



THE PARADIGM SHIFT

In the Information Age, eGovernment is helping the public sector redefine itself.

One of the most fascinating things about great innovations is that people often had no idea what they were missing. Before the automobile was invented, most had likely presumed rail was the be-all and end-all of transportation. All of a sudden, people realized that a need they couldn't necessarily identify had been met in a highly effective manner.

Now, the model for government is changing. People have always wanted their government to be better, to be more accessible. Most, however, couldn't really say how that should happen. eGovernment answers "how?" by opening to the public an entirely new world of government service delivery that in the past would have been unthinkable. Before, citizens may have been resigned to the fact that government was sometimes distant and challenging to deal with, hoping for, but unsure how to effect, a change for the better. With eGovernment, new and different government services are being created. Some transformations are surprising. But even more interesting are the eGovernment solutions that make you shake your head and ask, "Why didn't I think of that?"

At NIC, that's the mission — to conceive of and deploy innovative eGovernment solutions

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Harry Herington
President
NIC

that make government better for everyone. And by deploying a variety of proven funding mechanisms, government can deliver cutting-edge eGovernment solutions that literally pay for themselves.

United eStates

Across the country NIC is helping government redefine what eGovernment means and what government itself is capable of. What makes eGovernment so compelling is it is bounded only by imagination. For those who believe eGovernment to be little more than electronic license renewal and registration, the time has come to take another look.

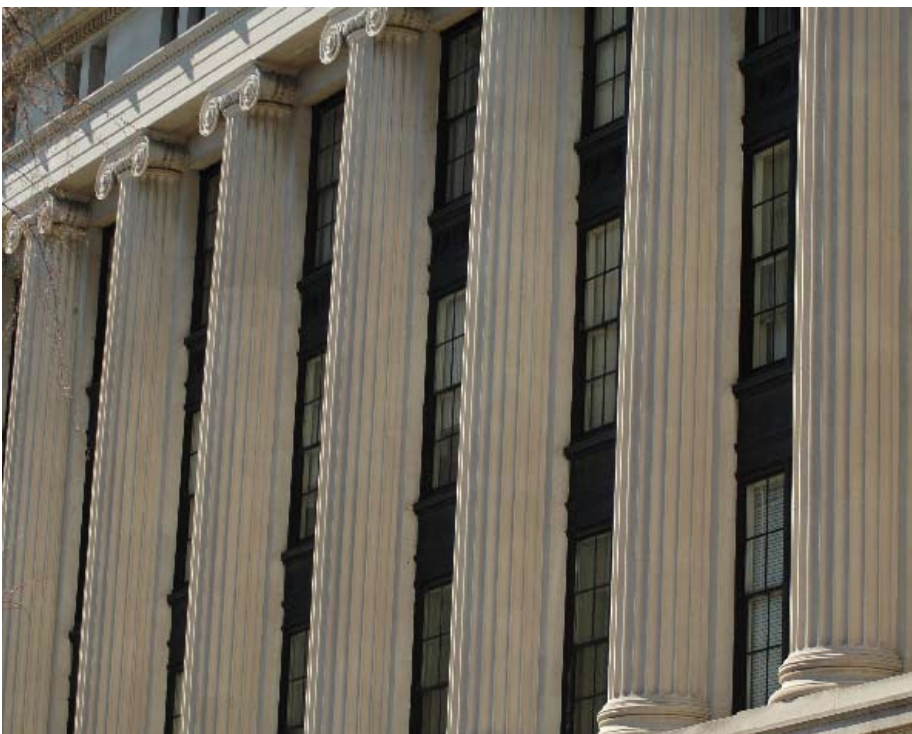
NIC President Harry Herington believes government is in the position to change the game completely — and NIC is a teammate that can make that transformation a reality.

"Start thinking outside the box," he recommended. "It's time to go beyond

looking at the forms to be filed in triplicate and start thinking about what government is really trying to accomplish. We can use technology and the Web to deliver incredible value to both government and end users."

Take the state of Utah. Few others in the Union have embraced eGovernment quite like the Beehive State. In an effort to combat identity theft, Utah officials worked with NIC and state banks to create *ValidDate*. *ValidDate* defies conventional definitions of eGovernment. The system allows Utah financial institutions to cross-check applicant information with the state's Driver License Division database in real time.

"One of the problems Utah was encountering is that people would give false identification to open a checking account," explained Nannette Rolfe, Director of Utah's Driver License Division. "They'd deposit \$100 or \$200 to open the account, and then they'd go write thousands and thousands of dollars off this account. A lot of the checks would bounce and the person was not who they said they were, and the banks were losing a lot of money."



Nannette Rolfe
Director
Driver License Division
State of Utah



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The solution came in winter 2006 when a couple of state legislators began taking a hard look the issue of identity theft. The result was the passage of House Bill 169, which allowed any state depository institution to obtain information about account applicants. This information included name, date of birth and driver’s license number — data that would, essentially, verify that the person applying was who they claimed they were.

ValIDate was NIC’s solution to making this validation process a reality.

During the application process, *ValIDate* allows banks to use the official state portal

<www.Utah.gov> to instantly cross-reference applicant data with the state Driver License Division database. If the data does not match, it is a red flag indicating the applicant may be using a false identity.

A small transaction fee paid by participating banks for *ValIDate* queries is expected to generate enough revenue for the state to employ a program coordinator and program auditor, further bolstering security against identity theft.

“In the past couple of years, identity theft has evolved into a high-tech enterprise,” said Herington, whose career began as a police

detective in Kansas and Texas. “Information security has turned us into a paranoid society, and the issue impacts citizens as well as credit card issuing companies and the governments that are supposed to manage the process. We are working with the state of Utah to help financial institutions reduce their risk exposure before potentially fraudulent accounts can even be opened.”

“The *ValIDate* solution is a great example of staying on top of the services that we manage and continuously improving upon the expectations of government,” continued Herington.

JUSTICE for All

But eGovernment is not limited to Utah or countering identity theft. Radical new eGovernment solutions are being deployed from coast to coast.

Nebraska is using eGovernment to connect almost every county and district court in the state. The JUSTICE System is a single, search-

able portal that pulls together more than 4 million court records and currently serves up data for more than 62,000 monthly searches.

The concept, according to JUSTICE Business Analyst Paula Crouse, is not a new one. In fact, she said the idea got its start back in 1989. However, it took some time for the technology to catch up with the state's vision.

"We did our first pilot in 1994 with three courts, we actually began installing the system in 1996 and 1997. We completed all the installations by the fall of 2000," Crouse said.

Originally the system only was available to court employees. But through a partnership with Nebraska's state Web portal <www.Nebraska.gov>, online court records are now available to anyone with computer access.

The transaction fee pays for the system, and it is allowing Nebraska to expand JUSTICE to other government agencies.

"As the project evolves, we have begun to share information with other agencies," Crouse said. "We send information to the Nebraska Crime Commission, State Patrol, Department of Motor Vehicles, Health and Human Services, and the Foster Care Review Board. So more and more, we're sharing information with them and that helps make state information more accurate and complete."



Paula Crouse
Business Analyst
JUSTICE
State of Nebraska

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Ann Lynn Walker

One-Stop Shopping

A related eGovernment system is up and running in Tennessee. There, the criminal justice portal is aggregating data stored in disparate legacy systems and delivering it through a secure, one-stop Web application. The portal allows authorized users — such as law enforcement officers and others in the state's criminal justice community — to collect comprehensive data on an individual. In the past, finding that information would require separate searches of multiple information systems.

"What this criminal justice portal does is provide a one-stop shop for viewing Department of Safety's driver license information, Department of Correction information, Board of Probation and Parole information, Tennessee Bureau of Investigation's Sex Offender Registry, and also Department of Revenue's vehicle title and registration," said Ann Lynn Walker, Information Systems Director for the Administrative Office of the Courts.

"Before, you would have to go to each of these different systems to obtain this vital information, and that's only if you happened to have access. This way, approved users access real-time information from several databases through a single system. This criminal justice tool has gotten rave reviews and has become an invaluable resource to criminal investigators throughout the state."

In a state where the challenges of disseminating information can be daunting, the Integrated Criminal Justice Web Portal has proven to be an economical, effective and trans-



Ann Lynn Walker
Information Systems Director
Administrative Offices of the Courts
State of Tennessee

formational means of sharing data through real-time one access for a 24/7 environment. The ability to access and aggregate data from disparate databases has resulted in increased arrests, faster closure of criminal cases and a safer environment for Tennessee. It levels the playing field between large and small cities and wealthy and poor counties.

Tennessee also boasts of another innovative eGovernment solution. The state's One Stop Business Resource application is an online portal allowing business owners to complete most of the necessary filings online. Available through the state's official Web site <www.Tennessee.gov> and launched in November 2005, the One Stop Business Resource portal gives business owners the ability to handle 85 percent of all



Rick Meredith
Assistant Commissioner of Business Services and Community Development
Department of Economic and Community Development
State of Tennessee

required filings online, including registering their business, acquiring a tax ID and obtaining most of the other forms mandated by the IRS.

“The response has been unbelievable,” said Rick Meredith, assistant commissioner of the Business Services and Community Development Divisions of the Tennessee Department of Economic and Community Development. “By providing all of these services online, members of the business community don’t have to drive to Nashville or try to get somebody on the phone. It’s true to its name: One Stop.”

The online solution also saves the state significant money since it eliminates most small business paper filings and mailings.

“At our core, NIC strives to provide services that make it easier to interact and do business with government,” said Jeff Fraser, NIC’s Chief Executive Officer and company founder. “The government leaders we work with recognize that being regarded as a pro-business state is a competitive advantage in economic development, and NIC uses technology to make this a reality.”



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Highway Star

In Idaho, a similar portal-within-a-portal solution has been created. Trucking is big business in Idaho. Whether shipping Idaho goods to other parts of the world or serving as a waypoint for trucks crisscrossing the nation, trucking is a vital part of the Idaho

economy. As such, Idaho’s progressive government sought a method for simplifying transactions between trucking companies and state agencies. The result was the Trucking.Idaho.gov portal, part of the state’s Access Idaho Web gateway <www.Idaho.gov>.

Trucking.Idaho.gov serves as hub for a variety of electronic services, including registration, permits and hazardous materials information. The site serves both in-state and interstate truckers.

“Trucking firms can look at a list of all their current registration records, renew records, buy or renewal HazMat endorsements and purchase oversize/overweight permits,” explained David Metcalf, the Idaho Transportation Department’s Counter Operations Supervisor. “The trucking industry has several permits, registrations and endorsements that need to be carried in a specific vehicle in order to legally operate. It’s fairly complex. If they go to this site, they can



David Metcalf
Counter Operations Supervisor
Idaho Transportation Department



Chris Villines
Tax Collector
Saline County, Arkansas

obtain a large majority of what they need over the Internet.”

Since rolling out four years ago, the trucking portal has seen some of its services achieve up to 70 percent usage. Fees of 50 cents to \$1.50 per transaction have already paid for the cost of the online trucking services. In addition, the state has cut its costs significantly, especially by eliminating much of its postage expense associated with paper transactions.

Making Government Easy

The common adage, “online, not in line,” is championed by all sorts of government technology projects. Few, however, produce better results than eGovernment. In fact, “online, not in line” is the very definition of eGovernment. And allowing people and businesses to interact online with government is NIC’s specialty. By understanding the needs of citizens and business in addition to the needs of government, NIC avoids the one-size-fits-all approach. Instead, the company crafts individual eGovernment solutions that make sense for its public-sector partners.

“If we are going to get people to use an eGovernment service, we need to make it as user-friendly as possible,” said Herington. “I’ve often said you may not be able to make government fun, but you can make it easier. We make it easier every day.”

Making government easier is exactly what the Arkansas Multi-Channel Property Tax

Payment system is designed to do. A few years ago, Saline County, Ark., Tax Collector Chris Villines noticed the rise in online tax preparation and that people had started paying their taxes using a credit card. Villines figured that if private-sector companies could do this, Arkansas could too — only better. Villines envisioned a system that would unify various counties throughout the state and allow people to pay their property taxes with a credit card over the Internet, by phone, or in person at a government office.

Villines and several other counties approached NIC with a vision of what they wanted. NIC set about making it a reality. The result is, as Villines explained, a very efficient, easy-to-use application.

“You can go directly to the state of Arkansas Web site <www.Arkansas.gov>, which has a link to the county tax portal,” he said. “Once you reach the portal, a user can look up information by last name or by parcel number, and it brings up on the screen everything that’s under an account. You can choose whether you would like to pay online through our secure server, by telephone with our interactive voice response system, or in person by swiping a credit card at a government office. It’s as simple as that.”

The easy-to-use solution is designed to provide multiple payment options that meet the needs of the majority of Arkansans. And since the system will not allow users to

accidentally overpay, the counties are saved from costly error-correction and printing and mailing replacement forms.

An eBay for Securities

Next door to Arkansas, Oklahoma’s first-of-its-kind eGovernment solution is getting attention — and awards. The State Treasurer’s Office knew it would benefit from a Web-based application that enabled online bidding for treasury securities. The treasurer’s office maintains a \$5 billion portfolio and is active on the securities market every day.

The traditional method of bidding on securities had become too time-consuming, according to Oklahoma State Treasurer Scott Meacham. Meacham said the old paper-based system was very labor-intensive and subject to errors. About 18 months ago, Meacham asked his staff to develop a faster, more concise way to place bids.

Working with NIC, Oklahoma developed the State Treasurer’s Online Electronic Trading Platform, which is available through the state’s portal <www.OK.gov>.

“We went to an online platform, where every time we’re ready to buy or sell a security, an e-mail is sent out to everybody on the approved dealer list,” Meacham explained. “Then when we get ready to conduct the session, we open up the system and all the brokers can come in and log on to this online platform.”





“On our side, we’re seeing all the bids, but they’re all by number so we can’t tell who is actually giving us what bid. We’re just seeing the best bid and all the other bids,” he continued. “It allows securities brokers to bid against each other to earn our business. It’s a bit like eBay for treasury securities.”

Fraser sees Oklahoma’s electronic trading system as a window into NIC’s relationships



Scott Meacham
State Treasurer
State of Oklahoma

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Scott Meacham

with its state partners and end users. “There are active give-and-take discussions whenever a new idea surfaces, and we always welcome the opportunity to develop eService concepts by collaborating with the private sector and our government partners.”

Making the Case

All of these stories illustrate how NIC helps states use eGovernment to redefine government services and service delivery. The company partners with state governments to bring to life great ideas that, in the past, may have been ahead of their time.

“Government leaders know what their mission is and what it is not,” concluded Herington. “Our state partners acknowledge that using technology to make government more accessible and user-friendly is an important element of their commitment to serve. At the same time, this may not always be an area in which government has in-house expertise or available funds. NIC provides the best of both worlds by delivering valuable eServices at no upfront cost. This allows government leaders to focus resources on fulfilling other aspects of their public service mission.”



To learn how self-funding can work for you, contact Elizabeth Proudfit at 703-288-0980 or eproudfit@nicusa.com.

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