

EXHIBIT 4
DATE 2-7-11
PAGE Section C

Testimony of Ron de Yong, Director
Montana Department of Agriculture

Good morning Mr. Chairman, members of the committee. Thank you for the opportunity to discuss our agency's budget with you. For the record my name is Ron de Yong, director of the department of agriculture.

I appreciated the opportunity to give the joint committee an overview of our department a couple of weeks ago. I mentioned then that even though we are one of the **smallest agencies in state government** (we have a little over 100 employees) we **administer a regulatory system** and **enhance business opportunities** for Montana's largest industry – **agriculture**.

We have the ability to be responsive to anyone who produces or consumes food because our professional staff is very efficient and effective at utilizing our **limited resources**.

The 2013 biennium budget we present to you today represents the department's ongoing conservative nature. Approximately $\frac{3}{4}$ of our budget is derived from industry assessments, fees and registrations all of which are mandated by law, allocated by rule and paid by Montana agricultural producers and businesses. Less than 10% is general fund revenue.

I want to give you a quick look at the issues within our **decision packages** before our administrators go into greater detail. The decision packages fall within four general areas.

1. Let me start with **restoring our baseline**. We have run the Agriculture Department during these economically difficult times like a good producer would run his farm or ranch. We have been frugal postponing expenses and concentrating on core operations, but there comes a time **when a little catch-up is in order**.
 - For instance, our 7% vacancy savings not only reduced salary expenses, it also reduced spending on the resources that would have accompanied those vacant positions. As those positions become filled to meet the needs of agriculture in Montana, those additional expenses become part of our budget, which is one reason we are requesting restoration of our baseline.
 - Another reason our baseline needs to be restored is the inherent variability of agriculture. For example, too much moisture in the fall affects grain quality and grading time per sample at the State Grain Lab. Restoration of our baseline will give us the flexibility to adjust to these agriculture variables.
 - Also agriculture in Montana is dynamic and expanding. Producers need more services and are willing to pay for them. We need to **restore our baseline** to allow the department to provide professional support for those services.

2. Our decision packages include three items under **equipment purchases**.
 - We need to replace sophisticated equipment that tests for pesticide residues in the parts per trillion at a cost of \$350,000.
 - We need to replace instruments that test for protein in feed and nitrogen in fertilizer and water at a cost of \$25,000.
 - We need to continue the development of software to bring producer and business services, including registrations, into the electronic age at a cost of \$280,000.
 - These equipment purchases involve no general fund dollars.

3. The third area deals with **FTE changes**.
 - We are requesting that the truck driver for our pesticide container recycling effort be changed from a modified position to a permanent part-time position. This .6 FTE is funded with federal money.
 - The Aquatic Invasive Species Act that passed in the last legislature and is in this budget request includes an invasive species coordinator and administrative support for an additional 2.0 FTE.
 - Our 4% **reduction** in FTE to meet goals in the Governor's budget equals .62 FTE. Subtracting .62 FTE from the 2.6 FTEs that I just mentioned leaves us with the 1.98 FTE that you see on the first chart in the report prepared by your staff.

4. The last item I am mentioning in regards to decision packages is the **Aquatic Invasive Species Act** which accounts for \$667,000 for the biennium. I summarized the accomplishments of our department and Fish, Wildlife and Parks in my presentation to the joint committee a couple of weeks ago. Another copy of the report we handed out then is available for you today.

In addition to decision packages that **restore our baseline**, provide **necessary equipment purchases, FTE changes, and funding for the Aquatic Invasive Species Act**; we need to **have the latest 5% cuts restored**. Our administrators will go into more detail in their presentations but I would like to mention four problems that arise from adopting the 5% cut.

1. Part of the cut reduces inspections for specified risk materials in feed imported from Canada. Specified risk materials cause BSE often referred to as Mad Cow Disease.
 - Now the risk of BSE transmission should diminish as more time elapses since the ban was placed on SRM in feed in the mid-1990s.
 - But, future beef exports especially to interested Asian countries will depend upon their perception that we have adequate safeguards in place.

2. The 5% cut also takes a small amount of money from the State Grain Lab. The budget for the grain lab has improved dramatically but it is still difficult to keep it in the black as experienced graders with several licenses retire and new graders must be hired and trained. Training requires that older graders remain on the job for approximately one year to help train the new hires, which makes the transition expensive.
3. A very small amount of the cut comes from Ag in Montana Schools which is problematic since a large portion of their income comes from a designated dollar check off on state income taxes. Taxpayers chose the check off to support Ag in Montana Schools. They did not volunteer to give money to some other purpose.
4. The largest portion of the 5% cut comes from the Coal Tax Shared Revenue Fund. This is the fund we share with libraries and DNRC. Our reduction of more than \$18,000 per year from the 5% cut is in addition to a reduction in our share from approximately 30% of the shared account five years ago to approximately 12% in the budget before you.

For these reasons we request restoration of the latest 5% cut. Our employees generally come from an agricultural background and treat our producers with understanding, respect and empathy. The 5% cut may result in **slower or reduced services**, which goes against the general philosophy of our department.

Also you will recall that hearings last week, discussed HB 316 and HB 375 which would further reduce the grant funding we have available for our Growth Through Agriculture program and noxious weed program. The proposals in these two bills would significantly erode the mission of these two programs.

Now I would like to turn our presentation over to our administrators so that they can provide more detail on their **programs**, their **decision packages**, effects of the **latest 5% cut**, and **concerns raised by legislative staff**. **Libbi Lovshin**, our Central Services Administrator will speak next. Libbi will introduce Greg at the end of her presentation and Greg will introduce Joel who will turn it back to me. Libbi keeps our operations running smoothly.

Summary after Joel:

The Department of Agriculture has used its limited resources well. We have contributed and are contributing our fair share in balancing the budget for this biennium and the next. We implemented a 7% vacancy savings, a 5% reduction in our general fund in January 2010, a 4% decrease in FTE, we received a 50% reduction of \$625,000 this fiscal year and the following two fiscal years in our major Growth Through Agriculture revenue source and a reduction in our share of the Coal Tax Shared Revenue Fund.

Agriculture sustains each of us individually and is vital as an economic foundation for Montana. Montana agriculture is both our heritage and our future. It is very important that we facilitate increased income for our producers and provide the opportunity for their sons and daughters to return to the business.

We request that our basic conservative decision packages be funded and that the latest 5% cuts be restored. Thank you, we are available for questions.

Libbi Lovshin-Central Services Division

- Good morning Chairman Ankney and members of the subcommittee
- For the record my name is Libbi Lovshin (spell it); I am the administrator of the Central Services division
- Been with the department a little over a year;
- I'd like to touch on something agency-wide and then give a brief overview of the CSD
- Although the base budget adjustment decision packages are lumped together in the LFD analysis, we are going to address them individually, by program, to reflect the actual activity that the requests represent.
- I do want to address one global issue – travel
- Our employees work in an industry that is spread out across the state. ___% of our employees are actively involved in providing services to the agricultural industry, some from offices here in Helena but also from our 8 field offices around the state. For example, some of what they do is
 - assess wheat crops for hail damage,
 - inspect seed potatoes,
 - provide training,
 - perform site evaluations to ensure our grant dollars are getting the results we expect,
 - recycle pesticide plastic containers,
 - sample feed and grain and water,
 - survey and monitor pest populations ...
- And while they are doing all those things (and more!), our employees are building relationships. They are working to help make our industry stronger. They are bringing back suggestions about how we could do things better.
- In each of our base restoration decision packages, a portion of what we are requesting is for travel. We don't always spend 100% of our travel appropriation because – for example – when the weather cooperates we don't need to assess wheat crops for hail damage. Feed inspections at the border depend to some extent on how much feed is imported from Canada. Vacant positions reduce travel dollars expended... for a time.
- But we need to be able to meet the expectations of our industry that is spread out over all the 147,000 square miles of Montana and reaches into our rural areas. It is an important aspect of our programs. That is why a portion of our base restoration requests include travel.

Now on to the central services division, which begins on page C-254 of your budget book. Central Services is all about the administrative details of the department.

- 15 employees
 - Director's Office
 - Fiscal services
 - Human Resources
 - Information Technology
- Set direction and policy through our director's office
- We make sure
 - The bills get paid and transactions are accounted for appropriately
 - The department follows the rules
 - We hire qualified employees and work to maintain their satisfaction so they stick with us
 - That our employees can connect with each other and our constituents through the use of technology
- My philosophy is to provide good service to the program staff so they can focus on providing good service to producers and consumers.
- Funding
 - State Special = 68%
 - Federal = 11%
 - Proprietary = 11%
 - General fund = 10%

Now I'd like to discuss the central services decision package, which is on page C-256.

Present Law

- It is # 151 – Base Budget Adjustments for the Central Services Division
- Request \$28,000 per year
- federal authority
- restore base budget authority for
 - office supplies
 - printing
 - minor equipment
 - travel
- had two positions vacant for a portion of the year which caused reduction in some expenditures
- this request results in an increase of less than 1% compared to our expenditures, but compared to FY2010 budget authority we are actually reducing our budget by over one and one third percent (1.37%)

I will be available for questions

I would like to introduce Greg Ames, administrator of the agricultural sciences division.

JOEL- Testimony

- Good morning Chairman Ankney and members of the subcommittee
- For the record my name is Joel Clairmont (spelled...). I am the Deputy Director and the Administrator of the Agricultural Development Division
- Our division report begins on page C-263 of the LFD Budget Analysis book.
- The Agricultural Development Division administers programs to promote and enhance business opportunities and create jobs for Montana's largest industry, agriculture. We accomplish this by administering programs through four bureaus.

They are:

- Rural Development
 - Wheat and Barley
 - Agriculture Marketing and Business Development
 - And the State Grain Laboratory
- We also have 7 agriculture industry committees that are administratively attached to the Department and are supported by the Agricultural Development Division. These committees are primarily comprised of producers who provide direction for the development, research, and marketing of their products and industries.
 - Our Rural Development bureau also houses two proprietary programs. Those are the Hail Insurance program, providing low cost insurance coverage for all crops grown in Montana, and the Beginning Farm and

Ranch loan program, helping to provide assistance to Montana farmers and ranchers to acquire land.

- To deliver these programs and carry out the mission of the department, we have 4 Bureaus and administration totaling 43.37 FTE
 - Our Division has met its 7% vacancy savings for the base year. The savings amounted to 2,480 hours or 1.19 FTE. Between vacancy and operational savings, this amounts to about \$75,000.

Let's take a look at funding for the Division:

- 80% of funding comes from state special revenue.
 - Wheat and Barley brings in check-off revenue around \$3 million. This varies with the size of wheat and barley crops.
 - The Coal Severance Tax Shared Account which is used for the Growth Through Agriculture program totals \$385,000.
 - And the State Grain Lab receives \$744,000.
- The General Fund contributes 11% at \$555,000,
 - which is primarily used to support 6 FTE out of about 120 in the department.
- Rounding out the funding is the proprietary fund with the Hail Insurance program at 8%, amounting to \$450,000.

Now I would like to address the 5% reductions that begin on page C-264.

- In the Ag Development Division, there is a proposed general fund reduction of \$20,676 and a state special revenue fund reduction of \$37,736 for the biennium.
 - Enacting these reductions would mean:

- Decreasing funding for the State Grain Lab at \$3,170 for the biennium.
- This reduction would impede our ability to maintain the biennial professional development plan and continue providing the level of service our producers expect.
- Decreasing funding for Ag Statistics at \$2,446 for the biennium may cause:
 - missed deadlines for statistics important to the agriculture industry.
- Decreasing funding for Agricultural Marketing at \$5,928 for the biennium would impact
 - operational dollars for staff to do marketing consultations for Montana businesses. This includes consultations for our growing pulse industry and local food initiatives.
- State Special Revenue (\$37,736 for the biennium):
 - Our state special revenue reduction would impact the Ag in Montana schools program and our Growth Through Agriculture program.
 - The Agriculture in Montana Schools program is funded by voluntary check-off dollars obtained from Montana taxpayers. These taxpayers expect all of their donated dollars to support Ag in Montana Schools rather than give it to the General Fund (\$1,000 for the biennium).
 - Enacting the reduction to GTA from the Coal Severance Tax Shared Account would mean \$37,000 fewer dollars will be given as grants or loans to entrepreneurs in the state. That

means a reduction in innovations that could create new jobs and expand our economy.

Other Notes:

- ✓ The Growth Through Agriculture program has **2** major funding sources: interest and shared revenue from coal severance taxes. Both have been reduced far beyond the 5% reduction
 - Let's look at the overall GTA budget.
 - GTA general funding from the Coal Tax Trust was reduced from \$1.25 M in Fiscal Year 2009 to \$625,000 in Fiscal Year 2011. In addition, our share of the Coal Tax Shared revenue fund has been reduced from 30% in 2006 to 12% in 2012. A 5% reduction would reduce GTA funding by another \$18,368 per year.
 - The overall impact of these budget reductions leaves GTA with **ONLY** \$312,234 for economic development in Montana.
 - Compared to \$1.2 million received for grants and loans in 2009.
- ✓ Last session the Growth Through Agriculture program received one-time-only funding in the amount of \$80,000. The committee requested a report back on measurable outcomes resulting from this appropriation.
 - ✓ The money was used to fund the following projects in FY 2010:
 - ✓ Eleanor's Garden; Transportation study by World Trade; and MT Food Products. Currently these projects are in the development stage and are just beginning to report on progress.

Now I would like to focus on our **2 DECISION PACKAGES** which begin on page C-267

Present Law – DP 5001 – Program 50 Base Budget Adjustments –The base adjustments total \$238,950; \$36,200 is general fund and \$162,750 is state special revenue. Proprietary funds are \$40,000.

- Our base adjustments are needed for several reasons:
 - First, the agricultural industry is highly variable. The economy, weather, variable crop production and market volatility influence several of our programs. These factors can increase or decrease the requirements for our services.
 - Second, the division had 4 different positions vacant during the base year, which provided \$75,000 in vacancy savings. However, we also did not spend a portion of our operating budget, because the positions were vacant. We are requesting a restoration of the base so that we will have the appropriate amount of operating budget for those positions that are now filled.
- A brief footnote before I get into our decision package for the biennium. Last session this committee asked that we report on steps taken at the State Grain Lab to provide a system for training and advancement to assure continued high quality service. We anticipated a couple of retirements and the loss of considerable experience, which did occur during the biennium.
- We have implemented a training and pay policy that offers employees the incentive to gain additional licenses as needed under the direction of the laboratory bureau chief. I have copies of the policy here for members of the committee who are interested. We have hired people for two vacant positions and the training is ongoing. We were able to get one of the

retired individuals who held multiple licenses to return to work temporarily this fall to help out during an exceptionally busy year.

➤ It takes time to find the right people and enable them to obtain additional licenses while simultaneously fulfilling our customers' needs. However, we are confident that we have a system in place that will accomplish that objective.

- The one decision package for our division this biennium restores base budget in the following five programs:
 - Agriculture Marketing - \$36,200 per year in general fund for overtime, travel, supplies, and meeting expenses.
 - The Wheat and Barley Committee - \$140,000 state special revenue funding per year will restore the base budget authority for grants to do research, marketing and education, and committee member travel to market wheat and barley. (\$120,000 for Grants and \$20,000 for travel.)
 - Alfalfa Seed Assessment \$15,000 state special revenue each year for research grants.
 - Hail Insurance - \$40,000 enterprise funding each year for supplies and travel.
 - Certified Natural Beef Marketing - \$7,750 each year to establish base for travel, and meeting expenses.

We have 1 new proposal

- DP 55400 – 4% Personal Services Reduction – The Governor has included a 4% reduction in general fund personal services budgets as part of his budget recommendations. The reduction includes the elimination of 0.62 FTE.
 - Total reduction of \$55,588 for the Biennium or 0.62 FTE

DEPARTMENT OF AGRICULTURE

2013 Biennium Budget Presentation

Agricultural Sciences Division

February 7, 2011

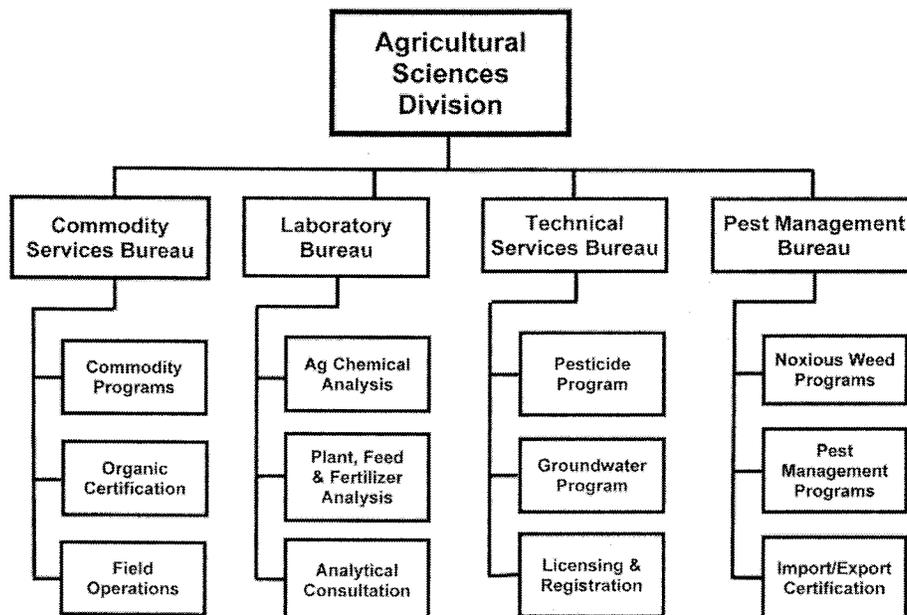
Division Contacts

The director, administrator, and bureau chiefs for the division and their contact information are:

<u>Title</u>	<u>Name</u>	<u>Phone Number</u>	<u>E-mail address</u>
Director	Ron de Yong	444-3156	agr@mt.gov
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Bureau Chief Analytical Laboratory	Heidi Hickes	994-6408	hhickes@mt.gov
Bureau Chief Commodity Services	Andy Gray	444-0512	angray@mt.gov
Bureau Chief Pest Management	Donna Rise	444-9461	drise@mt.gov
Bureau Chief Technical Services	Amy Bamber	444-3731	abamber@mt.gov

What the Division Does

The Agricultural Sciences Division (ASD) administers, manages, coordinates, and evaluates the major activities of: 1) pesticide management; 2) pest management; 3) analytical laboratory services; 4) noxious weed management; 5) agricultural chemical groundwater program; 6) seed, feed and fertilizer programs; 7) organic certification; 8) nursery program; 9) apiary program; 10) produce program; 11) invasive species program; 12) seed potato program; and 13) commodity dealer/warehouse program. Duties also include administering agricultural programs related to the production, manufacturing, and marketing of commodities exported from or distributed in the state. The program provides support to the Montana Noxious Weed Management Advisory Council, Noxious Weed Seed Free Forage Advisory Council, Montana Noxious Weed Summit Advisory Council, Montana Organic Commodity Advisory Council, and the Montana Mint Committee.



How Services Are Provided

The division is organized into four bureaus with the following functions:

- 1) Commodity Services Bureau – provides services and enforcement of laws and regulations related to produce, feed, fertilizer, anhydrous ammonia, grain, seed, mint, and organic certification. (20.17 FTE)
- 2) Technical Services Bureau – provides licensing and registration services for pesticides, pesticide applicators and dealers, feeds, fertilizers, commodities, apiaries as well as pesticide education, ground water protection, pesticide disposal and special pesticide registration. (20.00 FTE)
- 3) Pest Management Bureau – provides services and enforcement of laws and regulations related to nurseries, invasive species, pest surveys and management, pest quarantines, export certification, noxious weed management and apiaries. (10.00 FTE)
- 4) Laboratory Bureau – located in Bozeman, provides analytical services for feeds, fertilizers, pesticides and water quality. (11.00 FTE)

The division has a total of 64.18 full time equivalents, including 16 staff located in 9 field offices including Billings, Bozeman, Forsyth, Glasgow, Great Falls, Havre, Kalispell and Missoula.

Spending and Funding Information

On page C-257 the Legislative Fiscal Division (LFD) has prepared a table summarizing HB2 funding by program within the Agricultural Sciences Division. These charts illustrate the FY 2010 figures displayed in the LFD table.

- Good morning Chairman Ankney and members of the natural resources and transportation subcommittee
- I am Greg Ames (spell it). I am the administrator of the Agricultural Sciences Division. I too appreciate the opportunity to discuss our programs and proposed budget.
- The Sciences Division begins on page C-257 of the LFD Budget Analysis book
- Programs
 - The first paragraph identifies our 19 programs and the 5 advisory councils/committees
 - There are 4 bureaus in the division as indicated in the organizational chart
 - We have (64.18 FTE) in Helena and field offices around the state including Billings, Havre, Great Falls, Glasgow, Kalispell, Missoula, Forsyth, and Bozeman.
 - Our staff includes chemists, hydrologists, scientists, agricultural specialists, technicians, administrative support, and many others – all experts in their fields.
 - Our funding comprises 72.5% SSR; 6.5% general fund; 21% federal.
- Now – Let's focus on the 5% reduction plan on the middle of page c-258
 - The department conducts livestock feed inspections at the Canadian border, weigh stations, and dealerships in Montana. Part of the inspections include, sampling livestock feed for prohibited materials that could transmit BSE (bovine spongiform encephalopathy, or mad cow disease.) The BSE inspections are General Fund and the proposed 5% reduction is \$8,388. The reduction will result in fewer inspections at the Canadian border and weigh stations which could raise concerns with countries that we are working with to export beef to, who have currently blocked Montana beef due to BSE concerns.
 - Manuals & Training for pesticide applicators – this is a state special revenue program. The reduction will result in fewer expert-level trainings. We will continue the trainings, however, the trainings will be more general and we will not be contracting with expert presenters in specific areas of pesticides. (\$3,498)

Lets move on to the DECISION PACKAGES which begin on page C-261.

There are 3 present law and 3 new proposals.

Present Law

- 3001 – Base Adjustments in ASD total \$391,275
 - The adjustments are spread across most of the ASD programs we operate.
 - \$12,000 is general fund, \$200,000 is Federal Forest Service Funding, for awarding Noxious weed grants to counties. The balance is in our operating budget. (\$179,275)
 - Our base adjustments are needed, in part, for two reasons.
 - First, the agricultural industry is highly variable each season, including weather, commodity prices, yields, and plant pests. All of which can increase or decrease the requirements for our services.
 - Second, the division had nine different positions vacant during the base year which is an accumulation of 2.7 FTE. We realized the vacancy savings; however we also did not spend a portion of our operating budget because the positions were vacant. We are requesting a restoration of the base budget so that we will have the appropriate amount of operating budget for those positions that are now filled.
 - Let me share with you a few examples – we are requesting:
 - 1) to increase the base budget in 10 different programs for in-state travel to conduct inspections and for field supplies.

- 2) We are requesting \$27,000 for the Pesticide Program for additional private applicator training and increased utility costs at the analytical lab in Bozeman.
 - 3) We are requesting \$33,000 for the Feed Program for the lab supplies and field inspection supplies, and
 - 4) We are requesting \$5,400 for the Fertilizer Program for the field inspection supplies
- 3002 – This is for two pieces of equipment for our analytical lab in Bozeman. (\$375,000) SSR
 - We are proposing to purchase an LCMSMS, which is a mass spectrometer. The mass spectrometer is the primary piece of equipment we use at the lab to conduct our analytical analysis, it is the backbone of the lab's work. The expenditure was approved last biennium; however we chose not to replace it because the equipment was still functioning and has continued to be supported by the manufacturer. Essentially we squeezed two more years out of it. It was originally purchased in 2001 and we now need to replace it this biennium. (\$350,000)
 - Nitrogen combustion instrument (\$25,000) original purchased in 2002 and is at the end of its useful life. It is used in the feed and fertilizer programs.
 - 3009 – Apiary Program Increase (\$35,425) – State Special revenue
 - The Montana apiary industry is fourth in the nation in honey production and provides critical pollination services in Montana as well as other states.
 - Fees, penalties, and hourly rates were adjusted by administrative rule in 2010 to reflect 2009 legislative changes to the program's statute. Approval of this proposal will allow the department to meet the expenditures incurred in performing services and regulatory responsibilities.
 - The increase is for salaries, operations, and equipment that support certification, inspection, investigation, and oversight activities of the program. (Hourly fees had not been changed since 1999 and no longer reflected personal services costs being incurred)

New Proposals

- 3006 – Web-based Product Registration System (\$280,000) SSR
 - The industry we serve and the companies we register products for have long requested that the department develop e-government software so that they can register products and make applications on-line and then pay electronically. We began the process last biennium and this proposal will allow us to continue updating our programs for web-based service.
- 3007 – Pesticide Recycling Truck Driver (\$22,300 each year of the biennium)- Federal Funding
 - We are requesting to make the 0.60 FTE OTO position a permanent position (it is currently a modified position). It is a seasonal position (approximately May – November annually) and the individual in this position works in the department's pesticide plastic container recycling program which we began two years ago with EPA funding.
 - State statute (80-8-111, MCA) requires the department to have a plastic container recycling program.
 - The program is working; it is very successful and is widely accepted across the state. Our goal is to keep as many pesticide containers out of our landfills as possible. Last year we collected 44,000 pounds. The shredded plastic is turned into non-consumer items such as speed bumps and culverts.
 -

- 3008 – Invasive Species – We are requesting this as a biennial appropriation
 - Invasive species remain the number one environmental threat in Montana, potentially affecting agricultural, recreation, municipal cities and power generation.
 - Last session the legislature passed the Montana Aquatic Invasive Species Act.
 - The funding for Invasive Species (\$667,000 from the General Fund) was placed in the department budget in HB2 as One Time Only funding.
 - We are again requesting funding for Invasive Species, however we are requesting the \$667,000 as a biennial appropriation to give the agency more flexibility as this is still a relatively new program and we are currently facing new and challenging invasive species every year.
 - The request includes 2.00 FTE – for a coordinator and a technical position.
 - The Department of Agriculture has worked closely with FWP to implement the Act. We have also worked with other state agencies, federal agencies, counties, and others to protect Montana from further infestations. Our combined accomplishments and future plans are outlined in the Executive Summary of the December 2010 Legislative Invasive Species Report. A copy has been provided for you today.
 - Some of the highlights of our activities include:
 - In 2009, the department of agriculture and FWP initiated a two year statewide public information campaign regarding the threat and spread of aquatic invasive species.
 - In terms of inspections, the department of agriculture has focused our inspections along our borders inspecting traffic coming into the state. FWP has primarily focused inspections near water bodies and fishing access sites.
 - Prior to 2009, the Department of Agriculture was not conducting inspections at ports of entry. Since 2009, we have inspected over 1,300 recreation vehicles coming into Montana from out of state.
 - Prior to 2009, FWP was inspecting about 900 boats per year.
 - Since 2009, they have been inspecting about 3,000 boats per year.
 - This past season we established a management area for Eurasian Water milfoil in the Noxon/Cabinet Gorge area on the upper Clark Fork River northwest of Missoula. EWM is an aquatic noxious weed that is extremely detrimental to our lakes and rivers. A 300 acre infestation of EWM was first detected in Montana in 2007 in Noxon/Cabinet area. Since that time we have conducted herbicide trials and treated the infested area. We have also conducted about 3,800 boat inspections in the management area and another 3,000 inspections were conducted by the power company Avista and the state of Idaho at the Montana – Idaho border.
 - Eurasian Water milfoil has also recently been detected this past year at several locations in the main stem of the Missouri River from Three Forks to below Fort Peck Dam. Two of the sites have been addressed. Extensive efforts are needed to address the other sites to keep the infestations from spreading.
 - In October of 2010, the department hosted a statewide Invasive Species Summit to bring all entities together that have a vested interest in Invasive Species.
 - The department and one of our advisory councils have been working to prepare a Strategic Plan for Invasive Aquatic Plant Management for Montana.
 - Where we are at today with aquatic noxious weeds is the same place we were at 50 years ago with terrestrial weeds including knapweed, leafy spurge, and Canada thistle. Our efforts today will have a significant impact on what our waterways will look like in the years to come.
- I would like to answer any questions you may have at the end of our agency presentation.
 - Next up is Joel Clairmont, Deputy Director and Administrator of the Agricultural Development Division.