

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON AGRICULTURE, LIVESTOCK AND IRRIGATION

Call to Order: By Chairman Bob Bachini, on February 3rd 1989, at 3:20 p.m.

ROLL CALL

Members Present: All members present except:

Members Excused: Rep. M. Hanson

Members Absent: none

Staff Present: Connie Erickson, Legislative Council and Maureen Cleary, Committee Secretary

Announcements/Discussion: none

HEARING ON HOUSE BILL 423

Presentation and Opening Statement by Sponsor:

REP. GRADY: House District 47. This is a simple bill relating to transporting sheep across county lines. The bill should reduce the risk of theft to ranchers in the state. This would provide for only a permit not an inspection.

Testifying Proponents and Who They Represent:

Mr. Rob Gilbert/ Mont. Woolgrowers Association (See Exhibit #1)

Mr. Les Graham/ Dept. of Livestock, Helena

Rep. Kasten wished to go on record as receiving several calls from people in her district which support this bill.

Ms. Lynn Casterline/ Northern Dawson County (See Exhibit #2)

Proponent Testimony:

Mr. Les Graham: I want it noted that we are not here as proponents. We are here to make some explanations to you because of the terminology between permit and an inspection permit (See Exhibit #3). A permit does not require an inspection. It simply requires the inspector fill in the county of origin, the owner, the date, etc. The key is for sheep to be noted just below on the permit. It states "I certify that I am the owner or agent of the livestock

described above and that the brand description and destination are correct and the same will be delivered to the destination shown". A brand inspector can write this almost anytime. We have permit books like this located in grocery stores, filling stations, etc. Because those people do not have to see the animal, they rely on the validity of the information given to them by the owner or the person transporting the livestock. Under this law or proposed bill, there will not be an inspection of the sheep required. Our position is to use this form and if it passes, we will simply have those permit writers write across the front, "sheep". We will not have to print new books or get involved in alot of extra work.

All further testimony can be referred to as exhibit numbers listed above.

Testifying Opponents and Who They Represent:

Rep. Gary Spaeth/ House District 84 (See Exhibit #4, #5)

Opponent Testimony:

Rep. Spaeth: I am in a difficult situation. I do not want to come before the Committee personally as an opponent, but I have several constituents that have written letters. Because of the cold they are unable to travel to testify. I did assure them that I would present a letter to the Committee on their behalf. Some of them realize that there is a problem with sheep theft and asked that the Committee to consider their concerns as stated in their letters.

Questions From Committee Members:

REP. ELLISON: What are the numbers of sheep per year stolen?

MR. GRAHAM: The loss of sheep has gone up dramatically in the last few years. In the late 70's and early 80's it was traditional to have 900 to 1000 head stolen. But in the last 5 years that number is averaging over 2000. It has doubled in reported losses. Many more theft cases have been reported that have enough evidence to support the fact that they were stolen. REP. ELLISON: What is the value per head?

MR. GRAHAM: The cost averages about \$120.00 per head. But that the figure could differ depending on the breed and the quality of the wool. The lamb prices are now about 72 to 82 cents per pound. The value of sheep is going up in dollar price. They are worth stealing.

REP. KASTEN: What is the cost of a permit? MR. GRANT: The cost would be \$1.00. REP. KASTEN: Would it be possible to have some sort of market permit for those who market one or two at a time? MR. GRANT: We have looked into the possibility, but it seems unlikely due to the systems set up. The permit

writers would not be willing to accommodate that change.

REP. REAM: Some of the language looked like it could fall under rule making. For the Western Montana Fair there are about 200 kids bringing sheep across county lines and would they need a permit? MR. GRAHAM: The 4H kids now obtain a permit, we could look into the situation to see if they could eliminate the paperwork. This could be a valid concern to investigate. REP. REAM: Does this bill pertain to movement within the counties? MR. GRAHAM: The bill covers only across county line transportation of sheep.

REP. KELLER: I feel that alot of the confusion stems from your opposition to the presumption that people would be forced to get a brand? MR. GRAHAM: That confusion has been an ongoing problem. The misconception that this bill forces people to brand their animal is not the case. You are not required to brand cattle. That is an option. Few sheep owners have brands although many of them have marks registered with us. But, that is not a requirement, and could not be unless you went into a different area of the law. New Mexico is the only state that has a mandatory branding law.

REP. REAM: The bill itself does not state anything regarding crossing county lines. It just refers to within or out of the state. Are you saying that in the rule making you would apply it to only across county lines? MR. GRAHAM: We would use the county line as the point where they would be required to show proof. I feel that we could look at it from the stand point of the industry, as woolgrowers we would ask them to begin monitoring movement of sheep. They would only have to have due cause to stop a vehicle. The brand inspections on cattle and horses give them that right. I feel the intention of the organization was that they needed some system that they could put a "paper trail" on.

REP. STEPPLER: When it comes to marketing lambs in groups, and when there are several trucks involved, would the owner need several permits? MR. GRAHAM: There are "convoy" type permits available now. These could be used in such cases. The cost of the permit would still be only one dollar for the convoy type permit.

REP. WESTLAKE: I question the enforcement of this bill. MR. GRAHAM: We have been questioned on the value of stopping vehicles at all. We have truck stop reports, and then someone will report in the next three or four days that they are missing five head of sheep. With this system we would then have a "paper trail." If a vehicle were stopped in the State of Montana now, and it were to be stolen sheep, there is a possibility that in the legal system it could be construed as an illegal stop, search and seizure and the case would be gone.

REP. GUTHRIE: Can the permit be written other than in the county

of origin? MR. GRAHAM: We do have an "emergency" system set up that allows permits to be written in another county. We see very little abuse of the system presently.

REP. KASTEN: What section of the state is losing the most sheep?

MR. GRAHAM: The biggest area is west of the continental divide. There are more thefts in the eastern part of the state because of the range. In the western region there are more mountains and the sheep can be monitored easier. REP. KASTEN: Are the people heavily affected more in favor of the bill? MR. GRAHAM: Yes, if a sunset clause were added to the bill we could look back and see if indeed the permit system helped reduce theft. The Board of Livestock would have the authority to determine if the system was working.

REP. STEPPLER: Would there be any possibility that the bill of sale could be used as a valid document? MR. GILBERT: It would depend on the state board requirements. In some cases, this has been acceptable.

REP. BACHINI: Would the persons selling the permits be agents of the state? Would they be available in many areas? MR. GRAHAM: Currently there are about 600 local inspectors. Out of the total, there is about a 75 to 80% account of those people that also have permit books.

REP. ELLIOTT: Do these inspectors have the capacity to actually inspect the calves? MR. GRAHAM: Yes, they do. They also have authority to pull a stray out if they think that something is wrong. They can even hold the shipment and place a call into state officers. REP. ELLIOTT: If the inspector feels that there is a need to go on and inspect would they? MR. GRAHAM: Generally, they would not. Instead, they would place a call to one of the authorities and they would put a stop up.

Closing by Sponsor:

REP. GRADY: The fiscal responsibility would zero out and the Dept. of Livestock would incur little expense to implement the program. This bill would provide a "paper trail" for the farmers and ranchers and decrease the amount of theft.

DISPOSITION OF HOUSE BILL 423

Motion: Rep. Kasten made the motion for a "do pass"

Discussion: Connie Erickson: Told the Committee that because the bill would provide for rule making authority to the Dept. of Livestock. A statement of intent would be necessary. (Read Statement of Intent)

Rep. Elliott: requested that executive action be delayed until

HOUSE COMMITTEE ON AGRICULTURE, LIVESTOCK AND IRRIGATION

February 3rd 1989

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the following Monday, so that he may have an opportunity to contact his constituents.

Rep. Ream: commented that he felt the wording of "intercounty" should be worked into the statement of intent. Chairman Bachini: directed the staffer to investigate this and to report back to the Committee.

Amendments, Discussion, and Votes: none

Recommendation and Vote: Vote was delayed until researcher reports back to Committee on findings.

ADJOURNMENT

Adjournment At: 4:30 p.m.



REP. BOB BACHINI, CHAIRMAN

BB/mc

2901.min

DAILY ROLL CALL

AGRICULTURE

COMMITTEE

50th LEGISLATIVE SESSION -- 1989

Date Feb. 03.

NAME	PRESENT	ABSENT	EXCUSED
Rep. Bob Bachini, Chairman	✓		
Rep. Francis Koehnke, Vice Ch.	✓		
Rep. Gene DeMars	✓		
Rep. Jerry Driscoll	✓		
Rep. Jim Elliot	✓		
Rep. Linda Nelson	✓		
Rep. Bob Ream	✓		
Rep. Don Stepler	✓		
Rep. Vernon Westlake	✓		
Rep. Duane Compton			✓
Rep. Orval Ellison	✓		
Rep. Bert Guthrie	✓		
Rep. Marian Hanson			✓
Rep. Harriet Hayne	✓		
Rep. Betty Lou Kasten	✓		
Rep. Vernon Keller	✓		
Rep. John Patterson	✓		

exhibit #01

2/03

HB 423

HB 423 SHEEP PERMIT BILL, Grady

Hearing: February 3, 1989, House AG 3pm

BOB GILBERT, Secretary-Treasurer, Montana Wool Growers Assn.

This Bill is the result of two resolutions passed at the MWGA conventions-- in 1987 and in December 1988. It is supported by a majority of the 2,600 growers in the association, but admittedly there's opposition which I will address later.

EXHIBIT #01

DATE 2/03/89

HB 423

THEFT: on the rise

LAW ENFORCEMENT has no "paper trail" to trace movement; but more importantly they have no legal authority to stop vehicles transporting sheep. That is the key issue here. Without legal authority law enforcement authorities are not to stop vehicles transporting sheep. Without the just cause provisions cases involving actual theft can be thrown out of court.

What is happening now is that basically sheep movement goes unnoticed by GVW, Highway Patrol, Sheriff and brand inspectors.

LEGISLATIVE AUTHORITY GRANTED: This bill gives authority to the board of livestock/departement of livestock to draw up the rules and regulations to allow a permit system. The industry has faith that those rules will address the issue and will not be used to just make it a hassle to transport sheep. The board has already assured the industry, and the state's largest sheep producing county (CARTER) that hearings will take place when these rules are presented---in their area.

The permits (not inspections) will be readily available from inspectors and other common points for permits.

The cost \$1.00.

HOW THIS PERMIT CAN BE HELPFULL---Les Graham can address from the angle of theft/rustling investigations.

The problem seems to be growing, although that's not to say there has probably not always be a sheep theft problem. I am in my 15th year and prior to four years ago heard little about theft.

At the convention a poll taken showed 65% in favor and 35% either opposed or thought it wouldn't do any good. The persons opposed however can offer no other alternative to the issue of theft.

We note that cattle and horses have a inspection---a hands on brand inspection-- of the animal. We are not talking about that here. We simply seek a permit which must be in the possession of those transporting sheep down a throughfare outside of their county of origin. I emphasize no body must come and count nor identify the animal. I was called this morning by Gloria Lombardi of Whitehall, however, and she said she'd like to see that inspection or strong laws identifying the animals ownership.

OPPOSITION: Won't work--- we've heard that on probably every idea that comes up; a hassle- We doubt the permit will pose much of a hassle as it does not, like cattle, demand a brand inspector come to visually inspect. Some "traders" have complained but their only complaint seems to be involved with obtaining a permit--that's simpl

exhibit #02
2/03/89
HB 423

HOUSE AGRICULTURE COMMITTEE:

RE: HB 423 SHEEP PERMIT SYSTEM

EXHIBIT #02
DATE 2/03/89
HB HB 423

MY NAME IS LYNN CASTERLINE. I AM A PRODUCER FROM
NORTHERN DAWSON COUNTY AND AM CURRENTLY PRESIDENT OF
THE MCCONE COUNTY SHEEPGROWERS ASSOCIATION.

I HAVE WITH ME TODAY, AS PART OF MY TESTIMONY,
RESOLUTIONS IN SUPPORT OF THE PROPOSED SHEEP PERMIT
SYSTEM FROM THE MCCONE COUNTY SHEEPGROWERS ASSOC. AND
ALSO THE EASTERN MONTANA SHEEP ASSOCIATION OF GLENDIVE.
COMBINED MEMBERSHIP APPROXIMATELY 100. I WOULD LIKE
THESE TO BE ENTERED INTO THE RECORD IN SUPPORT OF HB
423.

IN MY AREA WE HAVE SEVERAL PRODUCERS THAT HAVE
LOST SHEEP TO THEIVES. MYSELF INCLUDED.

AT PRESENT THE DEPARTMENT OF LIVESTOCK HAS NO
AUTHORITY TO CHECK THE MOVEMENT OF SHEEP. WITHOUT THIS
BILL THEY DO NOT HAVE THE RIGHT TO STOP AND QUESTION
ANYONE TRANSPORTING SHEEP EVEN IF THEY SUSPECT THAT THE
OWNERSHIP IS QUESTIONABLE.

WITH THE IMPLENMENTATION OF THIS BILL THE
DEPARTMENT OF LIVESTOCK WOULD HAVE THE ABILITY TO
CONDUCT AN INVESTIGATION ONCE THEY ARE MADE AWARE OF A
POSSIBLE THEFT, AND, THEY WOULD HAVE THE ABILITY TO
WORK WITH THE VARIOUS AGENCIES THROUGHOUT THE STATE,
HIGHWAY PATROL, COUNTY SHERIFFS, G.V.W., ETC. TO HELP
TRACK THE MOVEMENT OF SHEEP. IN ADDITION TO THESE

OPTIONS THERE WOULD ALSO BE A PAPER TRAIL ON THE LOADS WHICH WOULD DESIGNATE POINT OF ORIGIN AND ALSO DESTINATION.

MANY ARGUMENTS HAVE BEEN AIRED AS TO WHY WE DON'T NEED THE PERMIT SYSTEM. ONE IS THAT IT WILL BE VERY INCONVENIENT. ANOTHER IS THAT IT WILL BE VERY EXPENSIVE AND THAT IT IS JUST ANOTHER WAY TO RAISE REVENUE FOR THE DEPT. OF LIVESTOCK.

IT IS NO MORE INCONVENIENT TO STOP AND PICK UP A PERMIT FOR SHEEP THAN IT IS FOR CATTLE AND HORSES. THERE ARE INDIVIDUALS IN MOST LOCATIONS WHERE SHEEP ARE MOVED THAT ARE IN THE EMPLOY OF THE DEPT. OF LIVESTOCK THAT WILL WRITE A PERMIT FOR YOU. AS FAR AS THE EXPENSE, MY UNDERSTANDING IS THAT IT WILL COST NO MORE FOR A PERMIT FOR 1000 HD. OF SHEEP THAN IT DOES IF YOU ARE TRANSPORTING 10. THIS PROGRAM WILL NOT BE GENERATING HUGE SUMS OF MONEY FOR THE DEPT OF LIVESTOCK AS THE FEE CHARGED WILL REMAIN IN THE HANDS OF THE INDIVIDUAL ISSUING THE PERMIT. THE INFORMATION THAT I HAVE IS THE FEE WILL BE \$1.00 PER PERMIT. HARDLY A FORTUNE. ESPECIALLY WHEN YOU CONSIDER THE HUNDREDS OF SHEEP STOLEN EVERY YEAR.

AS YOU KNOW THE SHEEP INDUSTRY IN MONTANA IS A TREMENDOUS RESOURCE. I FEEL THAT WHATEVER WE CAN DO TO PROTECT IT AND KEEP IT A VIABLE INDUSTRY IS IMPORTANT FOR NOT ONLY THE INDUSTRY ITSELF, BUT, ALSO THE STATE.

THANK YOU FOR YOUR TIME AND CONSIDERATION.

LYNN D. CASTERLINE

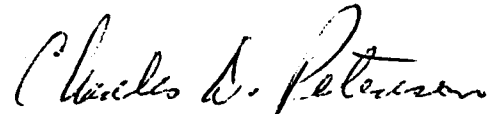
BOX 2

RICHEY, MT. 59259

406-773-5810

EASTERN MONTANA SHEEP ASSOCIATION

A poll of the board of Directors of the Eastern Montana Sheep Association concerning a permit system for movement of sheep was taken by the Association's secretary. The board unanimously supports the resolution submitted by the the McCone County Sheep Growers Association being submitted at the 1987 annual meeting of the Montana Wool Growers Association.

A handwritten signature in cursive script, reading "Charles D. Peterson".

Charles D. Peterson, Secretary
Eastern Montana Sheep Association
Glendive, Montana

NOVEMBER 16, 1987

RE: RESOLUTION: SHEEP PERMIT SYSTEM.
FROM: MCCONE COUNTY SHEEPGROWERS ASSOCIATION.

AT THE NOVEMBER 6, 1987 ANNUAL MEETING OF THE
MCCONE COUNTY SHEEPGROWERS ASSOC. A UNANIMOUS BALLOT
WAS CAST IN FAVOR OF A RESOLUTION SUPPORTING A
STATEWIDE SHEEP PERMIT SYSTEM TO BE IMPLEMENTED BY THE
DEPARTMENT OF LIVESTOCK.

LYNN D. CASTERLINE
PRESIDENT
MCCONE COUNTY SHEEPGROWERS



STATE OF MONTANA

CATTLE

BRAND INSPECTION CERTIFICATE

(PLEASE PRINT)

059307

Date

- ☐ Change of Ownership
☐ Change of Pasture
☐ Slaughter-Packer
☐ Livestock Market
☐ Feedlot
☐ Exempt

Owner _____
Address _____
City _____ State _____
Inspected at or Near _____
County _____ Destination _____
Code _____ State _____

HEAD COUNT	HEAD COUNT	HEAD COUNT	TOTAL	BRAND & LOCATION	SELLER NAME & ADDRESS & ZIP
STR	HFR	STR CALF			
COW	BULL	HFR CALF			

ORIGINAL OWNER OR MKT

HEAD COUNT	HEAD COUNT	HEAD COUNT	TOTAL	BRAND & LOCATION	SELLER NAME & ADDRESS & ZIP
STR	HFR	STR CALF			
COW	BULL	HFR CALF			

ORIGINAL OWNER OR MKT

HEAD COUNT	HEAD COUNT	HEAD COUNT	TOTAL	BRAND & LOCATION	SELLER NAME & ADDRESS & ZIP
STR	HFR	STR CALF			
COW	BULL	HFR CALF			

ORIGINAL OWNER OR MKT

TOTAL ALL COLUMNS					
HEAD COUNT	HEAD COUNT	HEAD COUNT	TOTAL	STR	HFR
COW	BULL	HFR CALF			

Bill of Sale granting conditional transfer of title taken up.
Full title does not vest in above owner until Bank notification of payment is attached to this certificate, as authorized by Section 30-2-401 MCA.

Inspect. Fee

BILL OF SALE TAKEN UP

is certificate does not exempt the person to whom it is issued from subsequent Brand Inspection and payment of fees for same at points where inspection is required by state laws or regulations.

Beef Council

Signature of Owner or Authorized Agent

Inspector

Code

#10

PERMIT

May be issued by any State Stock Inspector or Deputy State Stock Inspector for consignments to licensed livestock markets (as a market consent permit) — or transported by truck to railroad shipping point in **EXEMPT** from transportation permit.

WITHIN MONTANA DATE 2/03/89

HB HB 423

County of origin _____ Owner _____

PRINT NAME

Date _____ 19 ____ of _____, Montana

OWNER'S ADDRESS

Vehicle license number _____ Driven by _____

The animals listed below are to be delivered directly to:

NAME OF COMMISSION FIRM OR RAILROAD _____ at _____ MARKET POINT OR RAILROAD POINT _____, Montana

Subject to inspection at destination

NO. OF HEAD	DESCRIPTION (SEX, COLOR, BREED, MARKS)	BRANDS	LOCATION OF BRANDS

Total Number _____

Fee Charged _____

I certify that I am the owner or agent for owner of the livestock described above, that the brands, description and destination are correct and that the same will be delivered to the destination shown.

SIGNATURE OF OWNER

OF

DULY AUTHORIZED AGENT

THIS PERMIT IS ISSUED UNDER THE PROVISION OF CHAPTER 184, LAWS OF MONTANA, 1953, AS AMENDED.



SIGNATURE OF INSPECTOR

Permit is issued in triplicate. One copy shall accompany the shipment and be delivered to the Inspector where animals are delivered. One copy shall be filed by the Inspector with the Department of Livestock, Brands-Enforcement Division, at Helena, Montana, **within 5 days**. One copy shall be retained by the Inspector. Bills of sale for stock not branded with owner's recorded brand should accompany this permit to market or railroad shipping point. Separate permits must be issued for each owner.

THIS IS NOT A BRAND INSPECTION — DO NOT DIVERT OR GO ANYWHERE EXCEPT TO THE DESTINATION WITHIN MONTANA NAMED ABOVE



The Big Sky Country

exhibit #04
2/03/89
HB 423

MONTANA HOUSE OF REPRESENTATIVES

REPRESENTATIVE GARY SPAETH

HOUSE DISTRICT 84

HELENA ADDRESS:
CAPITOL STATION
HELENA, MONTANA 59620
PHONE: (406) 444-4800
HOME ADDRESS:
SILESIA, MONTANA 59080
PHONE: (406) 962-3266

February 3, 1989

COMMITTEES:
APPROPRIATIONS
SUBCOMMITTEE ON
NATURAL RESOURCES
AGRICULTURE, LIVESTOCK &
IRRIGATION

EXHIBIT #04
DATE 2/03/89
HB HB 423

Honorable Committee,

I have received numerous letters from sheep producers in my area opposing H.B. 423. I have made copies of this letter, so that I may enter it as testimony. I appreciate your consideration of the concerns that my constituents have expressed to me. Thank you.

Sincerely,

A handwritten signature of Gary Spaeth in dark ink.

Gary Spaeth
Representative

GP:kc

exhibit #5
2/03/89
HB 423.

Jan. 23, 1989

EXHIBIT #05
DATE 2/03/89
HB HB423

Att: Representative Gary Spaeth:

As a sheep producer I would like to protest the Permit System on Sheep if it is proposed to the Montana Legislators.

I do not feel that the majority of the sheep producers are in favor of this and it would be an additional cost and paper work.

It is my concern that this would not cut down on sheep theft but only cause confusion on trying to figure out a marking or branding system.

I feel that the small growers would carry the burden of the expense because they ship lambs many times, in small numbers through the local markets, hereby paying for many permits.

The larger producers, who I believe are having the biggest theft problem ship only one or two times a year.

Sincerely Yours,

A. Dean Spaulding
A Sheep Producer

*Bridge Port
march*

Agriculture

BILL NO.

HB 423

DATE _____

Feb. 3rd

SPONSOR

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.