

Exhibit No. 9Date 3 - 4 - 11Bill No. SB 237**Testimony on Senate Bill 237**

by

Marty Zaluski, DVM

State Veterinarian, Montana Department of Livestock

March 4, 2011

Mr. Chairman and Members of the Senate Committee on Finance and Claims:

In 1985, Montana became brucellosis Class Free after a several decade-long collaborative effort between the Montana Department of Livestock (MDOL), Montana producers and the federal government. Twenty-two years later, in 2007, a brucellosis affected herd was detected in Carbon County, followed by another herd a year later in Park County. The epidemiological investigation linked both herds to exposure to elk infected with brucellosis in Montana's Greater Yellowstone Area (GYA). Consistent with federal rules existing at the time, the state of Montana lost its brucellosis Class Free Status, and was reclassified to Class A resulting in statewide testing of exported cattle. Following the implementation of a robust surveillance program, Montana regained its Class Free status in less than one year; faster than any other state.

Nevertheless, the federal government realized the federal rules that were so effective in the past, are no longer applicable when faced with a focal area of risk from a wildlife reservoir of brucellosis. For this reason the US Department of Agriculture (USDA) adopted new rules last December 27, which shift the focus from downgrading class status of entire states, in favor of the state taking leadership in establishing a surveillance area in an area of known risk. The MDOL rule on the Designated Surveillance Area (DSA) is consistent with, and required by this new federal rule. Further, a DSA as established by the rule saves the state of Montana between \$5.5 and \$11.5 million annually as estimated in the recently completed Economic Impact Statement on the DSA.

SB 237 removes half the funding of the Montana surveillance program that has benefited the entire livestock industry of this state.

Currently the program is funded by a 50:50 split with per capita (livestock tax) and general fund. Using per capita is appropriate because the surveillance program, while focused in the GYA, benefits all Montana producers. All producers benefit, and all producers contribute.

The primary consequence of SB 237 will be to remove the majority of funding available for reimbursements to producers for brucellosis testing required by administrative rule. The secondary consequences are a weakening, and a possible repeal of the DSA with

subsequent loss of class free status and additional testing requirements placed by individual states that receive Montana's cattle.

The consequences of repealing or weakening of the DSA are twofold:

1. A likely Class Free status loss for the entirety of Montana
 - a. Federal rule states "any Class Free State or area with *Brucella abortus* in wildlife must develop and implement a brucellosis management plan approved by the Administrator in order to maintain Class Free status."
 - b. Based on the recent completion of an economic impact statement on the DSA by the Department, the cost to the livestock industry of such a reclassification is estimated to be between \$5.5 and 11.5 million annually. Additionally, a brucellosis class free status downgrade could result in approximately \$3 million cost to the Department based on 2009 appropriations for reimbursement of cattle testing costs.
2. Testing requirements placed by individual states importing Montana's livestock.
 - a. The Minnesota letters to Idaho and Montana (enclosure) demonstrate the effect of loss of confidence by livestock receiving states.
 - b. Letter from Dr. Susan Keller, North Dakota state veterinarian, stating quite plainly that Montana's cattle will be tested prior to arrival to North Dakota.

In both of the above examples from Minnesota and North Dakota, the consequence of weakening or repealing the DSA are that more testing, rather than less will be needed at a significantly greater burden and cost to taxpayers of Montana.

Therefore, should this bill pass, there is a high likelihood that I'll be standing in front of this committee next legislative session or the session after that asking for up to \$3 million on the behalf of livestock producers to offset testing costs required by USDA or other states.

In conclusion, SB 237 reduces available funds for producer reimbursements and weakens a surveillance program that has been highly successful in detecting 3 herds in 4 years prior to the disease spreading to neighboring herds or being exported out of state. Just as importantly, it has been successful in preventing restrictions on Montana exported cattle by other states. This will create additional financial burden on Montana taxpayers and the Montana livestock industry.

For these reasons, I urge a DO NOT PASS on SB 237.

Doug Goehring
AGRICULTURE COMMISSIONER

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STATE VETERINARIAN

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DEPUTY STATE VETERINARIAN

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NONTRADITIONAL LIVESTOCK

March 3, 2011

Dear Dr. Zaluski,

On June 23, 2010, after much discussion and thoughtful consideration, the North Dakota State Board of Animal Health (BoAH) voted to recognize Montana's Designated Surveillance Area (DSA) for brucellosis. Prior to this time, North Dakota required brucellosis testing for all test eligible cattle from seven counties in Montana prior to importation to the state.

Unfortunately, we know that spillover infection of cattle herds will occasionally occur due to the reservoir of brucellosis infection in wildlife populations of the Greater Yellowstone Area (GYA). The Board's decision acknowledged that the requirements for the DSA, if supported and enforced, properly mitigate the risk of disease transmission outside of the area. Montana's DSA has been a model for brucellosis control. In fact, it is the only state DSA that is recognized by the BoAH.

We recently became aware through media sources that the Montana Legislature is considering discontinuing or phasing out the current DSA. It would be unfortunate to prematurely discontinue what seems to be a successful program. Should the DSA cease to be managed under its current guidelines, the BoAH would have to consider implementing brucellosis test requirements for Montana origin cattle to be imported to North Dakota. We realize that this may come at great expense and inconvenience for many producers, but it is the BoAH's mission to "protect the health of the domestic animals and non-traditional livestock of the state", and this is our primary consideration.

If the legislative intent has recently changed, or you have additional information to clarify our understanding of the situation, please contact me to further discuss.

Sincerely,

A handwritten signature in cursive script that reads "Susan J. Keller DVM".

Susan J. Keller, DVM
State Veterinarian

Zaluski, Martin

From: Schwabenlander, Stacey <Stacey.Schwabenlander@state.mn.us>
Sent: Monday, January 31, 2011 10:28 AM
To: Zaluski, Martin
Cc: Hartmann, Bill; Glaser, Linda
Subject: MN cattle import requirements

Follow Up Flag: Follow up
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Dr. Zaluski,

Good morning! Please see below for a summary of the import requirements that Minnesota plans to put into place for cattle coming from the Brucellosis DSA within your state. We are aware that the increased requirements that were previously in place for the old 'Brucellosis Action Plan Area 1' (Carbon, Sweet Grass, Stillwater Counties and the areas of Park, Gallatin, Beaverhead, and Madison Counties outside of the DSA) have been dropped by the Montana Department of Livestock, therefore, Minnesota has already discontinued requirements from that area. Please let me know if you have any questions or concerns.

Montana DSA Cattle Requirements:

-Certificate of Veterinary Inspection. Exception: no CVI required if going directly to a federally licensed slaughter plant.

-Official identification (CVI must list official ID)

-Negative individual Brucellosis test on all test eligible animals (intact cattle \geq 12 months of age) within 30 days of importation into Minnesota between January 15 – June 15; Negative individual animal tests completed after July 16 are good for movement until January 14. Exception: no test required if going directly to a federally licensed slaughter plant.

Thank You,

Stacey Schwabenlander, DVM, MPA

Minnesota Board of Animal Health
625 Robert St North, St. Paul, MN 55155
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Stacey.Schwabenlander@bah.state.mn.us

Zaluski, Martin

From: Dr. Bill Barton <Bill.Barton@agri.idaho.gov>
Sent: Monday, January 31, 2011 3:52 PM
To: Zaluski, Martin; Jim Logan
Subject: FW: MN cattle import requirements
Attachments: image001.jpg

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FYI

Bill Barton, DVM
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From: Schwabenlander, Stacey [mailto:Stacey.Schwabenlander@state.mn.us]
Sent: Monday, January 31, 2011 10:45 AM
To: Dr. Bill Barton
Cc: Hartmann, Bill; Glaser, Linda
Subject: MN cattle import requirements

Dr. Barton,

Good morning! Please see below for a summary of the import requirements that Minnesota plans to put into place for cattle coming from your state. Please let me know if you have any questions or concerns.

Cattle from the State of Idaho:

- Certificate of Veterinary Inspection. Exception: no CVI required if going directly to a federally licensed slaughter plant.
- Official identification (CVI must list official ID). Exception: Steers and spayed heifers.
- Negative individual Brucellosis test on all test eligible animals (intact cattle \geq 12 months of age) within 30 days of importation into Minnesota. Exception: no test required if going directly to a federally licensed slaughter plant.

Thank You,

Stacey Schwabenlander, DVM, MPA
Minnesota Board of Animal Health
625 Robert St North, St. Paul, MN 55155
Office Telephone: 651-201-6813