

## Annual Report to Senate and House Committees 2017 Legislature

Agricultural and Natural Resources Committee Government Operations and Audit Committee

Compiled January 10, 2017

By

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#### **Brand Board Legislative Report for Calendar Year 2016**

This report is compiled to meet the requirements for SDCL 40-18-18. The South Dakota Brand Board operates on funds generated from the brand registration program and brand inspection program. The Brand Board does not receive general fund appropriations. The livestock inspection area in South Dakota is west of the Missouri River. Any livestock leaving this inspection area must have a livestock inspection or transportation permit prior to leaving. The registration and use of brands apply state wide. Members of the Brand Board are appointed by the Governor and confirmed by the Senate. Current Brand Board members are Wanda Blair, Vale; Bart Blum, Reliance; Scott Vance, Faith; Lyla Hutchison, Wounded Knee; and Myron Williams, Wall.

#### **Livestock Inspections and Fees Collected**

In CY2016, a total of 1,662,495 head of livestock were inspected. A breakdown of the inspections is as follows: Livestock Markets – 1,126,994 head, Local Inspections – 529,940 head, Locker Plants – 4,737 head. This compares with CY2015 inspections of 1,581,415 head. The CY2015 inspections were the following: Livestock Markets – 1,028,561 head, Local Inspections – 547,169 head, Locker Plants - 4,632 head. The number of holds decreased in 2016 to 19,825 compared with 22,512 holds in 2015. Thirty-six holds were submitted to the Brand Board office following the 60-day period in which the inspectors work to clear the holds. Table 1 shows the inspections by month for each category. Table 2, which lists CY2015 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 2016.

CY 2016 Month	Livestock Markets	Locker Plants	Local Inspections	Horse Lifetime Permits	Total # Inspected	Holds
January	77,240	505	32,916	24	110,685	1,985
February	119,693	428	34,832	55	155,008	2,280
March	101,252	466	27,039	48	128,805	1,661
April	68,755	509	37,666	50	106,980	1,982
May	59,823	292	44,583	69	104,767	1,748
June	45,862	344	28,349	106	74,661	1,196
July	53,656	606	44,502	98	98,862	3,495
August	32,210	275	24,259	120	56,864	1,578
September	41,581	493	46,705	109	88,888	485
October	62,360	356	92,799	93	155,608	387
November	287,967	236	85,578	32	373,813	1672
December	176,595	227	30,712	20	207,554	1356
Total	1,126,994	4,737	529,940	824	1,662,495	19,825

Table 2. SD Brand Board Livestock Inspections and Holds by Month for CY 2015.

			*	Horse		
CY 2015 Month	Livestock Markets	Locker Plants	Local Inspections	Lifetime Permits	Total # Inspected	Holds
January	78,561	359	43,851	55	122,826	2,846
February	111,300	484	28,753	47	140,584	3,680
March	81,692	332	38,022	46	120,092	1,389
April	62,561	605	25,657	55	88,878	2,074
May	63,755	441	40,399	75	104,670	1,890
June	35,360	361	49,609	104	85,434	2,230
July	38,648	403	23,787	134	62,972	1,990
August	20,904	247	14,946	81	36,178	939
September	26,161	313	27,137	117	53,728	295
October	51,893	258	75,817	57	128,025	1,374
November	259,248	536	102,630	35	362,629	2,488
December	198,478	293	76,561	67	275,399	1,317
Total	1,028,561	4,632	547,169	873	1,581,415	22,512

Table 3 shows the total number of inspections per month for 2012 through 2016 and an average inspection for each month for CY2012 - CY2016.

Table 3. Total Livestock Inspected per Month and Monthly Average for Inspections in years 2012-2016.

Month	2012	2013	2014	2015	2016	Average
January	116,233	127,529	121,247	122,826	110,685	119,704
February	134,261	132,891	143,979	140,584	155,008	141,345
March	104,140	105,568	112,383	120,092	128,805	114,198
April	104,219	112,104	85,485	88,878	106,980	99,533
May	102,018	105,914	96,213	104,670	104,767	102,716
June	75,350	130,931	77,712	85,434	74,661	88,818
July	77,080	80,262	60,554	62,972	98,862	75,946
August	69,997	33,969	34,887	36,178	56,864	46,379
September	107,690	62,903	55,992	53,728	88,888	73840
October	193,143	118,480	142,139	128,025	155,608	147,479
November	403,624	299,542	326,683	362,629	373,813	353,258
December	234,511	264,176	246,333	275,399	207,554	245,595
Total	1,722,266	1,574,269	1,503,607	1,581,415	1,662,495	1,608,810

Monthly inspection receipts for livestock markets and local inspections are shown in Table 4. Fees collected for locker plants and feedlot inspections, which are not provided on a local inspection, are included in the livestock market totals. As of July 1, 2013, the brand inspection fee is a \$1.00 per head. The inspection receipts listed below do not include the mileage fees collected for local inspections. The CY2015 fees are included for comparison purposes.

Table 4. Inspection Receipts Deposited for Calendar Years 2015 and 2016.

	. Hispection 1					
	2015	2015	2015	2016	2016	2016
	Market	Local	Brand Insp	Market	Local	Brand Insp
Month	Inspections	Brand Insp	Total	Inspections	Brand Insp	Total
Jan	\$50,721	\$36,922	\$87,643	\$85,480	\$29,597	\$115,077
Feb	\$125,107	\$39,537	\$164,644	\$109,175	\$34,391	\$143,566
Mar	\$80,147	\$28,339	\$108,486	\$107,785	\$34,818	\$142,603
Apr	\$67,361	\$37,340	\$104,701	\$81,189	\$36,121	\$117,310
May	\$26,080	\$9,800	\$35,880	\$60,830	\$26,615	\$87,445
Jun	\$62,692	\$83,351	\$146,043	\$45,620	\$53,065	\$98,685
July	\$50,554	\$25,039	\$75,593	\$51,250	\$33,941	\$85,191
Aug	\$20,607	\$16,759	\$37,366	\$33,475	\$34,414	\$67,889
Sept	\$26,242	\$23,369	\$49,611	\$42,894	\$49,602	\$92,496
Oct	\$57,162	\$84,715	\$141,877	\$62,716	\$47,478	\$110,194
Nov	\$188,089	\$69,898	\$257,987	\$277,091	\$99,704	\$376,795
Dec	\$252,289	\$105,177	\$357,466	\$174,281	\$67,976	\$242,257
	\$1,007,051	\$560,246	\$1,567,297	\$1,131,786	\$547,722	\$1,679,508

#### **Missing or Stolen Livestock**

The number and type of livestock, which were reported missing or stolen in CY2016, are listed in Table 5. Missing or stolen livestock for CY2015 are listed in Table 6. When missing or stolen livestock are recovered either by investigators or law enforcement officials, the recovery is recorded. In most cases, if livestock are recovered by the owner, the recovery is not reported to the Brand Board. As a service to livestock producers, the *Tri-State Livestock News, Cattle Business Weekly, The Aberdeen News Farm Forum Green Sheet and Tri-State Neighbor* publish the Livestock Missing or Stolen Report at no cost to the Brand Board.

Table 5. Number and Type of Livestock Reported Strayed or Stolen in 2016.

Month	Cows	Calves	Yearlings	Bulls	Horses	Sheep	Buffalo
Jan	8	9	0	3	0	0	0
Feb	6	2	0	0	0	0	0
Mar	4	6	9	0	0	0	0
Apr/May	20	3	4	0	0	0	0
June	8	20	0	1	0	0	0
July	24	3	2	4	0	0	0
Aug	0	9	0	0	10	0	0
Sept	18	28	7	2	2	0	0
Oct	23	55	0	1	1	0	0
Nov	28	27	0	0	0	0	0
Dec	17	16	0	0	0	0	0
Total	156	178	22	14	14	_ 0 _	0

Table 6. Number and Type of Livestock Reported Strayed or Stolen in 2015.

Month	Cows	Calves	Yearlings	Bulls	Horses	Sheep	Buffalo
Jan	18	6	0	0	5	0	0
Feb	0	0	0	0	0	0	0
Mar	0	0	2	1	0	0	0
Apr	2	3	7	1	0	0	0
May	1	0	2	0	0	0	0
June	0	0	0	0	0	0	0
July	4	2	2	0	0	0	0
Aug	0	0	2	0	0	0	0
Sept	2	15	7	0	0	0	0
Oct	94*	124*	11	2*	0	0	0
Nov	56	24	6	0	0	0	0
Dec	2	2	17	0	0	0	0
Total	179	176	56	4	5	0	0

<sup>\*24</sup> cows, 24 calves and 1 bull missing since the fall of 2014 were not reported missing to the Brand Board until October 2015.

#### **Recovered Strays**

Strays are also recovered by brand inspectors either performing a local inspection or while inspecting livestock at a livestock market. Table 7 shows the number and type of livestock recovered during inspections completed from 2012 thru 2016.

Table 7. Number and Type of Livestock Recovered by Brand Inspection, 2012 thru 2016.

Year	Cow	Heifer	Calf	Steer	Bull	Horse	Total
2012	41	134	64	96	23	3	361
2013	178	91	172	87	10	2	540
2014	87	85	62	48	16	0	298
2015	85	63	107	44	12	8	319
2016	46	35	57	38	18	0	194

#### **Brand Board Holds**

The number of holds implemented at the livestock markets, feedlots, locker plants and in local inspections are included in Tables 1-2. Information on holds submitted to the Brand Board office, following the 60 day period, is shown below in Table 8. The brand inspectors are doing an outstanding job in clearing holds so they are not sent to the Brand Board office. Once a hold is received at the Brand Board office, the chief brand inspector reviews grazing reports, strayed and stolen reports, and obtains information from Animal Industry and from brand offices in surrounding states to determine the owner. A detailed listing of Holds Paid, Pending, and escheated to the Theft and Prevention Fund is included in the Appendix of this report.

Table 8. Number and Type of Livestock Holds Received, Paid to Livestock Owners and Transferred to Theft & Prevention Fund by Board Action in 2014 and 2015

	Holds	Cow	Heifer	Calf	Steer	Bull	Horse	Amount
Holds Received CY2016	36	25	6	4	1	6	8	\$41,712
Paid to Livestock Owner	6	7	0	0	4	1	0	\$14,460
To T&P** by Board Action	15	7	2	2	1	3	5	\$18,915
Holds Received CY2015	27	25	21	1	28	17	4	\$107,549
Paid to Livestock Owner	11	12	7	0	1	2	0	\$27,5276
To T&P** by Board Action	14	6	1	5	4	1	21	\$16,779

<sup>\*\*</sup>Theft and Prevention Fund

#### **Livestock Investigations**

Livestock investigators are under the authority of the Attorney General's Office and supervised by the Division of Criminal Investigation. Currently there are two DCI livestock investigators. The Brand Board reimburses the AG's office for a majority of the expenses incurred by the investigators. The dollar amount of expenses reimbursed by the Brand Board in Fiscal Year 2016 and Fiscal Year 2015 were \$142,857 and \$131,809 respectfully. Livestock recovered by investigators in 2016 were 2 calves and 9 horses. Table 9 lists investigation information for 2016 and 2015.

Table 9. Livestock Investigative Information

Item	2015	2016
Cases	27	24
Cases Closed	13	21
Cases Open/Under Investigation	27	18
Convictions	4	16
Arrests	5	20
Cases pending-turned over to State's Attorneys	9	15
Outstanding Warrant	1	1
Road Checks	12	10
Information Reports	13	13
Arrests Cases pending-turned over to State's Attorneys Outstanding Warrant Road Checks	4 5 9 1 12	

#### **Other Information**

The Brand Board office is also responsible for brand registration, transfers, and brand renewals. Table 10 shows the brand activity for 2014, 2015, and 2016. Brands are renewed every five years. If a brand owner does not renew their brand by May 1<sup>st</sup> of the renewal year, the brand owner has two years to re-record their brand. The last renewal year was 2015 with the re-record period ending May 1, 2017. After May, 1, 2017 brands that were not recorded are available for the public to apply for. Applications for these brands must also go through the conflict check process. The next renewal period is January 1 - May 1, 2020. The brand book is online and can be found on the Brand Board's website www.sdbrandboard.com.

Table 10. Brand Registration Activity.

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Activity	2014	2015	2016
Re-Recorded Brands	N/A	44	272
New Brands	415	212	393
Transferred Brands	624	1415	579
Applications Received	928	964	918
Brand Books Sold	20	72	133

# **Appendix**

South Dakota Brand Board

**Disposition Detail of Brand Board Holds** 

Calendar Year 2016

### BRAND BOARD HOLDS - Paid to Producers 2016

			<del></del>	1				
Date Rec	<b>Hold Number</b>	Cows	Steers	Bulls	Horses	Amt Held	Date Paid	Paid to
7/6/15	BB275		3			\$3,025.25	2/29/16	Jeff Anderson
7/6/15	BB276		1			\$1,423.34	5/19/16	Douglas Hohenberger & 1st Interstate Bank
1/15/16	BB287			1		\$1,051.98	5/26/16	Michael Paul McPherson
8/12/16	BB311	2				\$2,278.17	9/28/16	Tanya Lawhead (Chapman)
12/30/15	BB286	4				\$5,890.95	9/21/16	Rosebud Trible Ranch
10/3/16	BB313	1				\$790.42	12/27/16	Bradley / Stephanie Gartner
TOTAL PAIL	2016	7	4	1	0	\$14,460.11		

RAND BO	ARD HOLDS	- Pen	ding 20	<u> </u>							
Date Rec	Hold Number	Cow	Heifer	Calf	Steer	Bull	Horse	Amt Held	Market	Date Sold	Description / Area
2/2/16	BB288			1				\$23.54	Philip L/S	12/15/15	1 Black Steer Calf / Edgemont, SD
2/9/16	BB289				1				Martin L/S		1 Red Angus Steer / Manderson, SD
2/17/16	BB290	5						\$6,431.96	Belle Fourche L/S		5 Cows /
2/17/16	BB291	1				1		\$2,814.80	Belle Fourche L/S	10/16/15	2 Cows / Bowman, ND
3/4/16	BB293	1							Winner L/S	06/19/15	1 Black Cow / Gregory, SD
4/13/16	BB295	1						\$467.52	Ft Pierre L/S	01/23/16	1 Black Cow / Aberdeen, SD
5/9/16	BB296	1							Presho L/S		1 BWF Cow / Winner, SD
6/30/16	BB297	1						\$1,046.43	St Onge L/S	03/29/13	1 Red Cow / Hermosa, SD
6/30/16	BB298					1			St Onge L/S		1 Longhorn Bull / Spearfish, SD
6/30/16	BB299						1	\$301.52	St Onge L/S		1 Horse / Rozet, WY
6/30/16	BB300						1		St Onge L/S		1 Red Roan Gelding / Newcastle, WY
6/30/16	BB301						1	\$292.42	St Onge L/S		1 Bay Gelding / Spearfish, SD
6/30/16	BB302	2						\$1,698.17	St Onge L/S		2 Cows / Bowman, ND
7/5/16	BB305	1		11					Winner L/S		1 Black Cow & 1 Black Steer Calf / Rosebud, SD
7/5/16	BB306	1							Belle Fourche L/S		1 Black Cow / Newell, SD
7/5/16	BB307	1							Belle Fourche L/S	12/10/15	1 Black Cow / Baker, MT
7/5/16	BB308			1		*************			Winner L/S	01/05/16	1 Calf
7/27/16	BB309	1							Belle Fourche L/S		1 Black Cow / Belle Fourche, SD
8/15/16	BB310			·			11		Gordon L/S		1 Sorrel Gelding / Manderson, SD
8/8/16	BB312					1		\$1,218.40	Martin L/S	07/25/16	1 Black Bull / Cody, NE
10/3/16	BB313	1							Philip L/S		1 Red White Face Cow / Kyle, SD
10/3/16	BB314		1					\$951.87	Philip L/S		1 Heifer / New Underwood, SD
10/3/16	BB315						1		Philip L/S		1 Sorrel Stud / Sturgis, SD
10/3/16	BB316						1		Philip L/S		1 Gelding / Dupree, SD
10/4/16	BB317		1						Ft Pierre L/S		1 Black Heifer / Opal, SD
10/18/16	BB318					2		\$968.20			2 Black Bulls / Bowman, ND
11/1/16	BB319	4							Ft Pierre L/S		4 Black Cows / Draper, SD
11/18/16	BB320	ļ		1		MANAGEMENT AND			Deuel Co Sheriff		1 BWF Calf / Revillo, SD
11/28/16	BB321		2	.,					Winner L/S		2 Red Heifers / Rapid City, SD
12/20/16	BB322		1					\$620.66	Ft Pierre L/S	10/14/16	1 Black Heifer / Eagle Butte, SD
2016 PEND	NG TOTALS	21	5	4	1	5	6	\$ 33,833.29			

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Date Rec	Hold Number	Cow	Heifer	Calf	Steer	Buli	Horse		HH Date	Paid to
7/7/14	BB250	1						\$1,089.10	4/13/16	Hold hearing - T&P Fund - Estray - No Ownership Established
8/5/14	BB254	2		1				\$2,846.26	4/13/16	Hold hearing - T&P Fund - Estray - No Ownership Established
3/4/15	BB263			·····		1		\$1,046.11	4/13/16	Hold hearing - T&P Fund - Estray - No Ownership Established
3/4/15	BB264				1			\$1,804.21	4/13/16	Hold hearing - T&P Fund - Estray - No Ownership Established
4/2/15	BB271					1		\$2,280.95	4/13/16	Hold hearing - T&P Fund - Estray - No Ownership Established
8/3/15	BB280	1						\$1,668.03	4/13/16	Hold hearing - T&P Fund - Estray - No Ownership Established
11/16/15	BB282			1		-		\$886.47	4/13/16	Hold hearing - T&P Fund - Estray - No Ownership Established
11/16/15	BB283	1						\$577.66		Hold hearing - T&P Fund - Estray - No Ownership Established
11/16/15	BB284					1		\$1,352.88	4/13/16	Hold hearing - T&P Fund - Estray - No Ownership Established
2/2/15	BB261	1						\$1,301.15	10/5/16	Hold hearing - T&P Fund - Estray - No Ownership Established
3/1/15	BB262	1				•		\$1,553.69	10/5/16	Hold hearing - T&P Fund - Estray - No Ownership Established
5/14/15	BB272		1					\$476.27		Hold hearing - T&P Fund - Estray - No Ownership Established
7/20/15	BB277			***************************************			3	\$488.79	10/5/16	Hold hearing - T&P Fund - Estray - No Ownership Established
3/2/16	BB292						2	\$199.21	10/5/16	Hold hearing - T&P Fund - Estray - No Ownership Established
4/4/16	BB294		1					\$1,344.15	10/5/16	Hold hearing - T&P Fund - Estray - No Ownership Established
TOTALS		7	2	2	1	3	5	\$18,914.93		