



Montana Board of Livestock Meeting Minutes

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

May 28, 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)
Greg Wichman (sheep producer)

William Kleinsasser (swine producer)
Nina Baucus (cattle producer)
Lily Andersen (dairy & poultry)

Staff Present

Mike Honeycutt, EO
Brian Simonson, Deputy EO
Evan Waters, Centralized Services
Rick Corder, Centralized Services
Tom Shultz, Centralized Services
Dale Haylett, Centralized Services
Mike Spatz, Centralized Services
Lindsey Simon, Centralized Services

Donna Wilham, Adm. Assistant to EO
Dr. Tahnee Szymanski, MT State Vet
Dr. Greg Juda, Director, MVDL
Dr. Brad De Groot, Animal Health
George Edwards, LLB
Jay Bodner, Brands Enforcement
Alicia Love, Meat, Milk & Egg Inspection
Brendan Boots, Centralized Services

Public Present

Dalin Tidwell, USDA Wildlife Services
Les Graham, MALAM
Matt Borchgrevink, Carter County Predator Board

MEETING CALLED TO ORDER

(:00) 8:00 AM

Chairman Gene Curry called the meeting to order at 8:00 AM

CALL TO ORDER AND INTRODUCTIONS

(:08) 8:00 AM

Chairman Gene Curry said the first order of business was Introductions:

- Nina Baucus, Cattle Representative, north of Helena
 - Ms. Baucus reported that the cattle and sheep they have were now out on the range, which looked pretty nice because they had some rain
- Lily Andersen, Dairy & Poultry Representative, south of Livingston

- Ms. Andersen reported that they were still trying to get everything farmed, and even though they had a lot of moisture, they were still trying to get the water on, adding that their cows were headed up to the range, too
- William Kleinsasser, Swine Representative, Augusta
 - Mr. Kleinsasser reported that things were going good in the pig world with feed costs down and pig prices up and that they were looking very good for this time of year moisture-wise
 - Mr. Kleinsasser said that they did have a big grizzly around their place
- Jake Feddes, Cattle Representative, Manhattan
 - Mr. Feddes reported that they had finished up breeding and finished seeding the night before. They were putting the irrigation water on, but it seemed way too early to do that
 - The cows had been kicked out to grass, Mr. Feddes said, and people were starting to think about marketing calves, even though it usually didn't start until the end of June. He added that the cash market was good, and with people scared of the election cycle, it sounded like, from calls he had received, that people were starting to think about selling calves early this summer
 - Gene Curry shared that in the new Farm Future Magazine he had seen a chart showing that for last 10 years, the summer sales had been considerably better than the fall sales, except for two of those years
 - Mr. Feddes said that the Corn Belt Classic, the first big summer sale, was scheduled for June 10th in Iowa and was the first big summer sale this year. He said that the sale usually establishes the market for the summer
- Greg Wichman, Sheep Representative, Hilger, North of Lewistown
 - Mr. Wichman reported that they were down to one or two ewes yet to lamb and that he had just sorted pairs on the cows and most of them would go to grass the following day. He added that they had good moisture
 - Mr. Wichman shared that he looked forward to the completion of the new Lab complex and said that the turnout at its groundbreaking was really good
 - Jake Feddes commented that Mike, Gene and Greg did a fantastic job at the groundbreaking and that he had heard lots of good reports
 - Gene Curry said that the MSU Extension website used two of his quotes in their report about the groundbreaking, one which said that he hoped every producer and Veterinarian in the state of Montana would use the Lab. He added that the focus was going to have to be to try and get more and more producers to have confidence in using the Lab
- Alan Redfield, Cattle Representative, Paradise Valley
 - Mr. Redfield reported that they had received about 2.5 feet of snow and three inches of rain since the last BOL meeting and so he was not worried about getting water on yet because it was a swamp
 - He said that they had put the cattle out on grass but that they were about to get back in and they would be starting AIs the next week

- Gene Curry, Cattle Representative, Valier
 - Mr. Curry reported that they hadn't had three inches of rain all tolled since last fall, but they were able to seed into nice moisture then and now the winter wheat was looking really good. He said the surface moisture they had was good and would keep them going for a while, but, they were going to need more on the grass, especially if there were very many days of hot, dry wind
 - Mr. Curry said grizzly bears were out in force with them being seen at their east place, just south of their house and then a sow and two cubs were spotted about 100 yards from their son and daughter-in-law's house

BOARD ADMINISTRATIVE ITEMS

(9:41) 8:09 AM

(9:41) 8:09 AM – BOARD APPROVAL OF PAST MEETING MINUTES

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

- Nina Baucus requested that the BOL try hard to speak clearly and not on top of each other and added that it was a tremendous help in doing the minutes when Gene Curry would repeat the motion made and say who made the motion and who seconded the motion

MOTION/VOTE

(10:02) 8:09 AM

Nina Baucus moved to approve the minutes, as presented, from the Montana Board of Livestock April 23, 2024 meeting. Alan Redfield seconded. The motion passed.

OLD BUSINESS

(11:25) 8:10 AM

(11:29) 8:10 AM – UPDATE ON GOVERNOR'S OGSM STRATEGIC MANAGEMENT AND EXECUTIVE OFFICER STRATEGIC GOALS

Mike Honeycutt reported that there had been no OGSM meeting in the month of May, but he had gone ahead and updated the OGSM info for May and would report on that:

- In tracking slaughter figures through April on both State-inspected and custom exempt plants, they were pretty close to the 2023 numbers, Mr. Honeycutt said, and that he thought all of those plants were busy with no lack of things to do
- Mr. Honeycutt reported that on the budget side, revenue was outpacing total expense and expenses were less than budget as they moved through the year
- Regarding vacancies, Mr. Honeycutt said that the DOL was more full up than they had been in a while
 - There were still a couple openings, he said, in Meat & Poultry and also a couple in Animal Health. The Market Auditor position in Brands was still vacant and the Vaughn market had been a systemic area where there had been a vacancy longer than in some other places

- There were May and June to go for cattle movement numbers, Mr. Honeycutt said, but as of the end of April, the commission companies had processed roughly, close to the same amount of cattle they did in Fiscal Year 2023. He reminded the BOL that Fiscal Years 2021 and 2022 were anomaly years because there was a lot of sell-off due to drought and probably a lot of liquidation of moving some breeding animals
- The groundbreaking event, held on May 24, 2024, was listed as a high
- Another high listed, Mr. Honeycutt said, were the successful interviews that had been held for the DOL's open Veterinarian positions
 - One offer was made to a Veterinarian candidate, but it was not taken, Mr. Honeycutt said, and so it was decided to modify the Assistant State Veterinarian position to fit the candidates that had been applying
- Montana had not had any cases of cattle HPAI as had been an issue in some other states, and that was listed as a high, Mr. Honeycutt said
- One low listed on the OGSM report, Mr. Honeycutt said, was the concern with USDA funding cuts in both APHIS and FSIS
 - FSIS concerns were that they would not be funding the full 50% share of the Meat & Poultry program
 - In the case of the Federal umbrella, concerns were that there would be less money to help offset some of the costs that had historically paid for by that funding
- The final EIS, with regard to the future of Yellowstone National Park Bison, was set to be released from the Department of Interior's Park Service in the next month, and Mr. Honeycutt said
- Although no decision had been made on it yet, there was great concern, Mr. Honeycutt said, about a possible injunction against coyote trapping, particularly in grizzly bear habitat, similar to what had been put in place for wolves earlier in the year
 - Mr. Honeycutt mentioned the situation with M-44s being phased out by the BLM and that even though there was still some supply for private applicators to use, the supply wasn't being replenished. He said snaring and other "tools" being used to deal with an important problem may face restrictions as well
 - Gene Curry shared a story about a neighbor who had set up coyote traps and that another neighbor's bear dogs were eating the coyote bait without getting trapped. Nina Baucus said that she had watched Federal Trappers teach their dogs how to avoid traps and snares
 - Ms. Simon said that in her opinion, there was probably no recourse that could be taken against the Department of Interior by producers who suffered heavy loss due to coyotes for removing tools to deal with coyotes, no government taking. She explained it was a private plaintiff getting a Federal court to issue an injunction on the State's regulatory system under the Endangered Species Act and that the Department of Interior was not involved in this at all
 - Ms. Simon said that in the current Federal court, the geographic scope was an issue being considered as well, tying the trapping to where the

grizzlies were located. If the grizzly bear was delisted, she said, that would be a potential way for the trapping lawsuit to play out in a different manner.

- The Montana Stockgrowers Association, the Woolgrowers Association and the Farm Bureau had intervened in the lawsuit and had filed their own motion for a summary judgment, Ms. Simon said, hoping to win on a dispositive matter of no injunction for coyote trapping because it was not actually taking under the Endangered Species Act
- Nina Baucus shared a story that several sheep producers in Norway had left a pile of sheep, killed by wolves on the capitol, in protest of trying to get help to deal with the predator
- Gene Curry said that when rogue grizzlies got into a friend's herd of sheep in the Badger-Two Medicine area, they came in at night and killed 20, 30, 40 of them for fun, not eating any of them. Nina Baucus said they had lost 35 three years previous as well at their place
- Also on the OGSM report, Mike Honeycutt said that Brands did get through the dealer renewal process, three new Meat Processors came on board within the last month and a collaborative financing solution on Milk Inspection Fees that was industry-supported was decided upon. Now it would be seen how that solution played out with the Legislature
- Mr. Honeycutt reported that a new Microbiology staff person was coming on in August at Montana State University that had a big background in Brucellosis. In speaking with Dr. Bajwa about it, Mr. Honeycutt said that there was a commitment for MSU to work with the DOL to see how they could collaborate on the issue of Brucellosis from their perspective research and how the DOL could contribute
- The DOL has had positive conversation with the Crow regarding elk testing and collaring on the Reservation, as the Big Horn Mountains area was an area of concern and the DOL was hoping to collaborate with the Crow to see what was happening with elk in that part of the state
- Mr. Honeycutt said that language from the DOL that included keeping Brucellosis mitigation vaccination within the Adaptive Management Plan had been presented at the May 14, 2024 IBMP meeting, but it didn't get consensus. Mr. Honeycutt shared that some partners of IBMP would like to remove that from the conversation, saying that Brucellosis management mitigation of bison was not feasible, not warranted
- The six-month horizon for ideas to be accomplished from June through December was here, and Mr. Honeycutt requested new ideas, that could be accomplished in those six months, for how to support value-added processing, how the DOL could effectively monitor animal Health disease, how to maintain the integrity of livestock identification, market and movement and how to improve online and digital to improve services to the people the DOL served
 - Nina Baucus wanted the DOL to work on the Lab getting results to the producers so that producers and Veterinarians would utilize the new Lab when it was completed. Ms. Baucus also requested that the DOL figure out a way, possibly recruitment, to replace the aging group of Local

Inspectors. As she had brought up for a number of years, Ms. Baucus requested again that there be some way to deal with the folks that didn't pay per capita

- Jay Bodner said that under the Service Now system, the DOL was collecting more information than he thought they ever had previously. And even though there was still some work to be able to real-time per capita numbers with the information collected, he thought that on the cattle side of things, there were relatively good numbers trying to marry up brand information with per capita and he didn't think there was as big of a discrepancy as maybe was thought
- Nina Baucus questioned that there were only 45,000 horses listed in the state for per capita and she thought every county had at least 1,000
- Gene Curry said that some new per capita fee payers were added to the program when FSA COVID payments were tied to per capita, meaning to receive the payment, they had to prove they owned the cattle by paying per capita fee on them
- Jay Bodner said that when animals came through the market, it was not checked whether they had paid their per capita, but they were strictly looking at brands and ownership information. Mike Honeycutt said there would need to be laws that would enable the DOL to do that and even if that was done, there would need to be lists generated from the Department of Revenue regarding per capita paid and those would be complicated because some people paid per capita as individuals, some paid as their LLC and when those cattle were sold, they may have different splits
- Mike Honeycutt reported that there had been some inconsistencies in how staff had applied various regulations, and if checking for per capita was a part of a sale, it would have to apply to every transaction, even private country sales from individuals so commission companies would not say that the DOL was giving people a reason to not come to them
- Alan Redfield reminded the BOL that some progress in regards to per capita had been made on the LLB side, because to receive predator compensation, per capita had to be paid on the animal
- Mike Honeycutt said that he felt that compliance was high on people paying per capita on their cattle because in the years he had been with the DOL, NASS had, in some of those years, reported 3.1 million cattle and calves in Montana and the DOL had been collecting on anywhere between 1.8 million and 2.1 million on cattle 9 months of age and older on February 1st
- Around 400 or 500 additional reporters were added to the per capita rolls, Mr. Honeycutt thought when the DOL had focused on the horse inventory in the state a while back
- Lily Andersen said that there needed to be more education on per capita, maybe a flyer at Murdoch's first. She also suggested the DOL establish a social media presence and that would be a platform where people could be made aware of

what does a producer's per capita fee do and what was the DOL doing to help them. She said that the Department of Agriculture has Instagram and Facebook

- Mike Honeycutt said that as far as an education piece, he agreed that social media could be used for that, and it had been attempted in years past. But keeping that social media presence was very hard because there wasn't anyone working at it full-time to keep up with the comments, the questions and all that went with that, and it didn't work well in becoming days behind in those answers, adding that it would be helpful in the DOL to have a full-time communications person to work on those types of things because social media got out of hand pretty fast if you were not on top of it all the time
- Gene Curry requested that the BOL bring their ideas for the DOL to work on in the next 6-month horizon for OGSM

NEW BUSINESS/EXECUTIVE OFFICER UPDATES

(48:04) 8:47 AM

(48:15) 8:47 AM – HUMAN RESOURCES UPDATES

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

(48:26) 8:47 AM Staff Openings, Recruitment and General Updates

Mike Spatz reported on the Staff Openings and Recruitment information for the DOL during the past month:

- Mr. Spatz pointed out that in the paperwork the BOL had received from him, it showed that the DOL had eight open positions, but, that number had moved down to seven
 - There had been seven new hires since the last BOL meeting, covering every Division, and the Brands Division had two resignations. The Animal Health area had two future resignations coming up as well
 - There was a verbal offer out, Mr. Spatz said, for a Great Falls Livestock Inspector
 - In the Meat & Poultry area of the DOL, Mr. Spatz said that the Meat Inspector position in Eureka was the last new position to fill
 - A decision had been made, Mr. Spatz said, to reclassify the Assistant State Veterinarian position and it would now be called a Veterinarian Supervisor position, something that would help the Division and also help a staff member to potentially grow into the Assistant State Veterinarian at a future date
 - Mr. Spatz said that there had been a great pool of people who had applied for the Assistant State Veterinarian position but, with what the DOL's expectations were of what they're looking for in that role, he thought it would be unfair to an applicant to put them in an Assistant State Veterinarian role without giving them some growth opportunity first
- Mr. Spatz reported that the Vacant Brands District 16 Investigator position had been filled by Jason Wickum, who started on May 20, 2024. Mr. Wickum had a law enforcement background and also had a family ranch in that district

- In the Billings Market, Lucas Decker had been hired, Mr. Spatz said, and would be starting in the next couple of weeks. Two other vacancies in the Billings Markets had been reposted and recruiting was going on for those positions
- Today was the first day for a newly-hired IT Support person named Brendan Boots
- Deanna Ziesman was hired back to the DOL as an Accounting Specialist. She left the DOL a few years earlier but returned and was now working with Evan Waters
- Mr. Spatz explained that one of the Brands departures was due to a Reduction in Force (RIF) because the Missoula market had closed. With the RIF, that position could not be hired in the Missoula area for a year, but that FTE could stay in Brands and could be hired anywhere else if it was needed
- The vacant Bison Program Specialist position had been filled by Zach Martin who was familiar with the area and had good bison experience
- Two new Meat Inspectors in the Kalispell and Missoula area started two weeks ago, Mr. Spatz said
- Mr. Spatz explained that the DOL was starting a new process where the “Requests to Hire” would be done during the HR segment of the BOL meeting. Mike Honeycutt added that even though the Requests to Hire would not be spread throughout the agenda, he was wanting Managers in those areas to be available, in case there were any questions about the hiring request
- There was just one “Request to Hire” in this meeting, and Mr. Spatz said it was for a Clinical Microbiology Lab Technician who would be leaving the MVDL at the beginning of June for a different career path. Not only was there a request to hire for that position at the same classification and pay, but if the Lab Technician position was filled internally, there was an additional request to backfill that position as well
- Greg Wichman questioned, as the Executive, whether he had the ability to look at resumes of people the DOL was hiring, because he said in the case of the Assistant State Veterinarian positions, he’d like to know why things didn’t work out. Mike Spatz said that typically, application materials were confidential to people outside of a recruitment panel, but said that after they’re hired he guessed those could probably be shared

MOTION/VOTE

(56:11) 8:55 AM

Jake Feddes moved to approve the hire of Clinical Microbiology Lab Technician at the MVDL. If that position was filled by a current employee, then he also moved to backfill that position. Greg Wichman seconded. The motion passed.

There was discussion by the BOL regarding Supervisory responsibility in the absence of the State Veterinarian:

- Mike Honeycutt explained that finding someone with the supervisory skills needed to fill the Assistant State Veterinary role had been difficult. Applicants for that position had academic and technical skills, but, for one reason or another, were maybe not ready to be in that role. So, in the absence of Dr. Szymanski,

Dr. De Groot, who already had some supervisory responsibility because of the Brucellosis program, would take on that role

- Dr. Tahnee Szymanski agreed with Mr. Honeycutt and said that Dr. De Groot was the most experienced Veterinarian on staff and for the short-term, she anticipated that in her absence, it would be him to take on that role. She added that once the other two Veterinary positions were up and running, potentially, that supervisory Veterinarian role would be a good candidate for being the second, but, time would tell

(1:04:52) 9:04 AM LEGAL COUNSEL UPDATE (May Require Executive Session)

Lindsey Simon, Agency Legal Counsel, updated the BOL on current legal issues regarding the DOL:

- Ms. Simon reported that the DOL had filed a motion to dismiss in the “Goat Case,” a case involving goats at large. That was not opposed and so, the District Court dismissed the DOL from the lawsuit
- Although she was not privy to what had been worked out, it seemed, Ms. Simon said, that the plaintiff and the other defendant were working out a resolution that may result without a court order. If that happened she anticipated that the DOL would not have any role in enforcing a court order and would probably just continue on as usual when law enforcement was called to deal with goats at large

(1:08:14) 9:07 AM UPDATE ON ONGOING FEDERAL PROCESSES

(1:08:18) 9:07 AM BLM Sage Grouse Planning

Lindsey Simon reported that the DOL had submitted its draft comments to the Governor’s Office regarding the BLM Sage Grouse Planning:

- Ms. Simon said that she thought the Governor’s Office was reviewing the comments from agencies that had been affected by the Plan for internal consistency and after that they would be submitted. Deadline for final comments was June 13, 2024
- One of the comments included by the DOL cited a University of Idaho 10-year study in which preliminary results indicated that the current Sage Grouse Planning did not have an effect on the long-term success of the nesting of those animals

(1:09:26) 9:08 AM BLM Grazing Rules

Lindsey Simon reported that in her discussions with Mr. Honeycutt the BLM maybe was not looking at BLM grazing changes through a rulemaking process but rather a policy change process

- Mike Honeycutt said that the BLM had a series of webinars and that both he and Jay Bodner had participated in one two weeks ago. The BLM had moved away from rulemaking and were moving into the potential of changing the policies around grazing with some of that delegated to the Regional Management Areas like the Lewistown and Miles City offices

- Mr. Honeycutt said that the BLM requested feedback about flexibility of permits and received feedback that to permittees, flexibility meant the ability to stay longer, especially if there was grass remaining
- Mr. Honeycutt said there was a lot being done in real time drought management metrics by the BLM. One scenario was utilizing the Drought Monitor as a metric for BLM allotments across the West which typically meant that if there was a drought year, the next year had cutbacks. But, utilizing the Veg Dry Index, which took satellite images that showed the current health of the vegetation it might show that yes, there was a drought today, but with last year being a good year, there was still plenty of forage left for grazing. And then there's the scenario of asking local BLM Managers and local permittees what they see with their eyes about those grazing areas
- No actual policy changes had been announced by BLM yet on which scenario to use regarding the use of grazing allotments, but, Mr. Honeycutt said that the last webinar was strong about continuing the conversation of the real-time Drought Monitor
- Mr. Honeycutt said that a big topic of conversation seemed to be a belief that there was a lot of unauthorized use taking place on BLM allotments, but that he would say all local cooperators from all states had reported that it wasn't as big a problem as BLM thought it was and for those few bad apples, there were tools to deal with them
- Both Nina Baucus and Gene Curry questioned, how hard is it to spot check the BLM allotments for unauthorized use? Ms. Baucus said that the BLM folks who were supposed to be doing law enforcement should go do their work as others were being punished because BLM employees weren't doing the field work as they should be
- Nina Baucus shared that a number of years ago in Nevada and California the sheep grazing was not allowed on BLM because of the Desert Tortoise. But, it was later found out that the Desert Tortoise were eating the dried poop pellets from the sheep and the ravens were killing the Desert Tortoise
- Alan Redfield said when they were doing the Sage Grouse Plan the predator portion was not allowed to be discussed on the original plan even though the ravens, fox and skunks were decimating the Sage Grouse nests. He said it was more to get the livestock off the land

(1:19:02) 9:18 AM YNP Bison EIS/IBMP Operations

Lindsey Simon said that the final YNP Bison EIS had not yet been made public, but she expected that it would happen very soon, as it was a told a Record of Decision on it was expected no later than July 2024:

- The comment period was over, but, Ms. Simon thought that the Executive Branch agencies had commented on the matter through the Governor's Office

Mike Honeycutt reported that the IBMP meeting that was held in May had been attended by Lindsey Simon, her first meeting, and that she sat in his seat during the day as he was on the computer and also, Dr. Tahnee Szymanski was in attendance for the DOL:

- Mr. Honeycutt said that a lot of people at IBMP were waiting to hear about the ESA designation and also the EIS, to see how the decisions on those would affect any conversation that would take place at IBMP
- There was a lot of conversation at IBMP about Partner protocols and adding Partners, Mr. Honeycutt said, but, as it had been in the last 1 ½ or two years, there was not consensus on that, adding that getting consensus on movement of any topic at the IBMP table was very, very difficult. Consensus meant that everyone agreed, not just a majority
- Mr. Honeycutt said that IBMP had not put forward a Winter Operations Plan in four years, commenting that he felt a true Operations Plan was a statement of what was going to happen on the landscape and should not be a place for higher-minded ideals about bison population or bison habitat or those types of things. He said that some things could be left to the Adaptive Management Plan rather than the Winter Operations Plan
 - It was shared by Mr. Honeycutt that the last IBMP plan broke apart because one Partner wanted to put into the Operations Plan dictating how Yellowstone National Park would run its trap and when it could run its trap, really to prioritize Tribal Treaty hunting. He said that was something the Park could not agree to because they were going to run their trap, inside its boundary, the way they wanted to run it. There were also other IBMP Partners who relied on quarantine as their supplied bison and didn't want to see bison hunting prioritized
 - Mr. Honeycutt explained that when the bison were inside Yellowstone national Park, that is their decision of what to do with them because it is inside their jurisdiction. When those bison came into Montana, that's a State of Montana decision and the DOL would do what the State rules and laws tell us to do and that was the type of things the DOL was going to put into the Operations Plan
 - One thing worth noting, Mr. Honeycutt said, that was hampering IBMP, was when some Tribal Partners came to the IBMP meeting and whatever ideas would come up at the meeting, those were then taken by them to a Tribal Council, meaning that the ones sent to the meeting did not have the ability or power to make decisions, they were simply collecting information
- Alan Redfield said that he had been contacted by another news agency to possibly do a TV interview where he reiterated the DOL's position on hazing and how, if you don't haze, you guarantee the death of a bison. He said he was trying to find little bites that hit home like that or that Brucellosis is a human disease issue. And even though they said, well that's not what we want to talk about, Mr. Redfield said he didn't back off of that

(1:33:06) 9:32 AM USFWS (US Fish and Wildlife Service) Bison ESA (Endangered Species Act) Analysis

Lindsey Simon reported that at the IBMP meeting there was an update given on the Endangered Species Act Analysis:

- Ms. Simon said that the DOL was still waiting for a published finding of the species status assessment, but the Governor's Office had coordinated the

comments from the various affected Executive Branch agencies, which was mostly spearheaded by FWP because the scientific data was what had been requested at that stage. A proposed listing was expected no later than September 2026

- Mike Honeycutt said that there was a misunderstanding by some members of the audience at IBMP, regarding the US Fish & Wildlife Service presentation on the ESA, which was that only Tribes would be giving input on the ESA designation. But, the State had its opportunity to address that designation and was being consulted on that process, with FWP taking the lead on that because they had the scientific knowledge on genetics and those types of things
- Mr. Honeycutt explained that the “distinct population segment of a species was a scientific segment that had to be proven in making an ESA Analysis. And in this case, it had to be established that the Yellowstone Bison was a distinct population segment, different from all the bison
- To cover the requirement of considering indigenous knowledge, it was announced at the IBMP meeting by the USFWS that the InterTribal Buffalo Council (ITBC) was going to be the primary partner to provide that indigenous information
- Mr. Honeycutt said that, as of right now, this ESA designation process was not put out for public comment as it was in an Environmental Impact Statement (EIS) process. Right now, it’s the State of Montana, other Federal agencies and Tribal Authorities who are putting in information as far as listing a particular species. Lindsey Simon added that her understanding of the process was that if it was decided to list the Yellowstone Bison as endangered or threatened by a rule, they would then do the standard rulemaking process that would be subject to public comment
- Dr. Tahnee Szymanski said that even though the prevalence of Brucellosis in Wyoming bison compared to those in Montana was not quite as high, those bison were still considered an infected herd
- Mike Honeycutt said that bison from Yellowstone National Park largely migrated into Montana and didn’t walk into Wyoming, but they did have bison that come from the Grand Tetons from the National Elk Refuge

(1:41:58) 9:41 AM – LEGISLATIVE INTERIM ACTIVITIES UPDATE

Mike Honeycutt said there was not a whole lot to report on Legislative Interim Activities:

- Mr. Honeycutt said that there had not been a Legislative Finance Committee meeting for a while, but he thought there was one coming up this summer
- The Legislative concepts that had been approved by the BOL at a previous meeting, Mr. Honeycutt said, had been turned in to the Office of Budget and Program Planning within the Governor’s Office for approval. In the meantime, the Economic Affairs Interim Committee had asked the DOL to present those concepts at their June 7, 2024 meeting. But, Mr. Honeycutt said that the DOL was not comfortable presenting those concepts in public until approval had been received from the Governor’s Office. And so, he told the Interim Committee to put the DOL on their June agenda as a placeholder, and if not then, the DOL would present those Legislative concepts during their August meeting

- Mr. Honeycutt explained that those Legislative concepts were not presented to the Economic Affairs Interim Committee for their approval, but for them to prioritize their status for drafting. Once that happened, it gave those concepts a placeholder so that the DOL could begin working with a Bill Drafter and eventually find a sponsor for the bills
- Some penalties for violations pertaining to Livestock had been changed and passed during the last Legislative Session, Mr. Honeycutt said, but because those penalties were listed in statute, it was past the deadline to get any more of them changed during the upcoming Session
- Alan Redfield thought that the penalties that were moved during last Session were the ones that were needed to be done. He commented that it was difficult to move things through pertaining to agriculture because there was such a small percentage of the Legislature that had any agricultural background or anything in relation to agriculture

(1:49:51) 9:49 AM RECESS

(1:49:54) 10:00 AM RECONVENE

(1:50:00) 10:05 AM – BUDGETING FOR 2025 SESSION (Executive Planning Requests)

Brian Simonson said that he would start out the EPP discussion, but would be relying on backup from Animal Health and Mike to get us through this segment:

- Brian Simonson explained that EPP made up about 5% of the DOL's budget and that the EPP (Executive Planning Process) was where the budget was being plussed up, not what we already had. He added that the EPP requests were due to the Governor's Budget Office by June 6, 2023 and after having a conference with them in June regarding them, they'll decide what they would allow to go through or maybe adjust before going through
- Snapshot, or what the DOL's current staffing levels were on a specific day, was scheduled for July 12, 2024. Snapshot helped determine what the DOL was going forward with in the next budgetary session. Currently, Mr. Simonson said, roughly 65% of the DOL's budget was primarily made up of FTEs, personnel costs
 - Mr. Simonson reported that statewide, in a market analysis for all State employee positions, the State was behind what the current market rate was by 9% and so he said that even though we don't know what the HB13 Personnel budget increase was until we get closer to going into Session, we might expect something of up to a 9% biennial budget increase request going to the Legislature for personnel
- 35% of the DOL budget, Mr. Simonson said, primarily came out of the Department of Administration, including Rent, Motor Pool, Supply Costs, Computer Costs and Insurance Costs
- Mike Honeycutt said that the EPP requests were not as many in number as in years past, but that could be because of increases that could be coming that were outside of our control. He said those increases along with cuts in Federal

funding could have put the DOL in a more conservative mindset with regard to how important we feel certain activities were, what might we have to sacrifice. He said we needed to be mindful of knowing we have a cash balance in per capita fee, but we don't want to spend that reserve down too aggressively. And, although he hated to put it out there, Mr. Honeycutt said that each year there was the opportunity for the BOL to increase revenue a little bit through per capita if needed

- Mr. Simonson reported that neither Brands or Central Services had put anything in for EPP requests this time and so everything was on the Animal Health side. He explained that the Governor's Office requested the EPP requests be prioritized by importance
- The first EPP request was for \$75,000 in FY26 and FY27 for software maintenance costs that would be paid for with per capita fee funds. The projection was figured because of a loss of \$40,000 in ADT (Animal Disease Traceability) funds and also an increase of \$40,000 for a new software application in Animal Health
- Dr. Szymanski explained that the ADT cooperative agreement that had historically been received from USDA was about \$140,000 and that with a \$40,000 reduction in the ADT funds, they had scaled out as much of that agreement as they could to get through the year
 - \$35,000 of the ADT funds were used to pay for annual maintenance fees for the current Animal Health software
 - Those funds were also used to pay for a half-time data entry position that did Brucellosis vaccination certificates, Brucellosis test health certificates and entering that data into USAHerds
 - The funds also covered travel to some of the annual meetings such as USAHA, Western States and the USAHerds user group meeting
 - A chunk of the funds helped facilitate the capture of identification and movement data electronically in the field by our accredited Veterinarians either through offsetting the cost of software purchases at livestock markets or to help purchase hardware that made the Veterinarian's job easier, such as printers, laptops used in the field and RFID readers.
- Mike Honeycutt explained that USDA started a bunch of new programs with the big influx of money received from the Inflation Reduction Act, programs that they'd like to continue into the future. But, they were told by Congress to dial spending back and so, he thought that was why we were seeing cuts in the Federal funding
 - It seemed incongruous, Mr. Honeycutt said, that USDA was pushing incentivizing growth of value-added meat processing, but because the call share that had been reliable in the past might not be as much as it used to be, now states were having to pick up a bigger piece of the pie
- Alan Redfield asked the BOL to bear in mind that if there was an ongoing program and they voted to do one-time-only funding for it, when the money ran out you will have put yourself in a real bind
- Mike Honeycutt said that he thought the biggest issue to deal with the EPP requests was that there were things historically paid for with Federal dollars, but

with those Federal dollars not there, even if authority got plussed up, it wouldn't help because the dollars weren't there to spend. He said that was why we were looking for a potential fund source like moving those Federal funds to State funds to make up the gap and keep those programs running

- Brian Simonson said that just with personnel costs, if they're a 4% or 4.5% increase per year, the DOL was looking at dipping into our reserves. He said he was going to be bringing per capita fee increase requests this year to match inflationary things that were happening. Mike Honeycutt said that last year, per capita was raised by 2%
- Mr. Honeycutt said that there would be an inflationary adjustment made by the Legislature, but we'd have to wait and see what they, at the end of the day, would decide to pass. Brian Simonson said that he did not think the DOL would be hearing anything about those adjustments until August
- The DOL did not want to convert funds from Federal to State, Mr. Honeycutt said, but, if that was not done, we'll have a smaller Animal Disease Traceability program in the next biennium than we had in the past because of the gap in Federal funding, which could mean the DOL would no longer be able to offer certain services for stakeholders or not fill some vacant positions
- Brian Simonson said that it looked like IT expenses were going to be upwards of 150% of what they were. He said that there had not been a health insurance premium adjustment for a while. Mike Honeycutt told the BOL that in making the EPP decisions the BOL could take some items off the table, but could not put them back on the table after the deadline and that the Governor transferred the budget to the Legislature on November 15, 2024
- Mike Honeycutt explained that when making decisions about the EPP requests, that if Federal cuts happened and all the Federal authority was spent, the item would get paid from the most abundant and liquid State Special Revenue source the DOL had, which was per capita, and we did not want to do that. On the other hand, he said that if the Federal cuts didn't happen and the BOL had already asked for a plus-up on per capita expecting the ADT cuts, to keep in mind to not spend all the per capita authority given
- Greg Wichman requested that each EPP request be proposed in 10 words or less, listing what the proposal was and where the funding came from
- Alicia Love was requesting 5 additional positions, one being a Supervisor and one an additional Compliance Investigator, to cover anticipated growth within Meat Inspection, primarily in far eastern Montana. Brian Simonson said that because the money to cover those positions was a split with Federal monies, two proposals were given for the request, one was if no Federal funding came in the request was for it to be entirely covered with general fund. But, if the Feds came up with a 50/50 split, the amount of general funds requested would be less
 - Evan Waters reported that the DOL had requested \$1.5 million from the Feds for the next Federal fiscal year, but they gave \$1.2 million. Mike Honeycutt added that the total program was about \$3 million, so the Federal program that was a 50/50 split with the State, was now a 40/60 split and he found it very hard to justify to the Legislature why the State

- should pay to do USDA's work, because the program was completely Federally governed
- Jake Feddes suggested asking for a 70% general fund/30% Federal split so that if more came in from Federal, we would use less general fund than what we had authority for
 - Another EPP request from the Meat, Milk & Egg Inspection Bureau was the switch of a good portion of the milk fee over to general fund, while still charging fees to the milk industry, which, Mr. Honeycutt said, would offset and get that program to the full level of funding that had been appropriated
 - Dr. Greg Juda said that one of his EPP requests was to pull some of the soft costs of the new Lab construction project, one being the Lab case work, at a cost of \$640,000. He said there were also some requests for audio/video equipment for the lab sections, some equipment in necropsy that included a band saw and a custom chopping block table, \$50,000 for office furniture and some of the moving expenses into the new Lab
 - Brian Simonson said that both the Wool Lab and the Department of Agriculture would be helping with the cost of the casework for the new Lab
 - Dr. Juda also requested Operational plus-ups for one of the MVDL's EPP requests. One of those plus-ups would be for additional testing supplies
 - Dr. Juda explained that the Brucella testing kits were more expensive since the primary screening assay was changed from the FP to the RAP, which was more expensive. For the CWD tests kits, Dr. Juda said that \$90,000 to \$100,000 was spent annually, but there was no additional Operational authority to pay for it and so those supplies had been paid out of the added testing fees brought in. Mike Honeycutt reported that the MVDL had shown they could consistently bring in about \$1.5 million in fees every year
 - Brian Simonson said that every year, Evan Waters did a BCD to bring in about \$300,000 of the revenue into authority for the Lab Supply expenses. Dr. Juda said that rather than spending all of their testing fees on supplies, he was trying to plus-up the base budget so that those excess fees could be spent on things like a Milk instrument that needed to be replaced
 - Dr. Juda said that another part of his EPP request was for the service contracts that the MVDL paid for instrumentation, which had increased from five years ago by about \$100,000. He said just for the MALDI, the service contract was \$29,000/year, for the Serology plate readers used in the Brucella program, that service contract was another \$15,000/year, plus additional costs for the newer instrumentation being brought into the MVDL
 - Brian Simonson said that despite the fact that the MVDL was doing very well at replacing capital, they were not in a place to be stashing excess revenue for capital replacement and there were goals of building reserves in the proprietary lab fees for capital replacement
 - Mike Honeycutt explained that for the last 8-9 years there had been mostly an authority problem in the MVDL because the cash reserves had been there to pay for things. HB3 was a mechanism that could be used if there

was an emergency need to ask for additional authority against the DOL's cash

- Dr. Juda said that the equipment asked for in this EPP request was limited to the chemistry analyzer that had been failing on a regular basis and two Milk Lab instruments, along with the Necropsy bandsaw and the Necropsy custom chopping block mentioned earlier. He said they were trying to limit requests to “need to haves” and not “nice to haves”
- It was decided that none of the EPP requests presented were Nos, and it was requested that the Bureaus prioritize their requests
- Gene Curry requested that with agreement made with the Milk people a month earlier, that the request to the Legislature for general fund money to supplement their budget shortfall be pretty close to the top of the priority list
 - Alan Redfield agreed, saying that we committed to support that and he felt that should be the number one priority adding that it should be presented that milk testing was a human health issue and that general fund should be paying for it
- Dr. Tahnee Szymanski said that of her two EPP requests, she would prioritize the ADT request of the anticipated new cost of maintaining the new Animal Health software first and the Veterinary position second
- Alan Redfield suggested that for Alicia Love's request for five additional FTEs in the Meat area of the DOL, that it wouldn't hurt to request 100% general fund monies but to have a 70% general fund/30% Federal fund plan ready in case the other wasn't accepted. Brian Simonson agreed with that suggestion
 - Mr. Redfield said that he did not have a concern that the Legislators would be listening because 50% to 60% of them would be new people who didn't have time to listen to the BOL meeting because they were too busy trying to run for office
- Jake Feddes commented that Dr. Greg Juda's EPP request was \$1.4 million of the \$3 million request from the DOL
 - Dr. Greg Juda said that the new Lab casework would be his top priority. The instrumentation for the Milk Lab would be second. The third priority would be the Operational plus-ups with the Lab fee funding source
- The BOL decided that the final order of priorities for the DOL EPP requests would be as follows
 - (1) Milk Inspection: Move \$278,550 of authority in FY 2026 and FY 2027 from State Special Revenue to General Fund
 - (2) MVDL: \$863,048 in FY 2026 one-time-only State Special Revenue funding for new Lab casework, lab equipment, A/V conferencing equipment, office furnishings and moving expenses
 - (3) Meat Inspection: \$599,644 in FY 2026 and FY 2027 of General Fund for five additional Meat & Poultry Inspector FTEs, one Meat Inspection Supervisor, one Compliance Investigator and one additional Relief Inspector
 - (4) Meat Inspection: \$299,822 in FY 2026 and FY 2027 of General Fund and \$299,822 in FY 2026 and FY 2027 of Federal Special Revenue for five additional Meat & Poultry Inspector FTEs, one Meat Inspection

Supervisor, one Compliance Investigator and one additional Relief Inspector

- (5) Milk Lab: \$200,400 in FY 2026 one-time-only General Fund to replace two Grade A Milk Laboratory instruments
- (6) Animal Health: \$75,000 in FY 2026 and FY 2027 of State Special Revenue to fund the annual maintenance contract for Animal Health software application
- (7) Animal Health: \$136,013 in FY 2026 and FY 2027 of authority from Federal Special Revenue to State Special Revenue to fund the Emergency Preparedness Program Veterinarian FTE
- (8) MVDL: \$310,000 in FY 2026 and \$310,000 in FY 2027 of additional authority in the Operational budget for additional testing supplies, equipment and service agreements

MOTION/VOTE

(3:14:53) 11:30 AM

Alan Redfield moved that the EPP Requests discussed be presented to the Governor in the priority order that had been decided by the BOL. Jake Feddes seconded. The motion passed.

CENTRALIZED SERVICES DIVISION REPORTS

(3:15:54) 11:32 AM

(3:15:54) 11:32 AM – FISCAL BUREAU

Brian Simonson, Chief Financial Officer, introduced himself

(3:15:59) 11:33 AM Per Capita Fee Collections Update

Brian Simonson said that there wasn't a lot of change in this report from the previous month, and that he wanted to thank Evan Waters for the report:

- Mr. Simonson said that the reported and the reports from last month were within 3% of what they were the previous year and that the \$4,549,700 amount paid was 95% of the total
- Jake Feddes said it was interesting that the DOL was almost 300 reporters less but had 22,000 more cattle reported
- William Kleinsasser explained that there were seven barns that depopulated and they're remodeling or building new, and so that had a lot to do with the decreased number of swine in the report, which was around a 5,000 decrease

(3:21:53) 11:37 AM April 30, 2024 State Special Revenue Report

Brian Simonson said that this report contained 9-10 months' worth of revenue, with 75%-83% realized to date for this fiscal year:

- Mr. Simonson reported that Market Inspection Fees took a hit and were at \$103,249, with that being a timing issue, Jay Bodner, Evan Waters and himself concluding. Mr. Simonson expected that number to improve next month
- With collections of \$1.6 million in March and \$4 million in April, Mr. Simonson said that Per Capita Fee numbers were right where they needed to be. He said

to expect that number to drastically reduce going forward because of the timing of when people were paying their bills

- The Milk Inspection Assessment collected year-to-date was \$233,791, which was 82% of what was expected to be collected for the year
- The Egg Grading numbers were coming in as expected, Mr. Simonson said
- The Lab was tracking for meeting their budget expectations, showing \$22,430 over this time last year even though they were about a month behind all the other revenue projections
- The Wolf Mitigation Donation Fund, collected by FWP, was up to \$94,603 with \$37,000 being collected in April

(3:25:05) 11:41 AM May 2024 Through June 2024 Budget Projections Report

Brian Simonson reported on the latest budget projections in the DOL:

- Mr. Simonson reported that all programs were contributing pretty well to the \$486,097 excess budget authority projections for the year and that a number of big vacancies, including the vacant Assistant State Veterinarian position were contributing to that number
- Brian Simonson said that the \$107,521 overtime number was driven by October and people learning to operate the new software efficiently at the markets. He added that the expenditures per month had come way down since Fall Run, but vacancies also played a part in that
 - Jay Bodner said that during Fall Run you could never really fully staff those sales, which many times were 2-3 times a week, with enough people to not have overtime. But then, during the summer months there was a pretty significant lag time and that was just the nature of how the markets operated
 - Mike Honeycutt pointed out that for the month of April, the overtime was \$25,000 less than the previous April. Jay Bodner said that the markets were overstaffed early on in the Fall Run season, but there were still pretty good numbers running through the markets currently, and he wasn't sure where all those cattle were coming from
 - Jake Feddes commented that Brands had come to the BOL over the past year numerous times with requests to hire and he questioned whether some of the overtime could be due to not just the new software but also to staff shortages because he said he didn't believe all of that would be due to just having software issues
 - Jay Bodner admitted that early on in the software system implementation, overtime hours were much higher due to learning the system, but he had gotten word from market staff saying that this system actually worked better than the old system
 - Mike Honeycutt said that in reviewing overtime from the fall, he said there were a lot of sale days, and so, coming off a holiday, staff might work on Monday 8-10 hours, preparing for the Tuesday sale and might get paid for 20 hours

- Brian Simonson reported that Personal Services were looking really strong with a \$475,000 number and Contracts, showing a \$237,000 number had been accounted for and talked about numerous times
- The general fund in the DSA was showing about \$72,000 in excess of their budget because of less testing going on there, Mr. Simonson said
- Mr. Simonson explained that the \$86,000 in Rent was because Meat & Poultry got an \$82,000 budget amendment, additional funding, making that number look good
- Total Operations were holding strong, Mr. Simonson said, showing \$361,597, and maintaining that figure over the last few months
- The General Fund figure of \$255,794 in the Budgeted Funds numbers was almost all in the DSA
- The \$286,686 deficit figure for the Diagnostic Lab Fees under Budgeted Funds had been talked about before Mr. Simonson said
- The total Budgeted Funds number of \$836,546, Mr. Simonson said, grew \$87,000 since the end of April

(3:37:21) 11:53 AM April 30, 2024 Budget Comparison Report

Brian Simonson reported on the April 30, 2024 Budget Comparison Report:

- Mr. Simonson said that the Personal Services budget was 77% expended with 81% of the payroll complete and Operations were 73% expended with 75% of the budget year lapsed
- There was a \$428,000 extra payroll cycle for this month, Mr. Simonson explained, and so that \$906,000 number would be cut in half the next month when the payroll cycles caught up to each other
- Under Transfers, Mr. Simonson said that the \$255,969 was a big mover because \$208,000 had been transferred due to elk collaring payments being paid last month
- Mr. Simonson said that intangible assets grew \$250,000 since last month because of the HB10 spending on Google AI, but those were budgeted

(3:40:14) 11:56 AM PREDATOR CONTROL

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

Dalin Tidwell, State Director for USDA Wildlife Services, introduced himself saying that he wanted to update the BOL on where we left off at the last meeting:

- Mr. Tidwell reported that he had an opportunity to meet with FWP lawyers and leadership to clarify some of the details of the judge’s injunction on the wolf trapping outside the recreational season
 - Wildlife Services was covered under Section 7 Consultation with US Fish & Wildlife, Mr. Tidwell said, which basically analyzed all the work they did as it related to endangered species. He said in this case, it was the impact wolf trapping would have on the grizzly bear
 - Mr. Tidwell said that through biological opinion and through analysis on the grizzly bear, we were able to comfortably say that Wildlife Services was under a consultation exemption that basically allowed them to

continue their business as usual, working with wolves to continue to trap for livestock depredations and also assist FWP with their collaring effort for the Wolf Management Monitoring Program

- Mr. Tidwell reported on Wildlife Services Investigation Reports saying that there had been only three confirmed or probable investigations for black bear so far this spring. Most grizzly bear investigations were up in the Glacier County area and there were 24 confirmed probable and then 8 or more that were not grizzly bear, but other causes. Wolf investigations were 17 so far and then 3 that were not wolf or something else. Mountain lion investigation were up to 25.
 - Nearly 8,000 coyotes had to be dealt with this year, a fairly standard number for a given year, Mr. Tidwell said
- Wildlife Services, Mr. Tidwell said, hosted the first national Wolf Workshop on May 6-10, 2024, which he said was a huge success. Wolf Specialists and Supervisors from 12 different states attended with a total of 30 attendees
 - Along with networking with each other, Mr. Tidwell said that they discussed the history of the State programs, individual differences in their livestock loss investigation requirements, processes and challenges. Topics regarding falsely-claimed livestock kills and non-predator livestock deaths were covered and panel discussions occurred, concerning pressure on Investigators and what it took to do an investigation, integrated tools used, including some of the non-lethal options that were still out there and available and wolf-collaring efforts. There was even a trapping demonstration
 - Mr. Tidwell said it was an honor for Montana to be looked to as the leader of the Wolf Management Programs across Wildlife Services and that many states were looking to Montana to follow suit and understand how we work and how well it works in Montana
- Regarding the high prevalence of bears along the Front area of the state, Mr. Tidwell said that might be because of the location of calving pastures. He said that the numbers start bumping up in the Gravellies later in the summer when cattle were turned out on grass in the higher country
 - Gene Curry said that the bears were moving and they had numerous bears already, and even though they hadn't had any loss yet, their neighbors had found dead animals. They were unsure if it was a wolf or a bear, and because they were unsure, they didn't want to waste somebody's time, especially if it turned up inconclusive. Mr. Tidwell said that there were a lot of times that it was hard to make a confirmed determination, but he would still encourage anyone to call because even if all that was left was the hide or the skull and spine, there was still quite a bit of opportunity to make a determination
 - Nina Baucus shared a story about a time when she was able to go with Jim Stevens to a depredation that had taken place on the East Front. She said all that was left was a piece of calf hide, 18 inches by 2 feet, and he was able to determine that the wolves killed the calf but the grizzly ate it
- Mr. Tidwell explained that FWP is the one who handled calls involving human health and safety where black or grizzly bears were breaking into houses and

that typically, Wildlife Services did not hear about those instances when it did not involve livestock

- Wildlife Services was fully staffed with pilots for both the helicopters and planes, Mr. Tidwell reported, adding that they had excellent dual-rated pilots who could fly both helicopter and fixed-wing
- Mr. Tidwell explained that there were three DOL helicopters: two Jet Rangers, one housed in Billings, one housed in Turner and then an MD500 helicopter that was just recently switched from being housed in Helena to being housed in Billings. He said that there was also a Federally-owned helicopter that was housed in Helena for its performance capabilities of being higher horsepower and able to do a lot of that higher elevation wolf work and it was able to high hover in the tall, dark timber areas
- Mr. Tidwell expressed his appreciation of the BOL and DOL and their working relationship with Wildlife Services

(3:58:35) 12:14 PM LLB PREDATION CLAIMS REPORT AND GENERAL UPDATES

George Edwards, Executive Director with the Montana LLB introduced himself and updated the BOL on the activities of the Livestock Loss Board:

- Mr. Edwards said that last year was an anomaly for predation claims, but that they were coming in at a steady rate now. He said that the report the BOL had was from two weeks ago and it showed 26 head and that number had already jumped to 35 head and that he still had to pick up the mail today
- Grant applications for Loss Prevention Projects were due at the end of this week, Mr. Edwards reported, and there was still quite a bit of money left this year for those projects. Currently, he said, he had only two applications, but, he expected a bunch of them yet to come
- Grants were set to be awarded, Mr. Edwards said, during their June meeting. He said no date had been set yet for that meeting, but, it would be at the end of June. If there was still a lot of grant money left after the June meeting, Mr. Edwards said they would potentially award more during their fall meeting with a second round of grants
- Mr. Edwards explained that the Loss Prevention Projects grants could be used for hiring a person to specifically stay with livestock and that their duties would be totally loss prevention. He said the grants could also be used for electric fencing that have to be focused on grizzly bears, mountain lions and wolves. If someone wanted to buy an extra guard dog and dog food for it, the grants could be used for that. If somebody wanted to start a carcass program, they could do that with the grant money. Mr. Edwards aid that the board was also open to new ideas

(4:03:36) 12:19 PM LUNCH

(4:03:44) 1:05 PM RECONVENE

Gene Curry called the meeting back to order

ANIMAL HEALTH & FOOD SAFETY DIVISION REPORTS

(4:04:24) 1:06 PM

(4:04:25) 1:06 PM – MEAT, MILK & EGG INSPECTION BUREAU

Alicia Love, Bureau Chief for the Meat, Milk & Egg Inspection Bureau, introduced herself

(4:04:41) 1:06 PM General Updates

(4:04:41) 1:06 PM Update and Overview from the Western Milk Conference

Alicia Love thanked the BOL for allowing her and two Sanitarians to travel in April to a Western Milk Seminar:

- Ms. Love said that the April seminar was the first Western Milk Conference seminar held since COVID
- High topic items covered during the conference were:
 - Case study on sanitizers being found in manufactured dairy products and what regulators could do during the course of an inspection to help prevent that
 - Discussion on microplastics in dairy products
 - Ms. Love said that the discussion on Highly Pathogenic Avian Influenza in dairy was cancelled due to the case in Texas and the FDA declined to provide additional commentary on the human worker until their investigation was concluded
 - Ms. Love said that the conference was an opportunity for folks to put forth proposed changes to the Pasteurized Milk Ordinance (PMO)

There was general discussion by the BOL regarding the Meat program:

- The amount of money Ms. Love requested in her EPP request, she felt, was a pretty assertive amount of growth for her program, but she said with the growth they saw the last two years, she thought it was a good indicator of what the next two years would look like in meat industry and she was uncertain of a cap being reached
- Last Legislative Session, Ms. Love reported that there were 24 establishments that were expressing interest in State inspection, and of those, six or seven of them actually got to State inspection, the others initially expressing a lot of interest but then maybe realizing the expense, the staffing and process of coming to that point
- Ms. Love said that right now, they were sitting on about 22 CIS applications and she hoped that plants would get through the CIS process because that was a guarantee of a 60% reimbursement instead of an “up to 50%” reimbursement

(4:09:07) 1:10 PM Progress on Potential Plants

Alicia Love reported on the progress of new plant growth since the last BOL meeting:

- Ms. Love said that they had one plant in Big Timber that manufactured soup come into State inspection since the last BOL meeting. She added that a Sidney

plant and a Glendive plant were still working towards State Inspection. One plant in Malta received some Federal grant money and was anticipating to be ready by late summer. A plant in Eureka was interested in being under State inspection and would be ready in about August, Ms. Love said

- Ms. Love said that the Big Timber plant had been slotted to go to Federal inspection and after being told it would take a year to get a Federal Inspector, the State took about a month to get them under State inspection
- Jake Feddes said there was some Federal grant funding right now for meat stuff, but he didn't think there was any State grant money for plants. He explained that there were three or four different levels of funding for the Federal grants, full-funded ones that were maxed to like \$250,000, or 50% cost-share ones that you could go up to \$1.5 million. Some were to replace older equipment and some for new facilities, some for expansion or remodeling
- Ms. Love reported that she had seen recently that if you received a grant with USDA funding, it did not require you try to attain USDA inspection, but it was said CIS and even State inspection, so they really opened the floodgates to everything except for custom processing

(4:15:30) 1:17 PM Status Updates on E.coli Letter Sent to Establishments May 13, 2024

Alicia Love updated the BOL on the status of the E.coli letter sent in May to all State-inspected facilities that had been discussed at the last BOL meeting:

- The deadline for the Meat Inspection crew to have their weekly meetings about the letter was the previous Friday. One plant missed the deadline but Ms. Love thought they received their meeting this morning regarding the letter, which meant that everyone had been notified in two different ways of the E.coli sampling requirements set to start in June
- Ms. Love reported that she had not received any angry emails or phone calls regarding the letter

(4:16:18) 1:18 PM Updates to Grade B Administrative Rules

Alicia Love explained that she had given the BOL a lengthy document requesting to update the Grade B Rules for Dairy:

- Ms. Love explained that in the regulations, some of the sampling and Animal Health components were outdated compared to other states, and that by updating these rules, it would align Montana with what we were seeing nationwide
- In the state of Montana, Ms. Love explained, there were some vertically integrated dairies and there was one facility that would be considered a "pending" Grade B establishment but they were working on getting their business model sorted out
- There were two new rules listed
 - "Finished Product Testing and Requirements"
 - "Frozen Dairy Desserts"

- New language had been added to ARM 32.9.101, "Definitions and Adoption of Milk for Manufacturing Purposes and its Production and Processing"
- Amendments were made to ARM 32.9.103, "Licensing of Persons Engaged in Production of Milk for Manufacturing Purposes"
 - Mike Honeycutt explained that the term "small dairy" defined in MCA 81-22-101 pertained to raw milk and was called a small dairy exemption and was limited to five lactating cows or 10 lactating sheep or goats
- Amendments were made to ARM 32.9.104, "Plant Licensing"
- Additions were made to ARM 32.9.105, "Supervision," ARM 32.9.201, "Quality Requirements," and ARM 32.9.206, "Duty of Plant to Reject Milk"
- Alicia Love expressed her thanks to Dr. Tahnee Szymanski for her help in the ARM 32.9.301, "Dairy Animal Health" rule
- Proposed amendments were made to these rules:
 - ARM 32.9.302, "Milking Facility and Housing,"
 - ARM 32.9.303, "Milking Procedures,"
 - ARM 32.9.304, "Milkhouse or Milkroom,"
 - ARM 32.9.305, "Utensils and Equipment,"
 - ARM 32.9.306, "Water Supply and Waste Disposal,"
 - ARM 32.9.411, "Water Facilities,"
 - ARM 32.9.429, "Test Record-Keeping Requirements"
- Several rules were proposed to be repealed:
 - ARM 32.9.204,
 - ARM 32.9.208 – ARM 32.9.209,
 - ARM 32.9.401 – ARM 32.9.409,
 - ARM 32.9.412 – ARM 32.9.428,
 - ARM 32.9.430 – ARM 32.9.431,
 - ARM 32.9.501 – ARM 32.9.508,
 - ARM 32.9.601 – ARM 32.9.606,
 - ARM 32.9.701- ARM 32.9.707,
 - ARM 32.9.801 – ARM 32.9.802
- Ms. Love shared that it was her understanding in talking with her Sanitarians, that this rule change process had been about a six-year project of looking at what other states were doing and looking at some of the rules that could have been written a little better the first time around

MOTION/VOTE

(4:26:45) 1:28 PM

Alan Redfield moved to adopt the two new proposed rules listed in MAR Notice 32-22-327, "Grade B" administrative rules, regarding Finished Product Requirements and Frozen Dairy Desserts, as indicated in the handouts from Alicia Love. William Kleinsasser seconded. The motion passed.

MOTION/VOTE

(4:27:32) 1:29 PM

Jake Feddes moved to accept the proposed rule changes listed in MAR Notice 32-

22-327, “Grade B” administrative rules, as indicated in the handouts from Alicia Love. Greg Wichman seconded. The motion passed.

MOTION/VOTE

(4:28:08) 1:30 PM

Nina Baucus moved to repeal the rule changes listed in MAR Notice 32-22-327, “Grade B” administrative rules, as indicated in the handouts from Alicia Love. Lily Andersen seconded. The motion passed.

There was a general discussion regarding activities in the Meat area of the DOL:

- Alicia Love said that the Area Supervisors and herself had a lengthy meeting with Dr. Tahnee Szymanski regarding the Human Slaughter Act and custom exempt establishments. She said that she is hoping to get a letter sent out this week to custom processors, to producers doing slaughter and to Extension offices, that would inform them of regulations that had been in place regarding the sanitary and Humane Slaughter requirements for custom slaughter
 - Ms. Love said that custom plants were inspected twice a year and she said her deadline for Inspectors to do their first inspection was by June 30th and their second inspection by December 31st. She said that if slaughter was not seen during the first inspection of custom plants, the Inspectors were expected to contact the facility and make arrangements to see slaughter during their second visit. Also, Ms. Love said that if her staff found significant structural nonconformities, that on a case-by-case basis, they would work to have a corrective action plan made with the establishment for them to come back into regulatory compliance
 - A County Attorney contacted the DOL and asked Ms. Love what the new rules were, but she clarified to him that the rules weren't new ones, but it was the DOL enforcing the ones already in place. Ms. Love shared that the previous week, she had also received some really good questions from producers and processors at the Mountain Meat Summit, hosted by MSU regarding the custom exempt regulations. She added that the regulations not only were there for brick and mortar establishments, but applied to those who did farm kills as well
- Ms. Love explained that MSU had a Grant of Inspection for the DOL for their Meat Lab but the Food Service at the University was done by their own Sanitarian
- Regarding Fair-time slaughter, Ms. Love said that she had been in communication with some of her Extension contacts to clarify the slaughter/inspection situation and that she had ambitious hopes of getting communication out about a month ago to 4-H groups but that she had failed in her deadline on doing that. But, some strides had been made towards getting communication out to those groups and she said she had folks who said they were willing to help with that. Ms. Love added that to safeguard their workload, she told establishments that she would not approve anything until they got to 60 days before so she was not committing to more than what she had

- Ms. Love explained that the breakdown seemed to occur when people that purchased the 4-H animals during the Fair seemed to think they needed it inspected and so her plan was to provide an informational handout or perhaps post a sign at the sales informing buyers that if you buy this animal and you're taking it home to put in your freezer it didn't have to have an inspection

(4:42:06) 1:44 PM - VETERINARY DIAGNOSTIC LABORATORY

Dr. Greg Juda, Director of the Montana Veterinary Diagnostic Lab in Bozeman, introduced himself to the BOL

(4:43:30) 1:45 PM FY24 NAHLN Funding Pool and Financial Plan

Dr. Greg Juda explained that the FY24 NAHLN Funding Pool and Financial Plan was really for the DOL's FY25, as the Federal fiscal year ran from October to September:

- Dr. Juda reported that since the last BOL meeting, the MVDL would be receiving an annual funding amount and grant in the amount of \$150,000 from NAHLN, the same as the previous year. In addition to that amount, there was another award from NAHLN, a supplemental non-competitive Farm Bill funding, in the amount of \$106,300
- There were 10 days given by NAHLN, Dr. Juda said, to submit a financial plan to their program office on how the money was proposed to be spent. Although the May 17, 2024 deadline date for sending that plan was met by the MVDL, they were waiting to hear whether or not their financial plan was approved
- Dr. Juda explained that the rule of thumb regarding what was a NAHLN-eligible expense was, whether it was used in support of NAHLN and their mission. He said that anything under \$5,000, even if it was equipment, was considered a supply. Any supply item that the MVDL would be reimbursed for, such as supplies used for testing that would then be billed to USDA, those were not NAHLN-eligible
- Other items that would be NAHLN eligible Dr. Juda said, were to supplement salaries for Molecular Diagnostic Lab Technicians, because of that Lab section being so involved in NAHLN-scope diseases. Some of the travel budget could be supplemented by NAHLN funding, if it was related to regulatory educational purposes and some equipment
- Dr. Juda highlighted some of the items the FY24 NAHLN funding pool would be used for:
 - \$40,000 for CWD test kits
 - A tissue trimming station and a necropsy band saw
 - Dr. Juda said that he pulled these items from the EPP requests and put them into the NAHLN budget as it supports Pathology services and should be NAHLN-eligible
 - \$85,000 of the NAHLN funding was put into service contracts for NAHLN-scope testing instruments, something that had been done for the past three years
- Dr. Juda said that over half of the \$1 million ARP request was used for the incinerator in the new Lab, at a price tag of \$555,000 if it was delivered before September 1, 2025 or \$575,000 if it was delivered after that date. Some other

line items that utilized the ARP funding were the high-density storage lockers, coming in at a price tag of around \$140,000, along with some refrigerated evidence lockers for night drops

- There was a \$25,000 equipment verification fee added to the EPP request, Dr. Juda said, that would cover recalibration of the MVDL equipment after moving into the new Lab

(5:02:14) 2:04 PM 2024 Farm Bill Grant Funding

Dr. Greg Juda reported that the Farm Bill funding had been broken in two buckets by USDA:

- Dr. Juda said that the \$106,000 in one bucket was a non-competitive Farm Bill funding that went to all Labs. The competitive bucket of Farm Bill funding had to be applied for and the MVDL was one of the labs whose proposal was accepted for that funding and received nearly \$171,000
 - The other labs receiving that Farm Bill grant were in South Dakota, Arizona, Connecticut, Maryland and Wyoming with the common theme of all using the same LIMS system called VADDS, which was a mobile app that Veterinarians could use in the field to submit animal ID, premise ID, addresses, owners in a standardized format to Labs
 - Dr. Juda explained that a large part of the funding went to the development work and didn't go directly to the labs, because this was a computer software development project that Montana was taking the lead on. But, the labs would receive a week of vendor time to implement it at the local level within our systems and get the interface up and running
- Dr. Juda reminded the BOL that there had been a previous Farm Bill grant received that was a collaboration between the MVDL, the University of Illinois and South Dakota that was largely around development of electronic worksheets for use from a mobile device or a laptop in the field and he hoped that in executing these grants, that the MVDL would be seen in a more favorable light by NAHLN because of developing a track record of being able to execute grant dollars given
 - Only a handful of clients, Dr. Juda said, submitted electronically through a lab portal, but, South Dakota had expressed that their desire would be to go all electronic and in four years were able to convert 40% of their submissions to electronic. He added that the MVDL still had submissions made on forms from 1982 with carbon copy tear-offs
- Jake Feddes commented that it only made sense to push our Veterinarians and everybody else to submit electronically because it created a better history of what was coming in and if there was a disease outbreak, it would be huge for the speed and recordkeeping
- Nina Baucus expressed the importance of making this new Lab something that everyone in this state and Wyoming and Idaho and others would want to send their stuff to be tested
- Jake Feddes said that with Montana taking the lead on the Farm Bill project and with Dalin Tidwell earlier commenting that other states were looking to Montana

for their wolf management, he was pleased that Montana was getting some recognition for what we were doing and he said, “good job”

(5:15:54) 2:17 PM – ANIMAL HEALTH BUREAU

Dr. Tahnee Szymanski, Animal Health and Food Safety Division and State Veterinarian, introduced herself

(5:15:54) 2:17 PM Request to Initiate Public Rulemaking Regarding State Indemnity

Dr. Tahnee Szymanski said that the BOL had already seen this proposed language change a couple meetings ago, saying she had added a new section of language to an administrative rule that outlined the indemnity process in Montana after changes were made to statute in the 2023 Legislative Session:

- Dr. Szymanski said that there also was a section of the rule in the Brucellosis area that was repealed and the new section would be moved forward into the general reportable diseases section that were eligible for indemnity. She added that repeal had already been moved on by the BOL

MOTION/VOTE

(5:19:18) 2:22 PM

Nina Baucus moved to accept a new section of administrative rule (ARM 32.3.124?) outlining the indemnity process here in Montana after the changes to MCA 81-2-201, were made during the 2023 Legislature and that be moved forward for rulemaking, as presented by Dr. Tahnee Szymanski. William Kleinsasser seconded. The motion passed.

(5:20:47) 2:22 PM Disease Updates

Dr. Tahnee Szymanski said she had some quick disease updates to give to the BOL

(5:20:50) 2:22 PM Brucellosis Update

Dr. Tahnee Szymanski reported on the 2023 Madison County affected herd and updated the BOL on other Brucellosis activities in the state:

- Dr. Szymanski said that the Madison County affected herd had completed all of their post-calving testing. All the animals were negative and were slated for release from quarantine. She added that they would do an inventory reconciliation to assure that all of the population had the appropriate testing and that should be completed by the end of the day
- A slaughter trace on a bison a couple weeks previous had been traced back to Teton County, Dr. Szymanski said. That herd should undergo a whole herd test this Fall
 - Dr. Szymanski said that Dr. De Groot had been working with the producer and that person had excellent records and history. She added that there was nothing in the herd history that had been collected that suggested there should be a risk of those animals having been exposed to Brucellosis, but, because that couldn't be ruled out, that animal was slaughtered and then the rest of the herd would be looked at as well

- Mike Honeycutt reminded the BOL that in collecting information from a slaughter plant, if they were one ID off, that could drastically change the result because if the plant messed up, it could mean that animal might be from somewhere else, but, we work with the information that was given to us from the plant
- As had been previously communicated, Dr. Szymanski said that a bull imported into Montana to one of our CSS facilities came up with a non-negative Brucellosis test, underwent a 30-day retesting and came up negative. There was some additional ancillary testing done that was not required, but done mostly to give some peace of mind for that animal to potentially stay in the CSS facility. That animal had been released
- Several months ago, there was a Custer County slaughter trace. Dr. Szymanski said that they were allowed to complete their herd test over a period of time and that had just been completed on their bulls and all of their Spring cull cows. All were negative. The herd test would be done in the Fall at pregnancy testing time
- Dr. Szymanski reported that Dr. De Groot would be attending the Western District USAHA meeting next week. She said that the North Central USAHA Annual Meeting had been the previous week and that it had been shared with her from that meeting that a gentleman from USDA-ARS said that they might have to abandon either Brucellosis or TB research because of lack of funding and that they had already cut their number of scientists from 50 to 43 to accommodate the inflationary costs
- Right now, Dr. Szymanski said, the research being done at USDA-ARS was in regard to diagnostic methods as she didn't believe since Jack Ryan retired from USDA that there was anybody actively working on vaccination research. She said that type of research required a large number of animals in a confined setting and that was difficult to do with select agent regulations still in place in regard to Brucellosis
- Dr. Szymanski said that if Brucellosis was successfully delisted this year it would substantially open up opportunities for what type of research could be completed in the U.S. She said that she was not certain what type of Brucellosis background the individual coming to the lab at MSU had

(5:29:07) 2:31 PM CWD Update (Non-Agenda Item)

Although it wasn't on the agenda, Dr. Tahnee Szymanski said she was going to insert a brief update on CWD:

- Dr. Szymanski reported that previously, an Eastern Montana producer had shipped a group of elk to Utah and that some of those animals in Utah had since died and tested positive for CWD. She said laboratory findings suggested that the animals were infected before they left Montana
 - Because Utah was not a herd-certification program state, Dr. Szymanski said it had been a waiting game trying to figure out how to navigate the situation and what to do with our Montana producer. However, just three weeks ago, the producer had a cow elk die that tested positive for CWD and so that confirmed that it was, in fact, Montana animals that were tested positive in Utah

- That finding of CWD in Montana animals meant that there was now a newly affected CWD alternative livestock producer in Montana in an area of the state considered endemic for CWD in wildlife
- Dr. Szymanski reported that the last time a new animal had been brought into this herd was around seven years ago and it was a bull that had been recently sent to a shooting facility in Colorado and had a negative test. This, Dr. Szymanski said, probably mean it was some sort of local introduction because of the presence of CWD in wildlife outside the fence
- Montana, Dr. Szymanski reported, is a participating state in the Herd Certification Program where regulations exceed USDA standards for alternative animals. She said that all mortalities in the state must be tested, which meant that this producer had animals tested for 20+ years and the last time they had tested because of mortalities was because of two mortalities last year and both of those tested negative
 - CWD, just like Scrapies, Dr. Szymanski said, could manifest relatively quickly in an animal that was genetically susceptible with the genotype that made them more susceptible
- Dr. Szymanski said the entire elk herd would eventually be depopulated, but it would probably take 12 months to accomplish that because of timing of when it was easiest to handle them, meaning that the bull elk would be out of rut and the cow elk would finish calving before they were depopulated
 - This would be the third herd depopulated because of CWD in the entire time she had been with the DOL, Dr. Szymanski reported, and one of the producers had no desire to come back into the industry and the second still maintained their license but had not returned to the industry
- What was currently being looked at pretty closely for source of infection, Dr. Szymanski said, was hay sources. If infected wildlife grazed and urinated on hay ground, it had been shown that plants could take the CWD organism up into the plant during growth and if fed to susceptible species, the CWD could be spread

(5:37:53) 2:39 PM HPAI Update

Dr. Tahnee Szymanski reported on High Path Avian Influenza, specifically as it related to dairy cattle:

- HPAI had been found in dairy cattle in 63 premises, covering nine states, Dr. Szymanski said, adding that USDA had put a Federal order in place requiring that lactating animals moving across state lines, except for direct-to-slaughter, had to have a negative test
- As of last week, Dr. Szymanski reported that USDA was looking at rolling out a voluntary monitored herd program where dairy herds could participate by doing weekly bulk tank sampling. And then, after three weeks of negative bulk tank samples, they would be able to freely move animals without having to go through pre-movement testing. She thought that there was some Federal money available to herds that chose to participate and developed biosecurity plans where workers utilized PPE in the parlor area or those who worked around live animals

- FSA, Dr. Szymanski said, would pay affected-herd producers to help offset some of their loss due to decreased milk production. She said that there was a lingering question of what was the safety of raw milk that contained HPAI, but, if any of the virus was present in meat tissue, when it was cooked, it was inactivated
- Dr. Szymanski reported that even though very few beef cattle were testing for HPAI, milk samples that had been submitted on two beef cattle were tested. She added that they were trying to limit any testing of non-dairy species to animals that had compatible clinical signs
- Mike Honeycutt said that animals eligible for indemnity payments, as outlined in code included cattle, domestic bison, sheep, goat, swine, alternative livestock and poultry. And the diseases for animals eligible for indemnity included foreign animal diseases as classified by USDA, Bovine Tuberculosis, Brucellosis and CWD
- Dr. Szymanski said that because HPAI was an emerging disease event in dairy cattle, she said that if someone wanted to depopulate their dairy herd instead of dealing with the disease, there was no Federal indemnity made available to them

(5:45:42) 2:47 PM NADPREP (National Animal Disease Preparedness and Response Program) Grant Award

Dr. Tahnee Szymanski reported on a NADPREP grant received by Animal Health:

- Dr. Szymanski reported that the \$88,000 grant received was to develop a communication plan for the State of Montana as it pertained to how we would administer a stop movement if ASF or FMD was detected in the United States. She added that USDA had said there would be, at a minimum, a 72-hour stop movement if such an event occurred
- Dr. Szymanski said that the plan was to hold a series of meetings around the state during the next year to year and a half to discuss different components of a stop movement, with that culminating in a tabletop exercise and testing of that plan. MSGA had reached out and talked about an interest in working with the DOL on this, a collaboration of the DOL and industry
- Not all states agreed with what a stop movement would look like, Dr. Szymanski said. USDA guidance said if there was a stop movement initiated, that animals already in transit should continue to their destination. She said some states, however, might execute regulations more strict than the USDA stop movement orders and not let those in-transit shipments enter their state
- Nina Baucus commented that if a stop movement occurred, that cattle were not the big problem with facilities to hold them, but there was no livestock facility in the state that would hold little piggies. Dr. Szymanski said by producers utilizing the Secure Pork Supply Plan, the hope was that those certified swine would be able to get back on the road faster. Mike Honeycutt added that was why industry involvement with the Secure Pork Supply Plan, the Secure Beef Supply Plan, the Secure Milk Supply Plan or the poultry industry was so critically important
- Mike Honeycutt expressed concern that USDA, at the national level, could allow animal shipments during some disease outbreak in the nation, but what was missing in the conversation was what individual states had the power to do. He

stressed the importance of how the industry reacted because in most states, the power of the individual states was in the hands of the producers

(5:55:05) 2:57 PM Western States Agriculture Resilience Partnership (WSARP)

Dr. Tahnee Szymanski reported on the Western States Agriculture Resilience Partnership:

- Washington State University had received money during the last funding cycle to develop a regional, agricultural partnership
 - Dr. Szymanski said that the WSARP name was a tentative one, but was a collaboration of 17 Western states to develop training that could be shared among the states to develop preparedness standards that states could work towards and maybe, down the road, share some resources if there was some sort of disease outbreak in any of those states to help contain it
 - Dr. Szymanski said that Montana would sign the charter and that once the Veterinary staff was back to being full, we would hopefully be a semi-active participant in it
- Jake Feddes said that he had been hammering on the biosecurity issue for three years and said that there had been some good steps taken in that direction

(5:59:15) 3:01 PM RECESS

(5:59:26) 3:15 PM RECONVENE

Gene Curry called the meeting back to order

BRANDS ENFORCEMENT DIVISION

(5:59:29) 3:15 PM

Jay Bodner, Brands Enforcement Division Administrator, introduced himself

(5:59:39) 3:15 PM SATELLITE COMMUNICATIONS RESEARCH

(5:59:39) 3:15 PM Update on Potential Satellite Communication Options for Off-Line Capabilities on the Brands System

Per BOL request, Jay Bodner said that he would be reporting on potentially utilizing satellite communications to provide offline capabilities for the Brands System:

- Mr. Bodner reported that currently, the ServiceNow application utilized in Brands did not have any offline capabilities and so our CIO Rick Corder, did an initial research and Mr. Bodner said he researched as well, to find a company that would provide the off-line capabilities for that system
- Mr. Bodner said that the Department of Justice was testing Starlink in one of their Highway Patrol vehicles and were having really good luck with it. A DNRC helicopter pilot said he had StarLink in his helicopter and it utilized an antenna. But, DNRC also set up a portable dish at their fire operations on a tripod
 - Cost for the individual hardware for the Highway Patrol car using Starlink was \$2500 with an additional cost for an inverter. Service cost, once it

was installed was \$250/month for a guaranteed 50 gig, high-speed internet

- Cost for the helicopter Starlink unit in the helicopter was \$10,000 with an additional cost that was just as astronomical anytime anything was hooked to the helicopter
- Cost for the RV-type, dish set up on a tripod Starlink unit was a \$599 hardware set-up charge and a \$150/month charge after that
- Mr. Bodner said that for 16 District Investigators, the hardware set-up for a residential version of Starlink, would be a cost of around \$10,000 initially for the hardware and then around \$2400/month. He added that a business version of Starlink for the District 16 Investigators would run around \$40,000-\$48,000 for installation and hardware and then \$4000/month
 - One of the areas District Investigators had pretty spotty cell phone coverage was in the Big Horn County area and so, Mr. Bodner said that would be area where a Starlink set-up could be utilized. Mike Honeycutt added that because Starlink was not linked to a specific person, the application could be used in a market to run a sale in an area where there had been cell phone coverage issues
- The DOL purchased four cell phone boosters to test cell phone coverage in spotty areas and found that if you had no service at all, those boosters would probably not gain you a lot, but if you had even one bar, you might get two bars with a booster
- Jake Feddes shared that he loved to ship cattle in Wyoming because their system, even when there was zero cell phone coverage had the ability for the Inspector to type up info on their laptop and in five minutes, Mr. Feddes said he had six copies of brands and then, when the Inspector got to service, the info uploaded to the Wyoming State system by Wi-Fi
- Jay Bodner said that there were offline capabilities with the ServiceNow system, and downloading county information from the cloud for a specific county was possible, but, because of the volume it would take to download information from all counties, it would be unworkable for Inspectors to use it
- Mike Honeycutt said that regardless of inspections, a bigger concern was if there were staff in “dead spots” who might not be in contact with the Sheriff’s Office through dispatch or were out of cell phone contact. He said that was why we made sure the bison staff who worked right on the edges of Yellowstone Park were provided cell phone boosters and that signal worked well for them
 - Mr. Honeycutt said the DOL was working on the radio systems and working with the Sheriff’s Offices to get access to bands so we could communicate with them. He shared that in Carbon County, there had been an Investigator who pulled trucks over along the Wyoming line and had not always been dispatching the Sheriff’s Office and the Sheriff there was quite concerned about that
 - Jake Feddes shared that about a year and a half ago there had been a gooseneck cattle trailer in Dubois, Idaho that had made 15 runs back and forth, and on the 15th trip it was noticed that the tires were squatted, but there were no animals being hauled. It was found out that drugs were

being hauled under a false floor. He questioned what would happen if one of our Investigators were the one to pull someone like that over

- Jay Bodner said the new radios will be programmed and some already had been, with the help of the Department of Transportation and the Highway Patrol, to talk with the Sheriff's Departments in local communities. He explained that enforcement was done with the radios. The Starlink, conversation, Mr. Honeycutt said, was more for premise sales
- Jay Bodner explained that currently, if an inspection was done where there was no cell service, it was done on paper and then typically, the Inspector re-enters the information back into the system, but he said they were getting much less paperwork into the Helena office
- Jay Bodner said he liked the idea of another agency, such as the Highway Patrol, testing out the capabilities of Starlink to see what their results were before the DOL jumped into that system. He added that he thought for the lower cost, Starlink's RV-type system might work fine for the needs Brands staff had

(6:29:23) 3:45 PM BRANDS ENFORCEMENT UPDATE

(6:29:27) 3:45 PM Market and Dealer License Renewal

Jay Bodner reported where the DOL was currently with Market and dealer license renewals:

- Mr. Bodner said that there were 195 dealers who renewed their licenses and that nine had chosen to not renew and were now listed as inactive
- A new "wallet card" was being printed now, Mr. Bodner said, an upgrade to a credit card-type, that was similar to the lifetime cards currently being used. He said the card would have all their information listed on it

(6:30:42) 3:46 PM Hide Inspection Communication

Jay Bodner handed out an informational letter and fact sheet that had been sent to slaughter and processing facilities and also updated the BOL on where the DOL was with the hide inspection communication:

- Both the letter and the fact sheet containing information for establishments if questions arose for their producers, was sent to 105 establishments, Federal, State and custom exempt that were slaughtering and processing animals. Mr. Bodner said that the communication had also been sent to all District Inspectors, Market Inspectors, all Brands staff and then to Meat Inspection so Alicia Love could share it with her Meat Inspectors as well
- Jay Bodner said that since the communication had gone out, there had been only a few questions on it
- Jake Feddes said that at his establishment, he had told his employees that every customer had to show up with a brand inspection, a blue sheet, or the animal could not stay on their facility and that they would not slaughter without a brand inspection. He said without the brand inspection and having to enforce the statute, it was more difficult, because he did not know when his District Investigator would be able to show up to do the inspection and depending on the

day, would he have to hold the hides for another week and where would he hold them what was he going to do with them?

- Jake Feddes said that now, even people inside the county that brought animals to his establishment that did not have to have a brand inspection for the last 40-50 years, they now would have to have a brand inspection due to enforcement of this statute. He added that during Fall Run or when there was a Monday sale, the Inspectors were in other places than his meat plant and that there were a lot more moving parts to this situation than just saying, “this is it”
- Mike Honeycutt said that in some areas of the state, the hide statute was already being enforced and he had one Investigator tell him to not take that statue away because he did not want meat plants to become a good place to launder animals because of no one checking for ownership
- The intent of the statute, Mr. Honeycutt thought, was to verify ownership of the animal before it was killed or to have some documentation that tied back to a somewhere if ownership had to be investigated at a later time. The BOL discussed that designating a shipping point would help solve that situation, Jake Feddes adding that maybe that would be another communication to get out to the 105 plants was that they could become a designated shipping spot and that would alleviate some of the issues
 - Jay Bodner said that the animals still had to be inspected
- Jake Feddes commented that we could create solutions to problems that weren’t there, but, Gene Curry said, that we were too late to change the law for 2-1/2 years so we were locked into what we had here and with people already enforcing it in the state, we need to do our best
- The blue sheets still needed to be retained by the plants, Jay Bodner said, but he would need to look at the records retention on the timing of that retention, which he thought was three years
 - Now that the informational letter had gone out to the plants, Mr. Bodner said that the District Investigators would be doing spot checks to ensure compliance
- Mike Honeycutt said that the regulations had been promulgated at a time when there weren’t very many slaughter facilities in Montana and that even though the state didn’t have the big ones they had, there were a lot more smaller facilities than we used to have

(6:46:12) 4:02 PM International Livestock Identification Association (ILIA)

Planning

Jay Bodner updated the BOL on where the DOL was at in its planning for hosting the ILIA, scheduled for July 14 – 17, 2024. He said planning was going well:

- Mr. Bodner said that July 14th was a Sunday “Fun” day, and there was a raft trip scheduled, one in the morning and one in the afternoon that would be held either on the Stillwater or Yellowstone River, depending on the water levels
- Monday had a kick-off event scheduled for speakers and also a spouse tour was planned on that day as well

- Tuesday, Wednesday and Thursday would continue with speakers and would be topped off on Wednesday night with a banquet
 - Mr. Bodner said that there would be some speakers from NCBA, USDA, Bovine 406 which was a facial recognition company from the Laurel area, a presentation on virtual fencing, a brand recorder panel, several business association-type meetings and Brands staff highlighting the ServiceNow platform
- Because the ILIA conference focused on livestock identification, Mr. Bodner said he would have to run Nina Baucus' suggestion by Ty Thomas of bringing in Wildlife Services for a presentation and whether that would be a good fit or not. He said that Mr. Thomas had a lot of experience planning ILIA conferences

(6:49:45) 4:05 PM LIVESTOCK COMMISSION COMPANY OWNERS INPUT

Jay Bodner reported that per a request by Nina Baucus, he had reached out with a note to Livestock Commission Company owners for their input on the ServiceNow platform:

- Mr. Bodner said that he had sent out a reminder to the Livestock Commission Company owners this morning, but had still not gotten any input from them, but he had sent the ZOOM link to Les Graham, who was on the line now
- Les Graham reported that he had not heard from any of the markets either, but the ServiceNow platform seemed to be working this summer and they would see when Fall Run hit and the numbers greatly increased how it would do. He reminded the BOL of last Fall when there were a lot of complaints about the program, his phone was ringing off the hook and in some cases the trucks were backed up and the cattle were being released by the DOL Inspectors so slowly. He said they would do everything they could to cooperate to help internally to assist in the movement of the cattle
- Jay Bodner said that some modifications had been made to releasing cattle, allowing bulk releases rather than individual releases. He added that along with that, the efficiency of the staff running the program should also make the system run much more quickly and efficiently, especially when using the mobile app which he thought was probably more efficient than the platform itself
- Les Graham said that Jay Bodner and his staff were working hard to make it better at the markets and he said in some cases the market owners had to say something to the buyers about not going in and yelling at people. He thought that had been taken care of now
- Les Graham expressed appreciation to the DOL in how they reacted to the situation in the markets and everything the DOL was doing was really helping and even though he couldn't speak for each individual, but only for the markets in general, he thought they were happy at this point

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

(6:59:25) 4:15 PM

Matt Borchgrevink, Carter County Predator Board, had a few comments to make:

- Mr. Borchgrevink reported that the cow/calf producers were aging out and a lot more yearling cattle had been coming into their surrounding area and he hoped that for per capita purposes, the language on the per capita form be clarified to point out to producers that it was a requirement to report and that some of the Local Inspectors could be involved in letting producers know that was required
- Mike Honeycutt said that he and some staff members had spoken with Mr. Borchgrevink before and if he was understanding the concern, it was that producers had come into the state and were seasonally grazing but that they were not reporting that they had been in the state. Mr. Honeycutt said so, Mr. Borchgrevink was asking for maybe a better educational effort as those seasonal grazing folks' animals were inspected so when they went back home to make sure they reported to the Department of Revenue that they had been in Montana for that time period and paid their per capita fee based on that
- Mr. Borchgrevink agreed with Mr. Honeycutt adding that because many of these people were not residents of Montana, he didn't know how they would actually see the per capita form. But, he thought there was a real chance to pick up some lost revenue if we worked at it
- Nina Baucus said that since the cattle were inspected when they came in and when they left, that they could be given a piece of paper that outlined the per capita and how they should pay it
- Mike Honeycutt said that according to the law regarding seasonal grazers, the person responsible for those cattle that came in after February 1st was supposed to report the head number by March 1st of the following year. He said that the per capita information should be given out in not just the Southeastern corner of the state, but the Southwestern corner and other areas as well and even though the DOL didn't have the "teeth" to prevent those grazers from coming back, you would hope that maybe when they get notified about per capita and what the funds were used for, they would say yes
- While those animals grazed in Montana, Mr. Honeycutt said, they were part of our Animal Health Umbrella and if something happened with them while they were in Montana they would become our expense and so they should be paying part of the bill
- Mr. Honeycutt said that we would have to educate our Inspectors that were doing seasonal grazer movement inspections to notify us so that we could notify the Department of Revenue regarding per capita fees. Jake Feddes suggested marrying up health certificates with the Brand inspection done when the cattle leave to get information for per capita fees. Alan Redfield suggested that when potential seasonal grazers apply for the health papers to send a bill with it for per capita fee along with the papers for the Department of Revenue
- Gene Curry thanked Matt Borchgrevink for bringing up his "interesting scenario" for collecting per capita as it was the DOL's major source of funding and we were

always trying to figure out ways to capture the per capita that was due to the DOL

(7:13:33) 4:29 PM Board Discussion on Beef Enhancement Program (Non-Agenda Item)

Gene Curry reported that he had been working with various cattle organizations around the state on a Beef Enhancement Program:

- The industry groups that Mr. Curry said he had been working with on the Program were the Montana Farm Bureau, Montana Stockgrowers Association, Montana Farmers Union, Montana Cattlemen's Association, US Cattlemen's Association and the Montana Livestock Markets Association
- Although some people wanted to call the Program a "check-off," Mr. Curry said the group had decided instead to call it a Beef Enhancement Program that would be similar to the Department of Agriculture's Wheat & Barley Check-Off.
- Mr. Curry said that the group was envisioning something similar to the Montana Livestock Loss Board or the Montana Milk Control Board where the Beef Enhancement Program would be associated with the DOL, but the DOL would have no control over it and would not carry any responsibility to oversee it
- The Beef Enhancement Program, Mr. Curry said would be totally separate from the current Beef Check-Off Program and the money would be used to benefit more the cattle industry rather than the beef industry in research and education
- With over 20 people currently in the group, Mr. Curry said they were given about 70 ideas of what the money from the Program could be used for
 - Alan Redfield said that the current check-off was already used to fund research and education. Mr. Curry said the idea was to try and get Montana beef served in every school and institution in Montana
 - Jake Feddes said the way to get beef into every school, prison, jail, hospital, every institution in Montana, was not by putting a placard on cattle in Nebraska getting fed but instead to open up a cull cow plant in Montana, just like the Kentucky Cattlemen's Association. He said everybody wanted to open up a fat cattle plant in Montana, but opening up a cull cow plant would increase the price of cull cows from Montana producers
- Mr. Curry said that he would be giving a presentation on the Beef Enhancement Program at the MSGA convention, Farm Bureau would be having a presentation given at their convention the next week and Taylor Brown gave a presentation in the Beef Council about a week and a half ago. He said other organizations would be talking about it and decide whether they want to go forward with it or not
- Mike Honeycutt explained that it would be unconstitutional, according to the Montana State Constitution, for a government-mandated fee to be given to a private entity. He said that was why the Montana Wheat & Barley Committee was an attached agency so that the money they collected went to that board and then the board doled that money out to different people. The board had the control but were under Legislative oversight, their audit oversight

- Mr. Curry said it was suggested that at the point of sale to write a single check, with \$1 going to the Beef Enhancement Program and \$1 going to the Beef Check-Off Program and have the Brand Inspectors collect the money
- Greg Wichman said that he would not support the Beef Enhancement Program if two separate checks were not written. Alan Redfield commented that there were a whole lot of people who would like to revote on the Beef Check-Off Program and he said that if that was done the Montana Beef Council would not have half the funds. Mike Honeycutt said that it would happen that someone would say, “I don’t have two checks in my pocket, I’m writing you one check. You figure out how to split it up.” Jake Feddes said for him to support it, he would consider if it was going to be a bigger headache to have another board under the DOL umbrella
- Mike Honeycutt said that the DOL was responsible, administratively for the boards currently under its umbrella, responsible for the audit obligations, and the DOL was the one who had to tell those boards “no” when they wanted to do something not compliant with State law. He added that he wanted to make sure that people understood the expectations of being a government entity and what it entailed because it was much different than how you make decisions in your business at home
 - Jake Feddes aid his biggest concern being on the BOL was that he was in a position to protect the DOL and make sure that employees weren’t overburdened by something else, because if it was something that could be detrimental to the DOL, he would have a problem with it. Mike Honeycutt said it would require some work for the Brands, accounting and administrative people and so whatever legislation came forth, the DOL could not commit to doing it for free
- Gene Curry agreed the idea needed more fleshing out and that even though the Beef Enhancement Program group would rather be under the umbrella of the DOL, he said it would take just a change in a few words on the template to run the Program through the Department of Agriculture

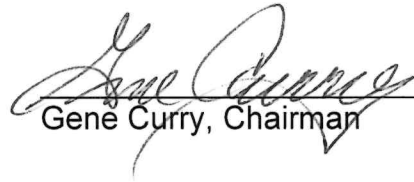
SET DATE FOR THE NEXT BOARD MEETING

(7:42:26) 4:58 PM

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

- Mike Honeycutt said that both June and July were crazy months and because of that, June had been a month that the BOL usually skipped meeting and met at some point in July. He added that looking at staff schedules, almost every week had some major event and so it appeared that the end of July would be better as early in August was when they would be the busiest
- William Kleinsasser said that Wednesday, July 31st would be good for him. Jake Feddes reported that he was scheduled to be on the Voices of Montana radio show on that same day in the morning. Alan Redfield said if the meeting was scheduled for July 31st, he would be done haying by then.
- The next BOL meeting was scheduled for Wednesday, July 31, 2024

MEETING ADJOURNED
(7:46:28) 5:02 PM



Gene Curry, Chairman