

## State Brand Board Minutes of the Meeting February 13, 2013

The South Dakota State Brand Board met on February 13, 2013 at the State Brand Board office in Pierre, SD. Blair called the meeting to order at 10:30 a.m. Members present were Bart Blum, Curt Mortenson, Scott Vance and Lyla, Hutchison. Others present were Harold Deering, Larry Stearns, Debbie Trapp, Courtney De La Rosa, Sylvia Christen, Bob Fortune, Kenny Fox, Bill Kluck, and Jerry Vogeler.

Vance moved and Blum seconded the motion to adopt the agenda. Motion carried.

Mortenson moved and Blum seconded the motion to approve the minutes for the January 23, 2013. Motion carried.

Director's Report: Stearns reported that in January 2013, there were 54 brand applications, 31 new brands, 40 transfers, and 4 brand books sold.

Included in the meeting packet were:

1. The July-Jan 2013 revenues and expenses, for the Brand Board.
2. Minutes of the January 23, 2013 meeting.
3. Director's Report
4. Brand Inspection Report
5. Condition statement and projections for the next two years.
6. Legislation involving the Brand Board.

Directors Report: The tally system at St Onge L/S market is nearly 100% operational. St Onge L/S's software provider, ASI, is working to more closely integrate the two systems. Expansion to other barns is now feasible.

The director said that Wray Shouldis has been out for two weeks with an abdominal infection. He is back to work part time. Stearns also said that the Senate confirmation hearings for Blair and Hutchison will be held on February 14, 2013.

Chief Brand Inspector's Report: In Shouldis' absence, Stearns reported that for January 2013, we inspected 127,529 head; 86,265 at livestock markets, 480 at locker plants and 40,784 head inspected on locals. There were 2,321 holds in January 2013.

For January 2013, there were no new holds that came into the office.

Mortenson asked Vance what he anticipated for the future. Vance said that he sees the numbers stabilizing with moisture. Vance added that this spring could be really busy or really slow. He sees more cows going east river and north.

Stearns reported that Michael Rybak was fined for leaving the ownership inspection area without a brand inspection.

Financial Report: Stearns reported on the cash center balances for January 31, 2013 with the Brand Fund Admin having \$855,087, Brand Inspection Fund balance of \$382,817 and Theft and Prevention Fund have a balance of 97,991. For January 2013, the Board received \$164,369 in receipts and paid \$189,044 in expenses. For brand inspection, there was \$160,369 in receipts and \$136,977 in expenses for January.

**State Brand Board  
Minutes of the Meeting  
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Director Announcement: Mortenson moved to offer Debbie Trapp the position of Executive Director of the SD Brand Board. Blum seconded the motion which carried. Trapp accepted the position and will start in the office on February 24, 2013. Stearns will stay until early April to help in the transition.

Legislative Proposals:

Stearns reported on other legislation of interest to the Brand Board.

HB1089 – This bill seeks to expand brand inspection to cover the entire state of South Dakota. This bill came out of committee with enough support to allow discussion on the House floor.

HB1187 – This bill would allow the Board to charge a fee for issuing a permit to move rodeo stock on a seasonal permit.

HB1083 – This bill changes the definition of felony charges for livestock theft.

Stearns said that he would be testifying on the HB1187 as it is very similar to legislation that the Board has discussed and supported in the past.

Administrative Rules:

Lifetime Horse Permit fees: Mortenson moved to consider an increase from \$10 to \$20 for a lifetime horse inspection in an administrative rules hearing. Blum seconded the motion. Mortenson said that it was a fairness issue with horse inspection paying its own way. Blum said that most horse owners that would get a lifetime would not mind paying an additional \$10.

Brand Inspection Fee:

Mortenson moved and Hutchison seconded the motion to consider an increase in the brand inspection fee from \$.90 to \$1.00 in an administrative rules hearing. Stearns outlined possible budgeting scenarios with the expanded numbers of livestock moving due to the extended drought. He predicted a large drop in numbers of livestock inspected if the drought does not end. The motion passed with a 4-1 vote.

March 22, 2013 at 1:00 p.m. CDT has been set as the time for the rules hearing. A business meeting will be held at 10:30 a.m. Both meetings will be held at the Mathew Training Center in the Foss Building.

Open Comment:

Kenny Fox had several questions on the brands for the rodeo permit bill. The question was raised about sheep theft and identification of the missing animals. Bill Kluck suggested that reading scrapies tags would be a good start. Vance said that tags may or may not be read depending on the state that the sheep were going to.

Hutchison moved that the meeting go into executive session pursuant to SDCL 1-25-2 (1) personnel issues and (3) for legal issues at 11:50. Blum seconded the motion which carried. The meeting came out of executive session at 11:55 a.m.

The meeting was adjourned at 11:55 on a motion by Hutchison and second by Mortenson.

  
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Director

  
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President

These minutes were filed for the record on 3-22-2013.