House convened at 1:00 p.m. Mr. Speaker presiding. Invocation by Representative Dunn. Pledge of Allegiance to the Flag.

Roll Call. All members present, except Representative Berglee, excused. Quorum present.

SPECIAL ORDERS OF THE DAY

Speaker Hertz moved the House revert to Order of Business #11, Special Orders of the Day, for the purpose of receiving an address by the Honorable Chief Justice of the Montana Supreme Court, Mike McGrath. Without objection, so ordered.

Majority Leader Tschida moved Speaker Hertz be authorized to appoint a committee of two members to escort the Chief Justice into the House Chamber. Motion carried.

Speaker Hertz appointed Representatives C. Knudsen and Sullivan. The Committee was discharged.

Sergeant-at-Arms Murfitt notified Speaker Hertz that Chief Justice Mike McGrath awaited entrance into the House Chamber.

The Committee escorted the Chief Justice into the Chamber.

Speaker Hertz introduced the Honorable Mike McGrath, Chief Justice of the Supreme Court for the State of Montana. Justice McGrath gave the following remarks:

Thank you very much Mr. Speaker, members of the Court, Governor Bullock, Lieutenant Governor Cooney, Attorney General Fox, Superintendent Arntzen, Auditor Rosendale, honored guests and members of this Assembly. Thank you for giving me this opportunity. It is indeed an honor to be here speaking on behalf of Montana’s Judiciary. It is very gracious of you to schedule the time to hear from the Executive and Judicial Branches of Montana’s government.

Frankly, the state of Montana’s judiciary is stressed. In Montana, our courts process about 1,000 cases each day, 360,000 cases each year. It adds up to about one case for every three Montana residents. At a 1,000 cases per day, our courts are busy and the workload for court employees is very heavy.

The district courts, which are the courts for general jurisdiction, that handle the most serious cases had 59,000 new cases filed last year. At that time, we had 46 district court judges, soon we will have 49. Thank you to this body for funding three more judges this last session. We very much appreciate that.
Our founders developed a system that has become the blueprint for political and economic success for the modern world. The founders knew that the Republic that they created had to be based on the rule of law. That rule of law requires an independent and impartial manner of resolving disputes, be they commercial matters, family crisis, criminal charges, or removal of public officials.

All of us have the right to equal protection under the law and everyone has the right to due process. In other words, disputes get resolved through a process where everyone has the opportunity to be heard and to have their positions conveyed. Where an independent judge decides the law based on the facts and the merits of each case. In fact, our economy depends on this independent system. Investors and other businesses have the right to rely on an orderly and prompt dispute resolution process. They have the freedom to enter into contracts, and the assurance that those contracts will be enforced.

The judiciary in Montana understands that we have a tremendous responsibility. Those 1,000 people per day that end up in our courts know that our justice system is based on the rule of law, not individual whim. They know that even in the most remote courthouse in Montana, they receive a fair hearing, and hopefully a timely decision. Montana’s court decisions are based on the Montana Constitution and Montana law as passed by the Legislature.

As an independent third branch of government, our responsibilities are great, but our needs are small. Our budget is less than 2% of the total State budget. We recognize that with judicial independence comes the corresponding responsibility to be accountable. Accountable to the people who elect us and accountable to the legislature, especially as it relates to how we spend our public funds.

In an effort to be more accountable, the judicial branch has undergone a series of performance measures. Specifically, at the Supreme Court, our case load continues to be current. We have no cases over six months old and our average time to resolve a case is less than 120 days. The Supreme Court takes every case that is appealed. We hear everything, from multiple homicides, to a dog at large, from small claims disputes to multi-million-dollar jury verdicts.

We interpret laws passed by the Legislature and we have the responsibility to determine if laws pass constitutional muster. Contrary to what some have said, we give great deference to Legislative enactments. In the ten years that I have been Chief Justice, 122 cases have come to us seeking to overthrow measures passed by the Legislature as unconstitutional. We generally decline to do so. In the past two years, we have had 21 cases challenging the constitutionality of state law. Only once was the statute declared unconstitutional.

In the last few sessions we have experienced very lean budgets. Our branch consists of 57 independently elected officials, 49 are elected from their local community. Judges and courts with limited jurisdiction are elected and funded within their own communities. As the vast majority of our budget consists of personnel costs, it has been hard to find areas to make cuts.

Our district courts, the trial courts that handle the most difficult and complicated cases have seen a dramatic increase of caseloads statewide; 28% increase over the last ten years. Felony cases alone rose from 7,750 in 2009 to 12,850 last year.
Child abuse and neglect filings rose from 1,006 in 2009 to 2,519 last year. That is a 150% increase in child abuse and neglect cases. This tragic problem is coming close to overwhelming the judiciary, along with the capacity of the state’s social service programs, with 2,200 kids in foster care.

Here is a brief description of how it works. Often police, in the course of their duties, will come across children who are victims of abuse and neglect. Sometimes cases are reported by school personnel, neighbors, or relatives will call social services. When these facts present an obvious emergency, these children are taken from the home and placed in alternative or foster care placements. The legal petitions are then filed in the district courts. At that point, it is the responsibility of state government to make every possible effort to reunite those kids with their parents. That often requires months or years to accomplish. Social services, prosecutors, defense attorneys and the courts are involved, every step of the way.

In the most serious of cases, where the department has exhausted all efforts of rehabilitating the parents, the department can ask the court to terminate parental rights. Again, this process requires extensive court involvement. Often, with these most serious cases, termination of parental rights are appealed to the Montana Supreme Court.

Ten years ago, my first year on the court, we had 9 termination cases. The next year, we had 16, the year following that it was 31. The pattern continued, and in the recent years it is not unusual for us to get 100 termination cases per year. Last year it was 79. Think about that. Think about the stress on these children. Think about the stress put on social services, schools, communities, and ultimately our criminal justice system.

So, why is this happening? What are the reasons? The answer is basically simple. It is drug and alcohol abuse. Principally, methamphetamine. Our drug courts see some opioid cases, but child abuse is almost exclusively alcohol and methamphetamine use. Addiction is very hard to treat and, for some impossible to beat, even if they lose their kids. To me, it is these cases that put the spotlight on the most serious problems facing our state.

Another area, that has arisen that presents a significant challenge in the district courts, is related to asbestos. Specifically, the number of legal claims from individuals who contracted asbestos related illness in Northwest Montana over the past several decades.

Many years ago, as alarming number of these cases were filed in state courts, the legislature created and funded a special asbestos court to address the workload. However, all of the litigation was put on hold by federal courts because of the bankruptcy of W.R. Grace, the primary defendant in those cases. Nothing happened for several years. Today the bankruptcy proceedings have concluded and the state court claims have been revived. Of course, the funding for the asbestos court has long since passed.

Today, we have 2,229 claimants and the parties anticipate filing an additional 200 cases each year for the next several years. For us, that is an additional 2,229 cases. For the present, we are absorbing the workload. To date, we handle these cases with current judicial resources, but I cannot guarantee that we will not be back next session with a request for help.
We know that back-logged courts are bad for business. It is the commercial litigation that suffers most from court delay. Not only criminal and child abuse cases, but custody cases, mental commitments, and youth court cases, which by law, must be given priority. We are continuously striving to create efficiencies within the branch. This session, as in the past, you will see some proposed legislation to make the courts more responsive.

Drug courts and treatment courts have proven to be very successful in reuniting families in crisis because of drug use. Drug courts can, and do, save taxpayer dollars. Fortunately, during the last four sessions, legislators have had the foresight to fund a small portion of these courts. We have 28 active drug court dockets in state courts, 3 of those are dedicated to our returning veterans. Unfortunately, these court dockets are very labor intensive and take a lot of judicial time.

Treatment courts divert people to less expensive and more effective alternatives. They can keep kids out of Pine Hills, they divert new commitments from our prisons and they help our veterans repair shattered lives. Drug courts reunite broken families and turn participants into productive members of society.

We have studies that demonstrate Montana’s drug courts are successful. Some of the highlights from the 2019 Report: Recidivism Rates are Lower. In the 48 months that the branch has been collecting data, there has been a 94.9% increase in employment from admission to graduation. Incidentally, the drug of choice for drug court participants is alcohol, followed by meth and marijuana. As for OxyContin, 16% of family drug court participants use opioids.

Currently, the state spends only one point $3 million on drug courts. We are asking for an additional $150,000 to bring two existing courts onto state funding.

By the way, we have seen great achievements in youth courts the past few years. The excellent work of our staff has reduced costs statewide and helped kids reach the goal of productive lives. We are willing to assume the supervision responsibilities of those kids under eighteen when they are released from Pine Hills. The success in youth court demonstrates when all three branches work together on a problem, there is greater likelihood of a creative solution.

All three branches are seeing the chaos caused by drug use, untreated mental illness, and the increase in criminal behavior. The child abuse system, the corrections system, county detention facilities, and the public defender system are all under significant stress.

I encourage both the legislative and executive branches to look for creative ways to address these problems and to look for solutions in the community and within the families that are being decimated. The judicial branch will cooperate. Montana can no longer do business as usual; instead, we need to look to increase drug treatment, a healthy mental health treatment system, the continued use of drug treatment courts, and solid prevention measures to stem this tide. We know, based on our success with you, that with creative solutions supported by all three branches, we can have success.

Judges in Montana are committed to addressing the problems that are in their communities. Problems they see every day. The judicial branch has 459 employees. We are dedicated and
committed to our mission. We understand that a hallmark of a flourishing democracy is an adequately funded judiciary that can settle people’s disputes in an orderly fashion. Only in that way can the economy move forward, and our citizens prosper. An independent, adequately funded judiciary is the key to constitutional democracy.

As I have said before, “Without courts, there is no justice. Without justice, there is no freedom.”

Thank you very much. Thank you for the opportunity to be here.

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Speaker Hertz thanked Justice McGrath for his remarks and ordered the Committee escort Justice McGrath from the Chamber.

Sargent-at-Arms Murfitt escorted the guests from the Chamber.

Speaker Hertz called the House back to order.

**BILLS** (Ricci, Chair): 1/24/2019

Correctly engrossed: **HB 9, HB 47, HB 110, HB 115, HB 119, HB 145, HB 155.**

Transmitted to the Senate: **HB 67, HB 84, HB 94, HB 98, HB 106, HB 127, HB 129, HJ 5.**

**REPORTS OF STANDING COMMITTEES**

**APPROPRIATIONS** (Ballance, Chair): 1/23/2019

HB 9, introduced bill, be amended as follows:

1. Page 1, line 23.
   **Strike:** "$395,881"
   **Insert:** "$423,381"

2. Page 4, line 12.
   **Following:** line 11
   **Insert:** "E. Miscellaneous
   2036 Carbon County Historical Society $5,000
   2012 Hockaday Museum of Art $3,500
   2011 Helena Symphony $3,500
   2064 North Valley Music School $3,500
   2052 Main Street Uptown Butte $3,500
   2001 Arts & Above $2,000
   2032 Bozeman Art Museum $2,000
   2020 Support Local Artists and Musicians (S.L.A.M.) $2,000
   2004 Free Voice Media $2,000
   2073 Sunburst Foundation $500 "

**STATE INTERNET/BBS COPY** 5
Strike: section 4 in its entirety
Insert: "NEW SECTION. Section 4. Reductions to grant on pro rata basis. (1) Except for the appropriation provided for in [section 1(3)], if money in the cultural and aesthetic projects trust fund account is insufficient to fund projects at the appropriation levels contained in [section 2], the amount of the grant for projects in section E of [section 2] must be reduced on a pro rata basis.
(2) If the grant amounts for projects in section E of [section 2] are eliminated pursuant to subsection (1) and if the money in the cultural and aesthetic projects trust fund account is insufficient to fund the remaining projects identified in [section 2], reductions to those projects with funding greater than $2,000 must be made on a pro rata basis."


ENERGY, TECHNOLOGY AND FEDERAL RELATIONS (Zolnikov, Chair): 1/23/2019

JUDICIARY (Doane, Chair): 1/24/2019
HB 47, introduced bill, be amended as follows:
1. Title, page 1, line 6.
Following: "FINGERPRINTED;"
Insert: "ELIMINATING A REQUIREMENT TO RETURN FINGERPRINT AND PHOTOGRAPH INFORMATION TO CERTAIN INDIVIDUALS;"

2. Title, page 1, line 8.
Following: "RECORDS;"
Insert: "REVISING THE CRIMES FOR WHICH EXPUNGEMENT MAY NOT BE PRESUMED;"

Strike: "must"
Insert: "may not"
Strike: "if"
Insert: "unless"
Following: "individual is"
Insert: ":"

Following: line 2
Insert: "(a)"
5. Page 2, line 3.
Following: "incarcerated"
Strike: "or if" through "incarceration"
Insert: "; or
(b) sentenced to a term of incarceration, whether or not the term of incarceration was suspended by the sentencing judge"

Following: "which shall"
Strike: "return"
Insert: "expunge"

Strike: "to the individual from whom they were taken"

8. Page 2, line 23 through line 24.
Strike: "should be" on line 23 through "expungement" on line 24
Following: "constitute"
Insert: "of the offense can be identified"

Following: "notify the victim"
Insert: "of the offense and document the attempt. The notification must include that the victim has the right to respond to the expungement request"


HB 110, introduced bill, be amended as follows:

1. Title, page 1, line 8.
Following: "ASSESSMENT;"
Insert: "REMOVING THE LIMITATION ON WHAT TYPE OF ORGANIZATION MAY CONTRACT WITH A COUNTY TO PROVIDE SERVICES;"

2. Page 1, line 22.
Strike: "nonprofit"


HB 155, introduced bill, be amended as follows:

1. Title, page 1, line 4.
Following: "KNIVES;"
Strike: "AND"
Insert: "PROVIDING AN EXCEPTION;"

2. Title, page 1, line 5.
Following: "MCA"
Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

3. Page 1, line 9.
Following: "enactments."
Strike: "Local"
Insert: "(1) Except as provided in subsection (2), local"

Following: line 11
Insert: "(2) Subsection (1) does not apply to a local government ordinance, rule, or regulation prohibiting the possession of a knife on property or in a building owned, leased, or possessed by the local government entity."

5. Page 1.
Following: line 18
Insert: "NEW SECTION. Section 4. Effective date. [This act] is effective on passage and approval."


HJR 5, introduced joint resolution, be amended as follows:

1. Title, page 1, line 5.
Following: "DEFERRED PROSECUTION"
Insert: "AND PRETRIAL DIVERSION"

2. Page 1, line 14.
Following: "WHEREAS,"
Strike: "these agreements"
Insert: "deferred prosecution and pretrial diversion programs"

3. Page 1, line 17.
Following: "prosecution"
Strike: "agreements"
Insert: "and pretrial diversion programs"

4. Page 1, line 19.
Following: "allowing for"
Strike: "pretrial diversion programs and"

5. Page 1, line 30.
Following: "prosecution"
Insert: "and pretrial diversion"

6. Page 2, line 3.
Following: "prosecution"
Insert: "or pretrial diversion"

7. Page 2, line 5.
Following: "prosecution"
Insert: "and pretrial diversion"

Following: "prosecution"
Insert: "and pretrial diversion"

Following: "MCA, and"
Insert: "the"

And, as amended, be adopted. Report adopted.

NATURAL RESOURCES (White, Chair): 1/23/2019
HB 119, introduced bill, be amended as follows:

1. Title, line 5.
Strike: "AND BOND AMOUNTS"

2. Title, line 6.
Strike: "SECTIONS 76-13-408 AND"
Insert: "SECTION"

3. Page 1, line 11 through page 2, line 18.
Strike: section 1 in its entirety
Renumber: subsequent section


TRANSPORTATION (Loge, Chair): 1/23/2019
HB 115, introduced bill, be amended as follows:

1. Title, page 1, line 8.
Following: "REQUIRING CERTAIN"
Insert: "TRAILER, SEMITRAILER, POLE TRAILER,"
Following: "MOTORCYCLE"
Insert: ","

Strike: "and"

3. Page 2, line 11.
Following: "61-3-338"
Strike: "."
Insert: "; and"

4. Page 2, following line 11.
Insert: "(v) devising a method to place license plates on the 5-year reissuance cycle to minimize production peaks and valleys."

5. Page 18, line 22.
Strike: "subsection"
Insert: "subsections (3)(b) and"

Strike: "If"
Insert: "For"
Following: "pole trailer"
Insert: "that"

7. Page 18, line 26 through line 27.
Strike: "the fees" on line 26 through "paid annually" on line 27
Insert: "the annual registration fee based on the declared weight is as follows:  
(i) if the declared weight is less than 6,000 pounds, $30; or  
(ii) if the declared weight is 6,000 pounds or more, $60"

Following: "(8) (a)"
Insert: "(i)"
Strike: "subsection"
Insert: "subsections (8)(b) and"

Strike: "(b)"
Insert: "(ii)"

Strike: subsection (c) in its entirety
Insert: "(b) (i) The annual registration fee for a motorcycle or quadricycle that is registered for use"
on public highways under 61-3-701 is $43.

(ii) An additional safety fee of $7 must be collected annually for each motorcycle or
quadricycle registered under 61-3-701. The safety fee must be deposited in the state motorcycle
safety account provided for in 20-25-1002."


MESSAGES FROM THE SENATE

Senate bills passed and transmitted to the House for concurrence: 1/22/2019

SB 5, introduced by D. Sands
SB 11, introduced by D. Salomon
SB 16, introduced by D. Salomon
SB 34, introduced by P. Flowers
SB 46, introduced by J. Cohenour
SB 64, introduced by D. Sands
SB 82, introduced by S. Fitzpatrick

FIRST READING AND COMMITMENT OF BILLS

The following House bills were introduced, read first time, and referred to committees:

HB 282, introduced by D. Loge, F. Anderson, G. Custer, F. Garner, C. Glimm, J. Read, W. Sales,
D. Skees, B. Usher, referred to Judiciary.
HB 283, introduced by C. Keogh, S. Greef, P. Webb, referred to Judiciary.
HB 284, introduced by C. Glimm, N. Ballance, D. Bartel, B. Beard, D. Bedey, M. Blasdel, B. Brown,
T. Burnett, G. DeVries, A. Doane, J. Dooling, D. Dunn, N. Duram, J. Fuller, W. Galt, F. Garner,
S. Greef, G. Hertz, S. Hinebauch, K. Holmlund, D. Howard, D. Kary, J. Kassmier, R. Knudsen,
M. Lang, D. Lenz, D. Loge, F. Mandeville, T. Manzella, W. McKamey, D. Mortensen, M. Noland,
A. Olszewski, J. Read, A. Redfield, K. Regier, M. Regier, V. Ricci, T. Richmond, R. Shaw,
Judiciary.
HB 285, introduced by V. Ricci, referred to Transportation.
HB 286, introduced by A. Redfield, referred to Natural Resources.
HB 287, introduced by B. Smith, referred to Fish, Wildlife and Parks.
HB 288, introduced by M. Caferro, referred to Taxation.
HB 289, introduced by M. Caferro, referred to Human Services.
HB 290, introduced by P. Webb, B. Brown, T. Burnett, D. Dunn, C. Glimm, S. Greef, C. Knudsen,
HB 291, introduced by B. Beard, D. Bedey, B. Brown, G. DeVries, A. Doane, J. Dooling, D. Dunn,
R. Fitzgerald, F. Fleming, J. Fuller, W. Galt, T. Gauthier, C. Glimm, S. Greef, S. Gunderson,
B. Hamlett, S. Hinebauch, L. Jones, D. Kary, J. Keane, C. Knudsen, R. Knudsen, J. Krautter,
D. Lenz, D. Loge, F. Mandeville, T. Manzella, F. Moore, D. Mortensen, G. Pierson, J. Read,
A. Redfield, K. Regier, V. Ricci, T. Richmond, W. Sales, J. Sesso, R. Shaw, L. Sheldon-Galloway,


HB 300, introduced by K. White, referred to Taxation.

The following Senate bills were introduced, read first time, and referred to committees:

SB 5, introduced by D. Sands (by request of the Children, Families, Health, and Human Services Interim Committee), referred to Human Services.

SB 11, introduced by D. Salomon (by request of the Education Interim Committee), referred to Education.

SB 16, introduced by D. Salomon (by request of the Education Interim Committee), referred to Education.

SB 34, introduced by P. Flowers (by request of the Department of Natural Resources and Conservation), referred to Natural Resources.

SB 46, introduced by J. Cohenour (by request of the Water Policy Interim Committee), referred to State Administration.

SB 64, introduced by D. Sands (by request of the Department of Public Health and Human Services), referred to Judiciary.

SB 82, introduced by S. Fitzpatrick, referred to Judiciary.

SECOND READING OF BILLS
(Committee of the Whole)

Majority Leader Tschida moved the House resolve itself into a Committee of the Whole for consideration of business on second reading. Motion carried. Representative Beard in the chair.

Mr. Speaker: We, your Committee of the Whole, having had under consideration business on second reading, recommend as follows:
HB 71 - Representative Dudik moved HB 71 do pass. Motion carried as follows:

Total 100

Nays: None.
Total 0

Voted absentee: Berglee, Aye.

Excused: Berglee.
Total 1

Absent or not voting: None.
Total 0

HB 156 - Representative Dooling moved HB 156 do pass. Motion carried as follows:

Total 100

Nays: None.
Total 0

Voted absentee: Berglee, Aye.
Excused: Berglee.
Total  1

Absent or not voting: None.
Total  0

Majority Leader Tschida moved the Committee rise and report. Motion carried. Committee arose. House resumed. Mr. Speaker presiding. Chair Beard moved the Committee of the Whole report be adopted. Report adopted as follows:

Total  98

Nays: Beard.
Total  1

Voted absentee: None.

Excused: Berglee.
Total  1

Absent or not voting: None.
Total  0

THIRD READING OF BILLS

The following bills having been read three several times, title and history agreed to, were disposed of in the following manner:

HB 67 passed as follows:

Total 98

Nays: Mr. Speaker.
Total 1

Voted absentee: None.

Excused: Berglee.
Total 1

Absent or not voting: None.
Total 0

HB 84 passed as follows:

Total 87

Total 12

Voted absentee: None.

Excused: Berglee.
Total 1

Absent or not voting: None.
Total 0
HB 94 passed as follows:

Total 90

Nays: Galt, Glimm, Grubbs, Keane, Knudsen C, Noland, Redfield.
Total 7

Voted absentee: None.

Excused: Berglee.
Total 1

Absent or not voting: Olsen, Read.
Total 2

HB 98 passed as follows:

Total 99

Nays: None.
Total 0

Voted absentee: None.

Excused: Berglee.
Total 1
Absent or not voting: None.
Total 0

**HB 106** passed as follows:

Total 77

Total 22

Voted absentee: None.

Excused: Berglee.
Total 1

Absent or not voting: None.
Total 0

**HB 127** passed as follows:

Total 95

Nays: Glimm, Manzella, Noland.
Total 3
Voted absentee: None.

Excused: Berglee.
Total  1

Absent or not voting: Winter.
Total  1

HB 129 passed as follows:

Total  82

Total  17

Voted absentee: None.

Excused: Berglee.
Total  1

Absent or not voting: None.
Total  0

UNFINISHED BUSINESS

Mr. Speaker, I move that the following undersigned name be ADDED as sponsor to HB 269
Motion carried.

HB 269 (D. Skees, Chief Sponsor)
Burnett.
ANNOUNCEMENTS

Committee meetings were announced by the committee chairs.

Majority Leader Tschida moved the House adjourn until 1:00 p.m., Friday, January 25, 2019. Motion carried.

House adjourned at 1:42 p.m.

LINDSEY VROEGINDEWEY  GREG HERTZ
Chief Clerk of the House  Speaker of the House