



**Annual Report to
Senate and House Committees
2023 Legislature**

Agricultural and Natural Resources Committees
Government Operations and Audit Committee

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SD Brand Board

Brand Board Legislative Report for Calendar Year 2022

The South Dakota State Brand Board is a law enforcement agency which operates on funds generated from the brand registration program and the brand inspection program. The Brand Board does not receive any general fund appropriations. **The registration and the use of brands apply to the entire state.** The livestock ownership inspection area in South Dakota is west of the Missouri River. Any livestock leaving this inspection area must have a livestock ownership inspection or transportation permit prior to leaving. Livestock sold at livestock markets in western SD are inspected for ownership at the markets. Livestock sold privately must also have ownership inspections. Members of the Brand Board are appointed by the Governor and confirmed by the Senate. Brand Board members are Scott Vance, Faith; Myron Williams, Wall; Lyle Spring, Union Center; David Paul, Mud Butte and Haven Stuck, Rapid City. The Brand Board employees full time brand inspectors, stationed at 10 livestock markets in western SD, part-time/local brand inspectors, office staff, and brand enforcement/livestock investigators.

Livestock Inspections

In CY (calendar year) 2022 a total of 1,675,636 head of livestock were inspected. This is a decrease of 142,316 head from 2021. Due to drought conditions in 2021, a record number of livestock were inspected and sold which resulted in fewer livestock carried over in 2022 and presented for sale. Ninety holds were submitted to the Brand Board office pending proof of ownership. Table 1 shows the inspections by month for each category. Table 2, which lists CY 2021 information, is included for comparison purposes. Some of the reported numbers are subject to change as data may be received in the brand office after the completion of this report.

Table 1. SD Brand Board Livestock Inspections and Holds by Month for CY 2022.

CY 2022 Month	Livestock Markets	Locker Plants	Local Inspections	Horse Lifetime Permits	Total	Number of Livestock Presented for Sale without Proof of Ownership
January	90,482	405	112,663	65	203,615	662
February	101,471	384	58,434	64	160,353	1,761
March	78,540	1,322	46,620	59	126,541	554
April	84,055	611	28,200	25	112,891	3,245
May	65,131	305	50,477	96	116,009	2,720
June	69,137	535	47,530	62	117,264	3,369
July	53,119	669	45,234	66	99,088	2,145
August	19,014	196	21,041	108	40,359	1,565
September	31,536	339	41,946	149	73,970	620
October	48,987	184	62,617	72	111,860	842
November	214,707	477	56,381	28	271,593	331
December	189,044	279	52,757	13	242,093	551
TOTALS	1,045,223	5,706	623,900	807	1,675,636	18,365

Table 2. SD Brand Board Livestock Inspections and Holds by Month for CY 2021.

CY 2021 Month	Livestock Markets	Locker Plants	Local Inspections	Horse Lifetime Permits	Total	Number of Livestock Presented for Sale without Proof of Ownership
January	124,298	608	49,588	57	174,551	1,093
February	128,321	577	32,076	43	161,017	1,989
March	79,442	773	26,122	51	106,388	1,122
April	78,577	451	33,247	26	112,301	1,315
May	67,673	567	21,433	45	89,718	2,864
June	62,034	323	52,920	78	115,355	3,462
July	62,730	468	31,091	168	94,457	3,691
August	40,956	234	34,775	152	76,117	2,254
September	62,360	526	34,980	108	97,974	656
October	101,832	363	32,540	54	134,789	611
November	291,746	686	45,659	63	338,154	737
December	225,489	698	90,882	62	317,131	766
TOTALS	1,325,458	6,274	485,313	907	1,817,952	20,560

Table 3 shows the total number of inspections per month for 2018 thru 2022 and average inspections for each month.

Table 3. Total Livestock Inspected per Month and Monthly Average in years 2018-2022

Month	2018	2019	2020	2021	2022	Average
January	124,747	112,021	150,169	174,551	203,615	153,021
February	146,174	144,750	135,016	161,017	160,353	149,462
March	111,768	109,572	125,051	106,388	126,541	115,864
April	90,592	94,990	91,331	112,301	112,891	100,421
May	89,136	100,153	71,554	89,718	116,009	93,314
June	120,049	94,790	117,878	115,355	117,264	113,067
July	83,583	93,628	75,331	94,457	99,088	89,217
August	47,231	48,247	52,620	76,117	40,359	52,915
September	60,114	60,610	84,866	97,974	73,970	75,507
October	121,295	141,646	143,327	134,789	111,860	130,583
November	338,570	289,587	250,789	338,154	271,593	297,739
December	286,376	295,041	316,452	317,131	242,093	291,419
TOTALS	1,619,635	1,585,035	1,614,384	1,817,952	1,675,636	1,662,528

Deposits for Inspection

Monthly inspection receipts, from fees collected at livestock markets and local inspections, are shown in Table 4. Fees collected for locker plants and feedlot inspections are included in the livestock market totals. Since July 1, 2013, the brand inspection fee is a \$1.00 per head plus mileage. The current mileage rate, of \$.51/mile, is set by the Board of Finance. The inspection receipts listed below do not include the mileage fees collected for local inspections. The brand inspectors are reimbursed for mileage. The CY 2021 fees are included for comparison purposes.

Table 4. Inspection Receipts Deposited for Calendar Years 2022 and 2021.

Month	2022 Market Inspections	2022 Local Brand Inspections	2022 Brand Inspection TOTAL	2021 Market Inspections	2021 Local Brand Inspections	2021 Brand Inspection TOTAL
Jan	\$90,887	\$113,963	\$204,850	\$94,819	\$65,327	\$160,146
Feb	\$101,855	\$59,714	\$161,569	\$139,054	\$15,408	\$154,462
Mar	\$79,862	\$47,800	\$127,662	\$112,311	\$34,951	\$147,262
Apr	\$84,666	\$28,700	\$113,366	\$81,444	\$41,977	\$123,421
May	\$65,436	\$52,397	\$117,833	\$52,254	\$22,978	\$75,232
Jun	\$69,672	\$48,770	\$118,442	\$81,977	\$51,174	\$133,151
July	\$53,788	\$46,554	\$100,342	\$71,981	\$40,720	\$112,701
Aug	\$19,210	\$23,201	\$42,411	\$46,377	\$13,101	\$59,478
Sept	\$31,875	\$44,926	\$76,801	\$55,099	\$48,147	\$103,246
Oct	\$49,171	\$64,057	\$113,228	\$105,750	\$37,915	\$143,665
Nov	\$215,184	\$56,941	\$272,125	\$154,070	\$58,410	\$212,480
Dec	\$189,323	\$53,017	\$242,340	\$346,746	\$75,828	\$422,574
TOTALS	\$1,050,929	\$640,040	\$1,690,969	\$1,341,882	\$505,936	\$1,847,818

Missing or Stolen Livestock

The number of livestock reported missing or stolen in CY 22 **decreased** by 323 head as compared to CY 21. The head count and type of livestock reported missing or stolen in CY 22 are listed in Table 5. The numbers reported for CY 21 are listed in Table 6. Some of the livestock reported missing or stolen may be the result of a civil dispute between producers, lenders taking possession of their security, or livestock may have died. Livestock which has been found or recovered may have been found by the owner, brand inspectors, livestock investigators or other law enforcement officials. **Producers who believe their livestock has been stolen should contact their local law enforcement immediately.** The Brand Board works

with other law enforcement agencies on missing/stolen livestock cases. Although the Brand Board's investigators do not have jurisdiction on tribal ground, they assist as requested.

Table 5. Head Count and Type of Livestock Reported Missing or Stolen in 2022.

Month	Cows	Calves	Yearlings	Bulls	Horses	Sheep	Buffalo	TOTALS	Found/Recovered
Jan	23	22	0	0	0	0	0	45	0
Feb	0	0	0	0	0	0	0	0	1
Mar	0	0	0	0	8	40	0	48	0
Apr	0	0	0	0	0	0	0	0	0
May	0	0	0	0	0	0	0	0	0
June	0	0	0	0	0	0	0	0	0
July	0	12	0	0	0	0	0	12	0
Aug	3	38	0	1	0	0	0	42	15
Sept	1	1	5	2	0	0	0	9	6
Oct	0	0	0	3	0	0	0	3	9
Nov	53	44	22	6	0	0	0	125	123
Dec	0	0	0	0	0	0	0	0	20
TOTALS	80	117	27	12	8	40	0	284	174

Table 6. Head Count and Type of Livestock Reported Missing or Stolen in 2021.

Month	Cows	Calves	Yearlings	Bulls	Horses	Sheep	Buffalo	TOTALS	Found/Recovered
Jan	16	23	0	5	0	3	0	48	1
Feb	3	0	0	0	0	0	0	3	10
Mar	5	9	1	0	0	0	0	15	0
Apr	6	6	0	0	0	0	0	12	0
May	0	0	2	0	0	0	0	2	0
June	77	57	3	0	2	0	0	139	0
July	7	7	0	0	0	0	0	14	12
Aug	0	13	0	0	1	75	0	89	2
Sept	11	7	15	0	0	17	0	50	2
Oct	29	50	5	7	1	0	0	92	23
Nov	73	62	0	7	0	0	0	142	1
Dec	0	0	1	0	0	0	0	1	0
TOTALS	227	234	27	19	4	95	0	607	51

As a service to livestock producers, the *Aberdeen News Farm Forum Green Sheet*, *Cattle Business Weekly*, *Tri-State Livestock News*, and *Tri-State Neighbor* publish the Monthly Missing Livestock Report at no cost to the Brand Board.

Recovered Strays

While conducting local brand inspections or inspecting livestock at livestock markets, strays are recovered by brand inspectors. Table 7 below shows the number and type of livestock recovered during inspections completed for years 2018 thru 2022.

Table 7. Number and Type of Livestock Recovered by Brand Inspectors 2018 - 2022.

Year	Cow	Heifer	Calf	Steer	Bull	Horse	Total
2018	46	56	48	25	7	1	183
2019	117	58	99	44	30	0	348
2020	120	38	89	17	10	0	274
2021	166	24	151	14	18	0	373
2022	39	34	14	17	6	0	110

Brand Board Holds

A hold is placed on livestock sale proceeds if proof of ownership has not been established by the seller of the livestock or the livestock was an estray. Prior to sending the proceeds to the Brand Board office, sellers are given 60 days, after the sale date, to prove ownership. Brand inspectors assist sellers to resolve the hold. If proof of ownership has not been provided after 60 days, then the funds are submitted to the Brand Board and held as “Restricted Funds”. Although the seller is responsible to provide proof of ownership, staff in the Brand Office conduct additional research in an attempt to resolve the hold. Holds, which have been submitted to the Brand Board office, are shown below in Table 8. The head count of livestock held at livestock markets, feedlots, locker plants and local inspections are included in Tables 1 and 2 on pages 2 and 3. If a hold was for an estray, brand board staff review grazing reports, missing livestock reports, obtains information from Animal Industry and from brand offices, in surrounding states, to try to determine the owner. Detailed listings of Holds Received, Paid, Pending, and Escheated to the Theft and Prevention Fund are included in the Appendix of this report.

Table 8. Number and Type of Livestock Holds Received, Paid to Livestock Owners and to Unrestricted Theft Prevention Fund 2022 and 2021

	Holds	Cow	Heifer	Calf	Steer	Bull	Horse	Amount
CY 2022 Holds Received	90	62	22	42	15	5	26	\$122,471
Paid to Livestock Owner	11*	9*	5	2	0	3	1	\$11,702*
Unrestricted T & P	26	12	5	1	12	1	4	\$25,289
CY 2021 Holds Received	59	43	6	27	21	7	14	\$68,115
Paid to Livestock Owner	24	26	2	17	3	8	1	\$42,543
Unrestricted T & P	29	10	8	2	7	4	15	\$29,908

**Theft Prevention Fund

*Revised

Livestock Investigations:

If someone believes their livestock has been stolen, they should contact their local law enforcement immediately. The Brand Board assists local law enforcement statewide in the investigation of missing or stolen livestock. Many circumstances are civil cases. Criminal cases are submitted to States Attorneys by the Brand Board investigators. The States Attorneys make the determination if charges are filed. Expenses for the brand enforcement/investigator are paid from the Brand Fund. The main source of revenue for the Brand Fund is brand renewals. One full time brand enforcement/investigator was employed for the first half of 2022 and an interim investigator was employed during the second part of 2022. The interim investigator was previously employed as the Chief Livestock Investigator for the State of Arizona and has done an outstanding job.

Table 9. Livestock Investigative Information

Item	2022	2021
Cases Opened during the year	72	40
Cases Closed during the year	74	23
Cases Open as of yearend	15	17
Convictions	4	0
Arrests	6	0
Cases pending with State's Attorneys	5	1
Outstanding Warrants	0	0
Road Checks	8	1
Narrative Reports	36	96

Brand Program

The Brand Board is also responsible for brand registrations, transfers, brand renewals, shipper permits, grazing permits, and trailing permits. 11Table 10 shows the main brand program revenue for 2022 and 2021. Brands are renewed every five years. The next renewal period will be January 1 - May 1, 2025. If a brand owner does not renew their brand by May 1st of the renewal year, the brand owner has two years to re-record their brand. The brand book is online and can be found on the Brand Board's website sdbrandboard.sd.gov

Table 10. Brand Program Revenue

Revenue Type	2022	2021
New Brand Registrations	\$41,550	\$30,550
Brand Transfers	\$28,900	\$29,725
Brand Application Fee	\$34,920	\$20,760
Brand Renewal Fee	\$24,516	\$25,384
TOTALS	\$129,886	\$106,419

Summary

In calendar year 2022, the number of livestock reported missing or stolen **decreased** by 323 head. Stray livestock recovered by brand inspectors was 110 head. This livestock was either returned to the owner or sold and the proceeds paid to the owner. The number of livestock inspected in CY 22 decreased by 142,316 head due to large selloffs the previous year caused by drought conditions. In CY 2022, there were \$122,441.00 worth of livestock sold without proof of ownership. The funds were placed on hold, pending proof of ownership. Without brand inspections, this amount would have been paid to the sellers regardless, no proof of ownership required.

If anyone believes their livestock has been stolen, they should **contact local law enforcement immediately**. The Brand Board's website sdbrandboard.sd.gov has a link to the SD Sheriff's Association which lists the Sheriffs' contact information. The Brand Board assists local law enforcement statewide on cases of missing or stolen livestock.

Total livestock reported missing or stolen for CY 22 was 284 head. This is down from the 607 head reported in CY 21. In addition to receiving reports of missing livestock, the Brand Board receives hundreds of calls each year. Some topics are trespass livestock, livestock ownership disputes, questions on brand and ownership inspection laws.

The Brand Board has seen an increase in the number of civil disputes regarding livestock ownership. Producers are urged to file the necessary documents to protect their operation when placing their livestock in the care of others or when caring for another producer's livestock.

The Brand Board issues shipper permits, grazing permits, and trailing permits at no cost to the producers. Shipper permits allow producers to take their livestock out of the inspection area to an open market, without being inspected, as they will be inspected at the livestock market. Horses going to markets in Nebraska from the SD brand inspection area, must have a local inspection prior to leaving. A grazing permit is issued to those producers who have imported cattle for grazing which are branded with an out of state brand. If a pasture is divided by the state line, trailing permits may be issued to allow livestock to walk back and forth without a brand inspection.

The foundation of the brand inspection program is requiring sellers to provide proof of ownership. Without brand inspections, anyone could sell livestock without having to provide proof of ownership.

Currently, there are approximately 27,000 registered brands in South Dakota. The fee to renew a brand registration is \$18.00/year. This fee is paid every five years which totals \$90.00/brand. A portion of this fee support the brand enforcement/livestock investigator. No ownership inspection fees are used for livestock investigator expenses.

The Brand Board office encourages anyone to contact the office with questions, issues or concerns.