EXHIBIT 1
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SB 197

SENATE BILL 197

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Requested by the Montana Court Reporter Association
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Background

This bill addresses transcript fees for Official Court Reporters across Montana. Official Court Reporters are those court reporters working directly for Montana's district court judges. When district court costs were assumed by the State, Official Court Reporters' costs were included in the assumption. Court Reporters are paid transcript fees in lieu of overtime. Unlike freelance court reporters, Official Court Reporters' transcript fees are controlled by statute. Official Court Reporter transcript rates have not increased in over 25 years.

Technology (and the cost of that technology) has changed drastically in that time period and Official Court Reporters are providing much greater services to judges, attorneys, and pro-se litigants. Not only do Official Court Reporters prepare transcripts for appeal, Official Court Reporters are now able to provide expedited transcripts and daily transcripts to assist attorneys as they are actually trying a case. In addition, many Official Court Reporters do "real-time" reporting for judges so they have instant access to what is being said. This service makes an incredible difference to the judge and parties during a trial when there is a dispute about what was said. These expedited services would never have been possible without Official Court Reporters investing in technology.

Official Court Reporters do not receive overtime pay for transcript production. Official Court Reporters depend on transcript income to offset many reporting costs of doing business that are not paid for by the State. The purchase of writers, copiers, and binders, along with all the supplies and associated costs to produce the transcripts: proofing, shipping, billing, equipment insurance, professional liability insurance, etc. All of these costs have risen steadily in the past 25 years. In addition, Montana continues to struggle to compete regionally and nationally to recruit qualified reporters to fill vacancies in our courtrooms. An increase in our page rate, and thus an increase in our overall annual income will have a positive influence in that regard.

Though technology has cut down the time necessary to prepare a transcript, it comes with a much greater cost. Equipment 20 years ago included a typewriter, paper and transcript covers. Today, equipment includes a lap top computer, printers, copiers, software support agreements, maintenance agreements, insurance, paper, transcript covers, DVDs, Ds, and internet service. Most laptops have to be replaced every four years to keep up with technology.

What This Bill Does

1. Limits the applicability of this bill to District Court proceedings to ensure no impact on freelance court reporters.

2. Modernizes the language to reflect technology and current practices.
   - defines ordinary, expedited and daily transcripts and establishes fixed costs;
   - defines "copy" to reflect the use of cd's, etc. as opposed to simply paper copies;
   - removes ambiguous "actual cost" language: When an attorney contacts an Official Court Reporter to order a transcript, typically the first question asked is how much will it cost? By utilizing a per page rate, in a matter of minutes Official Court Reporters are able to quote a price. Using "actual cost" language, Official Court Reporters are unable to give any sort of reliable estimate. Official Court Reporters never know how long it will take to prepare a transcript due to the technical nature of the hearing or the amount of research required to produce a verbatim transcript. The items considered to coming up with an "actual cost" are time and cost of materials.

3. Provides for an every-other-year review based on the cpi to determine what, if any, increases should be made to the page rate. (Effective 2011).

4. Provides that the Court Administrators Office will only pay ordinary transcript fees.

For Example:

As a comparison, if someone went to the clerk's office and needed to get copies of documents out of a court file, the clerk would charge them $1.00 for the first 10 pages and $.50 for each page thereafter, and it is not any sort of work product that is done by the clerk's office. They could get a copy of a transcript cheaper by buying it from the Official Court Reporters. If the transcript was in the file and the clerk copied it for them, the clerk would make more money than the Official Court Reporters.

***Technical Notes of Judiciary were addressed by amendments in the Senate.