

ATTORNEY GENERAL

STATE OF MONTANA

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September 26, 2014
Sidney, Montana

Mr. Chairman and members of the committee, thank you for inviting me to speak before you today. Thank you also for coming to Sidney. I think it is vitally important for congressional committees to hold field hearings throughout the country, especially when the subject matter is tied to a particular place. Opportunities and challenges tend to look different up-close than they do from Washington, DC.

I say opportunities and challenges” deliberately, because that is precisely what we face here in eastern Montana. We cannot speak of one without the other.

Oil and gas development is the second largest industry in Montana. It is responsible for more than 12,000 direct jobs locally, which pay, on average, \$60,000 per year – well above the majority of wages in Montana. The industry is also responsible for thousands of indirect jobs.

Last year, oil and gas development generated more than two hundred million dollars in tax revenue for Montana’s state and local governments. While so many other states have faced sizeable budget deficits in recent years, Montana has enjoyed comfortable surpluses and ending-fund balances while still providing vital services to its citizens. We would not have been able to do so without the economic activity from resource development.

What is happening here in Montana and North Dakota is part of the “all of the above” energy strategy emphasized by President Obama. Hydraulic fracturing and other technologies have evolved over the years and now represent an unprecedented opportunity to safely and responsibly work toward our nation’s energy independence.

As you have heard and will hear from others today, with such opportunity and growth comes the need to invest in infrastructure. Economic growth means thousands of new people are living and working in the region. Our highways are busier and once-quiet towns are now bustling with activity. As is the case in any part of the country, with rapid population and economic growth comes an increase in crime rates.

- From 2008 to 2012, the number of arrests in all crime categories in counties that fall within the Bakken region increased by 80%.
- From 2010 to 2013, the number of narcotics investigations undertaken by the Montana Department of Justice in northeastern Montana increased by 281%.

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MONTANA DEPARTMENT OF JUSTICE

Legal Services Division ★ Division of Criminal Investigation ★ Highway Patrol Division ★ Forensic Sciences Division
Gambling Control Division ★ Motor Vehicle Division ★ Information Technology Services Division ★ Central Services Division

- From 2008 to 2012, arrests for drugs and drug paraphernalia increased by more than 300%.
- Earlier this year, one city police chief in northeastern Montana reported that domestic violence had increased by 148% in the past five years, the number of attacks increased by 825%, and cases of drug abuse increased by 785%.
- In 2010, it became clear to law enforcement authorities in the region that much of the narcotic trafficking was being conducted by national and international criminal organizations, including Mexican drug cartels. Their presence throughout northeastern Montana and northwestern North Dakota has become commonplace.
- In 2010, in northeastern Montana a gram of methamphetamine brought a street price of around \$100. An ounce sold for \$500 - \$600. Beginning in 2011 and continuing to today, the price has continually increased. Currently a gram of meth brings \$250 - \$300, and an ounce routinely sells for \$2,800 - \$3,000 in the area around Sidney, far exceeding national prices for these drugs. Their quantity and purity indicate an origin in the southern U.S. and Mexico.

These are just a few of the statistics that make it clear law enforcement is and must continue to be a key part of any investment in infrastructure.

As Montana's chief law enforcement and legal officer, the safety of our citizens is my paramount duty. It is also what drives the more than 800 public servants at the Montana Department of Justice, who work tirelessly in all corners of this state – often under dangerous circumstances – to protect our citizens. We take this responsibility very seriously, as do the city, county, and federal law enforcement partners in Montana and North Dakota with whom we work on a daily basis.

Our legislature meets only for ninety days every other year, which gives state and local officials narrow windows of time to pursue many of the avenues available for responding to the growth in eastern Montana.

When I took office last year, it was clear that the Department of Justice needed to invest more resources in eastern Montana. At the time, call-response times for our Highway Patrol Troopers were nearing unacceptable durations. Our Troopers were stretched too thin and were overburdened – so much so, in fact, that retention had become an issue. With our ability to not only respond to calls in a timely manner but also assist local agencies in jeopardy, we went to the 2013 Legislature and asked for funding to add additional Troopers to our eastern Montana detachments. We were successful in acquiring five new Troopers, who are already working in the field now.

We also steered more resources to our Division of Criminal Investigation, which helps local and federal law enforcement agencies investigate complex and high-profile crimes. From day one of the 2013 Legislative Session, we worked to secure two additional DCI agents for eastern Montana. In the end we were successful, and much of the credit belongs with Governor Bullock, who as a former attorney general understands the law-enforcement challenges facing eastern Montana.

Speaking of DCI, I am glad that Montana's U.S. Attorney Mike Cotter is here today. Mike and his team work very hard to prosecute federal criminal cases throughout Montana. Our DCI agents assist Mike's office with such cases on a regular basis. It is an important and productive partnership that benefits Montanans, and we are committed to maintaining it.

Field work is just one aspect of law enforcement. At the Department of Justice, we also operate the state crime laboratory, which processes the evidence that can make or break a successful prosecution. Facing a backlog driven in part by cases in eastern Montana, last year we increased staffing at the laboratory in key areas of forensic science.

We also successfully advanced legislation establishing a THC impairment standard for driving under the influence (DUI) of marijuana, as well as a bill banning the popular “designer drugs” that mimic dangerous illegal drugs.

To combat repeat DUI offenses, we are investing considerable time and resources into expanding the 24/7 Sobriety Program, including into counties impacted by Bakken growth. This has been a tremendously successful program that holds repeat offenders accountable and saves taxpayers money by eliminating many incarceration costs. During the 2013 Legislative Session, we successfully advanced a bill changing from five years to ten the window used to determine if an offender is subject to enhanced criminal penalties and driver licensing sanctions for a second or subsequent DUI conviction.

While we have worked with the legislature to improve public safety in eastern Montana and throughout the state, there are also areas where the Department of Justice uses existing resources and takes steps independently under its own authority.

Our Prosecution Services Bureau assists Montana’s smaller counties – including those impacted by growth in the Bakken region – with the toughest cases. Earlier this year we began offering specialized training in sexual assault prosecution to Montana’s county attorneys, to help them ensure offenders are held accountable and victims are treated with respect and dignity.

Our seasoned agents at the Division of Criminal Investigation, which I mentioned previously, helps county sheriff offices and city police departments (many of which have small forces) investigate the range of crimes that have increased with population and economic growth.

Earlier this year we launched the Montana Highway Patrol’s first-ever K-9 narcotic units. With the equipment and start-up costs funded entirely by grant moneys and drug-forfeiture funds, these six units are stationed in strategic locations along major corridors but conduct interdiction operations throughout Montana. This represents a significant advancement in our ability to intercept drugs being trafficked through Montana.

We have also been working to raise awareness of human trafficking, which we know is taking place in the Bakken region. Last year we launched a statewide poster campaign targeted to victims and those who suspect trafficking is taking place. We have also partnered with private companies to spread awareness in key areas along Montana’s most heavily traveled corridors. In addition, the Montana Law Enforcement Academy, which we operate, trains city police officers, county sheriff deputies, Highway Patrol Troopers, commercial vehicle enforcement officers, as well as some tribal law enforcement officers in how to spot the potential indicators of human trafficking. I cannot overstate the importance of this, as many career officers will tell you that 20-30 years ago they likely encountered victims of human trafficking but were not aware of it at the time when they had the chance to do something about it.

Just as one agency alone cannot fully address the public safety challenges in the Bakken region, the public sector alone will not suffice. A holistic approach requires partnership with the companies operating in the region. To that end, the Department of Justice has been working with the Montana Petroleum Association and its members to explore ways we can work together. For example, our agents can train human resource staff on how to identify red flags during the screening process. Most of the people who come to work in the Bakken are honest men and women who want to work hard and earn a good living for themselves and their families. Yet we cannot deny that there are criminals and others with nefarious intentions seeking employment as well. If we can work with the companies during the hiring process, we can make help prevent a

bad element from gaining access to the region. This is just one example of how and why working with the oil companies is essential to protect public safety.

In collaboration with our city, county, state, and federal law enforcement partners, we at the Montana Department of Justice have done much, but more work remains if we are to fully address the needs driven by population growth and increased economic activity in eastern Montana. On behalf of the people of Montana, I encourage the members of this committee to devote more federal resources to the regions of Montana and North Dakota that are experiencing significant rates of growth. Those resources could include a permanent local presence of the Federal Bureau of Investigation and Drug Enforcement Administration, as well as more prosecutors focused on eastern Montana in the U.S. Attorney's Office. Our partnerships with these agencies have proven effective, but from our standpoint, limited resources at the local, state and federal levels continue to be a significant obstacle toward greater progress in improving public safety.

My staff and I are more than happy to answer questions from members of the committee at any time, and lend whatever assistance we can to your efforts in this area.

Thank you for your time, and thank you for paying attention to this vital issue.

A handwritten signature in blue ink, appearing to read 'T. Fox', with a long horizontal line extending to the left.

Tim Fox
Attorney General of Montana