



Montana Board of Livestock Meeting Minutes

(This Meeting was Virtual)

February 18, 2021

MT Department of Livestock Board Room #319
301 N. Roberts, Helena, Montana

Board Members Present

Brett DeBruycker, Chairman (cattle producer)

Wendy Palmer, Vice-Chairman (cattle producer)

Lila Taylor (cattle producer)

Sue Brown (dairy and poultry)

Ed Waldner (swine producer)

Nina Baucus (cattle producer)

Gilles Stockton (sheep producer)

(All BOL members attended the meeting virtually except for Brett DeBruycker, Nina Baucus and Lila Taylor who attended the meeting from the BOL Conference Room in Helena. Ed Waldner joined the meeting at 8:11 AM and departed at 12:11 PM)

Staff Present

Mike Honeycutt, EO

Brian Simonson, Deputy EO

Evan Waters, Centralized Services

Dan Olson, Centralized Services

George Edwards, Livestock Loss Board

Chad Lee, Milk Control Bureau

Ethan Wilfore, Brands Administrator

Donna Wilham, Adm. Assistant to EO

Dr. Marty Zaluski, State Veterinarian

Dr. Tahnee Szymanski, Animal Health

Dr. Eric Liska, Animal Health

Dr. Gregory Juda, MT VDL Director

Gary Hamel, Meat & Poultry Inspection

Darcy Alm, Milk & Egg Bureau

Public Present

Gene Curry

Alan Redfield

Don Waldner

Kraig Glazier, USDA Wildlife Services

Jenny Bloomquist, MT Veterinary Medical Association

Maggie Nutter, Marias River Livestock Association

Jay Bodner, Montana Stockgrowers Association

Lauri Hanauska-Brown, MT Fish, Wildlife & Parks

MEETING CALLED TO ORDER

8:03 AM

Chairman Brett DeBruycker called the meeting to order at 8:03 AM

BOL ROLL CALL

(0:06) 8:04 AM

Chairman Brett DeBruycker requested a roll call of the BOL and comments about what had been going on in their part of the state during the last month:

- Brett DeBruycker was present at the BOL conference room in Helena
- Nina Baucus was present at the BOL conference room in Helena
 - Ms. Baucus said that they had cold weather, some broken pipes and a cow that went to sleep during the cold and never woke up
- Lila Taylor was present in the BOL conference room in Helena
 - Ms. Taylor said it was her last BOL meeting
 - It had been cold in their area and they had some heifers that calved a couple weeks early
- Sue Brown attended the meeting by ZOOM from Costa Rica
 - Ms. Brown said they had around 250 kids born at their farm during the cold weather and that they had six people working on the babies and moms for the last couple weeks
 - Ms. Brown added that they were back to milking at their farm and were happy to be over the cold
- Gilles Stockton attended the meeting by ZOOM
 - Mr. Stockton said that during the cold they had a couple days of not being able to even start a vehicle
 - He said they were currently calving and lambing
- Wendy Palmer attended the meeting by ZOOM
 - Ms. Palmer said she was happy that they were not calving until March
- Ed Waldner did not fully connect to the ZOOM call until 8:11 AM
 - Mr. Waldner said he had made it through the cold

DOL STAFF and PUBLIC ROLL CALL

(2:56) 8:06 AM

Mike Honeycutt called out two incoming BOL members for comment who were on the ZOOM call. The two were scheduled to begin serving on the BOL on March 1, 2021:

- Gene Curry
 - Mr. Curry reported their heifers were due to calve on March 4th, but had started on February 15th, almost 20 days ahead of time
 - He said they had returned from Cabo just in time to miss the cold and to take over heifer calving
- Alan Redfield
 - Mr. Redfield reported that they had not begun calving, but had brought in a few heifers that looked like they could

- He reported that the temps in the southern Paradise Valley had gone from 60 above to 25 below and that now it was almost 40 degrees with a steady snow
- Mike Honeycutt reported that staff currently present on the call were: himself, the Executive Officer for the BOL, Donna Wilham, Assistant to the Executive Officer and BOL, George Edwards, Livestock Loss Board, Chad Lee, Milk Control Bureau, Dr. Marty Zaluski, Division Administrator for Animal Health, Dr. Eric Liska and Dr. Tahnee Szymanski both from Animal Health, Brian Simonson, Deputy Executive Officer, Evan Waters, CSD, Gary Hamel, Chief of Meat and Poultry, Dr. Greg Juda, Director of the MVDL and Darcy Alm, Milk & Egg Bureau
- Public present on the call at the time were Jenny Bloomquist, Montana Veterinary Medical Association, Kraig Glazier, USDA Wildlife Services, Lauri Hanauska-Brown, FWP and Maggie Nutter, Marias River Livestock Association

BOARD APPROVAL OF BOL MEETING MINUTES AND BOARD ADMINISTRATIVE CONSENT ITEMS AND BUREAU REPORTS

(8:29) 8:12 AM

Chairman Brett DeBruycker asked if there was a discussion about any of the Board Administrative Consent Items:

- Nina Baucus requested that the Milk Price Forward Contracts portion of the Milk & Egg Bureau Report addressing SB131, be pulled from the Consent Agenda for discussion
 - Chad Lee explained that the Dairy Farmers of America (DFA), Darigold and the Montana Milk Producers Association supported SB131, which would provide an exception to Montana's minimum producer price regulation of payment less than a minimum price as a result of a price forward contract that would be entered into voluntarily by the producer and distributed
 - Mr. Lee explained that this would help producers manage price risks, especially following a volatile 2020, which had some very high month-on-month price increases, but also a 22% price decline in May, a near 10% decrease in April, another 7% decrease in June, and a 13.5% drop in October. He added that in January 2021, there was a 21.5% price drop
 - According to Mr. Lee, there were some other price risk mechanisms that currently existed
 - The Farm Service Agency offered Dairy Margin Coverage protection for the first 5 million pounds of milk, but that it was less advantageous for dairies larger than that. He said that about a quarter of Montana dairies were above that first tier
 - The USDA Risk Management Agency offered a couple of insurance products
 - Through brokerage accounts, Mr. Lee explained that producers could do forward price contracting on the futures market

- Mr. Lee assured the BOL that SB131 would not affect the statewide pooling system or the retail milk prices in Montana stores and would not place an undue burden on Montana's Milk Control Bureau, in terms of administration. He did inform the BOL that in Federally-regulated markets, which account for over 85% of the milk produced in the United States, forward price contracting was allowed to occur
- Mr. Lee said that he guessed that all the producers delivering milk to the Great Falls and Billings Meadow Gold plants had become members of DFA, the largest dairy co-op in the US, and in conversations with them, they are happy about it, with plants seeming to be running better
- Mr. Lee reported that there would be two more dairies closing, one in March and one probably in April, he thought related to the age of the barns and natural course of the business cycle
- Lila Taylor had questions on the Legislation portion of the Livestock Loss Board Bureau Report, regarding SB26, payments to tribal members for livestock predation claims
 - George Edwards explained that although tribal members were exempt by law from paying per capita on their livestock, according to SB26, when filling out a predation claim form, they must either list their tribe and tribal ID number, or, if they cannot do that, they have to show that they have paid per capita before a predation claim can be paid to them
 - Mr. Edwards said that SB26 had passed all the way through the Legislature and was on the way to the Governor for his signature
- Mr. Honeycutt reported that the Blackfeet Stockgrowers had put out an article, that included quotes from George Edwards, addressing the issues of tribal members and per capita requirements and how some don't have enough ancestry that qualifies them to have a tribal ID number

MOTION/VOTE

(24:27) 8:28 AM

Lila Taylor moved to approve the minutes from the BOL January 20, 2021 meeting and the Board Administrative Consent Agenda Bureau Reports from the Livestock Loss Board, Meat & Poultry Inspection Bureau, Milk Control Bureau, Milk & Egg Bureau and the Veterinary Diagnostic Laboratory. Nina Baucus seconded. The motion passed.

OLD BUSINESS

(25:10) 8:29 AM

(25:15) 8:29 AM – UPDATE ON COVID-19 DOL RESPONSE & CONTINUITY

Mike Honeycutt reported that there had been some movement on the DOL Response and Continuity to COVID-19:

- Mr. Honeycutt said that the new Governor had issued Executive Order regarding hours of operation for certain businesses and returned some local control to some aspects of dealing with COVID-19 at the community level. He said there was also a push to get vaccinations out, but, being in Stage 1B of vaccinations, most State employees had not been vaccinated because of not falling into that category
 - Mr. Honeycutt expected to have more DOL employees vaccinated in coming vaccination rounds because there were a lot of essential government workers in the agency...Brand Investigators and Meat Inspectors were included in that
 - Mr. Honeycutt said they were strongly encouraging employees to consider getting the vaccine when it became available, but added that one of the reasons the DOL was not going back to a full slate of employees at the office was because they didn't have limited liability for Government services as of yet because the bill passed did not cover Government workers, meaning there were liability concerns and Workers' Compensation concerns in relation to the spread of COVID-19
- There still was a limited crew working in the Helena office, but, with bull sales coming up, DOL staff would play a part in those activities continuing, as they were essential to commerce
- The Brands Enforcement Division had a fuller staff in the Helena office due to the demands of the current rerecord
- Mr. Honeycutt said that the Governor did not feel comfortable lifting the requirement to wear masks in State offices and so a few more triggers would have to be hit over the next few months before he would make mask wearing a personal choice in those offices
 - Mr. Honeycutt reported the Governor made comment that one of things he wanted to do before bringing all staff back to work in offices was to do a full analysis of the State's remote work policies to determine which things done out of necessity of COVID-19 should maybe become permanent because of the considerable savings without loss of productivity
- Governor Gianforte visited the DOL offices a couple weeks ago, meeting the people who were present

(31:23) 8:35 AM – UPDATE ON EXECUTIVE PLANNING PROCESSES FOR 2021 LEGISLATURE

Brett DeBruycker requested changing the agenda order, dealing with the LRBP Proposal and Progress before the Executive Planning Processes for the 2021 Legislature

(31:47) 8:35 AM – Review Long Range Building Project (LRBP) Proposal and Progress

Mike Honeycutt updated the BOL on the HB14, the LRBP "Bonding Bill," dealing with the proposed new MVDL and Ag Analytical Lab combined project:

- Mr. Honeycutt reported that since the last BOL meeting, the DOL had presented its portion of HB14 to the Joint Subcommittee on Long Range Planning and that

earlier in the week, they had taken Executive action on it, with the next step being the bill moving forward to House Appropriations. He said the BOL, industry and even Legislators on the LRBP Committee showed support for the proposal

- Mr. Honeycutt explained that although the House Appropriations Committee session for HB14 wouldn't be as deliberative as the Long Range Planning Committee session, the DOL would have to be present for questions and that supporters would need to be ready as well because there would be new House members on that Committee hearing about the LRBP proposal for the first time
- The text of HB14, according to Mr. Honeycutt, lists MVDL/Ag Analytical Lab on one line, at a cost of \$36 million. He said that when presenting to the LRBP Committee, he presented the DOL's portion, roughly \$26 million of that cost
- Architects and Engineering of the Department of Administration had designed, along with architects, the entire footprint of the proposed combined project, MVDL/Ag Analytical Lab. The difference in the DOL portion of the Lab and the Department of Agriculture portion of the Lab was the proposed funding
 - The DOL proposal was to pay for their part of the proposed Lab with a sizeable cash down payment and continue to do bond payments in the future with State Special Revenue and State general fund
 - The Department of Agriculture was proposing to pay for their portion of the Lab entirely with general fund bonding
- Mr. Honeycutt explained that the proposed combined Lab project was shovel-ready, as the blueprints were already done, and added that the University System declared straight out that the Board of Regents and MSU would make good on their promise to provide the property for the combined Lab if the project was approved

(41:05) 8:44 AM – Review Budget Request Progress

Mike Honeycutt updated the BOL on HB2, containing the DOL's budget requests:

- The DOL was the first agency in the Section C Joint Committee on Appropriations to present their budget and received Executive action last week
- Although things went positively for the DOL, Mr. Honeycutt said that the challenge for the DOL's portion of HB2 was that all preparations for it were originally done under the previous administration
 - The new administration submitted their budget on January 7, 2021 and the DOL adjusted their budget with the new administration's numbers
- The new Administration requested an additional 2% of vacancy savings from the previous budget, for a total of 4%, which they did by reducing the Personal Services appropriations request by 2%
 - Mr. Honeycutt assured the BOL that the DOL would have room to manage the Administration's request, because department-wide, the budget had already been running at 94%-96%
- The new Administration also gave State agencies a State-share holiday on general fund, meaning that State agencies were given a holiday from having to pay the State share of health insurance for employees, meaning a savings in State general fund

- Mr. Honeycutt reported that there were a couple decision packages that the DOL lost on in the Section C HB2 budget
 - A \$70,000 DOL budget request for purchase of some laboratory equipment for CWD testing had been amended from utilizing DOL general fund to utilizing FWP funds, possibly license fees
 - Mr. Honeycutt said that the request for adding a .5 FTE in the Meat & Poultry Inspection Bureau for a Label Specialist was not moved forward, not because the Committee disagreed with the need, but because they felt the DOL could utilize a current FTE for that position

(47:27) 8:51 AM – Review Legislative Bill Drafts

Mike Honeycutt requested that the BOL direct him and the DOL to take one of three actions on the Legislative bills he would be presenting today...Oppose, Support or Stay Away

(50:27) 8:54 AM – HB302 – Require County Approval to Relocate Bison

Mike Honeycutt reported that Representative Josh Kassmier from Fort Benton was carrying HB302 – Require County Approval to Relocate Bison, a bill that had already been run in the past:

- Mr. Honeycutt said HB302 does require that the wild bison have to have been designated Brucellosis-free by the DOL before County Commissioners could approve that the bison be relocated and established in their county
- HB302 did exempt Tribal sovereign areas of the state, so it would not affect transfer of Yellowstone National Park bison from going to Fort Peck
- Mr. Honeycutt reported that HB302 had already been heard without participation of the DOL in its first hearing, and would probably be getting Executive action soon
- The movement of wild bison, according to Mr. Honeycutt, was a wildlife management issue, and so that was why the decision was made by the DOL to stay away from the first House hearing
- When a move of disease-free bison was from tribe to tribe, it was treated no differently than a cattle or sheep movement from county to county, requiring a travel permit. If a reservation was located in the DSA, which none are at the moment, the movement requirements could be different
- Mr. Honeycutt explained that the State does not have jurisdiction to make a tribe define their animals as wild or domestic, but, when they come off the reservation onto private land, both the DOL and FWP have obligations to help deal with the situation, possibly requiring the help of a District Investigator and a Game Warden
- Bison that the Blackfeet tribe source from Canada are designated Brucellosis-free. Bison coming in from outside of Montana have to meet Animal Health import requirements. Mr. Honeycutt said that it does appear from what he has read, that in a dispute settlement between the American Prairie Reserve (APR) and Phillips County Conservation District, that the APR bison would now have

some additional testing and vaccination requirements, but those would not be enforced by the DOL

- Mr. Honeycutt said that APR bison are considered domestic to the DOL because there is per capita paid on them, fitting the definition of domestic bison in current State code
- Mr. Honeycutt said that the DOL does have copies of Certificates Veterinary Inspection (CVIs) for movements of APR bison
- It was decided by the BOL that the DOL take a “Stand Back” or “Stay Away” stance on HB302, at the moment, just like it had done already

(1:11:05) 9:14 AM – HB311/HB312 – Generally Revise Bison Laws

Mike Honeycutt reported that Representative Marvin Weatherwax sponsored both HB311 and HB312 and both were titled Generally Revise Bison Laws:

- One of the bills said that the movement of bison between Tribal entities would not be subject to the State Veterinarian’s authority, meaning there would be no import certificate or CVI required. The other bill, according to Mr. Honeycutt, was similar, saying that a bison movement between a National Park, National Monument or any area under the US Department of Interior or the US Fish and Wildlife Service to a Tribe would not be subject to the State Veterinarian designating them to be Brucellosis-free
- State Veterinarian Dr. Marty Zaluski spoke at the first House hearing in opposition to the bills on the grounds that they were overstepping the State Veterinarian’s legal authority, State MCA, threatened the State’s Brucellosis-free status and would create rapid expansion of the DSA
- It was agreed that the DOL continue with an “Opposed” approach to HB311 and HB312, with Sue Brown stating that the quarantine at Fort Peck should not be compromised because it was doing well and that the DOL did not want to go backwards with Yellowstone bison and quarantine measures

(1:14:55) 9:18 AM – HB318 – Clarify Definition of Bison

Mike Honeycutt reported that Representative Kenneth Holmlund of Miles City sponsored HB318 – Clarify Definition of Bison:

- HB318, according to Mr. Honeycutt, established that a wild bison was a bison that had not been subject to per capita fee
- Mr. Honeycutt said that a question arose in discussing the bill with Representative Holmlund whether or not bison calves that were under 9 months of age and were not subject to per capita, could go into the public trust
- Mr. Honeycutt said that overall, HB318 dealt with a major issue a lot of people in Central Montana were concerned about, but, he did not feel there were any issues or problems with the bill and so the DOL stayed away from the first hearing
- The bison on the National Wildlife Bison Refuge, according to Mr. Honeycutt, were considered wild, having been in the public trust, under the care of the US Fish and Wildlife Service. The fenced refuge and its bison, within the boundaries of CSKT, were turned back to CSKT Tribal management as part of the negotiations for the water compact

(1:24:00) 9:27 AM – HB324 – Generally Revise Certain Labeling Laws

Mike Honeycutt reported that Senator Frank Smith sponsored HB324 – Generally Revise Certain Labeling Laws:

- HB324 was one seen during the last Session, requiring labeling of origin through a placard at the retail store in front of beef and pork
- HB324 puts the responsibility on the retailer to know the country of origin of the meat being sold and list on a placard whether the product is from another country or the United States
- Mr. Honeycutt reported that there were a couple reasons the DOL did not engage in the HB324 hearing
 - The bill placed the enforcement of having the proper placard on the Department of Labor and Industry, not the DOL
 - The Department of Labor and Industry had a Weights and Measures-Business Standards Division who send people to meat and produce counters in grocery stores to assure their scales were accurate and so, the enforcement of HB324 would be on those people
 - The DOL had stakeholders who were all over the spectrum on this particular issue, and so it was easier to not have to take a side for or against the bill
- Wendy Palmer said that she felt strongly the DOL should advocate for HB324 to support the cattle and poultry producers in the state of Montana

MOTION/VOTE

(1:30:55) 9:34 AM

Wendy Palmer moved for the DOL to support HB324, Generally Revise Certain Labeling Laws. (The motion died due to lack of a second)

(1:32:16) 9:36 AM – HB336 – Interstate Cooperative Meat Packing Compact

Mike Honeycutt reported that Representative Brandon Ler from Richland County sponsored HB336 – Interstate Cooperative Meat Packing Compact:

- HB336 was scheduled to be heard on Tuesday, February 23, 2021 and would allow states to enter into agreements with one another and move meat interstate from both USDA facilities and State-inspected facilities
- FSIS had already evaluated HB336 and communicated to the DOL that the passage of the bill could threaten Montana’s “At-Least-Equal-To” status, which could threaten the \$1.1 million cost-share on that program and potentially take away Montana’s ability to give grants of inspection. This could effectively end Montana’s Meat & Poultry Inspection program and require all State-inspected facilities to have to go to USDA to get a grant of inspection

- Mr. Honeycutt said there was a risk, if the bill passes and the State went into litigation to fight what the Feds had said they would do, that some sort of injunction could be issued stopping the Meat and Poultry Inspection Bureau from doing their work. Mr. Honeycutt said that several meat processors had expressed concern about the uncertainty that would create for them and were opposed to HB336
 - Mr. Honeycutt encouraged those processors to show up at the hearing and oppose the bill
 - According to Mr. Honeycutt, there were several agricultural organizations opposed to this bill as well, on the grounds it may make the situation worse rather than better
 - Mr. Honeycutt told the BOL that if the Meat & Poultry Inspection program would lose its designation and be put on some sort of “Cease and Desist” status, they would no longer inspect custom exempts and those facilities would not have a grant of inspection unless they applied to USDA to come under Federal inspection
- Mr. Honeycutt reported that there were two bills in the US Congress that sought to expand marketing opportunities for State-inspected meat plants, allowing them to cross state lines, one bill through any type of commerce and the other bill was through e-commerce only
 - Mr. Honeycutt said that his personal position was that he was supportive of the Federal bills and that they probably needed to happen at that level first, but, trying to pass the same situation at the State level before the Federal level was approved put the State crosswise with USDA-FSIS. He suggested adding some language in HB336 saying that if one of those Congressional acts passed, then the State of Montana would approve of it
- Gilles Stockton said that Mike Honeycutt should go into the Legislative hearing regarding HB336 as an informational witness, stating that FSIS’ current stance on State of Montana-inspected meat does not allow it to cross state lines, but pointing out that FSIS approved of meat inspected in Brazil and Namibia
 - Mr. Honeycutt explained that the protocol of an informational witness was to introduce themselves and offer to make themselves available should the Committee have any questions
- Nina Baucus gave two reasons she felt the DOL should go into a hearing as opposing HB336
 - By statute, the DOL must uphold the “Equal-to-or-Exceeds” Federal standard for inspection
 - Ms. Baucus said she was concerned about the chaos the passage of the bill would cause with Montana’s meat industry and it probably would put a lot of people out of business
- Lila Taylor requested a history be given of Montana’s meat inspection program
 - Mike Honeycutt said USDA control of meat inspection was established in the early 1900s, out of the Teddy Roosevelt era; big changes were made in the Meat & Poultry Inspection Act in the late 1960s; Montana MCA was established for Meat Inspection by the DOL in 1987 and had continued that way ever since

- Mr. Honeycutt reported that a group of Legislators had come over to the DOL four to five weeks ago to discuss the Cooperative Interstate Shipment (CIS) program, allowing states to inspect products that go across state lines. He said that pre-COVID, there were only four states who participated in that program, and now there were 10 to 11 with South Dakota just applying to participate as well
 - Mr. Honeycutt said that he encouraged those Legislators interested in CIS for Montana to study over the next biennium the costs and the code changes needed to fully understand what the State would be getting into by participating in that program
- Brett DeBruycker expressed that he did not like the control meat packers wield and that HB336 might be something that could start to break that log jam to protect the US cattle industry
 - Mr. Honeycutt said that interstate commerce was regulated by the Federal government, and until something changes at the Congressional level, allowing State-inspected meat products to cross state lines would be a violation of Federal law
 - Mr. DeBruycker said he did not feel it was right for the DOL to take a supporting or opposing role on the bill and that the DOL should take an informational role and let industry decide what they wanted to do. He said his opinion was that the DOL would be best served by seeing where the Montana livestock industry wished for the bill to go
- Lila Taylor said that the DOL was informational, but that the Legislative Committee needed to know the end result if HB336 passed
 - Mr. Honeycutt pointed out that when the information being conveyed to the Legislative Committee was bad news a person gets tagged with being oppositional when stating they are informational. He added that it damages Legislative relationships if that was done
- Wendy Palmer stated that COVID brought the food insecurity issue to light, and that the weakest link in that chain was the large meat packing plants and relying too much on agribusiness big industry to process animals. Ms. Palmer thought that the DOL should be informational on the positive side of HB336
- Sue Brown said that the DOL should oppose HB336, based on the fact that State-inspected facilities would not be able to operate and the DOL employees would be out of a job. She added that if an Idaho company could bring in Idaho meat, then, where would Montana go with theirs
- Ed Waldner said he could not support it because it puts the State inspection program into jeopardy, and until the Feds do it, he is against it
- Gilles Stockton said that the BOL could vote for HB336 and not put the current Meat & Poultry Inspection program into jeopardy in any manner whatsoever because it would require action at the Federal level for the bill to become active
 - Mr. Stockton said that other states were already selling meat in Montana and that a vast majority of meat sold in the state was coming from other states
- Mr. Honeycutt stated that the DOL was in a very difficult position with the upside risks of passing HB336 and the downside risks of it

- Downside risks, according to Mr. Honeycutt, include having nowhere to get a custom-exempt animal processed for a period of time; having no place to sell an animal if a person wanted to get it processed and having it processed across state lines was breaking the law; there would be some concern regarding those businesses who had legitimately invested to establish a USDA-licensed business and those facilities who didn't make that investment and now get the benefit of it
- Mr. Honeycutt said the hope was that the downside consequences of passing HB336 may only be temporary. If the State lost its meat inspection capabilities for a time, it would probably would not be permanent. Scrutiny in reapplying for those inspection capabilities, however, would, without a doubt, be tougher from FSIS

MOTION/VOTE

(2:34:10) 10:38 AM

Gilles Stockton moved that the BOL be in favor of HB336, Interstate Cooperative Meatpacking Compact, contingent upon the bill Sponsor adding an amendment to it making it clear there would be changes made at the Federal level first that allow for interstate commerce of State-Inspected meats. Wendy Palmer seconded. Nina Baucus and Lila Taylor voted no. The motion passed.

(2:50:00) 10:53 AM – HB433 – Clarify Position of Brand for Recording

Mike Honeycutt reported that Representative Brandon Ler from Richland County sponsored HB433 – Clarify Position of Brand for Recording:

- HB433 added some language to current MCA on applications for recording of brands, and according to Mr. Honeycutt, the sponsor lifted the language for this bill from current DOL Brands policy. Passage of HB433, according to Mr. Honeycutt, would basically have no effect on the way brand recording is done now, because it was already done according to Brands policy
- Mr. Honeycutt said that the question was not whether the BOL agreed with HB433, because it was currently Brands policy, but whether the BOL wanted to start putting Brands policy into statute where it could not be changed by the BOL
- Wendy Palmer said, although the Brands policy should be worked on a little more closely, she did not feel this particular portion of it should be put into MCA and her position was to oppose HB433 because of that
- Lila Taylor agreed that Brands policy should not be put into MCA, tying up the BOL

MOTION/VOTE

(2:56:41) 11:00 AM

Wendy Palmer moved that the BOL oppose HB433, Clarify Position of Brand for Recording. Nina Baucus seconded. The motion passed.

(2:58:28) 11:02 AM –

SB26 – Clarify Use of Tribal Agreements for Livestock Producers Within Reservations

SB27 – Allow Multiplier Reimbursement for Loss of Livestock

SB58 – Provide Fund Transfer for Livestock Losses

Mike Honeycutt reported on the status of three Livestock Loss Board (LLB) bills currently being considered at the State Legislative Session:

- Both SB27 and SB27 had advanced to the Governor’s desk and were awaiting his signature
- SB58, carried by Senator Mike Cuffe would create a permanent funding stream, a set amount of money in an account to give grants to organizations and people for Range Riders, flaggery, guard dogs, carcass composting, electric fencing and those types of activities, and also to USDA Wildlife Services, as opposed to funding those activities with rollover funds
 - SB58 is in its second House and is out of Committee. Soon, it would be heading to its second House floor, and, according to Mr. Honeycutt, he expected it to be at the Governor’s desk very soon

(3:01:23) 11:05 AM – SB40 – Revise Membership of the Montana Invasive Species Council

Mike Honeycutt reported that there was no position needed from the BOL on SB40, which Revised Membership of the Montana Invasive Species Council, because it was a DNRC bill and he just wanted to make the BOL aware of it:

- SB40, according to Mr. Honeycutt, adds two seats to the Council, one of them being a DOL seat
- Mr. Honeycutt said that groups represented on this Council deal with invasive species of some kind, the DOL’s being feral hogs
- SB40 was currently in its second House Committee

(3:02:42) 11:06 AM – SB98 – Revising Laws Related to Grizzly Bear Take in Defense of Persons and Livestock

Mike Honeycutt reported that SB98, Revising Laws Related to Grizzly Bear Take in Defense of Persons and Livestock, was carried by Bruce Gillespie, and, although it was not a DOL bill, he felt that livestock people would be interested in it:

- SB98 would allow for hazing of grizzly bears in defense of self or livestock in certain situations
- Mr. Honeycutt reported that the bill had been tabled for a time, but, was moving again. With it being a wildlife management bill, FWP had been working with Senator Gillespie and others on that bill

(3:03:26) 11:07 AM – SB131 – Provide Milk Price Forward Contracts

Mike Honeycutt reported that SB131, Provide Milk Price Forward Contracts, carried by Daniel Salomon, had been discussed earlier

(3:03:33) 11:07 AM – SB199 – Provide for the Montana Local Food Choice Act

Mike Honeycutt reported that SB199, Provide for the Montana Local Food Choice Act, had not yet had a hearing:

- Mr. Honeycutt said that SB199 had been revised from Mr. Hertz’s 2019 bill, and with all the changes made in Title 50, dealing with public health codes, the bill had been assigned to the Senate Public Health Committee. It had not yet had a hearing
- There were three areas of interest to the DOL that Mr. Honeycutt wanted the BOL to consider and decide how big a problem they would be
 - Under the Powers and Duties of the Department, 81-2-101, language would now make it illegal for the DOL to come onto a property and do a brand inspection and make it illegal for the DOL to quarantine animals if they were adjacent to a Brucellosis-infected or TB-infected herd. Mr. Honeycutt said Senator Hertz and the bill drafters were amenable to change, but added that he was waiting to see if they would make that change
 - Mr. Honeycutt said the DOL had already received a letter from USDA-FSIS regarding the portion of SB199 creating an exemption for poultry, producers who sell homemade food or slaughter fewer than 1,000 birds a year. The way that portion of SB199 was worded, it would exempt those facilities from licensure and the Federal standard was that those facilities have to be licensed
 - SB199 also created in the milk code new language that created exemptions for “small dairies,” allowing them to sell unpasteurized, uninspected product to consumers on-farm. Mr. Honeycutt said with the language used in the bill, the DOL would have no role because those dairies were exempted from licensure and inspection
 - Sue Brown said there were plenty of reasons to pasteurize milk and that six cows were quite a few in terms of amount of milk they were putting out. She added that this bill gave free reign for those dairies to do what they want without licensing, especially when she paid for her facility’s inspections and said it was not really fair for her to have that competition
 - Ed Waldner said unpasteurized milk was not safe and that the DOL should take a stand against raw milk. A possible amendment to the bill would be to require a sticker for the containers listing a date on it, he said
 - Gilles Stockton said that raw milk had become a belief system and that a possible way forward to beat that belief system was to require frequent inspection of the cattle and cattle handlers for Tuberculosis, a disease that may be transmitted in raw milk

MOTION/VOTE

(3:14:28) 11:18 AM

Ed Waldner moved that the BOL oppose HB199, the Montana Food Choice Act. Sue Brown seconded. The motion passed.

(3:20:55) 11:24 AM – SB204 – Revise Milk Laws

Mike Honeycutt reported that SB204, Revise Milk Laws, carried by Senator Greg Hertz, was not a raw milk bill, but instead, concerned labeling of milk:

- Mr. Honeycutt explained that if SB204 passed, it would suspend the current administrative rules with regard to milk and prevent the DOL from ever making new rules about date labeling on milk
- Passage would mean there would be no 12-day sell-by date on the carton, but instead, a freshness or best-by date chosen by the processor that had to meet requirements that the milk was fresh, healthful and safe when purchased by a consumer
- Ed Waldner questioned why Mr. Hertz was promoting a bill against the 12-day rule when industry and consumers and the courts had supported it. He added that he was totally against letting processors just put on whatever date they wanted, that the 12-day rule had worked
- Sue Brown said that she supported Ed and that the very few dairies left in Montana depended on the 12-day rule because more Montana milk goes to Montanans. She explained that ultra-pasteurized milk from out of state takes out nutrients

MOTION/VOTE

(3:27:58) 11:31 AM

Ed Waldner moved that the BOL oppose SB204, Revise Milk Laws. Sue Brown seconded. The motion passed.

(3:29:18) 11:33 AM – SB279 – Revise Laws Related to Meatpacking Exemptions

Mike Honeycutt reported that SB279, Revise Laws Related to Meatpacking Exemptions, carried by Senator Kenneth Bogner from Miles City, was one the DOL had been talking to the sponsor about for quite some time:

- Mr. Honeycutt said that USDA-FSIS had reached out to the DOL with their concerns regarding SB279, even though it affected intra-state, not inter-state commerce. USDA-FSIS did say that passage of SB279 would mean that the Montana Meat & Poultry Inspection program would no longer be “At-Least-Equal-To”
 - SB279 would allow custom exempt plants to process meats and sell them retail if it was plainly marked as a local Montana product
 - SB279 passage would mean that custom-exempt products would not be inspected in the same manner as meat with a USDA stamp...there may not be a pre-kill inspection or post-mortem inspection of the organs and there would not have to be someone watching the processing of it
 - Although SB279 would expand what a custom-exempt plant could do, Mr. Honeycutt said it would no longer just be doing a service for a customer, but would be engaging in retail commerce
- Nina Baucus expressed her concern about meat not being inspected and said, if they want to market and sell it, inspect it

- Lila Taylor had questions about liability for the product processed at the custom-exempt plants if SB279 passed

MOTION/VOTE

(3:35:04) 11:38 AM

Ed Waldner moved that the BOL oppose SB279, Revise Laws Related to Meatpacking Exemptions. Sue Brown seconded. The motion passed.

(3:36:08) 11:40 AM –

SR63/SR67 – Confirm Governor’s Appointees to the BOL

SR66 - Confirm Governor’s Appointees to the Livestock Loss Board (LLB)

SR68 Confirm Governor’s Appointees to the Milk Control Board

Mike Honeycutt reported that all of the Senate resolutions having something to do with the DOL were heard the previous week and acted upon on February 16, 2021:

- **SR63** – Confirming Governor’s Appointees to the BOL was adopted, installing Gene Curry and Alan Redfield to the BOL starting on March 1, 2021
- **SR67** – Confirm Governor’s Appointees to the BOL, was not concurred on a 6 to 5 vote with Wendy Palmer and Gilles Stockton
- **SR66** – Confirm Governor’s Appointees to the LLB; all of the Governor’s appointees for the LLB were concurred
 - Doreen Gillespie would be staying on the LLB
 - Elaine Allestad, had previously been on the LLB and was now back on that board
- **SR68** – Confirm Governor’s Appointees to the Milk Control Board; all of the Governor’s appointees for that board were concurred
 - Scott Mitchell was retained on the Board of Milk Control, but not as Chairman
 - Brian Beerman was retained on the Board of Milk Control
 - Three new members were added to the Board of Milk Control

(3:40:32) 11:44 AM – LC1207 – Revise Certain Livestock Inspection, Transportation Permit Fees

Mike Honeycutt expressed his appreciation of Representative Josh Kassmier working actively with the DOL on LC1207, Revise Certain Livestock Inspection, Transportation Permit Fees:

- Mr. Honeycutt said that Representative Kassmier’s reasoning for bringing LC1207 forward was because of his concern about the expense for people going to summer grazing and not able to use an adjoining county permit because their summer grazing was more than one county away and then also, because they didn’t own deeded ground on both sides of the movement, they couldn’t use the new deeded ground permit that was put into place a couple years ago. Those producers currently must pay fees going and pay fees coming back
- Mr. Honeycutt said that he and Ethan Wilfore, expressed concern to Representative Kassmier about comingled herds in grazing areas and the ability

to bring home someone else's cows in the return movement. It was also requested that Representative Kassmier utilize State employees rather than Local Inspectors, so that the movements could be tracked going and coming back

- Representative Kassmier then revised LC1207 for a seasonal grazing permit, but set a time-bound, six-month leasing period. The DOL would then have a method for tracking those animals when they are brought home in six months, being inspected at \$1/head
- Mr. Honeycutt did say that there may need to be more work done on LC1207 regarding the front-end movement of animals on the DSA, assuring that inspections were done properly
- Nina Baucus suggested that that a deposit be made when the cattle go to range and then the deposit be returned when their animals get inspected before coming home
- Brett DeBruycker said he'll never understand why, people trying to get out of DOL fees that are there to keep their cattle from being stolen. He said for producers to lower their costs, negotiate a little harder with their trucker
- Lila Taylor said she opposed LC1207 as it said the cattle don't have to be inspected going out, so the producer was trying to avoid one inspection
- Nina Baucus withdrew her second at (4:00:02) 12:04 PM; Gilles Stockton seconded at (4:00:32) 12:04 PM

MOTION/VOTE

(3:55:31) 11:59 AM

Lila Taylor moved that the BOL oppose LC1207, Revise Certain Livestock Inspection, Transportation Permit Fees, if advanced as is. Gilles Stockton seconded. (Nina Baucus withdrew her second at (4:00:02) 12:04 PM). The motion passed.

CENTRALIZED SERVICES DIVISION REPORTS

(4:02:05) 12:06 PM

(4:02:05) 12:06 PM – PREDATOR CONTROL

Mike Honeycutt suggested that with Kraig Glazier on the call and his presentation being short, that it might be a good time to let him present so he could get on with his day

(4:02:28) 12:06 PM – Update on Activities of USDA Wildlife Services

Kraig Glazier gave updates on USDA-Wildlife Services activities for John Steuber, who was not present on the ZOOM call:

- USDA-Wildlife Services received some funding to carry out non-lethal work
 - The funds helped shear up Alan Backa, a non-lethal Specialist out of Missoula who did a lot of electric fencing and flaggery projects for wolves and grizzlies
 - The funds also helped hire a seasonal Fencing Specialist on the Rocky Mountain Front, with the majority of that work being done in Glacier County

- USDA Wildlife Services received grizzly bear work funding from US Fish and Wildlife Service
 - The funding would be used to hire a grizzly bear Specialist along the Rocky Mountain Front and also one in the Gravelly Mountain Range
 - The funding would also be used to hire a Range Rider in the Gravelly Mountain Range and one in Northwest Montana
- Mike Hoggan, a Wildlife Services Specialist on the Rocky Mountain Front in Pondera and Toole Counties, retired in January after 41 years of service
 - Mr. Hoggan's position was filled by Skippy (Curt) Simms from Malta. Mr. Simms did seasonal grizzly bear Specialist work for USDA-Wildlife Services last summer and had been gunner certified for both fixed-wing and helicopter. He would move to Valier for that position
- Scott Snyder, from Turner, Montana, had been hired as a seasonal fixed-wing pilot. He had previously been doing contract flying for USDA-Wildlife Services
- Mr. Glazier reported that USDA-Wildlife Services, Montana FWP Region 4 and the US Fish and Wildlife Service held a really productive coordination meeting the previous week on the Rocky Mountain Front to discuss how the teams could better work together as far as grizzly bears, producers and communities were concerned
- Mr. Glazier said a report came in that a grizzly bear was out chasing horseback riders in Glacier County over the weekend

(4:07:05) **12:11 PM** Ed Waldner requested to leave the meeting to take his grandson to therapy

(4:08:14) **12:12 PM – LUNCH**

(4:08:16) **1:02 PM – RECONVENE**

NEW BUSINESS

(4:08:39) **1:03 PM**

(4:08:50) 1:03 PM – RECOGNITION OF RETIRING BOL MEMBERS

Mike Honeycutt announced that this would be the final BOL meeting for Brett DeBruycker and Lila Taylor, unless some emergency happened:

- Mr. Honeycutt presented plaques listing terms of service for both Brett DeBruycker (13 years) and Lila Taylor (6 years). He read the appreciation message on each plaque
- Brett DeBruycker expressed his appreciation for the opportunity to serve with the BOL and the livestock industry of Montana and added that he felt like he tried to do the best he could for livestock in the state of Montana with the information that they had. He sent kudos to DOL staff and said it was a total pleasure serving with them and hoped the industry understood the quality of people working for them

- Lila Taylor said that she felt the DOL was in a much better place than when she started, not just because of her, but the BOL members. Part of the success, according to Ms. Taylor, had been because the BOL had tried to do what was right for the industry and tried to keep politics out of the BOL. She said thank you and that she enjoyed working with everybody and staff and appreciated Mike and hoped he would stay on if he could. Ms. Taylor wished the two new BOL members well

(4:14:26) 1:09 PM – CONFIRM DROUGHT & WATER SUPPLY ADVISORY COMMITTEE APPOINTEE

Mike Honeycutt reported that he had spoken earlier in the week to Lieutenant Governor Juras regarding the Governor’s Drought and Water Supply Advisory Committee:

- Mr. Honeycutt explained that as the head of the DOL he had been serving on that Committee already, which met once a month between March and October, studied data from around the state and made recommendations to the Governor in terms of drought classification and emergency actions in regard to drought or water shortages
- With a new administration in place, the Governor’s office wanted the BOL to reconfirm that the BOL still would like the head of the DOL to be their designee to serve on the Governor’s Drought and Water Supply Advisory Committee. Lieutenant Governor Juras also wanted to assure that people serving on that Committee be able to pass any legal hurdles to serve

MOTION/VOTE

(4:16:40) 1:11 PM

Lila Taylor moved that the BOL appoint Mike Honeycutt as the DOL designee to serve on the Governor’s Drought and Water Supply Advisory Committee. Wendy Palmer seconded. Gilles Stockton voted no. The motion passed.

(4:17:45) 1:12 PM

UPDATE ON GOVERNOR’S OGSM STRATEGIC MANAGEMENT IN RELATIONSHIP TO BOL AND EXECUTIVE OFFICER STRATEGIC GOALS

Mike Honeycutt reported on OGSM (Objective – Goals – Strategy – Measures), the Governor’s new way of measuring strategic performance of State government and agencies:

- Mr. Honeycutt said that he had a video to show the BOL explaining OGSM, but, for the sake of time, he would just explain it. He did say that he was a big supporter of this type of performance management and had dealt with similar ones in non-profit and private industry organizations
- Objective
 - The Objectives realm covers the “Big Picture” things you want to achieve. For the DOL it could be to promote and foster the livestock industry or also to protect transmission of animal diseases to humans
- Goals
 - In the Goals realm, you begin to establish measurable activities

- Strategies
 - The Strategies realm covers the actions taken, asking yourself, what are the activities that are going to make the goals actually attainable
- Measures
 - The Measures piece is the scoreboard, how to report it out
- Montana Department of Administration Director Misty Ann Giles, who came from USDA, was previously in charge of doing governmental accountability for then Governor Sonny Perdue in Georgia. Mr. Honeycutt said that looking up the State of Georgia's OGSM should give a good window of what the governmental accountability agency did in that state
- Mr. Honeycutt said that the OGSM will probably serve as his evaluation because the BOL will set the big picture of where the DOL is going, but it is his job to get the DOL there
- Links to view an OGSM video have been sent to staff, according to Mr. Honeycutt, and he would send it to the BOL as well, and hoped to get into it deeper at the March BOL meeting
- Mr. Honeycutt said he had asked staff, from their areas, to look at their big picture, 6-months/1-year/biennial, and start working on some things to bring to the table, because he had a meeting with the Governor on the 26th and wanted to show that the DOL has been working on OGSM
- Mr. Honeycutt wanted to be sure that the BOL was fully integrated into the OGSM process and supportive of what was put out there and he also invited input from the public if they had ideas about what the DOL should be doing, both short-term and long-term

OLD BUSINESS (Continued)

(4:27:03) 1:22 PM

(4:27:03) 1:22 PM – DISCUSSION ON FINALIZATION OF BOL COMMENTS ON WILDLIFE SERVICES ENVIRONMENTAL ASSESSMENT

Mike Honeycutt reported that after meeting with Lila Taylor and Nina Baucus yesterday, the group had finalized comments on the USDA Wildlife Services Environmental Assessment (EA):

- Mr. Honeycutt said that the EA document was around 400-500 pages long, but the comments the group decided on were only regarding the DOL's stand on the Wildlife Services predator damage management program in the state of Montana
- The group chose to comment on the "no action" alternative included in the EA, which meant that USDA Wildlife Services would continue their Federal integrated predator damage program just as it was being currently operated and they gave reasons for that choice
 - 1. The State of Montana could not replace the knowledge and expertise provided by Wildlife Services and their pilots
 - 2. Without Federal cooperation, the State of Montana wouldn't be able to adequately absorb the financial burden for the program
 - 3. The State of Montana doesn't have authority to Federally manage species issues

- 4. The DOL supported Wildlife Services personnel having full discretion to deal with predator damage management issues in a manner they best see fit, lethal or non-lethal
- 5. Montana's historical predator issues were not usually resolved by non-lethal methods. Mr. Honeycutt said the group's discussion on this point was directed primarily at the coyote population
- 6. USDA Wildlife Services play an integral role in DOL emergency management planning in the case of an outbreak of foreign animal disease in livestock and wildlife
- 7. USDA Wildlife Services was a critical partner with the DOL to prevent transmission of zoonotic disease to humans
- Sue Brown said that she did not feel that #5 was a reason why the "no action" alternative was best and that she didn't think it was necessary to state it. She added that it makes it look like Montana doesn't believe that any non-lethal methods work for them
- Gilles Stockton commented that he liked the list and was not a big fan of non-lethal methods because he didn't feel they worked and that they put more burden on producers
- Nina Baucus shared a story about a failed non-lethal method for coyotes used at their place and said that was her reasoning for adding #5
- With 200 acres of electrified fence, Sue Brown said no coyote had ever gotten their goats and so she felt that had been a good method for them

MOTION/VOTE

(4:35:43) 1:30 PM

Sue Brown moved to remove #5 in the BOL Comments for the USDA Wildlife Services Environmental Assessment regarding predator issues not usually resolved by using non-lethal methods in Montana. Wendy Palmer seconded. Gilles Stockton, Lila Taylor and Nina Baucus voted no. The motion failed.

- Mr. Honeycutt said the comments on the EA were due to be submitted by February 19, 2021

BRANDS ENFORCEMENT DIVISION

(4:37:49) 1:32 PM

(4:37:55) 1:32 PM – RERECORD UPDATE

(4:37:55) 1:32 PM – Update on Rerecord Status

Ethan Wilfore updated the BOL on the current status of rerecord in the Brands Enforcement Division:

- Mr. Wilfore reported that as of February 12, 2021, the Division had processed 20,092 rerecord applications, or roughly 36% of all brands recorded in the DOL, with only 12.5% of the rerecord period elapsed

- 16,699 applications had been received by mail
 - Checks for the hard copy applications had been deposited and the Division was processing the applications as quickly as they could
- 3,393 applications had been completed online

(4:42:22) 1:37 PM – Update on Continued Planning

Ethan Wilfore explained that he had rerecord future priorities broken down in 30/60/90-day increments:

- 30 Days
 - Go through the hard-copy applications, getting them processed and getting certificates out
- 60 Days
 - Go through the roughly 15,000 returned packets that were undeliverable, try to reach brand owners and resend the packets. This may require use of Axiom
 - Mr. Wilfore’s hope was that a big chunk of the returned packets had been or would be rerecorded online
- 90 Days
 - Review data and finalize the marketing plan for the rest of the year
 - Determine how to contact those who had not rerecorded their brand
 - Send out second notices, depending on response rate in the next 90 days
- As an FYI, Mr. Wilfore reported that a higher-than-usual number of new brands had been issued through the course of the year
 - As of February 12, 2021, 147 new brands were issued for the year and 191 transfers
 - 114 new brands were issued in the first two months of 2020 and 94 transfers
- Lila Taylor requested that that new brands be cross checked against the DOR’s per capita status

(4:44:13) 1:38 PM – Request to Hire Position

Ethan Wilfore requested to hire a replacement Brand Inspector in the Miles City market:

- Mr. Wilfore reported that the Brand Inspector resigned last week, with their last day being February 12, 2021, and that was why there was such a short notice given for this request
- The Miles City market continued to be busy and staff there had been helping Rob Matteson in the Chinook district. Also, with the retirement of Larry Evans in Glendive, Miles City had also been helping the Glendive market significantly, and so, Mr. Wilfore said it was critical to fill the Miles City position

MOTION/VOTE

(4:45:10) 1:39 PM

Lila Taylor moved to allow the replacement of a Brands Inspector in the Miles City market. Wendy Palmer seconded. The motion passed.

ANIMAL HEALTH & FOOD SAFETY DIVISION

(4:46:08) 1:40 PM

(4:46:17) 1:40 PM - ANIMAL HEALTH BUREAU

Because of technical difficulties, it was decided to change the agenda and have Lauri Hanauska-Brown from FWP present the Live Elk Capture Update before Dr. Eric Liska's Slaughter Trace Update

(4:47:35) 1:42 PM – Live Elk Capture Update

Lauri Hanauska-Brown, FWP Wildlife Bureau Coordinator, presented talking points put together by FWP Veterinarian Jennifer Ramsey and FWP's Disease ecologist, regarding the FWP/DOL coordinated, annual live elk capture:

- Ms. Hanauska-Brown explained that both FWP's Veterinarian and the Disease ecologist were on captures, which run a period of late December through the middle of March, and thought they were at Wild Horse Island today, catching sheep
- According to Ms. Hanauska-Brown, captures would be conducted to look at spatial distribution and prevalence of Brucellosis exposure in elk with a target to capture 100 female elk in both areas and test for Brucellosis, with 40 in each area radio-collared as part of a general movement study
- Captures this year were to be conducted in the Horseshoe Hills area, just outside of the DSA, north of Manhattan and in the Custer National Forest near Ashland, also outside the DSA
- Ms. Hanauska-Brown reported that a study revealed a 1.8% prevalence of Brucellosis-positive elk were found south of the Montana border in the west flank of the Big Horn Mountains from a sampling of nearly 400 animals. This area was just a stone's throw to the elk in the Ashland area
 - 100 females were caught and tested in the Ashland area and all tested sero-negative for Brucellosis. 40 were collared. 20 bull elk were captured in that area and radio-collared as well
 - The Ashland area elk herd had grown to about 1700 since 2005
- The Horseshoe Hills elk had not been captured yet, but that work was expected to start in 10-14 days. Although Brucellosis had not been found in that area, elk were known to cross the interstate area from north to south, so there could possibly be interaction with the 1000 elk in the Horseshoe Hills
 - There were a large number of traditional cattle ranches in the Horseshoe Hills area, which included Hunting District 312, and so there was some interest in conducting testing there

(4:56:52) 1:51 PM – Slaughter Trace Update

Dr. Eric Liska, Brucellosis Program Veterinarian for the DOL, gave an update on the slaughter trace from Kuna, Idaho:

- Dr. Liska explained that January 3, 2020, at the slaughter plant in the Kuna, Idaho, an animal was found Brucellosis positive, utilizing the Buffer Acidified Plate Antigen (BAPA) test. The State of Idaho informed the DOL of the positive test on January 23, 2020

- Of the 40 animals slaughtered on January 3, 2020, Dr. Liska said that the kill card showed that over half did not have official ID in their ear, and the Brucellosis positive animal was one of those
- According to Dr. Liska, there was yellow Y-TEX ear tag in the animal that could have been placed when the animal went to a feedlot
- Dr. Liska reported that the animal in question did not have a back tag. Dr. Szymanski explained that on that particular shipment, with the animal in question going from a feedlot direct to slaughter, it was not required to have a back tag
- Because there was some brand inspection information listed, the search for the source herd was able to be narrowed down to approximately 18 herds
 - The DOL attempted to contact producers of those 18 herds, and also worked with Brand Inspectors out of the feedlot and other members of the Brands Enforcement Division to narrow down the herds even more that the Brucellosis-positive animal could have come from
 - Hitting dead ends in narrowing down the possible herds, in December 2020, a survey packet was sent to the 18 producers to determine if there was any risk that might warrant quarantine and potentially require a test of those herds
 - Seven of those 18 producers returned the survey packets, with one that spoke to Dr. Liska personally because he was concerned. That producer had 40 of his cows tested that he had culled and all tested negative. But, the producer said he would like to test his entire herd and had agreed to do that in the Fall
 - Dr. Liska said he would be contacting the producers of those remaining 17 herds to determine risk, because he felt at this point, there may be no more survey packets that would be returned to the DOL
- Although the Brucellosis-positive situation had just been brought before the BOL that day, Mr. Honeycutt said that there had been written communication about it to the BOL in updates he had been sending to them, and that the BOL had been added to the Montana veterinarian distribution list again so they would get the same information that Montana veterinarians received from the Animal Health Bureau
- Dr. Liska explained that unless there was a culture-positive done on that positive animal, there was no way to confirm the animal was truly positive, and, because the animal's carcass and remains were gone, they could not try and attempt a culture
- Because of no additional hints regarding where the animal came from, Dr. Zaluski said the case had been informally closed for a time and then it was reopened to do additional digging into the investigation by contacting the producers of those herds, and that was the reason it had taken so long since the initial notification to the DOL regarding the positive
- Mike Honeycutt said that relying on how good information was coming from a packing plant who could be slaughtering several thousand animals in a day and then relying on information from a feedlot and then the recordkeeping of a market

as well, can make identifying an animal like looking for a needle in a stack of needles

- Dr. Zaluski admitted there were several holes in the system, but that different diseases demand a different response. Mike Honeycutt added that had the disease been FMD or TB, those were initially caught by seeing signs of it on the animal before slaughter rather than comparing it to a blood test after the fact, as in the case of Brucellosis
- Brett DeBruycker commended the staff in how they went through the work on this situation saying that as far as Brucellosis and Tuberculosis, those had been basically eradicated and the DOL was now in a surveillance mode

CENTRALIZED SERVICES DIVISION REPORTS (Continued)

(2:53:00) 1:33 PM

(5:30:33) 2:24 PM – FISCAL BUREAU

(5:30:52) 2:25 PM – Aerial Hunting Report

Evan Waters updated the BOL on the status of the DOL's aerial hunting program:

- February 1st was the application date for an aerial hunting permit for coyote or fox, although pilots could apply at any time during the year
- There were 31 aerial hunting pilots registered in 14 counties, with the southeast portion of the state having the largest concentration of pilots
- The majority of out-of-state pilots registered to fly in Montana come from Wyoming. Mike Honeycutt added that out-of-state pilots were limited to hunting in Montana's border counties
- The DOL was waiting for about 10 pilots to submit their hunt reports on coyotes and fox they had taken. Those reports were due by January 31st
- Mr. Honeycutt pointed out that there were three counties that did not participate in the predator control statutory appropriations, Powder River, Carter and Richland Counties and so the money paid to registered aerial hunting pilots in those counties was probably money that would normally be sent to USDA Wildlife Services

(5:37:55) 2:32 PM – January 31, 2021 State Special Revenue Report

Brian Simonson reported that he would be giving some high-level overviews of the revenue comparison report:

- There was about a 50% reduction in revenue intake in Brands from last reporting period to this one, Mr. Simonson saying that Fall Run had concluded and revenues just trickled in after that
- There was a \$4,000 difference in Field Inspections from Last year's numbers and an \$18,000 difference in Market inspections from last year, coming down quite a bit. But, if that trend continues, according to Mr. Simonson, it would look like a normal year in the Brands Enforcement Division
- There was \$828,000 per capita collected to date, with \$500,000 of that collected in the month of January

- Mr. Simonson reported that per capita fee notices had gone out and that the DOL was starting to see that revenue come in, with DOR's web page showing that 5,000 people reported in the month of January. Reporting deadline was March 1st
- Starting in March, Mr. Simonson said that CSD would start reporting to the BOL detailed comparisons of what per capita fee looked like from this year compared to last year in livestock
- The Milk and Egg Bureau did not have much variation going on this past month
- Year-to-date revenue for VDL fees was \$919,000, going up approximately \$200,000 for the month of January, which was nearly double of what was being collected at this time last year. With CWD testing and Brucella testing periods past, that should be the last big jump in those fees, Mr. Simonson said
- Mr. Simonson said that Chad Lee was attributing a reduction in Milk Inspector's Assessment fees to the reduction in dairies across the state
 - Mr. Simonson said through a couple of retirements and not replacing those FTEs, the Milk Inspection program had been able to mitigate its reduction in revenue. Budget projections for Milk Inspection Fees was \$230,000 and it was expected to see nearly \$300,000 in revenue

(5:44:14) 2:38 PM – February 2021 Through June 2021 Expenditure Projections

- Brian Simonson said that they were projecting a total of \$474,000 of excess authority for the DOL, a \$50,000 increase from the last reporting period in December
- Overall, DOL expenses, according to Mr. Simonson, mirror the declining revenue
- Personal Expenses were projecting \$152,000 over excess authority, a \$33,000 reduction from December's report, primarily due to the work that Evan Waters had done on fine-tuning Personnel expenditures for the rest of the year
- In Operations, there had been a significant reduction in the amount of expenditures: Supplies were down 66% from last month, possibly because of the reduction in Lab supplies from the volume they were needing earlier
- In Contracts, there was \$172,000 projected excess, which was actually a \$93,000 increase from the previous month
 - That increase was primarily due to DSA testing numbers looking good compared to last year and the projections for what the end of the year might look like
 - Mr. Simonson also reported that the DOL got a significant augment in DSA funding from the Legislature
- There was a jump in general fund budget projections, with DSA testing showing a \$100,000 increase. General fund was looking positive this month, where last month it was showing \$100,000 in the hole

(5:48:15) 2:42 PM – January 31, 2021 Budget Status Report

- Brian Simonson pointed out that the DOL was approximately \$380,000 higher in expenditures than at this same time last year, exceeding the budget expended with the amount of money spent

- Mr. Simonson explained that just coming out of Fall Run and the testing periods at the MVDL, that number made sense, but that it would start looking positive again going forward
- The \$78,000 more than last year in the Benefits section was because in 2020 there was a free benefits holiday in January 2020, one of the months where employee benefits were not taken out of salaries. In January 2021, benefits were paid during all three pay periods
- In Operations, there were big, positive improvements over this time last year across the board because Operations had slowed and also because the DOL was doing better at capturing expenses sooner
- Mike Honeycutt pointed out that one positive for COVID-19 was the \$65,000 negative in travel, because there was a lot less travel at the DOL than there was a year ago
- In Fund Balances, Mr. Simonson said that the DOL's financial health condition was excellent and, compared to last year, there were a bunch of variations that went up and down, mostly due to how the money was being spent differently. An example was in the DSA and Federal Umbrella funds. Last year, more Federal Umbrella funds had been spent at this time, and this year, more general fund monies were being spent
- Mr. Honeycutt explained that one of the things that drove the Meat & Poultry Inspection Bureau numbers negative was the off-cycle Union negotiations in that Bureau, many times requiring salary or other working conditions increases, resulting in extra expenses that could not be snapshotted into the budget until the following biennium
 - In the Animal Health Division, where all of the general fund resides, the MVDL, DSA and the Meat & Poultry Inspection Bureau, there was the ability to shift funds between those areas if needed. Carryforward authority was not reflected in the financials and was held back until the DOL knew where it would be needed
- Snapshot, according to Mr. Honeycutt, was taken all across State government during the summer before a budget year, listing out staff salaries and vacancies, forming an agency's Personal Services budget for the next biennium

COMMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS/COMMENTS FROM PRODUCER ORGANIZATIONS

(6:03:33) 2:58 PM

Brett DeBruycker requested public and producer organization comments from those online:

- Alan Redfield, who will begin his term on the BOL starting in March, thanked Brett DeBruycker and Lila Taylor for their service and said that even though he and Mr. DeBruycker banged heads a little bit in the beginning, they both had the same end goal and he appreciated his work and time. He said that Lila Taylor had been a rock

- Gene Curry, who will begin his term as Chair on the BOL starting in March, said he echoed Mr. Redfield's words, adding that Brett DeBruycker had done a fine job and that there had been a lot of progress in the DOL since Brett had begun. He said he appreciated everything Lila Taylor had done as well. Although he said he had big shoes to fill with both leaving the BOL, they had left the newcomers with a good situation to step into
- Maggie Nutter thanked Brett DeBruycker and Lila Taylor for serving for so long and doing such a wonderful job. Lila Taylor had been an inspiration for Ms. Nutter to watch and she said she just loved Lila's wisdom. She added that she worked with both Mr. Curry and Mr. Redfield in the past and had a lot of respect for them
- Maggie Nutter also expressed her excitement about the Legislative portion of the day's BOL meeting and discussion, saying that she appreciated the BOL members doing a good job looking at things and looking to the future of what could affect the industry. She said she was glad to see that the Lab was a one-line item and that there was a possibility for it moving forward

SET DATE FOR THE NEXT BOARD MEETING/ADJOURNMENT

(6:07:44) 3:02 PM

Brett DeBruycker said that four of the current BOL members would not be at the next meeting

- Mike Honeycutt said that two new members would be coming onto the BOL, but did not know if two other names would be put forth by the time of the next BOL meeting
- Mr. Honeycutt did explain that the BOL usually tried to schedule meetings the 3rd to 4th week of the month to give the DOL a chance to get the financials together
- Nina Baucus mentioned no Friday meetings and Mr. Honeycutt said scheduling on Mondays was not good for staff because it meant working on Sunday for meeting preparation the following morning
- Brett DeBruycker said it worked well for him when the meetings were scheduled about 45 days apart
- Lila Taylor thanked Wendy Palmer for her article submitted to various Montana newspapers encouraging Legislators to get on board with the proposed new MVDL
 - Wendy Palmer said she had also promoted the MVDL on a radio program as well, Voices of Montana
- Thanks and best wishes were exchanged between BOL members
- No next BOL meeting date was scheduled

MEETING ADJOURNED

(6:13:04) 3:07 PM


Gene Curry, Chairman