



**MINUTES
BOARD OF LIVESTOCK MEETING
NOVEMBER 18 & 19, 2010**

NOVEMBER 18 & 19, 2010
LIVESTOCK CONFERENCE ROOM 319
301 N ROBERTS
HELENA, MT

BOARD MEMBERS PRESENT:

Jan French, Chair, cattle producer
Ed Waldner, swine producer
Stan Boone, cattle producer

Brett DeBruycker, cattle producer
Jeffery Lewis, dairy producer

ABSENT:

Linda Nielsen, cattle producer

John Lehfeldt, sheep producer

STAFF PRESENT:

Dan Turcotte, Milk & Egg Bureau
George Harris, Centralized Services
Dr Marty Zaluski, Animal Health
John Grainger, Brands Enforcement

Carol Olmstead, Meat Inspection Bureau
Dr Jeanne Rankin, Animal Health
Steve Merritt, Public Information Office

PUBLIC PRESENT:

Aerial Overstreet, Montana Stockgrowers
Aeric Reilly, Montana Farmers Union

John Steuber, Wildlife Services
Kraig Glazier, Wildlife Services

1:00 PM THURSDAY NOVEMBER 18, 2010 CALL TO ORDER

ADMINISTRATIVE ITEMS

Board Communications:

- Jan French, Hobson-sheet of ice -rained before it snowed - most fall work done, cows and calves look good
- Jeff Lewis, Corvallis-cows milking good - typical Bitterroot nice weather
- Stan Boone, Ingomar-lots of water, snow last week, grass is still green
- Ed Waldner, Chester-farming done, ready for winter, finally got winter a few days ago, down to zero
- Brett DeBruycker, Dutton - has photos from trip to Russia -home calves in to the feedlot, off grass, fall work done, cattle prices are holding in there - pretty dry till this last little blast

Approval of Minutes:

Jeff Lewis moved to approve the September 30/October 1 (BOL meeting), and the September 5 (conference call), 2010 minutes as presented. Ed Waldner seconded. The motion carried unanimously.

Interim Authorizations and Activities:

Authorized an additional meat inspection person to Animal Health.

Stan Boone moved to approve interim authorization as presented. Brett DeBruycker seconded. The motion carried unanimously.

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Executive Officer Reports:

Ed Waldner moved to approve the executive officer report as presented. Jeff Lewis seconded. The motion carried unanimously.

9:30 AM

DIVISION REPORTS

Centralized Services, George Harris

- Presented a synopsis of budget requests for FY 2012-13 by division
- Provided budget status reports on each program through the first quarter FY2011.
- Presented a projected budget to FYE 2011 allowing for the necessary vacancy savings
 - 7% vacancy savings equals about \$506,000
 - in 2010 did not fill positions allowing a \$120,000 carry forward held for use in the 7% in 2011
 - vacancies filled, now must find other areas to use for vacancy savings
- Reviewed first quarter revenue receipts in the three major state special revenue accounts; per capita, brands, and animal health
- IT-working on new brand and animal health systems
 - Axiom is working on the design
 - \$55,000 NAHLN grant used for accessing LIMS
- Livestock Loss Reduction and Mitigation Board, George Edwards
 - reported that three member terms are expiring
 - all three have asked to be reappointed
 - plus Mr. Mackay is receiving nominations to be sent to the Governor
 - the board will review nominations at January meeting
- Alternative Livestock Advisory Council
 - Linda Nielsen's term as the board representative is expiring
 - she will be asked to seek reappointment

Public Information Office, Steve Merritt

- Current projects
 - Rerecord
 - pushing online rerecord
 - provided posters showing the "preserving your place in history"
 - online registrations will save the department money (mainly postage)
- John's and other informational documents with Dr. Rankin
- Designed brochure for the Livestock Loss Reimbursement and Mitigation Board

PRODUCER ORGANIZATION UPDATES

- Stockgrowers, Ariel Overstreet
 - invited all to attend the annual convention December 16-18 in Billings
- Montana Farmers Union, Aeric Reilly
 - recently attended a dinner at the Chilean Embassy in Washington DC
 - promoting Montana beef vs. Argentine/Brazilian

PUBLIC COMMENT

- No public comment

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2:25 PM

ADJOURNMENT

Board meets with FWP for working meeting 3 p.m. to 5 p.m.

8:00 AM

FRIDAY, NOVEMBER 19, 2010

CALL TO ORDER

BOARD MEMBERS PRESENT:

Jan French, Chair, cattle producer
Ed Waldner, swine producer
Stan Boone, cattle producer

Brett DeBruycker, cattle producer
Jeffery Lewis, dairy producer

ABSENT:

Linda Nielsen, cattle producer

John Lehfeldt, sheep producer

STAFF PRESENT:

Dan Turcotte, Milk & Egg Bureau
George Harris, Centralized Services
Dr Marty Zaluski, Animal Health
John Grainger, Brands Enforcement

Carol Olmstead, Meat Inspection Bureau
Dr Jeanne Rankin, Animal Health
Dr Bill Layton, Veterinary Diagnostic Lab
Steve Merritt, Public Information Office

PUBLIC PRESENT:

Ariel Overstreet, Montana Stockgrowers
John Steuber, Wildlife Services
Kraig Glazier, Wildlife Services
Don Bottrell, Diamond B Red Angus

Dr Tom Linfield, USDA APHIS VS AVIC
Aeric Reilly, Montana Farmers Union
Becky Knollenberg, Montana Interactive
Quentin Kujala, FWP

DIVISION REPORTS CONTINUED

Milk & Egg Bureau, Dan Turcotte

- salmonella testing
 - ready to start next month
 - this is a whole new program that will allow instate testing
 - license application process is being completed
 - diagnostic lab is being set up to be able to process these samples
 - several conference calls with APHIS to regarding finer points of testing processing
 - future plan is to contract back to feds for testing personnel expenses when program becomes mandated in 2012
 - producers will try to get federal money when it becomes mandated--most of that money comes back through FDA rather than at producer cost
- 12 day rule Court Hearing updates
 - Darigold withdrew at the latest hearing
 - following the merger with Darigold, Country Classic also withdrew
 - Meadow Gold agreed to continue as of Monday - the process continues

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Meat Inspection Bureau, Carol Olmstead

- Hired a part time inspector in Kalispell
 - shifting other inspectors throughout the western part of the state
 - will start two new plants one at Arlee and one at Macalister (1 retail -1 custom)
- Attended the USAHA/National Meat Inspectors meetings in Minneapolis -
 - Montana selected for USDA inspection in 2011 (possibly in July)
- Western USAHA meeting is being hosted by Montana
 - first time ever
 - next March - two day meeting
 - Dr Zaluski and Carol are planning committee
 - proposed trip down to Yellowstone to see the bison trap and guest coach ride

USDA Wildlife Services (Predator Damage Management), John Steuber

- Just finished up the Federal fiscal year
 - 30% more wolves taken this year with cattle losses up 20%, investigations up
 - lion work up and more black bear problems also
 - grizzly population Yellowstone and north of the Continental Divide-both area populations are increasing
- Federal judge ruled for Wyoming in Wyoming's suit
 - at least three bills in the legislature in Washington DC
 - many state laws are in direct conflict to federal laws
- DOL's budget is in trouble
 - cutting back on flying with more significant cuts over the next year
 - even with three months cut back will still only be able to fly six months
 - still 37% below the 2000 budget
 - 75% federal funded now but feds are pushing for 50% match
 - 46 counties pay into sheep fund and 16 cattle petitions right now for approximately \$350,000
 - \$110,000 from FWP originally for protection for antelope & deer- shifted to wolf management a few years ago
 - approximately \$400,000 in field personnel expenses for wolf issues alone
- Reviewed history of the actual dollar figures that DOL paid to USDA Wildlife Services compared to the total per capita collections by the DOL and the percentage of total per capita collections that went to USDA Wildlife Services for predator control operations.

	Money from DOL to USDA Wildlife Services for Predator Control	Total per capita collections	Predator Control percentage of total per capita collections
2000	\$398,273	\$2,999,334	13.3%
2001	\$347,437	\$3,219,404	11.2%
2002	\$383,655	\$3,020,809	12.7%
2003	\$183,911	\$2,784,301	6.6%
2004	\$186,473	\$3,274,162	5.7%
2005	\$186,099	\$3,224,501	5.8%
2006	\$186,137	\$3,362,625	5.5%

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2007	\$185,993	\$3,543,392	5.3%
2008	\$255,850	\$3,688,744	6.9%
2009	\$258,329	\$3,600,705	7.2%
2010	\$251,262	\$3,587,553	7.0%

These funds do not include the helicopter insurance paid by the department or the per capita funds paid to the 4.5 non-cooperating counties.

Animal Health, Dr Zaluski

- DSA Official Order into ARM Rule
 - first two meetings were well attended and good meetings
 - another meeting is scheduled in Twin Bridges on November 23r
 - have started drafting responses to comments
 - equine semen rule change also included in DSA ARM proposed rule change
 - 4 comments received
 - all were for the proposed change
 - Requested board to set date for conference call to discuss all comments and authorize changes for filing by December 14 filing deadline
 - board set December 10 at 10am for the conference call allowing time to receive draft showing comments received, replies and changes made if any
- Traceability Update
 - are seeing significant changes in the current process
 - new framework established by Secretary of Agriculture
 - abandoned NAIS in favor of a more flexible system
 1. only intrastate animals required to be ID'd
 2. instate movement is up to each individual state
 - each state is responsible for traceability and will have to write a state traceability program setting performance standards regarding animals coming into and leaving the state
 1. cattle over 18 months, dairy cattle, exhibition animals
 2. assessment - 75% to show will be identified/all tags will be collected
 3. final phase all intrastate
 - rule probably in April with final adoption in 2012
 - Feds will not implement the program without funding - will not mandate if unfunded

Dr Zaluski commented that new Animal Health computer system will help through electronic inspection & health papers.

Christian Mackay spoke to how the department may meet this mandate:

- a) looking at replacement of hand written documents with an ARCHER hand held that automates the whole process
 - b) will begin looking for grant money to obtain this system
- USAHA meeting - traceability discussion
 - suggested a 50 state electronic health inspection
 - with 90% compliance
 - prior to implementation need
 - a strong system out for collecting slaughter tags
 - an acceptable 8 digit tag system-

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- concerns include the cost of the system and possible slowing the movement of cattle
- other countries are significantly ahead of the US in terms of traceability
- Non OCV Import Request
 - Mr. Don Bottrell of Diamond B Red Angus, Billings requests authorization to import four registered non-OCV female cattle from Canada
 - was unaware of Montana's rule when he purchased them at auction at Innisfall, Alberta
 - Dr Zaluski discussed option of testing, quarantine and adult vaccination citing the animals are not from an area with significant disease issues
 - Mr. Bottrell stated they are registered red angus that he is looking to improve his herd lines
 - request is for a one time waiver of ARM with quarantine/testing and adult vaccination after calving (Jan or Feb)

Jeff Lewis moved to allow the import of the four female cattle after calving per stipulations by Dr Zaluski. Ed Waldner seconded. The motion carried unanimously.

Stan Boone moved to amend the original motion to allow the import of the four females after calving per recommendation by Dr Zaluski as posing negligible risk- testing to take place prior to import with vaccination and quarantine of females and calves following importation. Jeff Lewis seconded. The amendment carried unanimously.

- USAHA - Brucellosis meeting update
 - resolutions included
 1. formalized testing for elk and deer to include updating regulations to recognize new testing methods
 2. passed statement discouraging winter feeding of ungulates in the Greater Yellowstone Area
- The board will take up mandatory OCV decision in January
 - Steve to put out notices for comments
 - board to be ready to vote in January following review of comments

9:35 AM RECESS
10:00AM RECONVENE

Diagnostic Laboratory, Dr Bill Layton

- AAVLD - gave presentation of accreditation response
 - approximately \$8 million need for the project
 - design \$190,000 more needed for design after \$130,000 earmarked
 - must have industry support
 - sources - grants, bonding, lease, loans
 - two questions favoring renovation or new building
- provisional NAHLN accreditation runs out December
 - expect continuation of accreditation until 2012
 - next step try to get a plan and start selling

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- Jan asked FWP, their reply was pretty positive but we need commitment and to get to MSU involved
- other possibilities include lab medicine, pre-vet & diagnostic medicine students to boost graduation stats
- Proposed fee increases
 - pending for next meeting
 - have not been raised since 2007
 - looking at least 5% increase considering raising costs
 - must keep fees competitive to keep tests coming in
- Personnel
 - pathologist position kept open for vacancy savings, employee out for back surgery, another with cancer issue - regular staff picking up the slack
 - modified position next year may provide flexibility needed for unexpected illnesses and issues

Brands Enforcement, John Grainger

- Rerecord
 - program which will house the new rerecord system appears ready
 - will stop old program next week and go live with new program December 1
 - plan B is still there if needed
 - expect 60-70% prospective rerecords to be done on line
 - provided sample of mail out notice (post card)
 - if 50% rerecord online and other 50% request application mailed to them the department will save a minimum of \$7,000 in postage
 - expect a lot of transfers where the process can be started online with department completing the process in house
 - Becky Gullinberg, MT Interactive
 - presented a prototype on rerecording/transferring online
 - get the word out to apply and complete early
 - will include a survey option button regarding views of 10 year rerecord or other time period
 - provided a sample of phone call- in recording - for the rerecord request for mail in form-recorded request will be transferred electronically to be mailed out
- Freeze Brands
 - e-mailed producer organization representatives for reply regarding freeze branding
 - the issue is on the agenda for their annual meetings in December
 - really out of the boards hands since it would require statute change
 - board or industry would have to approach a legislator
 - board will have input from industry by January meeting
- Beef Council Contract
 - discussion of drafted changes in Bill of Sale
 - yellow and pink copy will change from receipt to a bill
 - "complete and remit to Beef Council" on yellow & pink

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- white and yellow copy to DOL office in Helena
- producer retains pink copy
- white copy retained in Helena office
- yellow copy to be mailed to Beef Council
- department will electronically send information contained on yellow copy y to BC
- discussion of changes in BC contract to establish procedure and protocol
 - on page 1 of new contract # 3 wording was changed to "within 5 days"
 - original contract read "in a timely manner"

Ed Waldner moved to approve the new BC contract as submitted except retaining the phrase "in a timely manner" on page 1 # 3. Brett DeBruycker seconded. The motion carried with Jeff Lewis abstaining.

PUBLIC COMMENT

Dr Linfield, USDA APHIS VS AVIC, provided an update on issues he is working on

- regarding feeder cattle going north from Montana to Canada
 - looking at streamlining the endorsements (health papers) prior to traveling north
 - each animal must be officially identified and listed individually on the health papers
- also sitting on a Brucella/TB working group that is looking at redesigning the national programs for both diseases

ANNOUNCEMENT OF NEXT BOARD MEETINGS

JANUARY 17 & 18, 2011

MARCH 14 & 15, 2011

(Board meetings will be scheduled on the third Monday & Tuesday of every other month unless otherwise noted.)

ADJOURNMENT 12:00 P.M.

EXECUTIVE SESSION TO FOLLOW - PERSONNEL ISSUES

Personal right to privacy exceeds public right to know.