



Montana Board of Livestock Meeting Minutes

(This Meeting was Virtual)

March 31, 2021

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

Board Members Present

Gene Curry, Chairman (cattle producer)
Alan Redfield (cattle producer)
Jake Feddes (cattle producer)
Nina Baucus (cattle producer)

Sue Brown (dairy and poultry)
Greg Wichman (sheep producer)
Ed Waldner (swine producer)

(Ed Waldner and Sue Brown attended the meeting virtually)

Staff Present

Mike Honeycutt, EO
Brian Simonson, Deputy EO
Evan Waters, Centralized Services
Tom Shultz, Centralized Services
Dale Haylett, Centralized Services
Chad Lee, Milk Control Bureau
Ethan Wilfore, Brands Administrator
Darcy Alm, Milk & Egg Bureau
George Edwards, Livestock Loss Board
Lindsey Simon, Legal Services Division

Donna Wilham, Adm. Assistant to EO
Dr. Marty Zaluski, State Veterinarian
Dr. Tahnee Szymanski, Animal Health
Dr. Gregory Juda, MT VDL Director
Dr. Anna Forseth, Animal Health Bureau
Gary Hamel, Meat & Poultry Inspection
Alicia Love, Meat & Poultry Inspection
Samm Novak, Meat & Poultry Inspection
Marci Lipke, Meat & Poultry Inspection

Public Present

Jim Hagenbarth
Tanya Flowers, Project Meats
Marko Manoukian, Phillips County Extension
Cheryl Curry
Rachel Cone, Montana Farm Bureau Federation

Jenny Bloomquist, MVMA
Jay Bodner, MT Stockgrowers Assn
John Steuber, USDA Wildlife Services
Lauri Hanauska-Brown, MT FWP

MEETING CALLED TO ORDER

8:01 AM

Chairman Gene Curry called the meeting to order at 8:01 AM

BOL ROLL CALL AND INTRODUCTION OF NEW MEMBERS

(0:22) 8:01 AM

Chairman Gene Curry requested that BOL members, whether present in Helena or attending by ZOOM, introduce themselves and comment if they desired:

- Alan Redfield, Paradise Valley, was present in the BOL conference room and reported that bison had started moving
- Jake Feddes, Manhattan, was present in the BOL conference room and said that he marketed calves, they had a registered seed stock operation and a slaughterhouse
 - Mr. Feddes said that they had finished up calving, had their bull sale a week ago and were going to get into breeding season
- Greg Wichman, Hilger, was present in the BOL conference room and said that although they still hadn't had any calves yet, lambing had started and they had another set of twins born that morning
- Nina Baucus, Wolf Creek, was present in the BOL conference room and said that they raise cattle and sheep
 - Ms. Baucus welcomed the old and new BOL members, adding that she was looking forward to continuing working with them all
- Sue Brown, Belgrade, attended the meeting by ZOOM and said that they had almost kidded all of their goats, with only yearlings left to go
 - Ms. Brown said that Spring had been good to them after a couple cold weeks and that they were starting to plant
- Ed Waldner, Chester, attended the meeting by ZOOM
- Gene Curry, Valier, was present in the BOL conference room and said that he and his wife, Cheryl, run a diversified operation with small grains and a cow/calf and yearlings

DOL STAFF ROLL CALL

(4:35) 8:05 AM

Mike Honeycutt reported that currently, there were 19 people attending the meeting on ZOOM and introduced the staff that were on the call:

- Mike Honeycutt reported that staff currently present on the call were: himself, Donna Wilham, Alicia Love, Darcy Alm, George Edwards, Chad Lee, Lindsey Simon, Tom Shultz, Brian Simonson, Dr. Tahnee Szymanski, Evan Waters, Ethan Wilfore, Dr. Marty Zaluski, Gary Hamel
- 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

DOL PUBLIC ROLL CALL

(6:08) 8:07 AM

Mike Honeycutt reported that currently, there were just two members of the public on the ZOOM call:

- Mike Honeycutt reported that Jenny Bloomquist, representing the Montana Veterinary Medical Association and Rachel Cone from the Montana Farm Bureau Federation were currently attending the BOL meeting by ZOOM

- Gene Curry welcomed all the public attending the meeting by ZOOM and encouraged them to attend the BOL meetings when they open up to the public

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

(8:54) 8:10 AM

Chairman Gene Curry requested approval of the minutes for the last BOL meeting

MOTION/VOTE

(9:18) 8:10 AM

Nina Baucus moved to approve the minutes, as corrected, from the BOL February 18, 2021 meeting. Alan Redfield seconded. The motion passed.

BOARD APPROVAL OF BOARD ADMINISTRATIVE CONSENT ITEMS AND BUREAU REPORTS

(9:46) 8:10 AM

Chairman Gene Curry requested that for this first BOL meeting for himself and the other new members, that the Consent Agenda items be presented by each submitter so that the new BOL members had an opportunity to understand what was happening in each of those areas:

(10:35) 8:12 AM – MILK CONTROL BUREAU

Chad Lee, Bureau Chief for the Milk Control Bureau, introduced himself and explained the workings of that Bureau and its Board:

- The Milk Control Bureau consisted of three FTEs, one of which was vacant
- The Board of Milk Control has five Governor-appointed members
 - Ken Bryan of Great Falls, who is Chairman
 - Brian Beerman of Fairfield
 - Staci Ketchum of Miles City
 - Scott Mitchell of Billings
 - Travis Stroh of Glendive
- Mr. Lee explained that the Board of Milk Control regulates the Montana milk market, primarily establishing and enforcing minimum prices for milk paid to both milk producers and milk plants
- The Board of Milk Control's March 25, 2021 meeting served as an orientation, because of the recent appointment of three new board members
- Mr. Lee reported that SB131 had been passed unanimously by the Legislature, and if signed by the Governor, it would be effective on July 1, 2021 and would amend milk control statutes to make an exception to Montana's minimum price regulations to allow producers to voluntarily enter into forward price contracts for management purposes
 - The Milk Control Bureau participated as an informational witness in both Senate and House hearings for SB131
 - SB131, according to Mr. Lee, was supported by the Montana Milk Producers Association, the Dairy Farmers of America and Darigold

- A rulemaking proposal was currently being drafted by the Milk Control Bureau so that if SB131 was signed, it would be possible to begin rulemaking by July 1, 2021
- Chad Lee reported that another dairy was anticipated to close at the end of March or early April, making then, 43 cow dairies as part of the statewide pool, plus two more cow dairies that were producer-distributors. He said that five years ago there were 63 or 64 cow dairies in the state
- Mr. Lee said that between 9500-9600 dairy cows produce milk each day in the state. Five years ago, the number of producing dairy cows was about 12,000. Through genetics and good management, Mr. Lee said, that even with the attrition in the number of dairy cows, milk production had not fallen that much
- With the close of dairies in the state, Mr. Lee said that the Milk Inspection Assessment for each one was lost as well, and was down probably \$50,000 per year compared to what it was a couple years ago
 - Mr. Lee explained that the assessment, based on the hundred-weight of milk produced by each dairy, ranges from a minimum of \$50 per month and is capped at \$1050 per month

(20:35) 8:21 AM – LIVESTOCK LOSS BOARD

George Edwards introduced himself as the Executive Director for the Livestock Loss Board and explained the workings of his Board:

- Mr. Edwards explained that for the Livestock Loss Board, he was a staff of one person, but had a five-member board
 - Doreen Gillespie of Ethridge is Chairman
 - Elaine Allestad of Big Timber
 - Joe Kipp of Browning
 - Karli Johnson of Choteau
 - Patty Quisno of Harlem
- According to Mr. Edwards, their successful year was primarily focused on legislation with three bills passing
 - SB26 removes the requirement to have a tribal agreement to pay ranchers for predation losses of livestock on reservation lands
 - SB27 allows payment of a multiplier on livestock losses caused by wolves, mountain lions and grizzly bears
 - SB58 creates a \$100,000 statutory State appropriation for loss prevention, and is still awaiting the Governor's signature
- Mr. Edwards reported that although head counts for this year's predation losses were running relatively the same as the past three years, the dollars paid out for those losses were substantially lower at \$194,000
- Mr. Edwards did explain that although claims paid in Madison County in 2019 were 45 and in 2020 were 44, he did know there were producers who temporarily suspended their grazing leases because of predator loss. Gene Curry added that some friends of theirs also did not use their Forest Service allotments in Madison County

(29:09) 8:30 AM – MILK & EGG BUREAU

Dr. Marty Zaluski introduced himself as the State Veterinarian, but also as the Interim Bureau Chief of the Milk & Egg Bureau and reviewed that Bureau's report that had been submitted for the Consent Agenda:

- The Bulk Tank Unit (BTU) Rating is an occasional rating required for both smaller and larger dairies that must comply with FDA standards
 - There is a protocol in place that does not allow the Milk Inspectors that had been providing services to a particular BTU to conduct the rating and so, Montana's lone State Ratings Officer could not perform the BTU ratings in the state
 - Due to COVID, out-of-state Inspectors/Sanitaricians to conduct the BTU ratings had not been available and one inspection in the state had been outstanding since October 2020
 - To remedy the situation, Dr. Zaluski said that an Inspector from Idaho was contacted who would probably be performing BTU ratings, on a contract basis, during the month of April
- Dr. Zaluski reported that a dairy in the Lewistown area went out of business in late March, one that had been milking just under 100 cows. All of those cows went to Minnesota when that dairy sold out
 - Ed Waldner said that he was not certain what became of that dairy's quota, but, as far as he knew, it had not yet been sold
- Dr. Zaluski explained the outcome of confusion caused by what appeared to be an extended date on a carton of Darigold milk purchased in the Helena area
 - The date listed on the carton was far in excess of the 12-Day after pasteurization rule required in Montana
 - Dr. Zaluski said that the carton did have an ultra-pasteurized listing, that was extremely small, but allowing the milk to have a longer shelf life. He explained that he was waiting to hear back from the FDA on their Code of Federal Regulations (CFR) review, to know if the labeling of ultra-pasteurized on the carton was the proper size to be in compliance with their standards
- Both Ed Waldner and Sue Brown praised Montana's 12-Day rule to assure freshness of the milk and also to protect the Montana dairies that remain from those who would push for bringing in longer-dated milk from out-of-state locations
- Mike Honeycutt explained that the industry standard for other states is about 18-21 days after pasteurization for the Use-By date. He relayed a story about a Washington state processor who took the DOL to the Montana, Federal and all the way to the 9th Circuit Court of Appeals to challenge Montana's 12-Day rule. After many years, that had been settled with some rule language changes and an extra date listed on milk cartons

OLD BUSINESS

(47:44) 8:49 AM

(47:44) 8:49 AM – UPDATE ON COVID-19 DOL RESPONSE & CONTINUITY

Mike Honeycutt reported to the BOL what the DOL was doing regarding staff, to comply with local health COVID orders and to protect them:

- Mr. Honeycutt said that 60%-70% of the DOL was working remotely, but for those staff who work in the field, such as in bull sales or Fall Run, or those who conduct meat inspections, etc., there's no way business could be conducted there without interacting with people
 - Mr. Honeycutt explained that although a bill did pass in the early part of this year's Legislative Session that provided limited liability for private industry, that did not extend to Government, and that was one reason the Governor did not completely open every office back up and requested that Departments use discretion in asking people to return to the office after COVID
 - The Governor, according to Mr. Honeycutt, is seeing some benefits in reducing the State building footprint, which would reduce some overhead costs and also help in recruitment and retention of employees, although new remote policies have not been issued yet from the Department of Administration, who say they are working on them
- The Capitol building, since the Legislature is in Session, has been given a special designation from other State buildings on campus, who are under County control in regards to COVID, according to Mr. Honeycutt
- The DOL is trying to do some comparative analysis of processes in the DOL to track and measure productivity of those working remotely and those working in the office, but, Mr. Honeycutt said he is hopeful of getting most people back into the office eventually, but it would have to be on a case-by-case basis

(1:03:04) 9:04 AM – UPDATE ON EXECUTIVE PLANNING PROCESSES FOR 2021 LEGISLATURE

(1:03:04) 9:04 AM – Review Legislative Bill Drafts

Mike Honeycutt explained that this particular portion of the agenda would be off the agenda in maybe a couple months when the Legislative Session was completed:

- HB302 – Require County Approval to Relocate Bison
 - Representative Kassmier's bill, regarding county relocation of bison to require County Commissioner approval before the establishment of wild bison within a county's jurisdiction has passed out of Committee and will be moving to the Senate floor. Mr. Honeycutt said that he expects it will pass and get the Governor's signature
- HB318 – Clarify Definition of Bison
 - Representative Holmlund's bill declares that if a bison has ever been subject to per capita fee, it cannot become a wild animal after that, has passed through both Houses, but returned to the House because it needed another review due to amendments. Mr. Honeycutt said he hopes

the House will hear those amendments and that it will be on its way to the Governor's office soon

- HB324 – Generally Revise Certain Labeling Laws
 - Representative Frank Smith's bill to deal basically with COOL, would require placarding at the retail level. That bill got tabled before transmittal
- HB336 – Interstate Cooperative Meatpacking Compact
 - Representative Ler's bill regarding interstate meat packing was amended to take away the DOL's concern with USDA-FSIS, meaning it could only become effective upon Congress passing an act or a court of proper jurisdiction determining that interstate shipment of meat is not in violation of Federal law
 - Mr. Honeycutt thought it passed its second hearing with the Senate 50-0 and would likely be on its way to the Governor's desk at some point in the near future
- HB433 – Clarify Position of Brand for Recording
 - Representative Ler's bill would take some of the Brands Enforcement Division's Brand policy and make it into statute
 - Mr. Honeycutt said that the BOL was not in favor of Brand policy being put into statute, and so the DOL opposed it. The bill was tabled when it got to Senate Ag
 - Mr. Honeycutt said concern was still raised about the availability of brands and the DOL's plans about that would be covered later on in the agenda
- HB628 – Revise Certain Livestock Inspection, Transportation, Permit Fees
 - Representative Kassmier's bill addresses producers having to pay inspection fees both ways on grazing permits. Mr. Honeycutt said Representative Kassmier had worked with the DOL a lot on his bill
 - The way the bill currently stands is that a seasonal grazing movement that doesn't qualify for one of the current permits, a grazing movement or a change of ownership, would be inspected on both ends, but charged half the price on a change of ownership
 - Gene Curry pointed out that the Local Inspectors would be taking quite a hit in their pocketbook if the bill passes. He said that it had been 10 years since the Local Inspector fees had been raised and that this bill would cut that pay in half
 - Mr. Honeycutt said that at this point, there was probably no negotiation left on the bill and that with its passage there would be more pressure put on the DOL because Local Inspectors may not feel it was worth it to do certain inspections
- SB26/SB27/SB58 – Clarify Use of Tribal Agreements for Livestock Producers on Reservations/Allow Multiplier Reimbursement for Loss of Livestock/Provide Fund Transfer for Livestock Losses
 - All three of these bills were put forth by the LLB and have been greeted very successfully by the Legislature, according to Mr. Honeycutt. Two have been signed by the Governor and one would be signed very shortly
- SB199 – Montana Local Food Choice Act

- Senator Hertz's bill had two areas of concern that had been voiced to the DOL. One was a poultry exemption that would give the DOL issues with FSIS, but in negotiating with Senator Hertz, that got ironed out, according to Mr. Honeycutt. The other was a raw milk portion that allowed producers to engage in the business of selling raw milk without an inspection program, and Senator Hertz had not been as negotiable on that issue
- The bill is still alive, and Mr. Honeycutt believed it received Executive action out of House Human Services just two days earlier and would now be moving to the House floor, and he expected it to pass that by a wide margin, making it very difficult to achieve an outright veto
- Ed Waldner voiced his concern for SB199 saying it jeopardizes the Grade A Producers Interstate Shippers Program, which he said is a multi-million-dollar enterprise for Montana. He added that he didn't care if producers sold raw milk, but that they needed to be inspected just like his operation is inspected
- Sue Brown said that she echoed what Ed Waldner said, adding that for the health and safety of the consumer, those milk producers needed to be inspected
- Mike Honeycutt said that the DOL needed to do some research on the legalized raw milk in other states. He asked, is the FDA comfortable with that in those states because they have inspection programs in place?
- Alan Redfield voiced a concern about the small number of Legislators that know about things that deal with agriculture, especially when dealing with agriculture issues
- Mr. Honeycutt voiced concern about whether or not Montana would lose its ability to control its own milk inspection if the bill passed, as happened when New Mexico passed a similar thing three or four years ago and USDA pulled the plug on their program

(1:41:58) 9:43 AM – Review Budget Request Progress

Mike Honeycutt reported that the DOL had a very quick hearing in Senate Finance and Claims on HB2 just the day before:

- When HB2 was heard on the House side, the DOL did lose its request for an additional half-FTE for Labeling in Meat & Poultry Inspection
- Mike Honeycutt said that he feels the DOL's other decision packages in HB2, DSA expansion, new lab equipment to help with continuing the VDL's CWD output testing, DOL capital replacement requests, which all moved through intact, and the DOL's base budget will remain safe through the rest of the process
- The Legislature did ask for 1% more on vacancy savings than the Governor's executive budget, 5% requested rather than 4%, a difference of \$200,000 for the DOL
- Mr. Honeycutt said that based on some questioning from Legislators, they may want to move towards a Cooperative State Shippers Program that would allow some plants to market their product across state lines and have a potential of a new appropriation being dropped into the DOL's HB2 budget

- The first big expense, if the Cooperative State Shippers Program came to be in Montana, would be training current inspectors to also be Federal Inspectors

(1:46:08) 9:47 AM – Review LRBP Proposal and Progress

Mike Honeycutt gave an update on the status of HB14, the bill containing the DOL's LRBP proposal for the new Lab, HB632 and HB14:

- Mr. Honeycutt reported that the State Bonding Bill or Long-Range Bonding bill, that included the proposal for the new Lab, continued to move along and was currently on the House floor. He said that it now existed in two bills on two different paths
 - HB632, carried by Representative Garner, gives the Legislature an opportunity to appropriate \$910 million of Federal COVID money (American Rescue Plan Act) coming into the state to spend on capital projects that have a COVID relationship
 - The Department of Agriculture portion of the proposed new Lab does not have a COVID relationship and would have to continue to be part of HB14, the Bonding bill
 - The MVDL's \$26 million portion of the proposed new Lab is still part of HB632. If it gets passed in HB632, it would drop out of HB14. If it gets dropped out of HB632, it would remain in HB14
- If the MVDL's portion of the proposed new Lab is passed in HB632, their entire \$26 million portion would come from the Federal COVID monies. That would mean that the DOL would not have to spend \$6.5 million of per capita plus another \$6.5 million on a long-term debt service of per capita plus \$13 million general fund, paid off in a 10-20-year bond
- Mike Honeycutt said that the MSU Government Affairs representative made a strong proclamation during HB14's first hearing for the proposed new Lab, including the MVDL and the Ag Analytical Lab, that the Board of Regents was committed to make land available in the MSU footprint in Bozeman for that Lab if the Lab were approved in this Session

(1:51:45) 9:52 AM – RECESS

(1:52:10) 10:06 AM – RECONVENE

OLD BUSINESS (Continued)

(47:44) 8:49 AM

(1:52:16) 10:06 AM – UPDATE ON GOVERNOR'S OGSM STRATEGIC MANAGEMENT IN RELATIONSHIP TO BOL AND EXECUTIVE OFFICER STRATEGIC GOALS

Mike Honeycutt reported to the BOL on the Governor's request to every State agency to try and reform its mission through a program called OGSM (Objectives, Goals, Strategies and Measures):

- Mr. Honeycutt said that the Governor had requested all State agencies make their mission as a Department simpler, more customer-focused and customer-centric with one over-arching goal to drive towards
- Mr. Honeycutt said that the Office of the Governor simplified mission states that during his term his mission is to grow jobs that pay more than \$50,000 per year in the state
- Each month, as part of OGSM, Mr. Honeycutt said he would be meeting with the Governor, his Chief of Staff and his director from the DOA to report on where the agency is and where they expect to go moving forward. He said the Governor asked for a 60-Day outlook from the DOL, with opportunities where he could get involved
 - One place Mr. Honeycutt thought he would suggest for the Governor to be involved, was to attend the Montana Meat Processors Association annual meeting in Kalispell scheduled for the end of April
 - One other suggestion Mr. Honeycutt said he might make to the Governor was for a ranch visit to an area that's been dealing with the predator concern
 - Nina Baucus suggested adding Wildlife Services to be part of the ranch visit
- Mr. Honeycutt said that the Governor was very pleased with the DOL's simple Organizational Chart but that he felt the DOL's mission statement was a little bit convoluted and complicated. Mr. Honeycutt worked with the Governor on a simplified mission statement for the DOL and requested any input from the BOL regarding it
- The simplified DOL mission statement says, to serve Montana's livestock producers and livestock-related businesses by fostering, promoting and protecting the livestock industry

MOTION/VOTE

(2:04:54) 10:18 AM

Sue Brown moved to adopt the simplified mission statement for the DOL for the Governor's OGSM, as presented by Mike Honeycutt. Alan Redfield seconded. Nina Baucus voted aye "with reservation." The motion passed.

- Mr. Honeycutt said that the Governor is asking for IT priorities because his new State CIO is very focused on moving forward the business plan for IT in State government. He added that the Governor is also wanting the DOL to play a role in value-added processing in Montana
 - Mr. Honeycutt said that priority number one for IT priorities he wanted to put forward to the Governor was for the DOL to use service cloud technology to support field collection of livestock inspection data/veterinary inspections to reduce backend processing and data entry
 - For the VDL, Mr. Honeycutt added a priority to automatize billing
 - Another priority to be presented to the Governor was for online forms for services, such as transportation permits, which would reduce costs for the DOL and for the producer

- The final IT priority Mr. Honeycutt listed to present to the Governor was Customer Relations Management (CRM)
- Even with the simplified mission statement, the DOL still maintains four big strategies of what they do: effectively monitor animal health disease in Montana; maintain the integrity of livestock ID, marketing and movement; protect livestock producers from predation; reimburse producers for predation loss
- Gene Curry said that in talking with the former Chairman of the BOL, he was made aware of expectations of Mike Honeycutt's performance and that the new BOL has expectations and that Mr. Honeycutt needs to be made aware of what those expectations are so that all of the BOL will be on the same page when his evaluation comes around next year
- Mr. Honeycutt said that he was hoping the BOL could get into agreement for what the DOL would be presenting forward to the Governor's office for his requested June horizon date. He did say, however that he would hope that the goal that the BOL has for him is not different that what the Governor's goal is for the agency
- Mr. Honeycutt said that the OGSM item will continue to be part of each BOL meeting's agenda, but requested that at the next BOL meeting there be a discussion on looking forward to what needs to happen during the back half of the year and what needs to happen the next fiscal year from the BOL's perspective, as far as initiatives to help accomplish the goals and strategies for the DOL
- Mr. Honeycutt said that one thing he will be pointing out to the Governor in an upcoming meeting in the budget presentation, is that the VDL Revenue is up 100% of what they were last year, double of what the DOL was last year
- Other items Mr. Honeycutt wanted to cover with the Governor during his next meeting with him was the impact of CWD on the budget, the positive signs on the Lab fees, the Yellowstone bison, the concerns with Rabbit Hemorrhagic Fever and rabies, per capita reporting and brands

BRANDS ENFORCEMENT DIVISION

(2:44:31) 10:58 AM

(2:44:55) 10:58 AM – RERECORD UPDATE

Ethan Wilfore gave some background on rerecord for the new BOL members and reported that rerecord statistics were looking pretty good so far:

- Mr. Wilfore explained that rerecord planning began in mid-2020, with updates made to Axiom, the database used in the Brands Enforcement Division that houses brands and all the records associated with those brands
- A short-time worker was hired specifically for rerecord and Mr. Wilfore reported that she was doing good work
- Rerecord packets were prepared and mailed out to brand owners in December 2020

- So far, 25,000 packets had been received with now 56,000 brands left to be rerecorded from those packets that were sent out originally. 4200 rerecord applications were done online
- This totals 45% of rerecord applications received and 17,000 of them completely processed
- As of this week, Mr. Wilfore reported that the rerecord marketing plan was roughly 75% completed with public notices sent out starting this week to 72 newspapers, something that is required by law
- What is left in the marketing plan is for the second half of the rerecord year to do some radio campaigns and additional print advertising for rerecord
- From January 1, 2021 until now, there were 302 new brands issued, compared to 178 issued during this same time period last year
- 675 brand transfers had been issued since January 1, 2021, compared to 182 for the same time period last year
- Mr. Wilfore told the BOL that the Brands Enforcement Division had not been cross checking names with DOR when they came in for per capita purposes, but the information had been shared with CSD

(2:52:18) 11:06 AM – DISTRICT INVESTIGATOR RADIO DISCUSSION

Ethan Wilfore explained that the District Investigator Radio Discussion had come up to the BOL before and having discussed it with Nina Baucus not long ago, he decided to bring it up before the BOL again:

- Back in 2019, Mr. Wilfore reported that the DOL purchased eight dual band radios, the reason being that the State, led by former Head of the Highway Patrol, Colonel Tom Butler, was working to move the entire State over to a different frequency, which required different radios
- According to Mr. Wilfore, the Highway Patrol would probably be totally switched over to the new radios in the next calendar year or so, and the counties would probably follow suit around that same time
- Mr. Wilfore said that with 16 District Investigators and two Supervisors, there was still a need for 10 more dual band radios at a cost of around \$60,000
- Mr. Wilfore did not want action taken on his request until he had a final quote on the cost of the radios

(2:56:13) 11:10 AM – DISCUSSION ON PLANNING OF GOVERNOR’S DIRECTIVE TO REVIEW AND REVISE BRANDS POLICY

Mike Honeycutt reported on a directive from Governor Gianforte stemming from discussions around HB433, Clarify Position of Brand for Recording:

- Mr. Honeycutt said that Representative Ler was not the only Legislator that had expressed concerns about the difficulty in getting a brand, particularly the two-iron brands, and that was the intent of HB433, to make more two-iron brands available
- Mr. Honeycutt reported that there had been a meeting of the DOL with the sponsor of HB433, Jay Bodner and the Lieutenant Governor and that the Governor issued a directive with a letter sent to Gene Curry as Chairman of the

BOL, to look at brands policy, specifically intent on how to find ways to make more two-iron brands available

- The BOL had been talking about working with the industry to increase brand availability since last fall, and the industry was gathering names to be part of the process along with the Legislators who also want to be part of the process
- Mr. Honeycutt said that every time there had been a big change of policy, it was initiated by the industry, and he wanted to assure that the industry still had that same level of involvement that they had 10 years ago
- Mr. Honeycutt explained that had HB433 passed, it would have only had 10 conflicts to check for statewide, which would have opened up more two-iron brands, but would those be distinguishable enough to tell if a brand was yours or your neighbors?
- Nina Baucus requested that if there is a committee put together to look at the brands she would like to see producers who are also Local Brand Inspectors to be a part
- Gene Curry explained that he talked to the Lieutenant Governor before the letter was sent to him and she explained what it was going to be and that it would encourage that the Legislator that introduced HB433 be part of the committee. Mr. Curry said that he planned on sitting on that committee as well because he had a passion about the subject
- Mr. Curry said he did want to include the industry on the committee and that his thought would be to go to each of the organizations that represent livestock and ask if they would present one or two producers names to the BOL
- Ethan Wilfore presented some ideas that could possibly open up some brands
 - For the regional conflict checks, reduce them to only counties of range rather than to adjoining counties
 - For regional conflict checks, review character conflicts with stakeholders, staff and producers to see if those can be refined, possibly eliminating some of them
 - Add characters, possibly some that are not currently accepted, such as rafters and arrows
 - Change formats or add acceptable formats to what is currently acceptable
- Mr. Honeycutt reminded the BOL that no matter what brands policy is decided upon, to remember that it wouldn't solve everybody's problem

(3:18:01) 11:32 AM – BOL GENERAL DISCUSSION

Gene Curry requested information on inspection fees when acquiring a grazing permit for adjoining counties:

- Ethan Wilfore said that those fees are published in rule and that they are based on a range, with per-head inspections costing the most
- Mr. Honeycutt pulled up the requested fee information in Administrative Rule, which showed that inspection of 1-100 is \$30, and then it goes up \$10 for every hundred after that

Mr. Curry said that he felt the face of the DOL was the Brands man and he suggested to Ethan Wilfore that when he had an opportunity to talk to his employees that he remind them that they are the face of the DOL that most producers see and that they represent the rest of the DOL as well

LEGAL COUNSEL UPDATE (Legal Update from BOL Legal Counsel, Lindsey Simon)

(3:25:02) 11:39 AM

Lindsey Simon introduced herself to the new BOL members, saying that she didn't think she had much of a significant Legal Update:

- Lindsay Simon said she was the Agency Counsel to the DOL and that she was an Assistant Attorney General at the Agency Legal Services Bureau at the Department of Justice

Mike Honeycutt requested that Lindsey Simon catch the BOL up on her discussion with Ethan Wilfore regarding acceptance of electronic signatures on bills of sale:

- Ms. Simon said that statute MCA 30-18-117 allows parties between themselves to use electronic signatures, but there is some ambiguity regarding government agencies because that statute exempts government agencies from that except in a situation when that agency needs to retain electronic records
- Ms. Simon, said that the agency has the discretion to decide whether or not they want to send or accept electronic records
- Mr. Wilfore's question to Ms. Simon was, regarding the bills of sale that are required under MCA 81-3-210, which category do they fall under – one that the agency can require to be in paper wet signature or one that they are required to retain?
 - Ms. Simon said, in her legal opinion in looking at MCA 81-3-210, a person needs to present a bill of sale to the DOL to prove ownership and that she doesn't read it as a record retention statute, but more of an acceptance of a record
 - Ms. Simon said that she does not see it as a specific statutory requirement for the DOL to retain a bill of sale
 - Ms. Simon's opinion was that the DOL could continue to require wet signature, actual physical copies of bills of sale because she felt it fell within MCA 30-18-117, which says that the government does not have to accept electronic records, unless they choose to
- There was discussion regarding the responsibility of the State Veterinarian's office for notifying adjacent livestock producers in the case of an infectious disease that is reportable to the State Veterinarian
 - Ms. Simon said without looking into it in more detail, she said to take what she said with a grain of salt, but that in the confidentiality statute, it would allow the DOL to make disclosures under certain situations but doesn't impose a duty on the DOL to disclose but says in some situations you may. She added that she had not looked into liability against the DOL if they didn't disclose

- Mike Honeycutt said that under Federal law there is a requirement to notify adjacent landowners due to possible quarantine and testing of animals
 - Dr. Marty Zaluski said that in the case discussed about Tuberculosis there was a trace investigation conducted, trying to find out if the herd being tested was positive or not and so there was not a need to notify neighbors because it was considered a trace unless it was proven to be positive
 - Dr. Zaluski said that in the case of Trichomoniasis story, that was a positive herd, and, in Animal Health's current practice, the neighbors are told who the positive is and that they would require that the neighbors test as well
- There is a stigma that is associated with some types of diagnoses, according to Dr. Zaluski, one that could result in a disastrous impact on a producer's business or livelihood, and makes producers less interested or less likely to participate in surveillance

(3:46:22) 12:00 PM – LUNCH

(3:46:36) 12:46 PM – RECONVENE

CENTRALIZED SERVICES DIVISION REPORTS

(3:46:39) 12:46 PM

(3:46:39) 12:46 PM – PREDATOR CONTROL

(3:46:52) 12:46 PM – Update on Activities of USDA Wildlife Services

John Steuber gave an update on the latest activities of USDA Wildlife Services:

- Mr. Steuber reported that without a lot of lasting snow cover, the winter conditions were fairly poor for flying
- Both DOL helicopters were in for scheduled maintenance with 95 Tango, the Helena helicopter, coming out of service the next day and 6960 Charlie, the Billings helicopter, coming out of service hopefully, before the end of the next week
 - Mr. Steuber did say, their office was still busy and that their USDA Super Cub was doing the flying
- Grizzly bears were active, according to Mr. Steuber with a couple kills already reported, one on the Blackfeet reservation and one a little south of there
- One USDA Wildlife Services employee, their Disease Biologist, was called to help with the COVID vaccine distribution and would be in Wisconsin for a month, not returning until at least April 14, 2021
- Skippy Simms, the new Wildlife Services employee on the Rocky Mountain Front completed aerial gunner training in helicopter and fixed wing and also took his State pesticide applicator license training. Mr. Steuber said Mr. Simms is doing well, covering Pondera, Liberty and Hill Counties

- Newt Peebles will be helping with some grizzly bear issues on the Front beginning on April 26, 2021
- Cody Richardson, who worked for Wildlife Services last year, will return to work on May 10, 2021, mainly in the Gravelly Mountains in Madison County
- The Gravelly Mountain Range Rider, Brian Smith, will be returning and there will be a new person hired for the Trego Range Rider position. The Gravelly Range Rider position is funded 50% by the Greater Yellowstone Coalition
- Mr. Steuber reported that about 2000 fewer cow/calf pairs went up into the Gravellys last year, 2020, as one association did not take their cows up into their allotment, which had the most grizzly-bear depredations in the Gravellys. He added that they are going back in 2021
- Only 200 cows went up on that Gravelly allotment last year, but stayed pretty much in the lower pasture, according to Mr. Steuber.

ANIMAL HEALTH & FOOD SAFETY DIVISION

(3:58:04) 12:57 PM

(3:58:13) 12:57 PM - ANIMAL HEALTH BUREAU

(3:58:27) 12:57 PM – NADPRP FY20 Grant

Dr. Tahnee Szymanski announced that the NADPRP (National Animal Disease Preparedness and Response Program) Grants had been previously brought to the BOL:

- Dr. Szymanski said that the DOL had been successful over the past two years in their writing applications and receiving funds through the NADPRP Grant Program
 - The FY20 NADPRP Grant had members of the DOL traveling and doing tabletop exercises on biosecurity, specific to beef production operations in Montana
 - The second part of the NADPRP Grant would be for anyone who had participated in the tabletop exercise to be given the opportunity to have somebody come out to their place and do an on-farm biosecurity assessment
- Dr. Szymanski's request was to hire a contract veterinarian to conduct those on-farm assessments, a contract position, with payment for that coming from the NADPRP monies
- Dr. Szymanski said that qualifications and requirements had not yet been written, but that the grant had already been awarded to the DOL
- Dr. Szymanski reported for new BOL members, on the 2018 ARMAR exercise, a simulated FMD outbreak, held in Helena. She said the exercise pointed out to the DOL their strengths and weaknesses in that type of emergency situation
 - NADPRP monies were already used to purchase 12 captive bolt guns to rapidly depopulate animals in that type of situation and as the state opens up after COVID, there is a plan for training sessions to be conducted for veterinarians on how to safely use those captive bolt guns

MOTION/VOTE

(3:59:43) 12:59 PM

Alan Redfield moved to hire a temporary contract veterinarian in the Animal Health Bureau to conduct on-farm biosecurity assessments utilizing National Animal Disease Preparedness and Response Program (NADPRP) grant funds. Sue Brown seconded. The motion passed.

(4:08:23) 1:08 PM – Request to Purchase RFID Readers

Dr. Tahnee Szymanski requested that the BOL approve the purchase of RFID readers:

- Dr. Szymanski explained that the DOL is coming to the fiscal year close on a USDA cooperative agreement directed towards Montana's animal disease traceability program, and with funding left in that budget, she requested to utilize the remaining funds to purchase around 12 RFID readers
 - Because one of the goals of that cooperative agreement was to increase the infrastructure for reading electronic tags, Dr. Szymanski said that purchasing the RFID readers would meet that defined goal
 - Cost for the requested readers would be around \$17,000 and that if the money was not utilized, Dr. Szymanski said that at least a portion would be returned to USDA, as the DOL was limited in regards to the percentage that could be moved elsewhere
 - The readers, according to Dr. Szymanski, are cycled through veterinary clinics in the state and could be used by DOL staff
- Although she did not have an exact count of what the DOL's inventory of RFID readers is right now, Dr. Szymanski said that over the last year, they had retired approximately 10-12 outdated readers
 - RFID readers were retired after about 10 years
- The requested reader would read any low-frequency tag deployed in the state of Montana, as Dr. Szymanski said RFID readers on the market must meet ISO standards (International Organization for Standards)
 - Concern was raised about the requested readers only able to read low-frequency tags, and how long would they be usable if high-frequency tags became the norm in Montana
 - Dr. Szymanski said that she felt it was yet to be determined by USDA what the predominant technology would be, but that USDA policy had been that they want the industry to decide in regards to low- or high-frequency tags in the future
 - Jake Feddes said that he felt the industry would be going to high-frequency tags in the future as he said he had seen with feeder calves. The high-frequency reader can pick up every single tag simultaneously
 - Dr. Szymanski did offer that the DOL could purchase some high-frequency readers as well as low-frequency readers with the USDA funds if there was a need

- Dr. Szymanski reported that over the last two years, USDA had been providing around 600,000 RFID tags for Montana veterinarians at no cost and she expected that for FY21 that the state would go through that same amount
 - Some BOL members reported that the current RFID tags break off and because of the newest ones using a plastic retainer, they have to be warmed up enough before they even work to put into the animal

MOTION/VOTE

(4:09:53) 1:10 PM

Alan Redfield moved to authorize the money to purchase 12 RFID readers utilizing \$17,000 Federal Cooperative Agreement (CA) funds from USDA. Sue Brown seconded. Greg Wichman and Nina Baucus voted No. The motion passed.

(4:09:53) 1:10 PM – Live Elk Capture Update

Lauri Hanauska-Brown, Montana FWP, provided an update on the Live Elk Capture efforts completed by FWP this year:

- Ms. Hanauska-Brown said that she had replaced Quentin Kujala in the Wildlife Division, as liaison for the DOL in Brucellosis and other livestock-related diseases
- Two areas focused on for this year's elk capture were in the Horseshoe Hills area north of Manhattan and in the Custer Forest near Ashland
 - The reason for those two area choices were because there had been some positive detections over the border in Wyoming in the Ashland Hills and the Horseshoe Hills area contained elk that cross from north to south from the DSA
- 100 elk were captured in both areas with all testing negative, and 40 cow elk were radio-marked to aid in monitoring movement
 - Ms. Hanauska-Brown said the captured elk are not just tested for Brucellosis, but a variety of diseases and that they are also pregnancy-tested
 - Dr. Szymanski said that she had the list of diseases that the elk-capture elk were tested for: Anaplasmosis, Parainfluenza3, Bovine Viral Diarrhea, Bovine Herpes Virus, Leptospirosis, Johnes, Bovine Respiratory Syncytial Virus, Infectious Rhinotracheitis and Epizootic Hemorrhagic Disease
- Ms. Hanauska-Brown reported that FWP was working with Dr. Eric Liska on finalizing a contract for continued Brucellosis work into next year
- Alan Redfield requested that a map be provided on the past years' test areas and progress, and Dr. Szymanski said that she could provide that information in a year-to-year testing summary that resulted in DSA expansion
- Regarding a question from Nina Baucus about a game farm elk that had escaped from a Montana facility and was shot by a hunter, Dr. Szymanski explained that game farm elk inside the facility are in the purview of the DOL, but, once they escape from the facility, FWP has authority over them, and that is why an FWP game warden responded to the incident

(4:37:57) 1:37 PM – BOL-Requested Discussion of Recent Serological Testing by the American Prairie Reserve (APR)

Dr. Tahnee Szymanski reported on information listed in a press release from the American Prairie Reserve regarding Serological testing of the bison there:

- Mike Honeycutt pointed out that when a domestic producer puts out a press release listing test results, it waives their right to privacy on those test results
 - Mr. Honeycutt explained that the testing was done by APR because it was part of an agreement reached with the Phillips County Conservation District
- Dr. Szymanski said that she added a summary of each of those diseases listed in the information she provided and said that she had added explanation for Anaplasmosis to the list, a disease very similar to Blue Tongue, and also added Epizootic Hemorrhagic Disease (EHD). She said that Anaplasmosis, Blue Tongue and EHD were the only reportable diseases on her information that were considered reportable in the state of Montana
 - The Montana statute in regards to reportable diseases in the state of Montana, according to Dr. Szymanski, puts the onus of reporting diseases on anybody that may be aware of a highly infectious, contagious, dangerous disease in the state, to report back to the DOL
 - Dr. Szymanski said that if a veterinarian is reporting a confirmed positive, there is a 24-hour number they can call so it is reported to a DOL on-staff veterinarian. Some reportable diseases the DOL expects to be reported immediately, and some within 30 days of diagnosis
 - The VDL sends a daily summary of testing done of reportable diseases to Animal Health, but, they can also get immediate notification from the VDL in the form of a phone call or text message on certain confirmed diseases
- Mike Honeycutt explained that although a lot of the test results listed in the press release show a presence of antibodies, it is not a confirmation of positives, but, would serve as a baseline for monitoring that herd moving forward
- Dr. Szymanski added that in doing routine surveillance for any of the diseases listed, if there was a trend of an increasing number of sero-positives in the herd, that should be kept in the back of the mind to decide if there should be any action taken to try and mitigate what appears to be an increasing exposure to the disease in the herd
- Dr. Szymanski said that there is surveillance in wildlife as well on those diseases spread by biting insects, an additional transmission factor between the domestic livestock and wildlife
- Mr. Honeycutt told the BOL that the DOL will try to do a better job of communicating to them about quarantines in the state called for by DOL veterinarians, so that they are aware and not getting caught off-guard by it
- Dr. Szymanski commented that the DOL has a good working relationship with FWP and keeps them in the loop regarding certain disease traces potential for turning positive, so that they are prepared in case they need to do any wildlife surveillance

(5:04:39) 2:04 PM – Discussion of Commuter Grazing Permits Across State Lines

Jim Hagenbarth, a past Chairman of the BOL and whose family had been in the ranching business since the late 1800s, approached the BOL regarding use of brands as a method of identification when commuter grazing between Montana and Idaho:

- Mr. Hagenbarth said that his family ranch had been commuter grazers between the ranch in Glen, MT and Kuna, ID for many years, moving on a seasonal grazing permit
- Mr. Hagenbarth reported that on the State of Idaho website for animal disease traceability import requirements, there was a notification listed in red saying that as of 2/15/2020 the agreement between Montana and Idaho to allow the use of brands as identification on CVIs was no longer in effect
- Mr. Hagenbarth said that according to the website, the animals being moved must be drawn on the CVI and must have individual identification, except for animals being moved into Idaho from Nevada, Oregon, Utah, Washington and Wyoming, but no longer Montana
- Mr. Hagenbarth requested that the Montana State Veterinarian and the Idaho State Veterinarian get together and work out an agreement so that brands would again be allowed as a method of identification in these movements into Idaho from Montana
- Mr. Honeycutt explained that there was a brand agreement between Montana and Idaho that expired in 2015. He added that for commuter and seasonal grazing permits provided by USDA, the animals can be moved into Idaho from Montana without putting the individual ID on the CVI, so what gain would there be for producers that they don't already have
 - When animals are moving from Montana into Idaho as a permanent residence, for breeding or other things, without the individual ID, Mr. Honeycutt said, there is a gap in the animal disease traceability issue
 - Dr. Marty Zaluski said that if he recalled correctly, Montana initiated the interstate brands agreements that were not just between the State of Idaho and the State of Montana, but between other adjacent states and Utah as well. He said those agreements, that had been renewed annually, had been expired by several years
- Mr. Honeycutt said that the BOL could take up the issue but an unintended consequence would be that if Montana allowed all of those states to go in on a brand and not an individual ID, because there would be no individual ID, if one of those herds gets caught up in trade, the DOL would have to quarantine and test every animal that wore that brand
 - Dr. Zaluski explained that when brand agreements were used for animals that were for sale, change of ownership, etc., it put the traceability funding received by the DOL from the Federal government in jeopardy because required performance standards were being underperformed by the DOL with that system in place
 - Dr. Zaluski said that he has been very vocal about supporting brands, but, by providing an aggregate movement across state boundaries, utilizing a brand as an ID, makes it more difficult to identify the specific source of disease. He added that on disease investigations, brands have been an

incredible help to the DOL, but IDs have as well and those systems complement each other, not replace each other

- Dr. Marty Zaluski explained that he had visited with Dr. Leibsle, the Idaho State Veterinarian, regarding the situation. He said that a compromise was reached where for the 50 seasonal grazers per year that fill out the form, they do not have to list IDs, but must inform the DOL when and where they go in
 - Dr. Zaluski said there was no disagreement with the State of Idaho and the State of Montana and that he had worked many years with Dr. Leibsle in his role as Assistant State Veterinarian and now as State of Idaho Veterinarian and that he had every confidence that Dr. Leibsle would be willing to update the language on Idaho's website to remove the red wording that Montana was not participating

Mr. Hagenbarth gave comments about the Park Service's management of bison in Yellowstone National Park

- Mr. Hagenbarth voiced his concern about what he called the large numbers of herds of bison in the Park and that the livestock industry had taken the black eye for the situation

(6:00:18) 3:00 PM – RECESS

(6:00:20) 3:15 PM – RECONVENE

ANIMAL HEALTH & FOOD SAFETY DIVISION REPORTS (Continued)

(6:00:20) 3:15 PM

(6:00:20) 3:15 PM – MEAT & POULTRY INSPECTION BUREAU

(6:01:05) 3:16 PM – Request to Fill Inspector Positions

Gary Hamel requested to fill two vacant Meat Inspector positions in Bozeman and Dillon:

- Mr. Hamel reported that the Dillon position was vacated because of a retirement
- The Bozeman position, according to Mr. Hamel, was vacated because the Inspector had resigned and took a job with USDA as an Inspector
 - The Bozeman position had been located in Anaconda, but, with the increased demand for inspection in the Bozeman area, the Bureau had decided to relocate that position to Bozeman
 - Mr. Hamel said to maintain continuity, currently, an Inspector from the Helena area is filling in until a new person is hired and training is complete in the Bozeman area
- Mike Honeycutt explained that if the Federal Acts are put into place, it could allow State-inspected processors to sell across state lines or possibly just allow State-inspected processors to sell by e-commerce across state lines. If either would

pass, it would mean more competition for Montana's processors because other states could bring their products into Montana as well

MOTION/VOTE

(6:02:31) 3:17 PM

Sue Brown moved to okay the request to fill the vacant Meat Inspector positions in Bozeman and Dillon. Alan Redfield seconded. The motion passed.

(6:06:40) 3:22 PM – New Hire

Gary Hamel introduced Alicia Love, the newly-hired EIAO and Trainer for the Meat & Poultry Inspection Bureau:

- Ms. Love was a registered Sanitarian at the Department of Public Health, having a strong background in food safety, a Bachelor's degree in Wildlife Biology and she was two classes shy of getting a Master's in Public Health from Grand Canyon University
- Mr. Love explained that her remaining two courses are her field work component and that she was hoping she would be able to complete them by the end of this calendar year

Concern was expressed by the BOL regarding finances in the Meat & Poultry Inspection Bureau and the possible need for extra Inspectors to deal with growth in the meat industry:

- Mr. Honeycutt said that \$12.5 million in COVID relief dollars were pumped into meat processing last year and that a Department of Agriculture request for new COVID money was for another \$50 million in grants that he thought meat may receive some of again
- There were two additional Inspector positions given to the DOL last Session, according to Mr. Honeycutt, both of which were currently being used as Relief Inspectors but, could possibly be assigned to a plant if the need arose
 - Mr. Honeycutt also said that there are currently two vacant FTEs in the Milk & Egg program that could be moved into the Meat & Poultry Inspection program if needed
- Mr. Hamel explained the training process for a newly-hired Meat Inspector, including the training and shadowing of another Inspector. Mike Honeycutt said that the probationary period for a brand-new hire in the DOL is a year
- Mr. Honeycutt said that in looking for Meat Inspectors to hire, they try to find someone with some experience and for those who have worked at a grocery store meat counter, the pay is \$3-\$4 above what those positions would be advertised
- There is a lot of time tied up in travel for the Meat Inspectors because of the size of Montana and the number of plants to inspect, especially custom-exempt plants
- Mr. Honeycutt said the DOL allows the Meat Inspector's schedule to be flexible, encouraging them to keep a 40-hour schedule if they can
- Mr. Honeycutt explained the structure of the Meat & Poultry Inspection Division
 - The Bureau Chief, Label Specialist, EIAO and an Administrative person are all in the Helena office

- In the field there are three Regional Supervisors with 6-7 people they oversee

(6:28:56) 3:44 PM – VETERINARY DIAGNOSTIC LABORATORY

(6:29:52) 3:45 PM – New Diagnostic Test Offerings Request

Dr. Greg Juda requested the BOL agree to allow the VDL to add some new test offerings, recommended by Dr. Erica Schwartz-Collins, who manages the Microbiology, Serology, Virology and Molecular Diagnostics Lab Sections:

- AAVLD requirements stipulate that the Lab Director theoretically be a DVM. Dr. Juda said that with his doctorate being a PhD in BioChemistry, the two VDL section heads, Dr. Erica Schwartz-Collins and Dr. Steve Smith, the VDL's Lead Pathologist, are DVMs and have the requisite expertise that AAVLD expects
 - Dr. Juda said that with Dr. Erica Schwartz-Collins coming on board at the VDL, her expertise has brought attention to new test methods, new instrumentation and new methodology
- The requests for new tests, according to Dr. Juda, are typically based on demand coming in the door that have to be referred out. Adding the new tests would give the VDL something to market to veterinarian clients about test offerings and also add to that better turn-around time
 - Dr. Schwartz-Collins referenced that 42 Q Fever requests were sent to other labs with an up-to-2-weeks turnaround time. Had the testing been done at the VDL, results could have been received within 48 hours and emailed to the client
- Although adding the new tests would probably only bring in \$500-\$600 extra income annually, it would help that the VDL would be offering a more comprehensive suite of testing for clients, according to Dr. Juda and it is anticipated that the VDL would not have to hire additional staff, because the tests would fit into the individual work flow
- New test requests were for Rabbit Hemorrhagic Disease Virus, Pregnancy Test, Clostridium perfringens Typing PCR and Coxiella burnetii (Q Fever) ELISA
- Alan Redfield pointed out that cost for at least the pregnancy test, seemed a little high, as he could purchase those testing kits from Valley Vet Supply for less
- The Rabbit Hemorrhagic Disease Virus was not a NAHLN disease as of yet, but had been of interest and on their radar, according to Dr. Juda. He said that reagents for doing the testing are being obtained through the MVDSL
 - Dr. Zaluski said that he thought there were nine states with reports of Rabbit Hemorrhagic Fever, which only started about a year ago in the Southwest and looked to be moving through the Western states
- The location of the first Rabbit Hemorrhagic Fever in Montana was near a rest stop on the interstate in Billings making Dr. Zaluski concerned that the unregulated traffic in commerce in the rabbit-breeding community could be what was spreading the disease from state to state in commercial transports
 - Dr. Zaluski said that with the hardiness of that virus in the environment, the DOL has consulted in working with FWP in providing advice to,

particularly in Yellowstone County, to dispose of dead rabbits from the landscape

- Mike Honeycutt requested, that because of BOL Policy and Procedure, that Dr. Juda have the rule ready with the new tests requests, for the BOL's approval to the next meeting

(6:57:27) 4:12 PM – Purchase Request for Sensititre MIC Testing Equipment

Dr. Greg Juda presented a capital equipment purchase request for use within the VDL's Microbiology section:

- Dr. Juda reported that Dr. Erica Schwartz-Collins identified that the VDL is not up to industry standards relative to other laboratories across the country when doing anti-microbial susceptibility testing, because the method being used is outdated
- Dr. Juda said he is proposing to bring online a machine capable of minimum inhibitory concentration testing, replacing the current Kirby-Bauer disc diffusion to test for antibiotic sensitivity.
- The current method of quality control to ensure that the stocks of reagents being used are still viable is a major time constraint, according to Dr. Juda, and the new MIC testing machine does that with an internal quality process that would eliminate the several hours a week it currently takes to do that quality control process
- The Kirby-Bauer instrument is over 10 years old, and, according to Dr. Juda and has over a \$5,000 per year maintenance cost
- Cost of the new MIC equipment would be \$22,500, with a lower annual service contract price and Dr. Juda said in talking to CSD, the proprietary fund account is in a healthy state, and he proposed utilizing those funds to purchase the new equipment
- Mike Honeycutt said that the DOL cannot make any discretionary purchases within the Animal Health program until after July 1, 2021 because the proprietary fund may be used to free up general fund within the program, specifically, the Meat & Poultry Inspection Bureau

MOTION/VOTE

(7:05:10) 4:20 PM

Nina Baucus moved to approve the purchase after July 1, 2021, of the Sensititre MIC testing equipment for \$22,500, as presented by Dr. Greg Juda, with an annual service contract, for the Montana Veterinary Diagnostic Lab (MVDL) utilizing the MVDL's proprietary funds. Alan Redfield seconded. The motion passed.

(7:07:25) 4:22 PM – BOL Discussion of General Items

- Dr. Juda reported that there was one more small repair that had been done on the freezer at the VDL, an actuator that automates the ventilator
- Dr. Greg Juda said that the number of CWD tests performed on behalf of FWP at the VDL eclipsed 8,000, with more samples trickling in during January, February and into March that he believed were from shoulder season hunting and some special hunts

- Dr. Marty Zaluski explained, regarding MIMS software, that Microsoft is no longer supporting the transfer software that is used to transfer the data from the handheld unit used in the field at the chute to the computer
 - USDA has been working on a new version of MIMS that Dr. Zaluski believes will be available for mobile software and should be released sometime in 2021
 - Until the new version is released, the IDs are still being collected at the chute and some minimal data collected that can be merged with other data at the office, just not as much as when MIMS was operating

CENTRALIZED SERVICES DIVISION REPORTS (Continued)

(7:12:07) 4:27 PM

(7:12:29) 4:27 PM – FISCAL BUREAU

(7:12:43) 4:28 PM – Request to Hire IT Bureau Chief

Brian Simonson announced that Dan Olson had taken another position out of state and his last day at the DOL was March 17, 2021. He was requesting to hire an IT Bureau Chief:

- Salary for the position would be the same
- Mr. Simonson said the position had already been advertised the previous week, and, although they had not done interviews, they were collecting applicants
- They are looking for somebody who can think strategically and do a lot of operations support
- The Bureau Chief position manages two other Computer System Analysts
- A preferred requirement and qualification is that the person have State-specific background

MOTION/VOTE

(7:13:35) 4:29 PM

Nina Baucus moved to fill the vacant IT Bureau Chief position. Alan Redfield seconded. The motion passed

(7:14:43) 4:30 PM – Software Application Maintenance Agreement Annual Renewals – Fort Supply/VADDS

Brian Simonson requested that the BOL approve the annual service contract renewal of two software applications used in the DOL, Fort Supply and VADDS:

- Brian Simonson explained that the service contracts are for standard support, after-hours support, some training and some onsite upgrades
- Fort Supply is utilized in the Brands Division
 - Cost for Fort Supply's annual service contract is \$15,000
 - Mike Honeycutt explained that when he first started at the DOL 5 years previous, the annual service contract cost was north of \$100,000, but over the years it had been negotiated down by doing away with certain offerings, such as 24/7 support, which is not needed by the DOL

- The attitude on Fort Supply out in the field had changed a lot from the difficult rollout in the beginning, according to Mike Honeycutt, and field workers have become comfortable with the system and the technology it offers
- VADDS (VetStar Animal Disease Diagnostic System) is utilized in the Veterinary Diagnostic Lab for their Laboratory Information Management System (LIMS)
- Cost for the VADDS annual service contract is \$12,000
- Mike Honeycutt said that Dan Olson had given a lot of VADDS information to Brian Simonson and himself before he left and that would be transferred to the new IT Bureau Chief.
- Mr. Honeycutt reported that the DOL continues to look at more technology tools being made available, especially to government agencies, to do the work the DOL does
- Mr. Honeycutt assured the BOL that capital replacement plan established on aging computers continues, with a phasing out of computers that are five years old

MOTION/VOTE

(7:25:33) 4:41 PM

Alan Redfield moved to renew the Fort Supply and VADDS maintenance support agreements for another year. Jake Feddes seconded. The motion passed.

(7:26:17) 4:41 PM – Per Capita Fee Collections Update

Brian Simonson gave the per capita fee reporting and collection report as of March 23, 2021:

- Brian Simonson reminded the BOL that even though per capita fee is collected all year long, the deadline for producers to pay their per capita is May 31st. Mike Honeycutt said that the per capita reporting deadline is March 1st
- For 2021, there are 11,562 per capita reporters that have filed already. That compares to 11,050 at this same time last year
- Currently, there has been \$470,000 more in per capita reported than at this same time last year. Actual per capita fee monies collected is around \$375,000 more than at this same time last year
- As far as livestock classes reported, cattle dominate the story for per capita dollars collected
 - There are about 200,000 more cattle that have been reported than at this same time last year
 - There has been an uptick in horse numbers reported compared to last year, after a project conducted by DOL staff last year, informed horse owners in the state about paying per capita fee
 - The number of chickens reported in the last five years, according to Brian Simonson, has been an explosion
- Mr. Simonson said that about 2/3 of per capita reporters now submit their reports online

(7:36:27) 4:52 PM – February 28, 2021 State Special Revenue Report

Brian Simonson reported to the BOL that the State special Revenue Comparison Report was given at each BOL meeting:

- According to Brian Simonson, the DOL has a \$15 million budget and that \$10 million of it is paid by Montana producers in some form or fashion
- For New Brands and Transfers, the difference between 2020 and 2021 is that the DOL is up \$107,000, with more transfers going on due to rerecord
- Both Field and Market Inspection Fees had slowed down since the first of the year, although Mr. Simonson said it is shaping up to look like a normal year
 - To date, \$1.168 million had been taken in so far in the market, with \$100,000 coming in the past month, which is half of what it was the previous month and half of what it was the month before that
- Mr. Simonson said that there was a delay as far as month-to-month market recognition, but independent reports from the market show that cattle sales are up and that number will recover
- The per capita numbers shown in this report, Mr. Simonson said, are from the end of February and show that the DOL was \$350,000 ahead of this time last year
- The Investment Earnings in the short-term interest program (STIP) that the DOA manages utilizing DOL reserve funds, continues to make money, but only about \$2,000 in February, compared to \$14,000 per month prior to COVID
 - The estimates for the Investment Earnings were built into the budget system in 2018 when nobody knew what COVID would do to the market, but, Mr. Simonson said that those estimates would be changed during the next budget cycle and that there was enough to get through 2021
- Milk Inspection was reporting nearly \$15,000 less than at this time last year, reflecting the loss of about six dairies
- Milk & Egg had gained about \$5,000 over last year
- The VDL lab fees had doubled what was taken in at this time last year, but now the busy season of Brucella and CWD testing is done, and so those numbers have slowed down quite a bit
- The Voluntary Wolf Donation Fund, is a program where FWP collects monies through hunting and fishing licenses for wolf management and then that money is transferred to the DOL for distribution to Wildlife Services. So far in 2021, \$19,000 has been collected; last year \$46,000 was transferred to Wildlife Services from that fund

(7:49:51) 5:05 PM – February 28, 2021 Budget Status Report

Brian Simonson told the BOL that he wanted to condense the monthly budget reports down in size:

- Mr. Simonson explained that each month they receive a budget report, this month it was around 30 pages, 10 of which are projections, 10 of which are comparisons. His request was to condense some of the reports to one page
 - Gene Curry said that he would charge the BOL to review the budget reports given by Brian Simonson that day and decide at the next meeting whether or not certain reports were needed

Brian Simonson reported on the DOL budget status as of February 28, 2021:

- Mr. Simonson reported that \$32,000 more had been spent in overtime than at this time last year
 - Mr. Honeycutt said that instead of paying for overtime, there was a question of whether or not it would be cheaper to hire another person instead of paying overtime, but, that for this year, the focus of the DOL was to bring that number to zero by June 30th when the books close
 - Regarding Federal money to be utilized for the Meat & Poultry Inspection Bureau, Mr. Honeycutt said that the DOL needed to have a solution that was not dependent upon Federal government money because he was less optimistic that states would have excess money that they turned back to the Federal government for use by other states
 - Mike Honeycutt said DSA may have general fund monies left to move into the Meat & Poultry Inspection Bureau budget at the end of the fiscal year, and also there was some carryforward general fund authority from previous years that the DOL had dedicated to go into that Bureau
- Mike Honeycutt said that the DOL had spent \$237,972 more than at this point last year, but were well within the budget appropriated by the Legislature, having \$409,000 of excess authority
- Mike Honeycutt explained that there were \$32,000 more General Fund expenditures than the DOL was appropriated for and so, that would have to be managed
 - Brian Simonson said that on the General Fund dollars, by the end of April, that \$32,000 number would probably all clear because there were bills working through the VDL that hadn't shown up, expended money, specifically in the DSA
- Mr. Honeycutt pointed out that there were \$75,000 less in travel expenses than at this time last year due to COVID and the DOL not traveling like they did the past year, but some of that money could be moved to other areas of the budget
- The DOL looks at the detail of what is spent on supplies or contracts, etc., according to Mike Honeycutt, but in the end, the Legislature looks at the excess authority that wasn't spent. He said he also learned a valuable lesson during a past Legislative Session about spending general fund monies first
- For the entire DOL, there is just under a half million dollars of excess budget authority

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

(8:15:32) 5:30 PM

- Sue Brown requested that she be able to comment on a call she had received during the lunch period:
- Sue Brown reported that someone had contacted her regarding SB199, saying that if the raw milk bill went through that it would jeopardize the dairy industry and that the few dairies that are left could have some issues

- The other states that have raw milk bills have inspection rules or limits on how many animals a person can have, according to Ms. Brown and she requested that Mike Honeycutt mention that to the Governor when he spoke with him again
- Dr. Marty Zaluski said that he had received a commitment from the Idaho State Veterinarian that he would update their website with the seasonal grazing provision and would contact either the Idaho Department of Agriculture or the DOL for questions
- Jenny Bloomquist thanked the BOL for their service and welcomed the new BOL members on behalf of the MVMA
 - Ms. Bloomquist added that she appreciates the work being done for the new Lab in Bozeman and said their veterinarians are very much in support of it
 - Ms. Bloomquist voiced her appreciation for Marty, Tahnee and their staff
- Jay Bodner welcomed the new BOL members
 - Mr. Bodner expressed his appreciation for the BOL taking time out of their day to meet with their MSU Collegiate students
 - Mr. Bodner said that he would like to offer up a name or two to be part of the brand committee as the MSGA was certainly interested in that and working toward any opportunities to look at the brands and conflict policies
- Gene Curry said that with the BOL's permission perhaps he and Mike could start the process of reaching out to the industry regarding the brands committee. He said he would like to have an agenda item at the next BOL meeting regarding that brand committee
 - Mr. Curry said he envisioned that by the time summer conferences rolled around for organizations, there would be enough information that there could be discussion regarding the brands policy during those conferences

SET DATE FOR THE NEXT BOARD MEETING/ADJOURNMENT

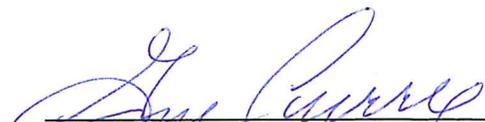
(8:23:02) 5:38 PM

Gene Curry requested that the date for the next BOL meeting be set:

- Sue Brown announced that she would be going to Seattle with her husband on May 26-29 and would not be available then
- Mike Honeycutt said that several of the BOL staff would be gone to the Montana Meat Processors Association meeting in Kalispell at the end of May, saying that he thought they were scheduled on their agenda for May 30th
- Greg Wichman said that for him, May would probably be better
- The next BOL meeting was scheduled for May 5, 2021

MEETING ADJOURNED

(8:26:31) 5:42 PM


Gene Curry, Chairman