



**Livestock Loss Reduction & Mitigation Board Members Present:**

Elaine Allestad - Chairperson  
Whitney Klasna  
Larry Trexler  
James Cross  
John Herman

**Staff:**

George Edwards – Executive Secretary

**Guests:**

Kraig Glazier – USDA, WS  
Ken McDonald - FWP  
Chris Smith – Wildlife Management Institute  
Maggie Nutter – Marias River Stockgrowers  
Rae Herman – Rancher  
Matt Barnes – Keystone Conservation  
Mia Aageson – Senator Tester’s staff  
Christian Mackay – Department of Livestock  
George Harris – Department of Livestock  
Erin Edge – Defenders of Wildlife

**Call to Order and Administrative Items:**

Chair Elaine Allestad called the meeting to order.

**Introductions:**

- Each board member and board staff introduced themselves.
- Chair Elaine Allestad asked the audience members to introduce themselves and encouraged public comment.

**Board Minutes:**

Board members reviewed the October 19, 2012 minutes. **Motion:** Jim Cross made a motion to approve the minutes. Whitney Klasna seconded the motion. **Discussion:** Jim Cross pointed out a word correction on page four. **Vote:** All in favor none opposed. Motion carried.

## **Budget Status:**

Mr. Edwards stated that the last budget report he received from Mr. Harris shows we are at 81% of the budget year and we have expended 75%. The board's finances are in good shape. The remaining budget is \$17,204 out of a total budget of \$70,100.

Board members reviewed Board's current budget status. **Motion:** Whitney Klasna made a motion to approve the budget report. John Hermon seconded the motion. **Discussion:** None. **Vote:** All in favor none opposed. Motion carried.

## **Reports:**

- **George Edwards – LLB Executive Secretary**

Mr. Edwards attended all of the major livestock organization's winter meetings to ask for help to find ways to fund our programs. His primary goal was to find funding sources for a multiplier, veterinary bills and loss prevention.

He met with the Woolgrowers board and found out they were looking for ways to fund USDA Wildlife Services. Mr. Edwards asked them if they would consider using LLB as a pathway for Wildlife Services funding and at the same time seek funding for the board. They agreed to this and decided to seek legislation for state general fund dollars. The Woolgrowers board presented this idea during their annual meeting and it was well received by all. Shortly after the Woolgrowers meeting Mr. Edwards presented this concept to the Stockgrowers at their annual meeting. The idea was well received and supported.

Representative Mike Cuffe introduced two bills for Woolgrowers, one to add grizzly bear losses to our board and another to provide funding for Wildlife Services and our board.

Board members were told the reason they were not allowed to support either of the bills is because of current policy and Mr. Edwards said to look at the governor's policy book each of them had received prior to the legislative session. He said the idea for the bills came six months after approval of bills by the governor's office. Bill requests for the 2015 session will need to be submitted to the governor by April 2014.

Maggie Nutter asked if HB 322 would be attempted again. Mr. Edwards said he has been told that Woolgrowers has already been in contact with holdover senators to re-introduce the bill. Ken McDonald said Wildlife Services benefits all Montanans but FWP ran into the same issue as the board on supporting the bill because of state policies. Mr. McDonald suggested involving diverse groups such as hunting groups in the fundraising coalition because it would have helped in the legislature. Mr. Edwards stated the board has a diverse group within the

board's coalition which includes hunting, environmental organizations and tribes. He also added that many attempts were made to include the board in FWP's dealings with Wildlife Services and that both Elaine Allestad and himself have letters from FWP stating they would include the board.

Mr. Edwards has begun to announce at every meeting that the legislature has added grizzly bear loss and prevention to the board beginning October 1<sup>st</sup>.

- **Kraig Glazier – USDA Wildlife Services**

Mr. Glazier brought in a white wolf hide for the board to see. He uses the hide for educational purposes to show the color variations seen in Montana. This hide was from a wolf removed after many depredation incidents.

A number of state directors met in Colorado and John Steuber, Montana State Director were told \$200,000 is being cut from his budget. This is about 20% and there are no new hires but Mr. Steuber was also told there will be no furloughs either. FWP continues to provide \$110,000 for wolf work but that money is already spent for this year. Producers will have to pay \$580 per hour for more helicopter time if needed. Airplane time is not included and is limited to where they can be used. Depredations have not slowed down since wolf hunting season closed. They currently have operations in seven counties on thirteen packs and collaring on three additional packs.

Mr. Glazier said loss prevention efforts on grizzly bears have helped to reduce grizzly caused losses. Typically they will start getting calls on grizzlies around April 1<sup>st</sup>. He spoke briefly about USFWS comment period going on for the next 90 days. Ken McDonald gave some specifics on the draft and the different population segments.

- **Ken McDonald – FWP**

FWP did not seek nominations for the board realizing that HB 395 was introduced and would probably pass. This saved a lot of unnecessary work for FWP as the bill did pass and FWP is no longer part of the board member selection process.

FWP had the wolf program in HB 2 this year. In the past the program was funded with federal dollars. Last session Debbie Barrett had a bill that included the federal money and some state money. Because of this bill the funding had to go through HB 2. In the past when it was just federal money they just did a budget amendment. The result is that legislators did not want to increase FTE's in FWP but they were allowed to call them modified FTE's and Mr. McDonald did not know yet how this was going to affect the wolf program. By the end of federal

fiscal year 2015 FWP will no longer be getting any federal money for wolf work. This year it is \$625,000 in federal funds.

The hunting season reduced the wolf numbers from 653 to 625 according to FWP's count. They are currently working on the upcoming wolf season. The proposal would add a month to the season and increase the bag limit to five.

Jim Cross asked if FWP is now using a defined count or if it is still a minimum count. Ken McDonald said they are still using a minimum count. He said their estimate is 10 to 30 percent low and it may be even greater in the Kalispell area due to heavy timber making the count difficult. Mr. Cross asked why is FWP creating a buffer zone near the park with a quota. Mr. McDonald said it is because of the controversies of hunting near the park. Mr. Cross said based upon his background it appears a concession was made for commercial use. We need to draw a line and we are not here to support a commercial entity. Mr. McDonald said it is more of a social piece. Ultimately it is up to the FWP Commission to decide.

Maggie Nutter asked about the federal funding going away, what does a reduced program look like? Ken McDonald said they may hire summer wolf trappers instead of having a wolf specialist. The program is in a state of flux as they determine the needs. Currently they are working with the university to develop a patch occupancy model to help with counts. They may be able to do this for \$20,000 dollars instead of \$600,000 dollars.

Chris Smith, former FWP deputy director is now with the Wildlife Management Institute. He spoke about his involvement for years leading up to the creation of the board. WMI works with state governments and others concerning wildlife issues. He is working with the Interagency Grizzly Bear Committee. They provide some funding for cooperative agreements for education and outreach. IGBC provided a \$36,000 dollar grant for information and outreach. This helped to leverage WMI to add an additional \$20,000 for this purpose. Each year they call for proposals for funding. This would allow the board to leverage and/or apply for funding. The requests for proposals typically come out in November and this would be for the preventative side. WMI is looking at an incentive program for ranchers to provide habitat.

Jim Cross asked Mr. Smith where they stand as searching for habitat for wolves is exporting wolves onto somebody else and what does WMI consider the right amount of wolves. Mr. Smith responded that WMI does not take a position on the number of wolves in Montana. They are not looking for new places to put wolves. If there is private land where wolves occur in the existing population, this is a mechanism for people living outside of Montana to receive a benefit of having wolves while helping to cover the costs.

## **Old Business:**

- **Federal Funding**

Mr. Edwards said the federal funding is still supposed to be coming from Senator Tester's 2008 federal legislation. This funding is for loss payments and prevention. The Department of Interior started to work on rules for the appropriation 1 ½ years ago. Each month Mr. Edwards receives a call saying they should be available the following month. To date the funds have not been released. These funds will help free up state funds to help cover the addition of grizzly bears. The board should be in good shape to pay claims with the addition of the federal funds. By the fall board meeting we should have the federal funds. He hopes the funds will help leverage private funding for prevention projects.

- **Legislation**

George Edwards stated that HB 323 passed an amended the existing law to add grizzly bears to the board. This bill had broad support from many organizations. The bill will go into effect on October 1<sup>st</sup>. Livestock loss by grizzly bears occurring on October 1<sup>st</sup> will now come to the board for payment.

HB 322 came out of the board's fundraising coalition. The bill passed the full house and on the senate floor but died in the senate finance committee on a tie vote. This bill would have provided funding for the addition of grizzly bears and loss prevention funding. Someone asked why non-lethal was not mentioned in HB 322. Elaine Allestad responded that livestock organizations will call it prevention but the term non-lethal is not supported by the livestock organizations.

Mr. Edwards said after HB 322 was defeated a legislator from Eastern Montana placed an amendment into HB 2 with funding language for the board. This funding would have come from the coal bed methane account. Legislative drafters attempted a hurried amendment but there were problems with the language. Additional law changes needed to be done to allow a transfer under existing law. The lack of these changes prevented the fund transfer to the board. Ultimately the governor vetoed this amendment. Christian Mackay said an amendment in HB 2 cannot change an underlying statute. He read a section of the coal bed methane law. Many other amendments in this session also had the same problem.

Woolgrowers are already looking for a legislator to carry the bill in the 2015 session. In order for the board to testify in support of a funding bill, it would need to go through the EPP budget process. Mr. Edwards asked George Harris to speak to the board about the process.

George Harris said the executive planning process is that the board is part of the executive branch tied to the Department of Livestock. Starting in February he will

begin receiving instructions from the governor's budget office. Each state agency is allowed to submit a budget. At that time the board will write up what they want. The EPP will address the operational budget. Mr. Edwards asked Mr. Harris how the board can get the language from HB 322 into the board's budget request. Mr. Harris said it would be via HB 2. The Department of Livestock would submit the request on behalf of the board. He said it is a long shot to get through the EPP process. Mr. Edwards stated the board wants to be a supporter of the language. Mr. Harris said it would have to first go through the Board of Livestock. Mr. Edwards read a section of the governor's policy book to try to clarify the issue. Elaine Allestad said this would not go through the Board of Livestock, it would be submitted along with the Department of Livestock's request. She said she wants to avoid prior problems in how LLB's budget was presented. LLB's budget was cut before it was even presented to the governor's office. Mr. Harris said his interpretation is that the department director will review the budget request and make a determination. Mrs. Allestad said the policy does not state the director will review the budget request, it says they will include it. Mr. Harris was directed to page 5 of the governor's policy handbook. Mr. Harris read out loud to everyone "Be aware that department directors do not have the authority to approve or control agencies attached to their departments, see 2-2-121, MCA". Mrs. Allestad said on page 12 it states "budgetary requests of boards and commissions are included within the budget of the department to which the board or commission is attached". She said she does not want the Board of Livestock to determine this board's budget. Mr. Edwards said he just wants everybody on the same page. Mr. Harris said the key is in the budget instructions. They will have to be clear on what they want submitted.

Mr. Edwards spoke about HB 395. This bill reduces the number of board members from seven to five. The FWP Commission and the Board of Livestock no longer recommend board member candidates to the governor. He spoke with the governor's staff and was told the fifth board member will be appointed this fall. Termed out board members will remain active until the replacement is named. Whitney Klasna was reappointed under the current law and confirmed by the senate. The reduction in the number of board members was viewed by the legislature as a cost savings.

#### **New Business:**

- **Governor' Policy Handbook**

All board members were mailed the handbook prior to the legislative session. Areas of discussion were covered in the prior legislation section of the minutes.

- **Mission Statement Change**

Mr. Edwards asked if he could modify the board's current mission statement to add /grizzly bears to be in line with HB 323.

**Motion:** Jim Cross made a motion to amend the current mission statement to add /grizzly bears. Whitney Klasna seconded the motion. **Discussion:** None. **Vote:** All in favor none opposed. Motion carried.

- **Grizzly Bear Loss Claims Process**

Mr. Edwards asked the board if he can use the same process and form for grizzly bear loss claims that he currently uses for wolf caused losses. This would take effect on October 1<sup>st</sup>.

**Motion:** Whitney Klasna made a motion to use the same process for grizzly bear claims currently in use for wolf caused losses and changes be made to the forms. John Herman seconded the motion. **Discussion:** None. **Vote:** All in favor none opposed. Motion carried.

- **Loss Prevention**

At the time the agenda was prepared it was thought that the board may have funding for prevention. At this time the board does not have funding available for prevention. Elaine Allestad asked Erin Edge with Defenders of Wildlife if they would be able to provide any funding similar to what they did when the board was formed. Ms. Edge said she would speak with her organization and requested a letter or email from the board about the request. Mr. Edwards will send a request to Ms. Edge. Whitney Klasna said this would be helpful for the board because of Defenders current work with grizzly bears as we go forward. Jim Cross asked Mr. McDonald if FWP still has a grizzly bear prevention program. Mr. McDonald said their bear specialists help out but they don't have a big budget for prevention. Ms. Edge said they have worked with Partners for Fish & Wildlife on fencing projects primarily for habitat. Tying habitat with loss prevention would be difficult but it has worked in the Blackfoot. Maggie Nutter said projects need to last for more than a year to help with acceptance of using the methods.

**Motion:** Whitney Klasna made a motion to draft a letter to Defenders or other interested parties seeking funding for partnerships on prevention projects. John Herman seconded the motion. **Discussion:** None. **Vote:** All in favor none opposed. Motion carried.

Elaine Allestad said the board may need to reconvene the board's prevention committee when funding is available.

- **Board Meeting Date**

Elaine Allestad recommended holding the next board meeting in Choteau with the addition of grizzly bear losses to the board. Mr. Edwards said the board could meet in September near the Choteau Sheep Expo. Maggie Nutter said a large

number of people will be in Choteau for the Expo. Ms. Allestad set the board meeting for September 6<sup>th</sup> with a listening session in the morning.

**Public Comment**

- No one offered additional public comment.

**Motion:** John Herman made a motion to adjourn. Whitney Klasna seconded the motion. **Adjourned 3:40 pm**

DATED this 6<sup>th</sup> day of Sept., 2013

Elaine K. Allestad

Elaine Allestad, Chairman  
Montana Livestock Loss Board