienced personal injury attorney who has received special training in mediation techniques. In

the event the matter does not settle, the case is referred to a judge or judicial hearing officer for further conferencing. This program, which is still in the early stages of operation, has resulted in the settlement of almost half of the cases referred.

An innovative Summary Jury Trial (“SJT”) program for non-complex personal injury cases under \$100,000 was recently established in Chautauqua County Supreme Court. Six to eight jurors from the court’s general jury pool are screened and selected by the judge to serve on the SJT panel, which is initiated and completed on the same day. Jurors hear abbreviated attorney presentations and render a non-binding verdict with a goal of generating settlement. Parties are referred to the program by judicial order or they may voluntarily agree to use the program, in which case the jury verdict is binding.

In Nassau County, a voluntary binding arbitration program has been established for all tort cases filed in the Supreme Court. While again still in the early stages, this program has conducted over 40 arbitrations since its start-up, with an additional 61 cases referred to private arbitration services.

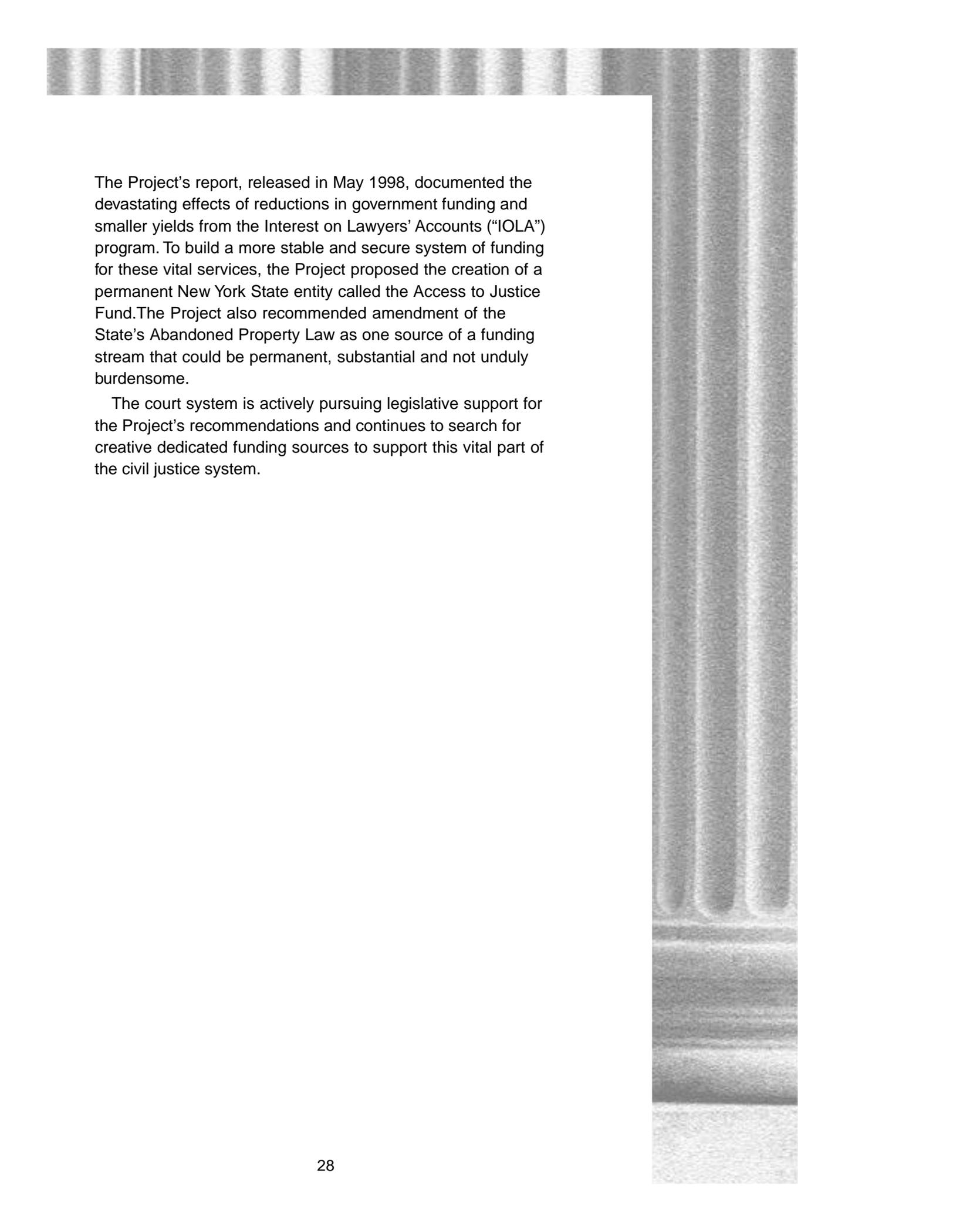
A Family Court Mediation Project currently operates in 55 of the State’s 62 counties to handle custody, visitation and support matters. Each case is carefully screened to ensure that it can be safely and appropriately handled through a process of mediation. During the 1997-98 fiscal year alone, over 2,000 mediation conferences were held, with a reported settlement rate of 80 percent.

Civil Legal Assistance Project

If “equal justice for all” is to be more than just a slogan chiseled above the courthouse door, our justice system must include a well-functioning system of civil legal services. In October 1997, the court system appointed a Legal Services Project to study the current state of New York’s civil legal services programs and explore options for improving the delivery of legal services to those who could not otherwise afford them.

“In recent times, only a fraction of the civil legal needs of the poor have been met, and the resources available to meet those needs have shrunk while the number of persons in need has grown.”

**Legal Services Project
Report to the Chief Judge
May 1998**



The Project's report, released in May 1998, documented the devastating effects of reductions in government funding and smaller yields from the Interest on Lawyers' Accounts ("IOLA") program. To build a more stable and secure system of funding for these vital services, the Project proposed the creation of a permanent New York State entity called the Access to Justice Fund. The Project also recommended amendment of the State's Abandoned Property Law as one source of a funding stream that could be permanent, substantial and not unduly burdensome.

The court system is actively pursuing legislative support for the Project's recommendations and continues to search for creative dedicated funding sources to support this vital part of the civil justice system.