



### Why Digital Recording (DR) Won't Save Costs in California Courts

In the past year, the California Legislature has twice rejected the Legislative Analyst's proposal to replace court reporters with digital recording (DR) equipment because the LAO's claim of \$13 million in first-year savings and claims of more than \$100 million in annual savings thereafter are not supported by the facts. DR is a bad idea because:

- The supposition of making a huge investment in new DR equipment and personnel costs in the hopes of future savings is not justifiable in the current fiscal climate. Moreover, the claims of future savings are unsubstantiated:

LAO-projected cost savings from DR	What will actually occur
\$13 million in the 1 <sup>st</sup> year from 20% conversion	NET LOSS attributable to the purchase of DR equipment; the need to install wiring and conduit in the courtrooms; software use licensing fees, service agreements; recruitment and training costs for new DR staff; and separation costs for court reporters.
Unspecified savings from use of audio files in lieu of purchasing transcripts	NET LOSS attributable to substantial productivity loss by judges, attorneys, parties and court staff because the written word is 3-to-5 times faster to use than reviewing an audio record.
Upwards of \$111 million annually from full conversion, mostly from staff	NO SAVINGS because staff is still needed in higher ratios than those indicated by the LAO; transcript production costs will rise; offsetting court reporter user fees will be lost; private party transcript production will be "off-shored;" and the state would bear ongoing technology upgrade costs.

- Replacing the predominantly female court reporter workforce of nearly 1,900 will require the hiring of a replacement workforce of DR monitors, as 2.952(b)(2) of the *California Rules of Court* and the *American Association of Electronic Reporters and Transcribers* ([www.aaert.org](http://www.aaert.org)) recommend a dedicated monitor for each courtroom using DR. Additional transcript production and supervisory personnel would also be needed, therefore no cost savings would result.
- The California Administrative Office of the Courts **does not** support this shift. They know that court reporters privately fund stenographic technology and thereby make judges, attorneys, staff and the entire system more productive, especially when a "Realtime" record is instantly produced. The vast majority of judges and members of the trial bar oppose the use of DR.
- Transcript production costs will skyrocket to triple the current 20-year-old statutory rate. Court reporters perform these tasks as private contractors, assuming all equipment and supply costs, and are paid the statutory rate of approximately two dollars for an original page. Court reporters also proofread, print, bind, bill and deliver the transcripts at their own expense. In lieu of employing one court reporter, the court would have to assume the responsibility of employing in-house transcribers and proofreaders, or contract with private transcribing firms at a much higher rate, which **would not** result in a cost savings.
- If these transcript duties are shifted, the delays in production and delivery would seriously impact the appellate process, due process, and the cost of litigation.
- Other states that shifted to DR are reversing their decision because of the loss of productivity, delay, lost recordings, transcript cost overruns and complaints from the bench and Bar. These states include Texas, New Jersey, Illinois and New Mexico.

The California Court Reporters Association commissioned several studies conclusively showing that moving to DR actually will cost the state MORE and not produce cost savings. These reports are available for download at the CCRA Web site: [http://www.cal-ccra.org/ER\\_DR.htm](http://www.cal-ccra.org/ER_DR.htm)

*This report was prepared by Chris Crawford, president of JUSTICE SERVED®, a court management and technology-consulting firm. Mr. Crawford has more than 35 years of court management experience, including 21 years managing California trial courts. For more information, please visit [www.justiceserved.com](http://www.justiceserved.com).*