



“There is nothing you do on paper with the government that can’t be done faster online.”

*Jeff Fraser*  
Chief Executive Officer  
NIC

Senior care centers, schools and daycare providers can now screen employees online with Arkansas’ electronic background check system, which reduces paperwork and allows caregivers to spend more time with their residents and students.

# Back to Their Roots

NIC helps agencies get back to serving constituents in an effective way.

Over the past decade, the letter “e” became ubiquitous. Just about every industry attached the letter to its name at some point to illustrate the availability of electronic services.

It may surprise many people that government was one of the first to add the letter “e.” In fact, eGovernment has been around longer than the World Wide Web. The origins of eGovernment harken back to the days of Bulletin Boards, 300 baud modems and blocky green text.

eGovernment’s purpose is to create a portal for more convenient constituent access. Of course, prior to the Web, the Internet primarily was inhabited by researchers, professors and scientists. But even before the Web, one company was developing eGovernment strategies. Kansas-based NIC began managing eGovernment services in 1991 by offering data hosting and text-based portals for Internet-savvy citizens.

The advent of the graphical user interface made the Internet — and eGovernment — much more accessible to

# A Natural State

NIC helps Arkansas eGovernment become second nature.

Doug Elkins, chief information officer of Arkansas, is a believer in eGovernment, and his state is proving how effective and innovative it can be. Leveraging powerful tools from NIC has propelled Arkansas onto the cutting edge of eGovernment by reconnecting with citizens and businesses in a meaningful and useful way.

"Our initial concept was to offer a lot of citizen transactions, but we've seen a big market in the business-to-government transactions. Businesses are required to file a lot of things with the government so that's where we see a large majority of our online transactions," said Elkins.

And with some of these transactions, a small state-approved fee is applied. This is NIC's self-funded model, which helps governments put in-demand services online at no upfront cost to taxpayers. For example, Arkansas businesses can access an online criminal background check application before hiring an individual. For hiring managers, this information is well worth the small fee charged for the service.

Arkansas and NIC also offer several innovative tools that better the citizen-government experience. Recently, Elkins said, the state began allowing citizens to transfer funds online to incarcerated loved ones. "In the past, family members deposited money into accounts," he said. "This offering has been unbelievably popular and adoption is very strong."

The state also allows online child support payments, said Elkins, adding that the system provides convenience for both the person making the payment and the recipient. "All parties can check the status of payment and the balance of the account online," he said. "This is the first time child support can be paid online in our state through the convenience of credit cards and e-checks, and it allows both parties to be a participant in an online community."

With its NIC partnership, Arkansas is reaching out and making government accessible. Elkins is proud of what they've accomplished and said their efforts have been recognized.

"In 2003, we were in the Center for Digital Government's Top 5 Best of the Web," he said. "NIC states are consistently represented in the Top 10. NIC is one of the best partners we have in this state. They're bringing us ideas, they're looking at the market, they're finding opportunities and sometimes it's the best we can do to keep up with them."

the citizenry. Now with 17 states already onboard, NIC is proving that states can build a custom-made electronic bridge to reach their constituents — all while saving money, generating revenue and improving overall service.

## Modern Convenience

As in government, people today are being asked to do more with less. For citizens and businesses, this usually means getting more done in ever-shrinking windows of time. When the need to interact with government arises, many of these constituents are too busy to stand in line at a service counter.

In Maine, the lobster capital of the world, those who harvest lobster for a living once could spend all day renewing professional licenses at the Department of Marine Resources — taking time out of their demanding schedules. Thanks to a partnership with NIC's Maine subsidiary, commercial fishermen of all kinds now instantly renew professional licenses online.

In Tennessee, where the state partnered with NIC's Tennessee subsidiary, citizens can skip the line at the Department of Motor Vehicles and go online for such services as driver's license renewals, changes of address and duplicate license requests.

Not only do constituents gain from eGovernment, but agencies themselves benefit tremendously as well, said NIC Chief Executive Officer Jeff Fraser. "eGovernment makes sense to our government partners because they are able to increase service levels to constituents while generating internal efficiencies by reducing manual processes such as data entry. In addition, the self-funded model allows agencies to increase their statutory revenue collection because it provides an easier way for businesses and citizens to interact with government."

This strategy is central to NIC's eGovernment solution. NIC's self-funded model is based on the premise that many people, especially businesses, are willing to pay a small transaction fee to

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**Harry Herington**  
*Chief Operating Officer*  
NIC

avoid the hassles of physically going to a government building. And by creating quality applications, the number of users — and thus the statutory and transaction fees — increase, creating an eGovernment system that pays for itself instead of requiring tax dollars from the state's general fund.

The bottom line is that, in most cases, the only reason people go wait in line is because a law or regulation exists that

compels them to do so. “People don’t tend to go to government offices unless they have to,” said Fraser. “There is nothing you do on paper with the government that can’t be done faster online.”

### A Tailor-Made Solution

Despite their similarities, states are unique and individual experiments in democracy. For this reason, a one-size-fits-all



Constituents in Tennessee can now go online to obtain driver’s license renewals, changes of address and duplicate licenses from the Department of Motor Vehicles.

solution may look good but ultimately will fail to address all of a state’s needs. NIC builds solutions designed specifically for each state government partner.

“We don’t just design applications,” said NIC Chief Operating Officer Harry Herington. “Most companies build a solution and then take the government’s money and leave.

NIC is focused on the long-term success of eGovernment. We identify what a government needs and create a solution around those needs — and we only get paid when a service is successful and being used by citizens and businesses.”

The result of such an approach is that NIC must be creative and nimble while building the best possible eGovernment solution. For agencies burdened by a shortage of funds and demands for a higher level of service, a tailor-made NIC solution may be the answer.

“Government agencies are swamped,” said Herington. “We allow agencies to go back and do what it is they were designed for. Our centralized Web portals address the challenges of legacy systems. Our solutions improve customer satisfaction. They save money and make money. NIC’s approach allows government employees to focus on each agency’s core mission and provide quality service to the people.”

## Still in Kansas

The original eGovernment state proves there’s no place like home.

The history between NIC and the state of Kansas is marked by a partnership that has produced the paradigm for eGovernment initiatives.

Kansas worked with NIC to create a state Web site known as accessKansas, which is widely regarded as one of the best state government portals. In Kansas, building an eGovernment solution came from the belief that government ought to reduce costs, increase efficiencies and generate high satisfaction levels from businesses and citizens.

“Our first application, years ago, was with the uniform commercial code (UCC),” said Kansas Secretary of State Ron Thornburgh. “That was a commonly used banking application. We partnered with the Kansas Bankers Association and we were able to turn a 10-day process into a 10-minute process. Now 90 percent of our filings and retrievals can be done electronically.”

One benefit of eGovernment is the sheer amount of newly available time it creates. With more time available, agencies can get more work done, foster new ideas and execute better strategies.

“All of a sudden, we’ve created hours and hours of freed-up time for our employees,” Thornburgh said. “We have created an opportunity for them to do work other than filing papers. It’s a success the consumer is not going to see, but it has a big impact on my agency.”

New businesses can file their articles of incorporation online and complete forms for the Department of Revenue, and the state currently is creating new electronic payment methods. Individuals can also get various licenses online and register for a wide range of permits.

Everything the state does on paper can be done better, faster and cheaper online, said Thornburgh. And the relationship with NIC has been critical to the success of accessKansas. NIC’s business model is what helped accessKansas bring eGovernment into reality. The self-funded model — which applies small state-approved fees to certain transactions — allowed the state to build its leading-edge eGovernment portal without relying on budget appropriations.

“This has been a great partnership with NIC,” said Thornburgh, “and the self-funded model is the only way this could have worked in the state of Kansas. It fosters solutions that are tailored to our needs. And by creating a true partnership, we have made this thing successful.”

## The Maine Idea

The Pine Tree State has deep eGovernment roots.

What do lobsters and Stephen King have in common? Both are from Maine and have millions of fans. But while King is probably content to deal in paperwork, many Maine businesses, like lobstering, are turning to online eGovernment applications to manage a variety of traditionally paper-intensive transactions.

Maine Chief Information Officer Dick Thompson said the state's original eGovernment goals lent themselves to the self-funded model offered by NIC. "We wanted to provide a self-supporting eGovernment portal to the citizens of Maine."

Department of Administrative and Financial Services Commissioner Rebecca Wyke and former Secretary of State Dan Gwadosky played large roles in convincing the state Legislature that an eGovernment solution would not only save money but also improve service for Maine residents. Once eGovernment legislation was in place, the state began pursuing companies to participate. It soon became clear NIC was the leading contender.

"We have been very successful with our portal, and it's been highly ranked nationally for a long time."

— *Dick Thompson, Chief Information Officer, Maine*

"NIC saw value in the state of Maine," said Thompson. "They looked at our entrepreneurial spirit and the legislation we had in place. They were by far the most viable bidder. I'm not sure there was another bidder we could have accepted."

The self-funded model was at the foundation of Maine's move to partner with NIC.



Lobster harvesters and other fishermen in Maine no longer need to stand in line for their fishing licenses.

In return for covering the infrastructure and development costs to manage Maine's state portal, NIC received a small fee for certain transactions processed online. This allowed the state to avoid spending general fund money on the project.

Now, with an active and vibrant eGovernment portal, a variety of online transactions are gaining popularity. From lobster fishing licenses to corporate filings, NIC helps Maine improve government services and save money.

"One of the most popular services we've put out is for businesses to file their annual reports," said Thompson. "The adoption rates are off the charts."

"NIC is a partner of ours. I am a supporter of them and their work in Maine. We have been very successful with our portal, and it's been highly ranked nationally for a long time."



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

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