



Montana Board of Livestock Meeting Minutes

(This Meeting was Virtual)

January 20, 2021

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

Board Members Present

Brett DeBruycker, Chairman (cattle producer)

Wendy Palmer, Vice-Chairman (cattle producer)

Lila Taylor (cattle producer)

Sue Brown (dairy and poultry)

Ed Waldner (swine producer)

Nina Baucus (cattle producer)

Gilles Stockton (sheep producer)

(All BOL members attended the meeting virtually except for Nina Baucus and Lila Taylor who attended the meeting from the BOL Conference Room in Helena. Ed Waldner and Gilles Stockton joined the meeting at 8:22 AM. Sue Brown logged in shortly after the 8:04 AM BOL Roll Call)

Staff Present

Mike Honeycutt, EO

Brian Simonson, Deputy EO

Evan Waters, Centralized Services

Dan Olson, Centralized Services

George Edwards, Livestock Loss Board

Chad Lee, Milk Control Bureau

Ethan Wilfore, Brands Administrator

Donna Wilham, Adm. Assistant to EO

Dr. Marty Zaluski, State Veterinarian

Dr. Tahnee Szymanski, Animal Health

Dr. Gregory Juda, MT VDL Director

Darcy Alm, Milk & Egg Bureau

Gary Hamel, Meat & Poultry Inspection

Public Present

Gene Curry

Alan Redfield

Don Waldner

Chaley Harney, Montana Beef Council

Nicole Rolf, Montana Farm Bureau Federation

Rachel Cone, Montana Farm Bureau Federation

Jay Bodner, Montana Stockgrowers Association

Lindsey Simon, Legal Services Division

John Steuber, USDA Wildlife Services

Lauri Hanauska-Brown, MT Fish, Wildlife & Parks

MEETING CALLED TO ORDER

8:03 AM

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

BOL ROLL CALL

(:06) 8:04 AM

Chairman Brett DeBruycker requested that Mike Honeycutt conduct a roll call of the BOL members present:

- Lila Taylor and Nina Baucus were present at the BOL conference room in Helena, Montana
- Chairman Brett DeBruycker and Wendy Palmer attended the meeting by ZOOM
- Gilles Stockton and Ed Waldner logged into the meeting by ZOOM at 8:22 AM and Sue Brown logged in by ZOOM shortly after the BOL Roll Call

DOL STAFF and PUBLIC ROLL CALL

(:57) 8:07 AM

Mike Honeycutt reported which members of the DOL staff and which members of the public had logged onto the BOL meeting by ZOOM:

- Mike Honeycutt reported that staff currently present on the call were: Brian Simonson, Evan Waters, Donna Wilham, Gary Hamel, Dr. Marty Zaluski, Dr. Greg Juda, Chad Lee, Dan Olson, Ethan Wilfore and George Edwards
- Public present on the call at the time were Lauri Hanauska-Brown, Nicole Rolf, Rachel Cone, Alan Redfield and Gene Curry

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

(2:45) 8:06 AM

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

- Nina Baucus requested that the Bureau Report from the Milk & Egg Bureau and the Legislative bills section of the Livestock Loss Board Bureau report be pulled from the Consent Agenda

MOTION/VOTE

(4:04) 8:08 AM

Lila Taylor moved to approve the BOL December 16, 2020 minutes and the minutes of the January 13, 2021 hearing. She also requested approval of the Board Administrative Consent Agenda Bureau Report from the Milk Control Bureau and the Predator Payout Statistics Report from the Livestock Loss Board. Wendy Palmer seconded. The motion passed.

BOL DISCUSSION OF BUREAU REPORTS REMOVED FROM CONSENT AGENDA

(4:46) 8:09 AM

It was requested by Mike Honeycutt to discuss the Bureau Reports removed from the Consent Agenda immediately:

(4:50) 8:09 AM – LIVESTOCK LOSS BOARD (LLB)

Chairman Brett DeBruycker asked if there was any discussion regarding the LLB Legislative Bills for the 2021 Session:

- Nina Baucus explained her concern with SB27, a multiplier bill that requested a different multiplier rate be paid in different regions of the state rather than those rates being the same in each region
- George Edwards said that in the Ruby area in Madison County, it is harder to locate carcasses than on the plains, and so that region's multiplier rate may be higher
- Mr. Edwards explained that his board decided to request that the multiplier be put into law to avoid a challenge later, but, that the amount of the multiplier for each region would go through an administrative rules process to allow for public input
- Mr. Edwards said that SB27 had already passed out of the Senate Agriculture Committee unanimously and in second reading on the Senate floor, it passed 48 to 1

(9:50) 8:13 AM – MILK & EGG BUREAU

Nina Baucus had questions regarding the Milk & Egg Bureau Consent Agenda report:

- Regarding the impending software update for the Milk & Egg Bureau, Dan Olson reported that ATC, the vendor for VADDS, would be onsite in February to get the Milk & Egg Lab into the computer system
- Darcy Alm Program Manager for the Milk & Egg Bureau, reported that milk license renewals were going very well, with only a couple producers and a couple milk distributors and jobbers left to renew, but usually those renewals are completed by mid- to the end of January

(12:14) 8:16 AM NEW BUSINESS

(12:14) 8:16 AM – BOL DISCUSSION OF USDA WILDLIFE SERVICES ENVIRONMENTAL ASSESSMENT

Mike Honeycutt reported that the BOL had a potential to comment on the USDA Wildlife Services Environmental Assessment:

- Nina Baucus said the Environmental Assessment was about 750 pages and that it analyzed the potential environmental impact of alternatives for Wildlife Services involvement in predator damage management in Montana
- Ms. Baucus went on to share her concerns about alternatives to having Wildlife Services, saying she didn't know what producers would do with the

environmental impact if there were no Wildlife Services or Wildlife Services operatives on the ground taking care of livestock and keeping track of what goes on

- Public comments on the Environmental Assessment must be in by February 19, 2021, and Ms. Baucus was hoping the BOL would consider making public comment in support of Wildlife Services activities in the state of Montana
- A “Comment” Committee of Nina Baucus and Wendy Palmer was formed to develop comments regarding the Environmental Assessment. Those would then be brought back to the BOL for approval at the next BOL meeting

(19:22) 8:23 AM OLD BUSINESS

(19:24) 8:23 AM – DECISION ON BEAR PAW LIVESTOCK REQUESTED SALE DAY CHANGE

Brett DeBruycker said that since there was no action taken during the BOL hearing held January 13, 2021, regarding the requested sale day change by Bear Paw Livestock, that he was asking for action on that request be taken at today’s meeting:

- Mr. Honeycutt reported that there had been no additional written or phone call comments received at the BOL regarding Bear Paw’s request since the hearing
- Mr. DeBruycker reported that there had been a pretty similar request put forth by another livestock auction in the state and that had been rejected by the BOL
 - Mike Honeycutt said that for the previous sale day change request, there was dissent from another market who had a sale already scheduled on that day
- Lila Taylor said she understood Bear Paw’s concern about finding available help on Fridays and added that there had been no adverse comment from people on either side of Bear Paw Livestock Auction Market or across the river to the south of them

MOTION/VOTE

(21:08) 8:25 AM

Lila Taylor moved to approve the requested sale day change for Bear Paw Livestock Market from Friday to Monday. Ed Waldner seconded. The motion passed.

(24:42) 8:29 AM – BOL DISCUSSION ON MARKET SALE DAY CHANGES

The BOL discussed market sale day changes made without BOL knowledge or approval:

- Lila Taylor expressed her concern that extra Livestock Market sale days requests had not all been approved by the BOL
- Mike Honeycutt said that after a period of very little change in ownership of the state’s Livestock Markets, and now a flurry of activity, that the DOL had learned that there were a lot of subtle changes made over time at the markets that maybe were not done by the proper process

- When Gilles Stockton asked if video auction sale days interfered with other option dates, Mike Honeycutt said that had never been addressed in State law. Mr. Honeycutt said that the satellite video auction statutes were written in the mid-90s and felt they should be modernized

(30:12) 8:34 AM – UPDATE ON COVID-19 DEPARTMENT OF LIVESTOCK RESPONSE AND CONTINUITY

Mike Honeycutt reported that the DOL had a little bit harder issue with COVID-19 over the last four or five weeks than in the past:

- Over the past few weeks, the DOL had some positive COVID-19 tests reported in employees resulting in missed work and quarantine for those who work close to them. Mr. Honeycutt said the issue, however, caused minimal disruption
- Mr. Honeycutt said he sent out a note to staff encouraging them that as soon as they were eligible for vaccines, if they had not had COVID-19 yet, to get on their local Health Department list for vaccines

(36:12) 8:40 AM – UPDATE ON EXECUTIVE PLANNING PROCESSES FOR 2021 LEGISLATURE

Mike Honeycutt reported that the 2021 Legislative Session had been a very different type of Legislative Session, with a mix of in-person involvement and ZOOM involvement:

- Up to this point, Mr. Honeycutt said that DOL involvement at the 2021 Legislative Session had been mostly in-person because the Committees the DOL worked with had requested in-person hearings

(37:40) 8:41 AM – Review Budget Request Progress

Mr. Honeycutt reported that the DOL had already presented the DOL budget to the Legislature on January 12, 2021:

- Mr. Honeycutt said he felt the DOL two-hour budget presentation went very well, with Brian Simonson, Dr. Marty Zaluski, Ethan Wilfore and himself presenting and most of the questions being asked by the Legislative Finance Committee were around general fund requests, including the DSA and Brucellosis
- Mr. Honeycutt said that the only thing that changed between the budget the BOL approved and the previous Governor-approved budget and the Governor Gianforte budget released on January 7, 2021 was an additional 2% in vacancy savings done across the board for all State agencies
- Normally running 94% to 95% of Personal Services in a year, Mr. Honeycutt said he believed the DOL could make the additional 2% vacancy savings requested
- The Legislative Finance Committee still needed to take Executive action on the DOL decision packages, including the helicopter purchase request, the VDL one-time-only equipment requests and the rerecord positions requests to help finish off rerecord into 2022
- Lila Taylor complimented the staff for their budget presentation to the Legislative Finance Committee

- Mike Honeycutt reported that Gene Curry and Alan Redfield were on the ZOOM call today and were going to be new BOL members in a couple of months

(42:43) 8:47 AM– Review LRBP Proposal and Progress

Mike Honeycutt said that the funding for the Long-Range Building Plan (LRBP) proposed new Lab design and architectural work had been received from a HB5 request in a previous Legislative Session. This Session, the actual MVDL/Ag Analytical Lab proposal was being requested in HB14, called the “Bonding Bill” and that was kicking off today in Legislative hearings and would be running for three days:

- HB14 for the proposed new Lab was being carried in name by Representative Mike Hopkins
- Brian Simonson had told Mike Honeycutt that in HB14, there were \$71 million in appropriations and that \$36 million of those were for the proposed new Lab
- The December 7, 2020 Governor’s budget included the proposed new Lab, indicating their support, according to Mr. Honeycutt
- Mr. Honeycutt reminded the BOL and for those listening, that the DOL was not asking entirely for general fund to fund the project, but, was coming to the table with \$7.6 million of their own money to put down on the project, would be asking for some general fund and would propose to make annual bond payments
- Brett DeBruycker said that if the Lab funding wasn’t approved by the Legislature in 2021 or 2023, he felt the next discussion would probably be to just wind down the Lab
 - Mr. DeBruycker said that he thinks the costs of building the proposed new Lab could possibly change to 50% to 100% higher than the current estimate in years to come, because of possible inflation taking place
- Nina Baucus commended the staff that had put together the budget for the proposed new Lab and for their ability to explain it precisely and concisely and in a way that was understandable by the Legislators
- Brett DeBruycker requested that Mike Honeycutt help give people opportunities to present through ZOOM or in person to support the Lab at the hearings that were scheduled to continue on Thursday and Friday of this week
- Mr. Honeycutt explained to Gene Curry, who had offered to drive to Helena and speak in support of the MVDL at the hearing, that he was not certain of the Committee’s exact schedule. He did say that written testimony could be submitted to the Committee through the Legislative website if he would like to do that, too

(1:03:20) 9:07 AM– Review Legislative Bill Drafts

Mike Honeycutt gave updates on DOL bill drafts:

- Mr. Honeycutt said that towards the end of December, it was decided to let the three DOL bill drafts go to better focus on the #1 DOL priority for this Legislative Session, the proposed new Lab
- All three bills brought forward by the Livestock Loss Board had been heard and all had received Executive action and should be getting to the Senate floor sometime soon for a vote

- Mr. Honeycutt said there were some bills dealing with issues that would affect the DOL and that Legislators had already reached out to him regarding them
 - A bill potentially dealing with Montana Food Choice that included some provisions for raw milk
 - A potential bill draft dealing with milk dating and Montana's current 12-days after pasteurization requirement date. If passed, it would nullify the administrative rules already in place in regard to milk dating
- Several issues were floating around regarding meat processing, one that would basically create a new custom exemption for a product marked "Local Montana Product" to be sold retail, but, was done by a custom-exempt processor. This would put the DOL in a position where it would not meet Federal law, which carries potential consequences
 - Mr. Honeycutt said that an educational session on Meat & Poultry Inspection was presented the day before to the Senate Ag Committee by the DOL
- Mr. Honeycutt said that for new BOL members, to be aware that at any time he could call a meeting requesting what position the BOL wanted him to take on certain bills, because the Governor's Office had requested to know what the BOL thought about an issue

(1:09:36) 9:13 AM – UPDATE ON PERFORMANCE EVALUATION PROCESS FOR 2020

Mike Honeycutt reported that the staff performance evaluation process, that was to be completed by the end of January, was mostly complete:

- Mr. Honeycutt said that all the folks who report to him had submitted their self-evaluation and he just needed to have a final meeting with them and go through and finalize their paperwork. His delay, he explained, was because of having to present the DOL budget to the Legislature the second week of January rather than the usual much later time slot
- Because Fall Run had extended into "Winter Run" this fiscal year, Mr. Honeycutt said that some staff may not have been able to complete their evaluation, but, significant progress had been made out in the field

(1:12:49) 9:16 AM – EXECUTIVE OFFICER PERFORMANCE EVALUATION AND PAY PLAN

Brett DeBruycker offered Mike Honeycutt a choice of being evaluated in public or under an Executive Session:

- Mr. Honeycutt requested what he called a sort of "hybrid" evaluation, where the BOL would review his performance during an Executive Session and when that was completed, the meeting would open back up into a session where there could be some public discussion where the BOL could voice some things publicly if they desired

(1:16:30) 9:20 AM – RECESS

(1:16:35) 9:30 AM – RECONVENE

(1:16:35) 9:30 AM – EXECUTIVE SESSION

(1:16:35) 11:03 AM – RECONVENE

(1:16:35) 11:03 AM – CHAIRMAN CALL FOR A SHORT RECESS

Brett DeBruycker called for a short recess to be taken, as the Executive Session took longer than planned

(1:16:35) 11:03 AM – RECESS

(1:16:35) 11:10 AM – RECONVENE

(1:16:43) 11:10 AM – EXECUTIVE OFFICER PERFORMANCE EVALUATION AND PAY PLAN (Continued)

Brett DeBruycker announced that after Mr. Honeycutt's performance review, some members of the BOL had requested to make some public comments:

- Mr. DeBruycker commented that Mr. Honeycutt was a very effective Executive Officer who had the respect of his peers. He suggested some goals and objectives for Mr. Honeycutt
 - He said it was time for the DOL to launch a pilot program using technology and mobile devices with cloud capabilities for brand inspection, with the goal of being paperless in the field by 2025
 - That same pilot program should branch out into the Animal Health Division to gather data for testing results from producers
 - A Communications Officer, if the BOL thought that would be of importance, could utilize technology to interact and update producers of the DOL's advancements and actions by mass text messages or phone alerts
- Lila Taylor's comments began with a thank you to Mike Honeycutt for agreeing to come into the DOL when it was in such a state of disarray. She said he wasn't just talk, but walks the walk and he had the respect of Legislators
- Nina Baucus commented that Mike Honeycutt was to be congratulated for keeping the DOL running smoothly during uncharted territory and very difficult times and that he had done an incredible job of that
- Wendy Palmer commented that in her short time on the BOL she had appreciated Mike Honeycutt's professionalism, his trustworthiness, his effective communication skills and that he is fiscally responsible. She added that she was very impressed with how the BOL and DOL had been run thus far and agreed that there needed to be a push on the BOL into a more public, forward-facing organization

(1:22:54) 11:17 AM – EXECUTIVE OFFICER PAY PLAN

Brett DeBruycker explained his reasoning behind requesting a pay raise for Executive Officer Mike Honeycutt:

- Mr. Honeycutt had originally taken the DOL Executive Officer position during a tough time and at a disadvantage in salary
- The raise requested would put Mr. Honeycutt back to parity with his peers in other State Departments

MOTION/VOTE

(1:23:46) 11:18 AM

Wendy Palmer moved to increase Executive Officer's salary to an hourly rate of \$54.80, effective January 1, 2021, aligning the Montana DOL Executive Officer salary with peers from other State agencies. Sue Brown seconded. The motion passed.

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

(1:25:50) 11:20 AM

Lindsey Simon gave an update on the Dean Foods bankruptcy:

- Ms. Simon reported that there had been an issue raised in a letter from Dean Foods counsel regarding milk inspection assessments that were collected by the Milk Control Bureau, for the benefit of the DOL, stating that they considered in their preliminary investigations that some of those assessments clauses were preferences in the bankruptcy
- The Milk Control Bureau responded to their letter, and as of now, according to Ms. Simon, that issue had been resolved and Dean Foods agreed and confirmed that they would not be pursuing that and that they do not consider that a preferential payment

ANIMAL HEALTH & FOOD SAFETY DIVISION

(1:27:23) 11:22 AM

(1:27:42) 11:22 AM – ANIMAL HEALTH BUREAU

(1:27:49) 11:22 AM – Adoption of Rule Change ARM 32.3.219, Special Requirements for Swine

Dr. Tahnee Szymanski reported that the public comment period had closed for the published rule change for ARM 32.3.219, Special Requirements for Swine:

- One comment was received from the Montana Pork Producers Council that was in support of the rule change

- The rule change would modify the window of inspection of swine for import into Montana from 10 days to 30 days, to be consistent with Federal standards and with other swine-importing states. If the BOL agreed to the change, the revised rule would then be adopted
- Lila Taylor expressed that she would vote no on the change because the requirements should be specific and right for Montana, not just because of the Feds changing theirs

MOTION/VOTE

(1:28:40) 11:23 AM

Ed Waldner moved to approve the changes in ARM 32.3.219 – Special Requirements for Swine, as presented by Dr. Tahnee Szymanski. Wendy Palmer seconded. Lila Taylor voted no. The motion passed.

(1:30:31) 11:25 AM – BOL DISCUSSION REGARDING IDENTIFICATION OF ANIMALS TO SLAUGHTER

Dr. Marty Zaluski answered questions regarding an article in the Animal Health Bureau newsletter:

- The article was regarding a Brucellosis suspect animal related to a slaughter trace that was linked back to several potential premises in Montana. Dr. Zaluski reported that the DOL was still working on identifying the potential source
- Dr. Zaluski reported that Dr. Liska told him that the suspect animal came from Miles City, but that the DOL did not really know the location of the ranch that may have contributed that animal
 - Dr. Tahnee Szymanski said the shipment of cattle to the slaughterhouse did not come directly from the livestock market to the slaughter plant, but first went to a feedlot for a period of time and were inspected out of the feedlot and then went to slaughter
- Dr. Zaluski explained that slaughter traces are kind of a routine activity, done on occasion when there is a non-negative sample received at slaughter, and typically, it does not rise to the level of media releases while working through an investigation unless a positive herd is located. In the case of this animal, it tested non-negative on the screening test at the Laboratory on the slaughter sample and so the animal was not necessarily positive
- The suspect animal, according to Dr. Zaluski, did not have an official ID (14-digit 840 tag, metal clip noose tag, Bangs or Brucellosis vaccination tag) and brands do not get read at slaughter because the hide is typically gone from the animal by the time lab test results are received
- Mike Honeycutt explained that if a slaughterhouse buys an animal directly from an individual there has to be a brand inspection and the hide must be held until it is inspected, but, in the case of the animal referenced in the article, there was no obligation to hold the hide to match the blood sample.

- Dr. Zaluski added that if the animal had been of DSA origin, a veterinarian would have tested it and it would have had a tag, which was one of the requirements for exiting the DSA
- Mr. Honeycutt said that there should not be overconfidence of what is happening at slaughterhouses and their ability to match samples in individual animals
 - On numerous occasions and with Tuberculosis, the positive test could not be narrowed down to an animal or ranch of origin because the animal was long gone into the food supply chain.
 - Mr. Honeycutt reminded the BOL that the rule for official ID starting in 2023 did not apply to animals that were being shipped to slaughter
- Also remember, Mr. Honeycutt said, that while most producers do vaccinate as a matter of course, not all of them do
- Mike Honeycutt said that the DOL had the authority to write tickets to producers selling animals at the markets because they weren't vaccinated, but said he would have to check the law on whether or not the DOL had the authority to keep the producer from selling the animal at the market if it were not vaccinated. But, if the BOL was not comfortable with the enforcement level written in rule for lack of vaccination, then the DOL should look into that
- Gilles Stockton commented that perhaps the Veterinarians should gather input regarding mandatory electronic ID so that there can be a system put together that was comprehensive and solved ID issues
- Mr. Honeycutt said to make sure the BOL was added to the distribution list for the Animal Health newsletter

(2:00:08) 11:54 AM – VETERINARY DIAGNOSTIC LABORATORY BUREAU

Dr. Greg Juda said that he would be presenting two items for discussion

(2:00:36) 11:55 AM – Summary of 2019-2020 Year-Over-Year Brucella Test Numbers and NAHLN Test Numbers

Dr. Juda explained that the 2019-2020 Year-Over-Year Brucella and NAHLN Test Numbers were as of January 7th:

- Dr. Juda reported that the roughly 91,000 Brucella tests reported in 2019 were a mix of wrap and FPA tests for screening, as the DOL didn't start using the FPA tests until October of that year. For calendar year 2020, Brucella tests performed were just over 113,000
 - USDA furnished laboratories across the nation with wrap screening test supplies and materials to perform the wrap test, but Dr. Juda said his understanding was that the materials became unavailable and necessitated the conversion to another screening test and, of those to choose from, BAPA, the CARD, the CF and FPA, the FPA was judged to be the most reliable, quick and the most high throughput
- Dr. Juda believed that the 25% increase in testing Year-Over-Year from 2019 to 2020 could be attributed to the expansion of the DSA or possibly the potential negative impact on 2019 testing during the conversion from wrap screening to FPA screening for Brucella

- Dr. Juda reported that the MVDL was authorized to perform 8 to 9 different NAHLN tests because technicians had been trained and passed proficiency testing in accordance with USDA protocols
 - NAHLN's standing delegation, given by USDA to laboratories, is impacted by the number of tests performed on behalf of NAHLN in a given year. Dr. Juda reported that the number of NAHLN tests performed in 2019 at the MVDL were 290, and in 2020, due to the CWD testing being done by the MVDL for FWP, that number jumped to nearly 8,000 tests in 2020
 - Dr. Juda said that cross-training staff and additional equipment helped the MVDL facilitate the need of FWP for CWD testing and also helped handle the increased Brucellosis testing and other tests performed at the MVDL without impacting other Lab sections in the testing they were required to do on a daily basis
- Dr. Juda said the ultimate achievement for the MVDL was to reach a Level 1 NAHLN status as a laboratory, but even with the increase in test numbers, he did not know if that would be achievable without construction of a new laboratory with a BSL3 Level of bio-security

(2:11:19) 12:06 PM – Amended Rules Request

Dr. Greg Juda revisited his request to amend the MVDL fee schedule rule, ARM 32.2.403 – Diagnostic Laboratory Fees, by adding five additional diagnostic test services, at the request of the BOL, to present additional justification to add those tests:

- Wendy Palmer asked how many of those new diagnostic test requests had been sent out in the past
- Dr. Juda said that one of the requested test additions had been referred to other laboratories about 112 times, but that the primary benefit for most of the test requests was turn-around time
 - The SNAP tests would replace approximately 200,000 in-house tests, reducing the amount of time staff would be required to do the benchwork for the diagnostics, improve turnaround time and reduce costs to producers and veterinarians
 - The new tests would provide additional operational flexibility for MVDL staff at a minimal investment
- Dr. Juda said that informing the client base of the additional tests being available would be a pretty straightforward task now that the LIMS system provided the ability to email directly to the MVDL's entire suite of clients, approximately 650 of them

MOTION/VOTE

(2:18:21) 12:13 PM

Gilles Stockton moved to authorize the amendments to the MVDL fee schedule (ARM 32.2.403 – Diagnostic Laboratory Fees), adding some additional diagnostic test offerings at the MVDL, as presented by Dr. Greg Juda. Lila Taylor seconded. The motion passed.

(2:20:34) **12:15 PM –LUNCH**

(2:20:39) **1:00 PM – RECONVENE**

CENTRALIZED SERVICES DIVISION REPORTS

(2:21:00) **1:00 PM**

(2:21:30) **1:01 PM – PREDATOR CONTROL**

(2:21:36) **1:01 PM – Update on Activities of USDA Wildlife Services**

John Steuber reported on the latest activities of the USDA Wildlife Services:

- Mr. Steuber reported that Mike Hoggan, Wildlife Specialist who covered Toole, Liberty and Pondera Counties, retired at the end of 2020, and was replaced by Kirk Simms from Malta, who worked as a Grizzly Bear Specialist for about six months this past summer
 - Mr. Simms started on January 19, 2021 and Mr. Steuber said that he would be getting quite a bit of training in the next week or two
- A new fixed-wing pilot was hired, who would be flying the USDA Super Cub. His name was Scott Snyder from Turner, who had been a contract fixed-wing pilot for a number of years. He started on January 19, 2021
- Mr. Steuber reported that Wildlife Services received some funding from the US Fish & Wildlife Service to help with grizzly bear work, so there would be several people hired to help with that again, with one, at least, being located on the Rocky Mountain Front and one located in the Gravelly Range. Also, there would be one located on the Blackfeet Reservation, one in the Kootenai National Forest and one in the Beaverhead Deer Lodge National Forest
- Mr. Steuber encouraged anybody that would want to comment about predator damage management specific to Montana, that the Predator Damage Management Environmental Assessment, a 500-page document, was out for public comment, which would close on February 19, 2021

BRANDS ENFORCEMENT DIVISION

(2:28:37) **1:08 PM**

(2:28:47) **1:08 PM – RERECORD UPDATE**

(2:28:47) **1:08 PM – Review Status of Returned Rerecord Packets/Status of Online Rerecord**

Ethan Wilfore gave an update on the status of received and returned rerecord packets and the status of online rerecord:

- Mr. Wilfore said that around 55,000 rerecord packets had been sent out and roughly 15,000 were returned to the DOL as undeliverable
 - A suggestion was made to check into possibly publishing the names on those returned rerecord packets in the newspaper to let people know they needed to rerecord their brand
 - Mr. Honeycutt said that eventually, lists of those producers who had not yet rerecorded their brand could be given to Local Inspectors who might know, at least in their area, who the person is, if they are deceased or snowbirding or possibly had moved
 - Mr. Wilfore thought that some of the packet returns could be because of producers wintering elsewhere
- Overall, nearly 30% of the brands had been rerecorded
 - Around 14,000 rerecord applications had been returned so far with payment
 - As of January 19, 2021, around 1800 brand rerecord applications had been received online
- Mr. Wilfore reported some specific problems that had surfaced since producers began receiving their rerecord packets
 - Mr. Wilfore said that there was some confusion over the brand image on the brand letter without a specific species or position listed and a lot of calls had been received because of that
 - There had been an issue with the database merging over to the brand letter
 - The primary contact information for some brands wasn't the same as the one the owner filled into the brand owner's section on the letter, something that was discovered when a data pull from Axiom was done for a mail merge
 - Because the rerecord packets had been sent out in mid-December 2020, Mr. Wilfore said that some brand owners assumed the deadline for rerecord was December 31, 2020 and rushed to rerecord their brand, but could not rerecord online because the link was not able to be legally activated until January 1, 2021. With no ability to rerecord online, they returned their brand information with a check
- Mr. Wilfore said that with the number of phone calls being received in the Brands Enforcement Division regarding rerecord, he thought it might be necessary to hire another temporary position during the next rerecord period in 2031
- Mr. Honeycutt explained that the question on the rerecord form asking if the person owned cattle, was intended to, in the future, utilize that information for per capita purposes
- Mr. Honeycutt said that Mr. Wilfore and his team were doing a lot of things very well with rerecord and even though there was a lot of returned mail and even though only 30% of the brands have been rerecorded, it was only 20 days into rerecord and there was nearly a year to go with the process. He said there were a lot of positives and Ethan and his team had a good plan of how to work through it all and were off to a good start

- Mr. Wilfore reported that he planned to wait until after March to book any radio advertising to see what percentage of the brands had been rerecorded by then. He said, however, he had done an interview with KMON Radio as suggested by the Chair
- Mr. Honeycutt reminded people that there was no grace period given to those who were delinquent in filing for rerecord after December 31, 2021, because some auditors found that was not legal. He said brands that were left after that date would not be reassigned immediately, however, just in case the DOL missed a rerecord application or some other error

CENTRALIZED SERVICES DIVISION REPORTS (Continued)

(2:53:00) 1:33 PM

(2:53:06) 1:33 PM – FISCAL BUREAU

Brian Simonson gave a couple announcements regarding per capita filings and aerial hunting license renewals:

- Mr. Simonson said that per capita cards had gone out and notices had been posted in the newspaper. Deadline to report livestock numbers was March 1, 2021
- As of January 19th, Mr. Simonson said the DOR web page showed that 1700 per capita reports had already been filed
- The deadline for filing for an aerial hunting license renewal was January 31, 2021

(2:54:25) 1:34 PM – December 31, 2020 State Special Revenue Report

Brian Simonson highlighted the past month's DOL State Special Revenue Comparisons for FY 2021:

- A strong month for Field Inspections showed a YTD number of \$170,000 in revenue, nearly \$40,000 of that coming in the month of December
- Market Inspections were up \$45,000 over this period last year, showing a total of nearly \$869,000, with \$335,000 of that in the month of December
- Another \$25,000 had come in for per capita the last month, for a total of \$325,000, a small number because it was basically showing last year's payers, those who missed the June 30, 2020 deadline
- The MVDL Laboratory fee revenue showed a super strong month, taking in \$82,000 more than budgeted or expected
 - Mr. Simonson said that as CWD and Brucella testing come to a close, he expects those numbers to be tailing off
- Mike Honeycutt explained that in the accounting method the DOL uses, revenue was recognized when it was received, even though it may already have been billed

(2:59:58) 1:40 PM – January 2021 Through June 2021 Expenditure Projections

Brian Simonson explained that what this portion of the report showed was actual expenses to date and what the DOL projected, based on history. He said that for the

most part, those numbers were relatively unchanged for the month of December over the last two months:

- Mr. Simonson said that there were some larger expenditures in overtime and some other operating expenditures
 - Fall Run, CWD and Brucella testing affected those expenditures the most. Because it is the season for those activities, it did not have a big effect on projections, but on actuals, because those numbers were coming in as expected
 - There was a considerable amount of overtime in the Brands Department as a result of Fall Run, driving projections down somewhat from expectations, a significant event in December
 - In Operations for the month of December, there were about a \$207,000 increase in the Contracts area, primarily DSA testing
- Supplies jumped \$182,000 in December, almost exclusively in the MVDL's testing supplies, but that would see more revenue next month, according to Mr. Simonson
- Communications, Rent and Other Expenses numbers were larger, as Accounting tried to get in more expenditures to close out the calendar year
- Mr. Simonson said that the first decrease in projections seen for this fiscal year was in total budgeted funds projections. That number was \$424,000, a decrease of \$36,000 for the month
- Mr. Simonson said that the general fund shortage shown of almost \$106,000 had been that way for a few months and was mainly attributable to the Meat & Poultry Inspection Bureau. He believed there would be some carryforward available to help that number, and that it was being monitored
- Although the projections show that there would only be \$9,000 left in general fund in the DSA, the contract in the DSA showed that there was \$629,000 left to spend between now and June 30, 2021. Mr. Simonson said that the DOL was asking the Federal government for an augment. That augment had been received last year from FSIS
- Mr. Honeycutt pointed out that because the collective bargaining negotiations cycle for the Meat & Poultry Inspectors occurred mid-biennium, those salaries didn't get snapshotted into the starting point motion of the Legislative budget cycle, which affected Personnel numbers, especially around the December time of year

(3:19:28) 1:59 PM – December 31, 2020 Budget Status Report

Brian Simonson explained that this report, comparing budgetary expenses at this time last year to this year, was on track with the overall budget:

- Currently, expenses for the DOL were outpacing last year's by nearly \$416,000. Mr. Simonson pointed out that the DOL had fuller employment than at this time last year, but, were well within their budget
 - Personnel costs compared to last year were \$322,000 over this same period last year, due to fuller employment and salary increases, predominantly in Brands, the MVDL and in Meat & Poultry Inspection

- The budget was 45% expended at the end of December with 47% of the payroll and 42% of the operating budget year lapsed. Mr. Simonson explained that 2/3 of the budget is Payroll and was the more weighted number
- Contract numbers were down \$72,000 from last year due to Brucella testing, and according to Dr. Juda's reports, Brucella testing had come in strong compared to this time last year
- Supply spending at the MVDL was \$86,000 above last year's number
- Budget Expenses were up \$89,000 over last year's numbers due to indirect expense charges. Last year's numbers at this time were a month behind, but the current numbers in this report were up to date

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

(3:23:23) 2:03 PM

Brett DeBruycker requested public and producer organization comments be brought forward:

- Gene Curry expressed his appreciation for Brett DeBruycker's efforts and of the entire BOL and said Mr. DeBruycker was a good model for him to follow. He said he appreciated any institutional knowledge he could garner and that he would probably be reaching out to Mr. DeBruycker on some things in days to come
- Mr. Curry requested that Mr. DeBruycker send his goals, that were brought forth earlier in the meeting, to him so that he had a basis to continue from

SET DATE FOR THE NEXT BOARD MEETING/ADJOURNMENT

(3:26:54) 2:07 PM

Brett DeBruycker requested that a date be set for the next BOL meeting, which he assumed should be in February, before the new BOL members took over:

- Mike Honeycutt mentioned that the comments from the BOL on the Wildlife Services EA were due on February 19, 2021, and so BOL approval of those comments needed to be finished and approved by the BOL by that time
- The next BOL meeting was set for Thursday, February 18, 2021

MEETING ADJOURNED

(3:31:18) 2:11 PM


 Brett DeBruycker, Chairman