



Montana Board of Livestock Meeting Minutes

(This Meeting was Open to the Public & By ZOOM)

September 26, 2024

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)

(Eric Moore attended meeting by ZOOM. Jake Feddes left the meeting after the morning session)

William Kleinsasser (swine producer)

Greg Wichman (sheep producer)

Lily Andersen (dairy & poultry)

Staff Present

Mike Honeycutt, EO

Brian Simonson, Deputy EO

Donna Wilham, Adm. Asst to EO

Evan Waters, Centralized Services

Lindsey Simon, Centralized Services

Mike Spatz, Centralized Services

Rick Corder, Centralized Services

Tom Shultz, Centralized Services

Brendan Boots, Centralized Services

Michele Satre, Centralized Services

George Edwards, LLB

Jay Nelson, Meat, Milk & Egg Inspection

Dr. Tahnee Szymanski, MT State Vet

Dr. Greg Juda, Director, MVDL

Dr. Jonathon Sago, Director, MVDL

Dr. Brad De Groot, Animal Health

Dr. Heidi Hildahl, Animal Health

Britta Sekora, Animal Health

Jacqueline Cima, Animal Health

Jay Bodner, Brands Enforcement

Wes Seward, Brands Enforcement

Jessica Sivumaki, Brands Enforcement

Brenna Brunt, Brands Enforcement

Jacob Eshelman, Brands Enforcement

Public Present

Ellie Brighton, MT Stockgrowers Association

Dalin Tidwell, USDA-APHIS Wildlife Services

Celia Rigler, Governor's Office

Kali Wicks, MT Milk Producers Association

Cheryl Curry

MEETING CALLED TO ORDER

(1:24:32) 7:59 AM

Chairman Gene Curry called the meeting to order at 7:59 AM

CALL TO ORDER AND INTRODUCTIONS

(1:24:41) 7:59 AM

Chairman Gene Curry called the meeting to order and requested Introductions:

- Lily Andersen, Dairy & Poultry Representative, south of Livingston
 - Ms. Andersen reported that she was hoping they would be breaking ground on their new barn in the next couple of weeks, which would allow them to be milking 60 cows, after adding an additional 20
 - Although they hadn't yet sold their calves, Ms. Andersen said that they had been combining malt barley
- William Kleinsasser, Swine Representative, Augusta
 - Mr. Kleinsasser reported that the cows were gone, the spuds and carrots were dug and that most of their winter wheat was in the ground
- Jake Feddes, Cattle Representative, Manhattan
 - Mr. Feddes reported that for the past couple of weeks, they had been shipping yearlings. He reported that those who had sold theirs early were glad because the market hadn't held quite like some people thought it would, adding that even with that, prices were still good, just not as good as they were in June or July
 - The bull calves had been weaned, Mr. Feddes said and were being put into the feedlot
 - Mr. Feddes said that just like Lily and William had reported, it had been a busy Fall so far, and he had been getting things ready for the cattle sale and trying to get all the Fall work done before winter hit
- Greg Wichman, Sheep Representative, Hilger, North of Lewistown
 - Mr. Wichman reported that the wool market was very lackluster, at best and the lamb market was in kind of a free fall, adding that the industry needed to decide which direction to go
 - According to Mr. Wichman, the last storm brought between 3-4 inches of rain which went right into the ground and now he said, both the crested and cheat were greening up
 - Mr. Wichman said that his son would be shipping calves in a week, and so they had to get them home, sorted and ready to go
- Alan Redfield, Cattle Representative, Paradise Valley, south of Livingston
 - Mr. Redfield reported that even though they did not get their calves in on an early sale, the calves were sold, and they did fine
 - He reported that they had received two inches of rain the previous week,
- Gene Curry, Cattle Representative, Valier
 - Mr. Curry reported that it was disappointing because they were supposed to get two inches of rain the previous week, but ended up with about two-tenths and two or three little showers. Both Bynum and Choteau had received quite a bit of rain.
 - He added that they had gotten some rain in August and were actually greener now than they were in June, with the stubble looking like the prettiest lawn you'd ever seen
 - Mr. Curry said he was still combining canola the day before and had some barley left to cut

- Some of his son Jeremy's yearlings had escaped their pasture and gotten into the yards of some local people who lived south of Butte and Mr. Curry said there was some stress about getting them back to the corrals so they could be shipped by Monday of that week. He reported that they did make the deadline and they had been shipped out of Butte on Monday
- Eric Moore, Cattle Representative, Miles City
 - Gene Curry welcomed Eric Moore, who had been appointed to the BOL by the Governor
 - Mr. Moore reported that he must have gotten something on his hands and rubbed his eyes, causing a swelling and watering of his eyes while driving to the BOL meeting the day before. So, he said he turned around at Forsyth and went home and his eyes were feeling better today
 - Although precipitation-wise, they had a real good start in May and June, since then, they had dried out in spots, Mr. Moore said, but added that there was lots of old crop feed around
 - Mr. Moore said that the crush was better on calves in June and July because we lost more in the deferred feeders and live cattle contracts than we had in the cash calves. But, he added that there was going to be good competition for them because there was too much feed in our part of the world for those calves to get very much cheaper

Gene Curry requested that members of the audience, who were in the room, introduce themselves:

- Dr. Tahnee Szymanski, State Veterinarian
- Jacqueline Cima, Brucellosis Compliance Specialist
- Britta Sekora, Import Office Manager
- Lindsey Simon, DOL Agency Counsel
- Ellie Brighton, Montana Stockgrowers Association
- Kali Wicks, Montana Milk Producers Association

BOARD ADMINISTRATIVE ITEMS

(1:33:10) 8:08 AM

(1:33::10) 8:08 AM – BOARD APPROVAL OF PAST MEETING MINUTES

Gene Curry entertained a motion to approve the minutes of the last BOL meeting:

MOTION/VOTE

(1:33:15) 8:08 AM

Alan Redfield moved to approve the minutes, as presented, from the Montana Board of Livestock August 28, 2024 meeting. William Kleinsasser seconded. The motion passed.

ANIMAL HEALTH & FOOD SAFETY DIVISION REPORTS

(1:33:43) 8:09 AM

(1:33:49) 8:09 AM – ANIMAL HEALTH BUREAU

Dr. Tahnee Szymanski announced that she would be giving a couple brief updates for the Bureau and then would have Jac Cima, the Brucellosis Compliance Specialist, walk the BOL through the compliance process used in the Brucellosis Program:

(1:34:19) 8:09 AM Disease Updates

(1:34:22) 8:09 AM Chronic Wasting Disease (CWD)

Dr. Tahnee Szymanski gave an update on the CWD-affected herd in eastern Montana: Dr. Szymanski reported that with the help of DOL employees, Shawn Hando, Bob Walden, Jason Wickum, Wes Seward and Mike Himmelspach, the Animal Health Bureau was able to do a complete depopulation of that affected herd

- She said that three animals were missing, but Officer Wickum spent about three hours riding pastures and found those animals, who had already died in the tall grass, helping assure that the producer would be able to be paid for those animals and provide the Animal Health Bureau full reconciliation of that herd
- USDA Agricultural Research Service individuals were onsite collecting a whole spectrum of research samples from the adult animals. And even though no results had come back as of yet, Dr. Szymanski hoped that the information received from that herd would go on to contribute to our body of knowledge about CWD

(1:35:49) 8:11 AM Tuberculosis (TB)

Dr. Tahnee Szymanski gave an update on the Madison County slaughter trace:

- Dr. Szymanski reported that testing had been completed this Fall on the Madison County 2020 slaughter trace
- A small number of those animals had a suspect on the initial skin test, but, the secondary follow-up test, Dr. Szymanski said, came back negative and so that herd was now completely done with all required disease testing

(1:36:17) 8:11 AM Brucellosis

Dr. Tahnee Szymanski reported that they were just starting to get into Fall testing and were working on cleanup from some previous traces:

- Dr. Szymanski reported that there was a recent slaughter trace out of Colorado having two animals that tested positive on the initial screening test, but the secondary FP test had very low values, putting them into the “suspect” range. The Bureau would continue to do follow-up on those animals who both originated from two different herds
 - One of the herds would be doing a whole herd test in December. The Bureau would be sitting down with the owner of the second herd the following week to come up with a surveillance plan. Herd sizes were 700 and 1500 head, respectively

- Dr. Szymanski said that a Park County herd would be tested this Fall due to a slaughter trace found last Fall. Indemnity had already been paid on that animal. However, because of the relatively high index of suspicion on Brucellosis, it was requested that an assurance test be done, and that test was completed and all animals were negative
- The 2023 Madison County affected herd, Dr. Szymanski said, had completed their assurance test and it was good news there

(1:38:10) 8:13 AM Animal Disease Traceability and Transition to Electronic Official Identification

Dr. Tahnee Szymanski reported that the November implementation date of changes to the Animal Disease Traceability (ADT) rule were getting closer and she updated the BOL on how that was going in Montana:

- The RFID ear tag requirement for cattle was scheduled for November 5, 2024, Dr. Szymanski said. However, the allocation of free RFID tags had been reduced by USDA from 250,000 free tags for Montana to 193,000. Dr. Szymanski said that so far though, only 166,000 had been received
 - Also, in years past, Dr. Szymanski said that USDA also allocated to Montana, about 330,000 free metal tags. So, between the free RFID tags and the free metal tags, Montana had been using over 500,000 ear tags per year. And so the 193,000 tags USDA said they would be allocating to Montana would not come even close to what Montana used for tags in a year. She added that potentially, producers would need to buy any extra RFID tags for \$2.50 to \$3.00 per tag
- Dr. Szymanski said she had submitted a formal request to USDA for an additional 100,000 RFID tags for Montana, but if the budget on the national level was not passed, USDA would not be able to purchase any tags for the upcoming fiscal year
- Mike Honeycutt reported that the USDA probably used the Census of Cattle to determine the number of free RFID tags to be distributed to each state, but that did not take into account cattle movement in and out of those states and whether or not they were high export or high import cattle states or large feeder cattle states. Because Montana had a DSA, cattle leaving the state from that area required official ID. There was also a high bangs vaccination rate in the state, requiring a tag. Also, out-of-state cattle coming into Montana across state lines were getting tagged in Billings and Sidney, using Montana's inventory of tags
- Dr. Szymanski said that with the number of free RFID tags the DOL received, they would distribute them to Veterinarians on a percentage basis, and the Bureau was compiling numbers to see how they would be distributed. She expected that it would initially be a rough go for the first few months of the implementation, but they were in ample communication to Veterinarians so they're prepared and could prepare their clients
- Alan Redfield suggested that cattle coming in from out of state be required to be tagged before they were brought in. Gene Curry said that another option would be to establish a receptacle agreement with neighboring states that if Montana

had to tag a certain percentage of their cattle maybe that state could provide a certain percentage of their tags to Montana

- Gene Curry felt that the Livestock Markets Association would not be in favor of requiring cattle coming into Montana to be tagged already because it would restrict some of the cattle that would normally come
- Eric Moore expressed a concern, wondering if there were going to be enough of the RFID tags to get through Fall Run in the markets. Dr. Szymanski said that they had been in touch with the Market Veterinarians to get their annual tag use and found that it was a smaller number than expected and she felt the markets would be covered to get through Fall Run. She added that once the free tags ran out, more tags could still be purchased

(1:51:09) 8:26 AM Presentation on Brucellosis Compliance Assessment

Dr. Tahnee Szymanski turned the microphone over to Jac Cima, the Brucellosis Compliance Specialist in the Animal Health Bureau, to explain the way Brucellosis compliance was done in the Bureau:

- Jac Cima explained that she did two types of compliance on a monthly basis
 - **Market Compliance**, Ms. Cima said, determined if appropriate amounts of test-eligible animals had been tested each month coming out of the DSA-area markets: BLS and PAYS in Billings, Headwaters, Ramsay and Dillon
 - Ms. Cima explained how she determined those numbers from each market, utilizing Excel and the VADDS system, which was run through the MVDL, matching the cattle sales to the tests run for a month. Some tests were not run through the MVDL and were tested on a ranch and Ms. Cima said she worked with Brands staff to acquire that information
 - There was not going to be 100% compliance in the DSA, Ms. Cima said, as some of the animals only used the DSA seasonally and didn't need to be tested year-round. She said, too, that sometimes the market would let her know that a bull was too large to get into the chute or an animal was too lame to get into the chute and those animals weren't tested either
 - Dr. Szymanski explained that in regard to the market testing, because it was not the individual producer that was in violation, the follow-up was slightly different and percentages were alarmingly low, according to Ms. Cima's monthly compilation. But, the better the data that was captured in the system, the better the information, and so Dr. Szymanski felt confident those percentages were a lot higher than what the monthly report showed
- Dr. Szymanski said that the Bureau kept consistent and strong communication with the different yards, especially those that handled a lot of DSA cattle. She added that the Market Veterinarians and the Brand Inspectors working at those markets had been there for a period of time and very much erred on the side of, if I'm uncertain, I'll test the animal
 - There were actually a fair number of animals, Dr. Szymanski said, that she suspected were tested multiple times before they were culled. She said that Montana regulations are such that cattle traveling from the DSA must either be tested on ranch before they left to go to an out-of-state market or could travel to a Montana market and be tested there

- **Compliance Brand Inspections**, Ms. Cima said, were done on a three-year rotation schedule on animals in the DSA and were also done when DSA animals were being moved across county lines or being sold privately within the DSA
 - Utilizing the ServiceNow platform, Ms. Cima said she was able to pull brand inspections from those areas and checked each one individually, looking for tests, and if there were questions about those inspections, she was in touch with the Brand Inspectors and District Investigators. Jake Feddes complimented Ms. Cima on the very good job she did in her compliance work
 - Mike Honeycutt said that one of the weak links in Ms. Cima’s compliance work was the timeliness of the information she was given to work with, explaining that a previous audit done by the Legislative Audit Committee on the DSA/Brucellosis program several years ago, pointed out that weakness, saying that we were not closer to real time on that part of the compliance check
 - Mr. Honeycutt said that with Local Inspectors, the DOL was never going to have same-day information and so that was why the DOL had been working towards ways to scan brand inspections so that at least part of that information was searchable online at best, days or weeks after it happened rather than a year after it happened
 - Jac Cima reported that there was a high level of compliance on brand inspections and that the lowest county compliance the Bureau ever had was 90%. She said that Dr. De Groot did quite a bit of outreach and education to producers who might not have realized they were supposed to be testing

(2:05:47) 8:41 AM – MEAT, MILK & EGG INSPECTION BUREAU

Jay Nelson, EIAO in the Meat, Milk & Egg Inspection Bureau, introduced himself, saying that he was here in the absence of Bureau Director Alicia Love:

(2:06:25) 8:41 AM General Updates

(2:06:25) 8:41 AM Water Activity Letter

Jay Nelson explained the content of the two letters in the BOL’s materials regarding testing the water activity in jerky production. He was requesting BOL input on the letters and hoping to get the go-ahead to send one of those letters to meat industry establishments in Montana:

- Mr. Nelson gave a synopsis of jerky production, explaining that the “lethality step” in that production was where the pathogens were killed and the “drying step” was where the jerky would be made shelf stable so no more pathogens would grow. Water content for jerky shelf stability, according to FSIS-USDA, Mr. Nelson said, was 0.85 or lower, and vacuumed sealed it could be 0.95 or lower
 - Mr. Nelson explained that if water activity level was considered a “critical limit” in a HACCP Plan, that it should be recorded each and every time

- The first letter requested that for every lot of jerky, the water activity level of that jerky be tested. This would require the testing be done by an in-house water activity meter or by sending jerky samples to a meat lab, such as the one at MSU
- The second letter would allow for quarterly water activity testing to continue for jerky, but if the test didn't hit the required numbers, a recall would be required for all product made since the previous test was done because there was no support that those batches were shelf stable
 - Mike Honeycutt pointed out that in the second letter, requiring recalls, that the DOL did not have authority to do that. The FDA had the power to require recalls, but under USDA-FSIS, recalls were voluntary
- Jake Feddes shared that the reason for this regulation was because USDA was saying that 100% of jerky was shelf stable. But, he said that there was jerky sold that was marked to keep refrigerated and he wondered if that meant it wasn't shelf-stable and if that meant it didn't have to go through the same testing
 - Mr. Nelson said, that in a case like that, he would like to see the name changed from jerky to beef strips, or something like that, adding that the definition of "jerky" was a little ambiguous. And when he worked in Wisconsin, some establishments backed off from calling it jerky because it looked like jerky but was kept cold because they decided to back off from proving shelf stability
- Mr. Nelson pointed out that the regulation in the letter would only be talking about jerky that would receive the State Mark of Inspection
- Mr. Feddes said that he would have a problem with the letter because he was not trying to produce shelf-stable jerky at his plant, he expected them to be refrigerated. He said, if the letter told him he needed to do this test to prove his product was shelf stable when he was not trying to produce shelf stable product, that would be a problem
- There were a lot of things that weren't being done properly when Ms. Love's predecessor was in that position, and Mr. Feddes said that Ms. Love was moving towards making sure the public knew that food safety in our state was our #1 priority. He said three letters had already been sent to establishments this year with changes to be made, but if this fourth letter was to be sent in a year, talking about another change, you better make sure that it was well-defined, because there would be some industry pushback
- Mr. Feddes said that the letter needed to state the water activity content percentage of jerky, and if you wanted to make non-shelf-stable jerky it would have to be called something else
 - Mr. Nelson felt that the Bureau needed to return to the drawing board and think about this a little more but said that water activity was water activity, whether the lots were large or small. He shared that one establishment he came across recently in an FSA stated they would test quarterly, and they were only sending in 2 times per year
- Mike Honeycutt related that yes, this would be the fourth letter in a year but there were a lot of holes in the program that the DOL was trying to catch up to and he wondered if in a future audit it would be something that needed to change to meet Federal standards if the State wanted to keep its program

- Gene Curry announced that there would be no action taken regarding the letters that day

(2:42:33) 9:17 AM General Updates

Dr. Tahnee Szymanski gave updates from the Milk, Meat & Egg Inspection Bureau:

- A plant that had an application in for CIS status in Montana, Dr. Szymanski said, had withdrawn their application to go Federal. She said that the State had one CIS plant that was still up and running, and that plant was in Big Timber
- Dr. Szymanski reported that the letter regarding Listeria testing that had been discussed at the last BOL meeting had been sent and just two plants had questions regarding it
- Interviews had been held for the Shelby Meat Inspector position and Dr. Szymanski said that if it hadn't been done already, an offer would be made this week to a candidate
- Dr. Szymanski also reported that the Compliance Supervisor position in the Meat Program had been hired
- There were three retirements that had taken place in the Milk, Meat & Egg Inspection Bureau. Dr. Szymanski thanked them for their time at the DOL and wished them well:
 - Rosemary Hickey, Sanitarian
 - Elaine Hartman, Egg Grader
 - Kathi Molyneaux, Meat Inspector
- Mike Honeycutt explained that with the budget deficit in the milk fees for the fiscal year, there was a solution for that, and it had been presented in the DOL's proposed budget to the Governor. He said the DOL would need to take at least 4-8 weeks to recoup some of Rosemary Hickey's retirement costs back and see how far it could be stretched to close that gap
- Mr. Honeycutt said that Ms. Hickey had been located in Northwest Montana, which was not a hotbed of the dairy industry right now, and so, there were decisions to be made regarding where her replacement would be put
- Mike Honeycutt reported that there were 11 active applications for meat plants right now in the state and another 13-14 that hadn't put in an application, but were interested

NEW BUSINESS/EXECUTIVE OFFICER UPDATES

(2:47:08) 9:22 AM

(2:47:10) 9:22 AM – HUMAN RESOURCES UPDATES

Mike Spatz, Human Resource Officer for the DOL, introduced himself

(2:47:35) 9:23 AM Staff Openings, Recruitment and General Updates

Mike Spatz kicked off his presentation with a report on the Staff Openings and Recruitment information for the DOL since the last BOL meeting was held:

- Mr. Spatz reported that the DOL was currently recruiting for four positions, but one of those should be hired in the near future

- There had been some movement in the DOL, Mr. Spatz said, with one external position person hired in the Billings area and one internal promotion that happened. He reminded the BOL of Mr. Bodner's announcement at the last BOL meeting that Ty Thomas, Assistant Brands Administrator had vacated his position and Dr. Szymanski had just shared with the BOL about two notices of resignation coming up in the next few days
 - In the Brands Enforcement Division, Mr. Spatz reported that Joel Berber had been hired as a Market Inspector in the Billings area, making Billings fully staffed in their markets
 - James Peterson, from the Meat, Milk & Egg Inspection Bureau, had been promoted to the Compliance Supervisor position, Mr. Spatz said, meaning that he would now be Supervisor of the Compliance folks and Jay Nelson would be the Supervisor of the Meat Inspectors
 - Mike Honeycutt explained that the DOL was trying to reduce Ms. Love's number of direct reports and the number of things she was trying to keep track of, as it had become a little bit overwhelming. He added that with James Peterson's promotion into the Compliance Supervisor position, it was contemplated in the next budget to hire another Compliance Specialist
 - Mr. Spatz said that in the MVDL, they were waiting for confirmation on a start date from an applicant who had been offered the Lab Technician position

(2:52:08) 9:27 AM Requests to Hire – Brands Assistant Administrator and Meat Inspector-Chinook

Mike Spatz reported that he would be requesting to fill two positions in the DOL, one in the Brands area and one in the Meat, Milk & Egg area:

- Mr. Spatz said that the first position to fill was the Assistant Brands Administrator position, recently vacated by Ty Thomas
 - Mr. Spatz explained that Jay Bodner was reviewing that position for correct reclassification and to address other current needs in the DOL and so, the request to fill the position would come with the stipulation that it would be hired potentially as an Assistant Administrator or possibly as a different type of management position in the Brands Enforcement Division
 - Jay Bodner said that Ty Thomas had an expertise and knowledge and lived in a location where the current job description fit well with that position. But now, he thought he might make that position less administration and more markets
 - Mike Honeycutt said the position Ty Thomas held was built around Ty and his skill set, supervising 12 Commission Companies from Butte to Sidney. Mr. Honeycutt felt it was time to find a better way to handle the number of responsibilities out there with the geography that had to be covered in a more effective way. He did feel that a decision regarding this position should not be made today
 - The decision to hire the Brands Assistant Administrator position was tabled

- The second request to hire, Mr. Spatz said, was to fill an existing part-time Meat Inspector position, a 20-hour-per week position, in the Chinook area

MOTION/VOTE

(2:53:24) 9:28 AM

Alan Redfield moved to approve the hire of an Assistant Brands Administrator. Jake Feddes seconded. (After discussion, no vote was taken as the motion was tabled)

MOTION/VOTE (To table previous motion)

(2:58:40) 9:33 AM

Alan Redfield moved to table his motion to approve the hire of an Assistant Brands Administrator. The motion passed.

Gene Curry entertained a motion to approve filling the part-time Meat Inspector position in Chinook

MOTION/VOTE

(2:59:15) 9:34 AM

Greg Wichman moved to approve the hire of a part-time Meat Inspector in Chinook. Alan Redfield seconded. The motion passed.

(2:59:40) 9:35 AM General Updates

Mike Spatz said that he had no general updates except for the recognition portion of his presentation, but opened himself up for any questions before that was done:

- To answer one BOL member's question concerning the vacant Egg Grader position, Mr. Spatz said, that it would be hard to find people with specific egg grading skills, and so he expected that there would be a lot of on-the-job training that would help ready that person to obtain the specialized USDA egg training that they were required to go through for that position
- Mr. Spatz said that currently, there was a part-time person already employed at the egg plant, but he had not heard if there was any interest for them to move up

(3:01:37) 9:36 AM Recognition of Governor's Award for Excellence Recipients

Mike Spatz recognized and introduced the recipients of this year's Governor's Award for Excellence, some who were present in the room and from all three Divisions of the DOL:

- Mr. Spatz recapped the requirements of being chosen for this award
 - Be an employee that had demonstrated exceptional innovative approaches that produced significant results
 - Attain significant improvements in government processes or have demonstrated exceptional customer service beyond the scope of the employee's performance
- Brian Simonson said that **Michele Satre** was the first Centralized Services awardee since he had been at the DOL

- Mr. Simonson said that before Michele took the position of Program Manager in the Milk Control area of the DOL, he had gone through 5-6 Managers in five years
- Michele, Mr. Simonson said, was the only person keeping the ship afloat for many years as she spent countless hours her first year and a half in the position to keep the program going. He said she was highly proficient, efficient and technically-oriented. She was, he said, in the first six months of taking the position, the most senior person in the state milk industry who knew what was going on, training herself, her auditor and everybody in the plants
- Michele Satre said that this had been one of the biggest challenges she ever had, but it was also a reward
- Gene Curry and Lily Anderson thanked Ms. Satre for the extra work and expertise she gave the department, the livestock industry and the dairy industry
- Mike Spatz introduced **Dr. Jonathon Sago**, a Veterinary Pathologist at the MVDL, who would be joining the meeting by ZOOM. Dr. Tahnee Szymanski read the nomination form one of Dr. Sago's peers had submitted
 - According to the nomination submission, Dr. Sago's client service went above and beyond and he was often personally requested by Veterinarians and civilian clients for case consultation. He had been praised for maintaining superb contact with MVDL clients, working closely with them to ensure they received accurate and timely results. He improved turnaround time for Pathology service and many times worked after hours to complete necropsies, caring very deeply about the quality of his work, acting with extraordinary integrity and willing to lend a helping hand within the Department. Dr. Sago was also praised for his work on the HPAI outbreak and on a Blaine County TB outbreak
 - Dr. Jonathon Sago thanked everyone for the recognition and said he was not expecting the award, adding that it had been fun and very interesting
 - Gene Curry and Mike Spatz thanked Dr. Sago
- Mike Spatz said that the final awardees were a team nomination from within the Brands Enforcement Division that included **Kim Dallas, Brenna Brunt, Kevin Ramsey, Jessica Sivumaki, Wes Seward and Jacob Eshelman**
 - Jay Bodner said that the reason he nominated these individuals was because of the massive undertaking of implementing the ServiceNow project and the tremendous amount of work these individuals put in to help with that. And even though he would have liked to have nominated the entire Brands Division, it was not allowed, so he had to pick out some key individuals
 - **Kim Dallas** was not present because she was on vacation, but according to Mr. Bodner, served much like a Project Manager, collecting information on the problems, enhancements and fixes that needed to be done
 - **Brenna Brunt**, who is the Market Data Compliance Specialist in the Brands Enforcement Division, played a key role in the development meetings for the program. Because she learned the new program very

well, she was the one who traveled to different market sales to help conduct the sales and train staff there

- **Wes Seward** and Jacob **Eshelman** played key roles in the development and implementation of the mobile application. Mr. Bodner said that Wes Seward, also an FTO Trainer, helped new employees learn and utilize the system
- **Jessica Sivumaki**, who is the Market Supervisor in Vaughn was one of the consistent markets that showed up at the development meetings, helping know what the market needs were
- **Kevin Ramsey**, who was the Market Supervisor at BLS and PAYS, was not present at the meeting today because of a sale, but Mr. Bodner said that he and Jessica Sivumaki both adopted all aspects of the new program, including use of the mobile app out in the yards and that played a big role in development of the new program
- Mike Honeycutt explained that the Governor's Office, this time around, put a strong emphasis on people who had provided exemplary service above and beyond expectations when making their selections for the award, adding that every one of the DOL nominees were selected for the award and we should be very proud because not every agency's nominees had been selected, and that said a lot about who we have in the DOL

(3:21:37) 9:56 AM RECESS

(3:45:33) 10:20 AM RECONVENE

CENTRALIZED SERVICES DIVISION REPORTS

(3:45:33) 10:21 AM

Brian Simonson, Chief Financial Officer for the DOL, introduced himself

(3:46:35) 10:21 AM – FISCAL BUREAU

(3:46:35) 10:21 AM Per Capita Fee (PCF) Rate Setting

Brian Simonson explained that the first chart and corresponding graphs he would be discussing to help set the annual per capita fee rate, spanned an 11-year time frame, as had been requested by the BOL previously:

- Mr. Simonson reported that the only real two categories that had improved were cattle and poultry: cattle increased by 21,000 from what had been reported in 2023 and chickens improved by around 180,000 from what had been reported in 2023. He added that chickens were the #3 per capita fee pair in the state by total gross receipts, bringing in \$90,000 in per capita fee
- Gene Curry said he was not comfortable with the number of horses reported, as he said he was not seeing less horses around than in previous years
 - Brian Simonson said that there had been an extensive letter campaign out to horse owners around 2019, causing a bump in numbers, but then a downward trend started again. Mike Honeycutt said there was a big lift in the numbers during that time, but even though there was an additional

\$15,000 in revenue brought into the DOL because of the increase, it cost \$40,000 to conduct the program to get those numbers

- Mr. Honeycutt said there were a high number of people on the equine said who were not knowledgeable of the per capita requirement and those people should be reached and educated about that obligation
- There were peaks and valleys in cattle numbers in the state, Mike Honeycutt said, with pre-COVID, pre-drought numbers being in the 2 million range, but that number had dropped, with the current number of actual cattle being in the 1.7 million range. He felt that those cattle that were required to be reported (those 9 months of age and older), were very accurate, at least in the 90%+ range
- Brian Simonson reminded the BOL that MCA statute put a 10% maximum increase on a three-year average that per capita fee could be raised. He pointed out that the Department of Revenue collected \$4.8 million in per capita fees in FY24 and a 10% increase this fiscal year, would raise it to \$5.3 million. Subtracting from that \$5.3 million the 2% fee that the Department of Revenue charged the DOL for collecting the fee, the amount left for the DOL would be \$5.2 million
 - Mike Honeycutt said that the MCA statute did not contemplate the species level change, meaning it was not a 10% increase by species, but a 10% increase by total and so you could use discretion and do different increases on different species
- Brian Simonson said that in his time at the DOL, per capita was increased across the board only once and that was a 2% increase last year, although, the bison per capita fee had been reduced by about a third before that increase and poultry got increased by 10% to round the increase to the nearest penny. Cattle though, he said, were the big mover in per capita fee, as all other livestock reporting for per capita represented only 6% of the fees collected
 - Increasing per capita fees by 1% would be approximately a \$41,000 increase per year; increasing by 5% would be approximately \$239,000 per year, Mr. Simonson said
- Mike Honeycutt explained that what should be reported for livestock per capita was what was in your inventory on February 1st. He added that those out-of-state grazers, grazing in Montana for any portion of the year, were also supposed to report to the Department of Revenue as well and he didn't know that the DOL was doing a great job of getting some of those type of grazers to report as they were supposed to, according to statute
- Taking into account inflationary increases, Mike Honeycutt reported that if no per capita increases were put in place between now and 2030, there would be, roughly, a \$1.2 million gap between revenue and necessary expenses, with expenses being above revenue by that amount. He said that we just came off a year where we added to our cash balance, and that would happen again next fiscal year, but eventually, the gap would become wider and wider if no per capita increase was put into place
 - If no per capita fee increases were made between now and 2030, Mr. Simonson said that it would take 2+ years of 10% per capita fee increases to ever close that gap, but if we wanted to work on closing the gap now, it

could be done with minimal increases. Gene Curry said planning ahead was way better than trying to catch up

- Brian Simonson reminded the BOL that they had decided that 35% in the current year was the minimum reserve safety net they wanted to keep in the cash reserves. Mike Honeycutt said that between 2013-2015 the DOL had deficit spending, no money in the bank and needed to RIF employees that led to employee furloughs and when he came into the DOL, that was when that 35% standard was set to help manage ourselves and provide a reserve safety net. Per capita fee money, he explained were the more fluid of fund sources in the DOL and was viewed as the safety net
- There had been an Executive Order moratorium where the DOL was not allowed to make any fee increases, Mr. Honeycutt said, and that carried over into two years of another Administration until 2014-2015. He felt that had been a contributing factor to many of the DOL's financial problems during that time because the DOL had not been able to adjust per capita fees or brands fees for 10 years and then it took two years of full 10% increases in per capita fees to get it right
- Alan Redfield said that just in the Lamar Valley there were three producers that were selling off their cows, and they could be running between 2,000 and 2,500 calves. And so, he said we should stay ahead of situations like that and we may have to start bumping up the per capita rate
- Jake Feddes said that in Montana we were battling with recreation now instead of agriculture for buyers. He said that in another part of their business, they hadn't had a fee increase in 10 years, and suddenly, received a 37.5% increase this year and so, he didn't want to see the DOL go down that road and thought that maybe we could increase 2% increase per year until 2030
- Eric Moore said he agreed with everything that had been said if there was a 2% annual increase in cattle numbers, as Gene said. But, he said there was about a 50/50 chance of a return to El Nina, which would bring a cold, cold winter in the Northern Plains and a dry Spring and so we don't assume the cattle count numbers were going to, by themselves, dig us out of a hole
- Jakes Feddes expressed his concern that the scenario was worse than what Brian was projecting in energy costs, in increases from the Department of Administration and the USDA cutting their cost share with Meat. Mike Honeycutt said those Meat expenses would have to move to general fund because USDA restrictions were that you couldn't change fees for inspection of meat. He added that we had been hearing from DC that we should expect 30% to 40% cuts to the Federal Disease umbrella, and to keep services, a fund switch was made with some of that expense being moved on to per capita fee for the next biennium
- Mike Honeycutt said that the pay increase of the last biennium had been an extremely aggressive one and was outside of the DOL's control, and that when those things happened, the DOL had to figure out how to make that happen

MOTION/VOTE

(4:44:29) 11:19 AM

Greg Wichman moved to increase the current per capita fee rate by 2%, to the nearest penny, excluding bees and poultry. Jake Feddes seconded. The motion passed.

(4:45:35) 11:20 AM August 31, 2024 State Special Revenue Report

Brian Simonson explained that even though it was too early to make any real analysis or comments and so the numbers the BOL would be seeing in this State Special Revenue history and comparison for FY24 and FY25 were mostly a timing issue and a good news story, for the most part:

- Mr. Simonson said that the \$4.584 million budgeted revenue number in Per Capita Fee needed to go up a little bit, based on what we got. The budget comparison between FY24 and FY25 was \$91,000 behind what we did last year. He added that until we get to January, the numbers we see would be mostly offset, money collected from late filers
- We were in the second year of a 10-year cycle for New Brands and Transfers, Mr. Simonson explained, with that showing \$16,000 over what we had last year. Rerecord was also on a 10-year cycle that began in 2021, and that number should stay the same as it did last year. Security Interest and Filing Fees, which was the fee banks paid to apply liens to brands, was on a five-year cycle that began in 2023 and that grew each year
- Field Inspections were those inspections that happened outside the markets that State employees conducted. Those numbers showed that we were down \$10,000 compared to last year in the field and down \$1,600 for Market Inspections from the previous year. Mr. Simonson said that the reason for those numbers was because we were a little earlier getting fees realized than the previous year
- Mr. Simonson said that even with healthy returns, Investment Earnings had gone down a little bit because our reserves had gone down a little bit as well. Mike Honeycutt explained that Investment Earnings were gained from cash the DOL had on hand until it was needed to be used, that was put into a short-term investment pool so it could earn something while it was sitting there
 - Brian Simonson said that State Special Revenue could be put into these short-term investment pools, according to Board of Investment statutes. He said this was the first time however, that the DOL was able to earn a little bit of balance from putting Diagnostic Lab proprietary fees into short term investments
- The Milk Inspection number showed \$5,882 more than last year, which Mr. Simonson felt came from an extra round of checks collected, because we lost two more dairies in the previous year, but that number would reconcile and show lower going forward
- Egg Inspection was a program that continued to hold firm, Mr. Simonson said and was a healthy program
- Mr. Simonson said that the Diagnostic Lab Operations number was showing \$10,797, about 13% better than this time last year

- Wolf Donation Fund monies were required to be transferred annually to USDA Wildlife Services expressly for the purposes of collaring, tracking and lethally removing wolves, Mr. Honeycutt said. That number was showing nearly \$17,000 year over year
 - Mr. Simonson pointed out that neither the \$575,000 for Predator Control nor the Wolf Donation Fund monies had come through the books as of yet
- The Bill that was passed in the 2019 Legislative Session for the Wolf Donation Fund had its outgrowth from the Rocky Mountain Stockgrowers Association, who pushed for it, Mr. Honeycutt said, and was collected through FWP's fishing and conservation licenses. The funds, however, were dispersed to USDA Wildlife Services by the DOL to avoid challenges FWP might have with other Federal funding if it were dispersed by them. Mr. Honeycutt added that in the past 5-6 years, Wolf Donation Funds monies transferred to USDA Wildlife Services were between \$500,000 to \$600,000

(4:58:10) 11:33 AM September 2024 Through June 2025 Budget Projections Report

Brian Simonson explained that the DOL had an \$18 million budget and that the blue pages of this Budget Projection Report projected where the DOL expected to be at the end of the year. The brown pages of the report were basically, a financial report of comparing this time to last year:

- Mr. Simonson reminded the BOL that the numbers on this report covered just one month of expenses.
- The \$11.8 million in Personal Services essentially represented a 5% increase in payroll for the DOL over last year, remembering the \$1.50/4% pay increase and adding in there some overtime, as well
- There was a \$200,000 decrease in Supplies, Mr. Simonson said, as the MVDL spent a lot less in that area. Even with that decrease, Evan Waters projected that the MVDL would be \$157,000 in the hole for Supplies by the end of the year and \$367,000 in the hole for total expenditures for the MVDL at the end of the year
 - Mr. Simonson explained the MVDL fee structure: 20% general fund, 20% per capita fee, a little bit of Federal fee and the rest was Lab fees
 - The Lab Fee budget was \$1.369 million, but it was projected that the MVDL would collect \$1.55 million by the end of the year and at that time, Evan Waters would just move Revenue dollars into that, making that number whole, which Mr. Simonson said was a regular occurrence
- Rent inflationary went up around \$150,000, Mr. Simonson said. He explained that Rent not only included the building, but also covered Motor Pool vehicles, and those vehicles had a lot to do with that number
 - Mr. Simonson explained that the carpet in the building was a phase replacement and was supposed to be included in the rent payment and was not supposed to incur an extra charge for the DOL. With the air conditioning/heating unit being replaced just two years ago, we could not get the carpet replaced for the next two years, if there was money in the budget for that

- Mike Honeycutt said that because this building was an older one, underneath the carpet in the hallway and most offices, there was asbestos tile, and when the carpet does get replaced, most of the use of the building would be lost for 5-6 months because of asbestos remediation
- Mr. Simonson said that General Services had been swamped with what they were doing with remote office work and so the carpet replacement in this building had been pushed out. Mr. Honeycutt said that State Government was trying to retire some leases in other buildings around Helena and were trying to get more people back to the Capitol campus which required a lot of funding from General Services to remodel and make space for employees who had been in other buildings
- There was no space to be captured in this building Mr. Simonson said, as employees who worked remotely were maybe only getting one or maybe two remote work days per week, because everybody was staying put where they were
- Mr. Simonson said that Repair/Maintenance went up about \$75,000, which was directly related to the Brands ServiceNow software enhancements, which were an ongoing cost
- This was the first presentation the Fiscal Bureau had given to the BOL for the new Fiscal Year, and Mr. Simonson said he would probably give until almost November before he had a lot of confidence in what the projections were saying
 - Mr. Simonson explained that they were projecting \$96,000 total of leftover authority at the end of the year, but he said that number had never been less than \$500,000 in his time at the DOL, so he expected it to grow

(5:10:27) 11:46 AM August 31, 2024 Budget Comparison Report

Brian Simonson reported that there was nothing yet to analyze for this report because it was so early in the fiscal year. He said some numbers, in just a month, would change drastically:

- Mr. Simonson said that the SITSD bill had been paid and there were no SITSD charges in the first two months yet, as those charges had not been recognized by the Department of Administration in SABHRS
- Currently, Operations were 6% expended with 8% of the budget year lapsed
- Payouts were a big issue with the DOL, Mr. Simonson said, and within the first two months, those were \$30,000, and last year at this time, they were \$74,000
 - Mike Honeycutt said that the State had never tracked that liability and through history the best we could do was try to get some early intelligence on if someone was going to retire. And then theoretically, if someone retired and you can't make up the payout anywhere else, you need to leave that position vacant for a period of time
- Mr. Simonson explained that the DOL had changed priorities to reflect how the State wanted us to spend our money sources first, and because of that, \$314,000 less in Brands fees and \$437,000 more in per capita fees were spent than at that same time last year
- The "Statutory" page, Mr. Simonson said, was a new page that covered statutory-appropriated dollars, budget amended dollars and HB10 expenditures

- Under Predator Control, just \$20,000 had been realized out of the \$575,000 budget. That amount was just one County payment, and all of the payments should be realized by next month and then, Mr. Simonson said, what's left would be almost down to zero
- A new \$10,000 grant came into the Import Office for Swine Health Improvement
- A Federal grant, labeled NAHLN (BA), was listed at \$233,000, Mr. Simonson said, but he thought there may have been some money from last year left in that account. He said Dr. Juda would be spending that money on equipment, supplies and tests at the MVDL
- Another Federal NAHLN grant was brand new at the MVDL, for \$171,000. It was to be used to improve the VADDS system. Mr. Simonson explained that these were pass through funds and the MVDL would help distribute some of the money to five or six states who also utilized the VADDS system
- The \$1 million NAHLN ARP Award would mostly be used for new Lab construction, half of it going to pay for the new Lab incinerator

NEW BUSINESS/EXECUTIVE OFFICER UPDATES (Continued)

(5:23:42) 11:58 AM

(5:23:42) 11:58 AM – LEGAL COUNSEL UPDATE (May Require Executive Session)

Lindsey Simon reported that there had not been any significant changes in the matters that had been discussed at previous BOL meetings

(5:23:55) 11:59 AM – UPDATE ON ONGOING FEDERAL PROCESSES

Lindsey Simon reported that the DOL was commenting on a proposed, programmatic Environmental Impact Statement (EIS) that had been issued by USDA Animal Health and Plant Inspection Service for dealing with an HPAI outbreak:

- Ms. Simon said that USDA-APHIS was proposing a couple of alternatives regarding both State and Federal cooperation

(5:24:32) 11:59 AM – YNP BISON EIS/IBMP OPERATIONS

Mike Honeycutt announced that the Fall meeting of the Interagency Bison Management Plan (IBMP) would be held at the end of October:

- Mr. Honeycutt said that the Fall meeting was usually when Yellowstone National Park (YNP) revealed their population counts from the summer, talks began about what do about that number and the group began to work on an Operations Plan
- According to IBMP rules, Mike Honeycutt reminded the BOL, that if every partner didn't consent, then no changes were made to the Operations Plan. Consent had not been made by the IBMP Partners since around 2021 on that Plan, mostly because the Tribal Partners would not consent to what should be prioritized in the hunt/trap coordination
 - Mike Honeycutt explained that the Intertribal Buffalo Council prioritized the quarantine and transfer program when bison got to the boundary, and the Tribes' skin in the game with bison management was the ability to do

Tribal hunting around the boundary. And because unanimous consent was not made between all the IBMP Partners about what to do, the IBMP goes back to the previous Operations Plan

- With no out-migration of bison last year, Mr. Honeycutt said he would not be surprised if the bison numbers were now somewhere in the 5000s in the Park. This also was the first year that a new management plan was in place with Yellowstone, having concluded their EIS, set a target bison population between 4,500-6,000 and dictating management activities based on where we were in that spectrum
- The DOL's position going into the IBMP Fall meeting was if the bison numbers were in the 5000s and if there was an appropriate winter, we would see a pretty good out migration and that should lead to the removal of anywhere from 1,000-1,500 bison. He added that the DOL was trying to make sure that the out migration would not breach the Tolerance Zone boundaries, areas where the bison would co-mingle with cattle or where there would be significant private landowner concerns
- Mr. Honeycutt invited Eric Moore to attend the Fall IBMP meeting, adding that Alan Redfield had been in attendance at some meetings in the past. Mr. Redfield said the meetings were tough to sit through
- Regarding the Facilitator of IBMP, Mr. Honeycutt explained that the Forest Service was currently the lead partner and the Facilitator had a contract with them. The State of Montana was the next lead partner through FWP, and that began on January 1, 2025

(5:29:12) 12:04 PM – COYOTE DISCUSSION (Non-agenda item)

Gene Curry requested information on the coyote trapping lawsuit:

- Mike Honeycutt reported that the DOL was still not a party in that lawsuit and had received a 60-Day Notice of Intent to Sue, but was never added to the lawsuit, which was set to go to trial in early December in front of Judge Malloy
- Mr. Honeycutt said that there were folks who said the DOL should be added to the lawsuit because most of the coyote control in the state of Montana was under DOL authority. But, had the DOL been added, that would have postponed the trial date and Mr. Honeycutt assumed they just wanted to go ahead and get to trial

(5:30:54) 12:06 PM – LEGISLATIVE INTERIM ACTIVITIES UPDATE

Mike Honeycutt updated the BOL on Interim Legislative Activities with the DOL:

- Mr. Honeycutt said that since our last BOL meeting there had been an Interim Budget Committee meeting held that went very well and the DOL was in front of the Committee for only about 30 minutes
- Several of the Interim Budget Committee Section C members would be terming off that Committee, Mr. Honeycutt said, and come January we'd be back in re-education with them. He thought, though, that Representative Schillinger, who was the Chair of that Committee, would be back, adding that was good because then there would be institutional knowledge going forward

- Mr. Honeycutt said he had been in conversation with Kali Wicks, and she had alerted him that at the most recent Legislative Audit Committee meeting, they were looking at whether or not the individual members of that Committee should take Legislative action to fix the problems with the audit recommendations that either had not been implemented or were not full implemented
 - One of the Legislative Audit Committee recommendations was that the DOL should reduce the amount of quota to the actual production of milk in the state because they thought that would fix milk pricing issues. Mr. Honeycutt said that the DOL didn't necessarily agree with that and none of the Auditors had been able to answer to him whether quota was a property right and would the State have the ability to just reduce quota without buying that quota back from the holders of the quota, and how much would that cost
 - The Board of Milk Control, according to Mr. Honeycutt, did make some rule changes that allowed for the retirement of quota, but not the direct taking of quota down to what people's production levels currently were or if they owned more quota than they were actually bringing to the plants
- Mr. Honeycutt said that the two-year Financial Audit of the DOL was coming to a conclusion and the DOL would be on the Legislative Audit Division's December meeting agenda where they would be presenting our two-year Financial Audit and the DOL would be providing responses and answering questions regarding that Audit

(5:35:18) 12:10 PM – BUDGETING FOR 2025 SESSION (Executive Planning Requests)

Mike Honeycutt updated the BOL on the Executive Planning Requests for the upcoming Legislative Session:

- Although the bills had been written by the DOL and were pretty well fleshed out, a bill drafter had been assigned to them and LC numbers were also given to the DOL's three bills, Mr. Honeycutt said
- Sponsors for the bills still needed to be found, but, Mr. Honeycutt said that he was not in a hurry to do that until after election day to see who's where and hopefully, to select a sponsor who was serving on either Senate Ag or House Ag, because that was where those bills would go for a Committee hearing
- Mr. Honeycutt said that the DOL was still waiting to hear back from the Office of Budget and Program Planning (OBPP) about the items proposed above and beyond the base budget and whether they made it into the Governor's budget that would be transmitted on November 15th

(5:37:47) 12:13 PM LUNCH

(6:24:16) 12:58 PM RECONVENE

Gene Curry called the meeting back to order

(6:24:29) 12:59 PM PREDATOR CONTROL

Update on Activities of USDA Wildlife Services – (Presented by Dalin Tidwell, Montana State Director)

Dalin Tidwell, State Director for USDA Wildlife Services for Montana, introduced himself and updated the BOL on activities in the USDA Wildlife Services program in the state:

- Mr. Tidwell expressed his appreciation for being able to be at the BOL meetings, saying that the end of September was when they cut the line on their recordkeeping and tracking of their work, as it was the end of their Federal Fiscal Year. He said that some of the numbers he would be giving that day were preliminary, pretty much through yesterday, as it would be another week or so until they would be able to wrap the fiscal year up, because reports were still coming in
- Wildlife Services would be running “status quo,” Mr. Tidwell said, as they just got word they would be operating on a Federal Continuing Resolution. He said, however, that they were told to expect an additional cost-of-living 2% salary increase that was mandated and normally, there was not funding to come with it. He said that the DOL’s Wolf Mitigation Fund and the LLB’s donation from their budget that hadn’t gone to paying claims, had helped cover mandated increases in the past to help defray some of the costs
- Mr. Tidwell reported that Blaine County’s \$2 cattle petition would be able to help with additional flying in that area. He said that Blaine County’s new Trapper Specialist/Wildlife Specialist, Jacob Stewart, was a local and hit the ground running in that position and had already been sent down to Gunner training
 - Mr. Tidwell said that neither Hill County nor Chouteau County had a cattle petition, but Wildlife Services would still be doing ground work there. Blaine County, with their cattle petition, would have a portion of the Wildlife Services flying budget
- There was a dual-rated pilot, who could fly both helicopter and fixed wing, in the Turner area and so, Mr. Tidwell said the Hi-Line was getting well covered
- With so many extra projects requiring a Biologist, Mr. Tidwell said that on October 6th, they hired a Wildlife District Biologist out of Billings who would specifically cover the additional starling work, aiding influenza work, CWD work, feral swine projects and surveillance, and conducting 139 trainings in various airports around the state to help mitigate the flight hazards, such as geese, cows and wildlife on runways. He said that BNSF also had a contract with Wildlife Services to help with problem wildlife, human health and safety issues within their facilities. The hiring of this Biologist, he said, did not utilize predator or Federal money, but was contract-based
- Mr. Tidwell announced the retirement of their Specialist in Beaverhead County who had been with Wildlife Services 30+ years and would be retiring by the end of December
- Regarding the lawsuit having to do with the impact of wolf trapping on grizzly bears, specific to the Environmental Assessment, Mr. Tidwell said that they had

been sitting at about two months since oral arguments had been made and there had been no ruling made as of yet

- Mr. Tidwell said that by next week they would have all of their “ships” back in full status in the state, after having replaced two engines, some fuel tanks and a horizontal stabilizer in them
- Mr. Tidwell gave some Investigative Report (IR) numbers, confirmed and probable, around the state through this Fiscal Year
 - Wolf (69 IRs): calves 25; cattle 17; horse/foal 2; guard dogs 9, lamb and sheep 15
 - Grizzly Bear (125 IRs): calves 65; cattle 20; horses 1; foals 1; goats 2; kids 1; sheep 16; lambs 8; swine 3
 - Black Bear (23 IRs): calves 7; goats 12; lambs 7; sheep 6; chickens 6; alpaca 1; beehives 36
 - Mountain Lion (40 IRs): calves 2; horse/foal 1; 41 goats; kids 2; horse 4; lambs 4; sheep 16; alpaca 2; dog 1; ducks 2; goose 2; turkeys 7
- Mr. Tidwell said that the mountain lion problems were more localized in the west, central-west and northwest areas of the state. He said that 17 mountain lions had been removed last fiscal year to date
- It was another big year for coyotes, Mr. Tidwell said, with 9,345 total coyotes taken in the state, 6,643 of them were taken by aerial means with about 1,036 actual hunting hours to do that
- Mr. Tidwell explained to the BOL that the difference in a black bear kill and a grizzly bear kill could be seen in the tracks and hair, but grizzly bears classically killed from between the shoulder blades on the spine and on the end of the nose
- Alan Redfield said that he expected there would be some bear problems in the southern Paradise Valley next year as he spoke to a guy who said he had documented 10 cubs: a set of triplets, three sets of twins and a single in a closely spaced area. He said there was not enough space for all those bears
 - Things had been pretty slow with claims in the Spring, Mr. Tidwell said, and in the last two months the claims jumped. He said there was a big mess of them in the Tom Miner Basin area that affected multiple ranches. But, once the one was removed, the killing quit and hopefully bought some time. He said though, that six more bears were spotted across the same pasture, the same hillside
- Mr. Tidwell said that the work that Wildlife Services does was very small and insignificant compared to the mortality that was being tracked and analyzed and that the US Fish & Wildlife Service kept a very tight awareness of the total take numbers and understood that Wildlife Services’ role helped to be that management buffer when otherwise there weren’t a lot of other options out there
- Gene Curry thanked Dalin Tidwell and Wildlife Services for their help in the recent CWD depopulation scenario. Mike Honeycutt thanked Wildlife Services as well for their help with feral swine reports. Dalin Tidwell said that he had to reapply each year for Federal money to help with feral swine surveillance, designating flight hours, time and money to look for those pigs, adding that the Squeal on Pigs campaign was a huge support

(6:54:15) 1:29 PM LLB PREDATION CLAIMS REPORT AND GENERAL UPDATES

George Edwards, Executive Director with the Montana LLB introduced himself and said that the claims numbers he had posted in his report the BOL had in their books were from two weeks ago and that, just this last week, those numbers had jumped:

- Mr. Edwards reported that 35 more head had been killed and an additional \$26,000 had been paid out in claims above the report he had submitted
- In speaking with Mr. Tidwell, Mr. Edwards said that he expected quite a few grizzly claims coming in the next couple weeks. He said that the number of claims had gone back to what he used to see in years past
- Gene Curry said that in his area the berry crop was basically zero and he was concerned because he felt the bears, getting ready for hibernation were going to have to find something else besides berries for their feed source
- Mr. Edwards said that he had not seen any proposed legislation on the multiplier as of yet for the upcoming Legislative Session. He said Wyoming's multiplier was written in their State law and for grizzlies was 3.5 to 1, and for wolves was 7 to 1
- There were a lot more bears out there than what was being listed in the news reports, Mr. Edwards said, as he thought US Fish & Wildlife Services wasn't really keeping track or counting those bears outside that core recovery area
- Mr. Edwards said that there would be more than enough money to pay the claims that had been coming in, even if there was a substantial increase because since January 5th, the claims had been really slow and very few

APPROVAL OF PAST EXECUTIVE SESSION MEETING MINUTES (Non-Agenda Item)

(7:00:15) 1:35 PM

MOTION/VOTE

(7:00:26) 1:35 PM

Alan Redfield moved to approve the minutes for a July 31, 2024 and the August 28, 2024 Executive Sessions. Greg Wichman seconded. The motion passed.

OLD BUSINESS

(7:00:48) 1:36 PM

(7:00:48) 1:36 PM – UPDATE ON GOVERNOR'S OGSM STRATEGIC MANAGEMENT AND EXECUTIVE OFFICER STRATEGIC GOALS

Mike Honeycutt reported on the most recent Ops Review, a 30-minute monthly meeting with the Governor that he and Brian Simonson attended, to review the performance level of the DOL's Objectives, Goals, Strategies and Measures (OGSM):

- Mr. Honeycutt said that at this September Ops Review meeting, he was able to report to the Governor that slaughter figures were trending a little behind where they did in the previous year, in FY24, which he said made sense because of cattle inventories
 - There had been three big years of slaughter within the State-inspected and custom exempt facilities, Mr. Honeycutt said, with FY22 being a huge

year where over 100,000 animals had been processed in the state, all species combined. Mr. Honeycutt thought it could be a timing issue as Fall Run seemed to be a few weeks behind where it was last year

- Some good news Mr. Honeycutt was able to report was that expenses in the DOL were below budget, although revenues were trending a little bit behind expense. He added that was not uncommon, given that the DOL's big revenue collection was per capita, and that would not come up this fiscal year until the Spring
- The DOL had a very healthy cash balance, Mr. Honeycutt said, of about \$18 million, with all fund sources combined, although authority was finite
- Mr. Honeycutt reported that vacancies in the DOL were trending well with an Auditor position in the Brands area open and Ty Thomas, the Assistant Brands Administrator's position open. There also was a gap in the Meat, Milk and Egg Bureau, with Lane Hartman's pending retirement. He added that the DOL was probably a little better with vacancies going into the busy Fall season than we had been in some recent years
- Cattle movement numbers through the 12 Commission Companies in the state, showed that we were ahead of what was done in FY24 at this point, even though Mr. Honeycutt said he didn't have much information for the first two months of FY25
- The DOL was finally able to close the books on a TB investigation that had begun back in 2021, as the final assurance testing was now completed
- Mr. Honeycutt said he did have some pictures to show of the steel structure of the new Lab going up that he had received from the building architect
- Pre-introduction approval had been received on DOL legislation that had been submitted
- The first CIS plant in the state was in Big Timber, a "high" for the DOL as the Legislature had given the DOL authority to offer that program, Mr. Honeycutt said, several years ago
- Although it was not a "high" to depopulate a herd, Mr. Honeycutt said, the work, collaboration, teamwork, planning and strategy it took to pull that off was great to see as the DOL and our partners worked together to pull off that operation
- Mr. Honeycutt reported that there was some restructuring done within the Meat, Milk & Egg Bureau that had been approved by the BOL and he thought it would provide a better workflow, moving forward
- The EID tag situation was reported to the Governor as a "low," being even more dire when he gave the report to him
- There was still some fallout in the Flathead County e-Coli outbreak, Mr. Honeycutt said, and even though the DOL had not been named in the litigation, the litigation to ranch, processors and restaurants associated with it would have a long tail on it
- At the time of the Ops Review, Mr. Honeycutt said that there had been some Brucella slaughter traces he reported to the Governor
- Mr. Honeycutt explained that the objective of the DOL had always been to serve Montana's livestock producers and livestock-related businesses by fostering, growing, promoting and protecting the livestock industry. The goal of the DOL

was trying to maintain 100% market access and support new marketing channels for our livestock businesses. He said that the DOL also had a list of goals to be reached during a 6-month horizon. The current horizon covered out to December 2024

- In that 6-month horizon for supporting value-added processing in the state, the DOL was working on getting procedures in place for monthly Listeria testing and working through the current 11 active applications for Meat Inspection service. Mr. Honeycutt said that with the e-Coli situation associated with one of our State-inspected plants, the DOL had to take a holistic look at all of our plants to make sure that we were doing the right things
- In that 6-month horizon for effectively monitoring animal health disease prevalence in Montana, the DOL put forward to be prepared to have some voluntary bulk sampling of milk for HPAI, because of those infections in dairy cattle. The DOL also wanted to have a plan in place regarding cull dairy cattle and a voluntary sampling for meat because of the HPAI concern and the possibility of some sort of mandate coming from the Federal level requiring some sort of surveillance on those products, as they were doing that surveillance in several other states already. The DOL was also working on the final enactment of the new Federal EID rule for certain cattle movements covered in the ADT rules
- In that 6-month horizon for maintaining integrity in livestock identification, marketing and movement, Mr. Honeycutt said that Jay Bodner bit off a very aggressive goal in hoping to get his Google AI implemented and start scanning inspections by the end of the year and getting some of our backlog of inspections cleaned up and closer to real time. Jay Bodner also had a goal to develop and incorporate a system for tracking violations.
- In that 6-month horizon to reach the goal of improving online and digital services and real-time data, Mr. Corder and Dr. Szymanski were working to get some of the Animal Health data into Snowflake, a data integration tool that would allow input of the data with the ability to query it across different programs. In the Animal Health area of the DOL, a health data software system called Core 1 was being implemented that would replace USAHerds, due to security issues in that program. The DOL was working with SITSD to do security risk assessments on our systems
- Mr. Honeycutt explained, for Eric Moore's sake, that the DOL's organizational chart was about as streamlined as any State Agency could get and the Governor was pleased with its efficiency
- Mr. Honeycutt said that the Governor's Office showed some care about what was happening at the DOL and in us doing the things we were supposed to be doing and the ways they could help us be better at what we were doing

(7:20:58) 1:56 PM – NEW LAB CONSTRUCTION DISCUSSION (Non-Agenda Item)

Mike Honeycutt shared the most recent report and photos of the new Lab construction with the BOL, adding that it was not on the agenda because he had just received it from Max Grebe of LPW Architecture:

- Mr. Honeycutt read through Mr. Grebe's report that detailed progress in the construction of the new Lab. Mr. Honeycutt said he would send a copy of that list to the BOL in their Monday report. Mr. Honeycutt also shared pictures of the construction progress, encouraging the BOL members to drive by the new Lab on 19th in Bozeman, as seeing it in person was much more impressive than the pictures
- Gene Curry expressed some concern about the drainage in the Necropsy area of the new Lab, wondering about the effluent from that area, especially if it was a diseased animal being worked on
 - Dr. Greg Juda, the Lab Director at the MVDL, assured Mr. Curry that they had the ability to capture effluent from both the Necropsy area or the BSL2 Necropsy area and had the ability to inactivate any reagents or microbes that might be in there prior to releasing it to City sewer. He said it would be part of their Standard Operating Procedures and everybody who would be operating in Necropsy would be trained about that
- Dr. Juda also pointed out that the photos Mike Honeycutt was showing did not show the roof covering all the Laboratory spaces that had been put on the day before
- Mike Honeycutt shared with Dr. Juda that Mr. Feddes had shared with him that he knew of a sculptor, the one who did the horses along Highway 287 at Three Forks, that might be interested in commissioning a piece to go into the new MVDL Lab
 - The sculptor, Mr. Honeycutt said, had been the Manager of the Wool Lab a long time ago. Mr. Honeycutt told Mr. Feddes to continue exploring the possibility of that sculptor doing that art piece for the new Lab
- Gene Curry shared a story about a producer who had lost around 20 yearling heifers and several Veterinarians who had been working on those animals could not nail down the cause. After sending samples to the MVDL, those results came back inconclusive. Mr. Curry said it was a frustration and he asked Dr. Juda what answer he could give a producer that commented to him about the MVDL like that
 - Dr. Juda said that not knowing the specifics of the case, he could say that not every Pathological workup would come to a definitive conclusion, adding that in reaching out to some other Laboratories, like Washington State, and they said they were only able to come to a definitive diagnosis for why an abortion might be happening only 50% to 30% of the time. Not a definitive conclusion might still help guide a Veterinarian and could rule certain things out, and in fact, being able to rule certain things out sometimes was just as valuable as coming up with a conclusive diagnosis. He expressed confidence in his Board-Certified Pathologists working at the MVDL, saying they were as good as any other in the country

- Mike Honeycutt said that you didn't want to speculate about results because we didn't want to prompt Veterinarians and producers to pursue unnecessary and expensive courses of treatment that wouldn't help the situation. He added that if we speculated the animal might have one of the diseases on the reportable list, we should then be asking why we weren't quarantining that herd

(7:37:20) 2:12 PM RECESS

(7:49:02) 2:24 PM RECONVENE

Gene Curry called the meeting back to order

BRANDS ENFORCEMENT DIVISION

(7:49:14) 2:24 PM

Jay Bodner, Brands Enforcement Division Administrator, introduced himself

(7:49:25) 2:24 PM ONLINE PERMIT UPDATE

Jay Bodner updated the BOL on how the Brands area of the DOL was doing with the online permit system:

- Mr. Bodner said that they had some challenges with the system that started in early August with malicious activity being experienced across the entire State network
 - Because of the malicious activity, Mr. Bodner said that the online permitting system got shut down twice, including market, bison and sheep permits and online lien portals
 - Hoping to avoid having producers use a username and password to utilize the online system and to not halt commerce or producers from getting permits, Mr. Bodner said they put a message on the website announcing that the online system was down and instructed producers to just email the market and let them know what animals you would be bringing. The markets were communicated to as well of the situation, and that worked well, for a time
 - Eventually though, Mr. Bodner said, the State IT said that OKTA, a username and password system had to be put into place for the permit sites to be able to run. Many phone calls came to the Brands staff who had to walk people through the username/password process
 - Mr. Bodner reported that about a week ago, State IT was able to find where the malicious activity was coming from and who was being targeted. It was found out that the Brands online permit system was not one of the targeted systems because it was protected by Formstack, a system where you had to fill out a form before you could get to a payment portal. And so now, the online permit system in the Brands area of the DOL was up and running and back to normal
- The online permit method was the preferred method that producers used, Mr. Bodner said. Mr. Honeycutt shared a story about Nina Baucus needing a sheep

transportation permit from a provider in Helena. Ms. Baucus said that when they brought the permit book out, it was 15-20 years old and had not even been used up over all that time. Mr. Honeycutt added that some businesses had quit writing the paper permits because of lack of traffic needing them

- Other than the statewide problem he just shared, Mr. Bodner said that there had not been too many glitches with the online permit system. Mr. Bodner said that they did have the capability to verify if the cattle put on a permit ever got to the market listed on that permit and it was on their “to-do” list of auditing that more

(8:04:56) 2:40 PM BRANDS ENFORCEMENT UPDATE

(8:05:00) 2:40 PM Staffing

Jay Bodner updated the BOL regarding the staffing situation in the Brands Enforcement Division:

- Mr. Bodner said that they would be advertising for the full-time roving position in the eastern Montana livestock markets that would cover Miles City, Glendive and Sidney that would take some of the pressure off the District Investigators that traveled to those markets to assist. He said that person would also be able to write permits and do some inspections as well, outside the markets
 - Mike Honeycutt said the position was the one asked for during the last Legislative Session
- Mike Honeycutt said that he and Mr. Bodner had been discussing how to better utilize the short-term positions, by perhaps turning them on if a particular market was getting hammered and needed more help for 8-12 weeks
- Mr. Bodner said it had been difficult to fill in the short-term workers in the Ramsay and Dillon markets which had started to draw a number of cattle on the western side of the state after the closing of a market

(8:07:48) 2:43 PM Electronic Payments

Jay Bodner explained that one of the items on his to-do list was to be able to have District Investigators, and ultimately Local Inspectors, be able to accept electronic payments in the field to create efficiency and convenience:

- Mr. Bodner said that he had been working with the Department of Administration as there were not a lot of other State agencies that would take payments in the field
- Mike Honeycutt said we would love to have the DOL out of the cash business because handling cash was an inherent risk, having people collect cash and try to get it to a bank. He said that State law also required that anytime funds were collected, that it be deposited within seven days, and for folks in the field that could be difficult to do. He said that the only money coming through the DOL from local inspections was the Beef Check-Off funds because the Inspectors in those situations kept the fees they charged for themselves
- Although he had hoped to get the electronic payment program operating with just State employees first, Mr. Bodner said that if it were rolled out to Local Inspectors, they would need a computer and printer to do that, and who would pay for all that equipment? He said that would be something to be addressed

through legislation. One more issue with Local Inspectors taking payments in the field, Mr. Bodner said, was permission issues of would a non-State employee be able to work on the State system

- Mr. Bodner said the legislation that would need to change is one where the law currently read that you had to be traveling with the official document. The legislation we will be proposing would allow people to be traveling on a copy of that inspection, and so it would be patterned somewhat like FWP where you can show a picture of your fishing license on your phone. Mike Honeycutt said that was one of the three bill drafts coming forward this Legislative Session
- In researching utilizing a Venmo system for electronic payments in the field, Mr. Bodner said that he didn't want it to be a requirement for a producer to have to have a Venmo account, but just be able to pay with their debit card. He said there was a transaction charge, however, to be able to do that. William Kleinsasser questioned whether it would be a problem, with so many young producers in the state, to be able to transfer funds, as you have to be 18 years old to do that
- Mr. Bodner said that with market permits, there was already an administrative fee tacked on for using credit cards and so, tacking an extra fee onto the field inspections if they used their card would, most likely, be something you would have to do as well

(8:21:31) 2:56 PM Deputy Stock Inspector Communications

Jay Bodner said that he had been looking at a better way to be able to communicate with our Local Deputy Stock Inspectors and had been looking into texting services:

- Mr. Bodner explained that to get a piece of communication out to all 500 of the Local Deputy Stock Inspectors at once, email communication and hard copy communication, with its lack of timeliness and expensiveness, were not great ways to communicate. But, because most everybody had a cell phone, Mr. Bodner started checking into texting services
 - Dr. Tahnee Szymanski, in a conversation with Mr. Bodner, told him that to communicate with Veterinarians, they used a management system called Ever Bridge, a system that utilized text or email, was run through the State of Montana and it was a free service
 - The Ever Bridge system, according to Mr. Bodner, was pretty advanced, so you could tell exactly when texts were delivered, and if a person was out of service with their cell phone, Ever Bridge would continue to try sending the message and you could see exactly what happened with the communication
- Mr. Bodner said, that with Ever Bridge's capabilities, he could see potentially sending the lost/stray/stolen reports or when it came to audit time, to be able to communicate with Local Inspectors. The system could send to an individual, but had the capability to send by groups as well, so Mr. Bodner said communication could be sent to just a certain district
- Mr. Bodner reported that himself and one other person in the Brands office were signed up for Ever Bridge to go through training and see what it would take to

use the system. Animal Health staff had offered to help the Brands people navigate the system and do some additional training, if needed

(8:26:41) 3:01 PM Sporting Cattle Discussion by BOL (Non-Agenda Item)

Alan Redfield questioned when the DOL would start slapping fines on those people who brought sport cattle into Montana without an ID, CVI, TB test or whatever:

- Mr. Redfield said he felt that the DOL needed to fine one or two of the ones bringing sporting cattle into the state without those things “really good.” He said that even quarantining those cattle that came in that way would cost time and money to the one bringing them here. He said word would get out that you don’t bring stuff into Montana without your documentation
 - Mr. Honeycutt said that there was penalty in quarantine, because by the time their quarantine was over, the vent they came for was over and they drove to Montana for no reason at all
- In the past couple of weeks there were two groups of roping cattle that came into the state, Mr. Redfield said. He voiced concern that would be one of the reasons to get TB or another disease in the state of Montana. Mike Honeycutt said there were risks with horses as well with EIA, equine herpes
 - Mike Honeycutt said that those animals were brought in by different people, and in talking with Dr. Szymanski about the situation, and working between Brands and Animal Health, it was deemed to be a situation more on the educational side than the enforcement side. But, once education was done with those people, if they did it again, there would be no leeway and so, the DOL needed to continue to track and monitor those people if they returned to the state with animals
 - Mr. Honeycutt said we do try to be respectful of staff because every situation they deal with was different and they considered the circumstances. He added that he felt the DOL had a history of being far too lenient, but he was like Mr. Redfield in that if somebody was found guilty of not getting a brand inspection or a CVI several times over, and got a warning each time, people wouldn’t value the regulation. That was why it was important for Mr. Bodner to work on the tracking system over the next six months
- When the fine increase for bringing untested animals into Montana was put into place by the Legislature, Mr. Honeycutt said that got some people’s attention, because there was lots of Facebook chatter about it. He shared a story about someone who had brought in a menagerie of animals into Carbon County, operating as a horse rescue. No animal had Coggins testing, none of the rules had been followed and the fines in that case, which occurred before the fine increase, was over \$100,000, or in lieu of paying the fine, the District Judge gave them the option of never owning livestock in Montana again
- Mr. Honeycutt said that he thought our group of Investigators had been doing a better job of getting around to community events, such as rodeos, for checking those animals, but we didn’t have enough manpower to do every one of them. He shared that the DOL had received some complaints about one of our Investigators dealing with a contractor of a youth rodeo saying, why is your guy

doing this, we're trying to do good things for kids. Mr. Honeycutt said it didn't matter what you're trying to do for kids; the law says if you're bringing animals into the state, this is what you got to do. And he gave kudos to the Investigator who was checking animals at that event

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

(8:42:03) 3:17 PM

Mike Honeycutt announced that there were no members of the public online and so Gene Curry recognized a producer organization representative in the audience:

- Ellie Brighton of the Montana Stockgrowers Association introduced herself and thanked the BOL for having her at the meeting

SET DATE FOR THE NEXT BOARD MEETING


(8:42:39) 3:17 PM

Gene Curry requested that the BOL make a decision on when to schedule their next meeting:

- Mike Honeycutt reported that Jake Feddes had texted him saying that he could make any day for the next BOL meeting between November 11-November 15, but the month of October was completely out because of his work schedule
- The month of October, Mr. Honeycutt said, had historically been a very bad month to get the BOL together
- Eric Moore and William Kleinsasser said that Tuesdays did not work for them. Mr. Moore said that Thursdays were a better day for him, but he could make Wednesday work if needed
- The next BOL meeting was scheduled for Thursday, November 14, 2024

MEETING ADJOURNED

(8:45:18) 3:20 PM


Gene Curry, Chairman