

**MINUTES OF THE 355th COMMISSION MEETING  
TEXAS ANIMAL HEALTH COMMISSION**

**May 18, 2005**

The Texas Animal Health Commission Meeting was called to order by Chairman Richard Traylor at 8:35 a.m. in the Texas Animal Health Commission conference room in Austin, Texas.

Commissioners Martinez, Baca and Windham were not present.

**Item 1 - Welcome and call to order by Chairman Traylor**

**Item 2 - Approval of Minutes**

A motion to approve the minutes of the 354th Commission Meeting held on February 8, 2005 was made by Commissioner Simmons and seconded by Commissioner Dyess. The motion carried unanimously.

**Item 3 – Report of the Executive Director and Approval of Actions for the period 02/08/05 through 05/17/05.**

Dr. Hillman presented a report of significant activities and issues that occurred from February 8, 2005 through May 17, 2005.

Significant activities discussed:

- Animal Identification Issues
  - (a) Development and distribution of a Request for Proposals (RFP), review of proposals and initiation of the selection of product and service providers for the Texas NAIS Project
  - (b) Numerous Animal Identification presentations at meetings with livestock industry groups across the state.
  - (c) Secretary's Advisory Subcommittee on the NAIS conference calls and meeting.
  - (d) Continued implementation of the State Premises Identification System in Texas.
  - (e) Assignment of Premises Identification numbers to livestock facilities
  - (f) Collaboration with other states to identify our roles and responsibilities in these projects. (California, Florida and Kansas with interstate movement and tracking portions of their project)
  - (g) Beginning selection of industry participants in the Animal Identification project
  - (h) USDA published a Draft Strategic Plan and a Draft Program Standards for review and comment. The comment period has been extended to early July. Input from the Commissioners is welcomed.
  - (i) USDA is preparing to make 2005 funding available for cooperative agreements
- Fever Ticks
  - (a) The Executive Director participated in a meeting in Kerrville hosted by Dr. John George and his staff to discuss goals for ARS Research and the Tick Eradication program. At the request of the Executive Director, participants developed a draft agenda for a proposed meeting with Dr. Enrique Salinas, Coahuila Department of Agriculture to discuss cross-border tick issues.
  - (b) TAHC hosted a meeting with state animal health officials from Coahuila to discuss cross-border tick issues. The Executive Director and Dr. Enrique Salinas, Director of the State Department of Agriculture in Coahuila co-chaired the meeting. Issues discussed included the current tick situation in both Texas and Coahuila, a report of acaricide resistant ticks in Mexico, and the role of free-ranging wildlife and exotics in hosting and dissemination of fever ticks. The need to engage additional Mexican states, especially Tamaulipas and Nuevo Leon in deliberation on cross-border tick issues was discussed. The results of this meeting were encouraging.

- Tuberculosis – The reformed TB Task Force recommended a listing of purebred/seedstock herds be compiled from available sources and select herds be randomly tested from this list. Herds randomly selected would be required to test. TAHC has completed the random selection and notified these herd owners of the need to accomplish the herd testing. A request has been made for additional cooperative agreement funds to complete the herd testing and conduct other TB Program activities. At this point, we have not received affirmation of these funds. Dr. Ellis will provide additional information relative to TB in his Animal Health Activities report.
- BSE Surveillance - The USDA Minimum Risk BSE rule which was scheduled to become effective in early March was postponed as a result of a court injunction prohibiting the USDA implementation of the rule. To date, nationally over 330,000 cattle have been tested. Texas has tested over 32,000.
- CWD – Since the February Commission Meeting there have been a number of discussions relative to CWD. Most of these have focused on the need and a mechanism for CWD surveillance in elk herds in Texas. Commissioner Wood hosted a CWD meeting of deer and elk producers in March on this subject. Dr. Ken Waldrup will report on CWD activities and present a recommendation for consideration by the Commission.
- Budget Hearings – Testimony on the TAHC budget request has been provided to the Senate Finance Committee and to the House Appropriations Committee, Subcommittee on General Government by Chairman Traylor, the TAHC Executive Director, and the TAHC Deputy Director for Administration and Finance. The Executive Director and Mr. Bill Powers have met with legislators, at their request, to discuss the TAHC budget request. The final outcome of our budget request is not yet known. Mr. Powers will provide the latest information as part of his legislative update.
- Legislation and Fees - Three (3) TAHC legislative proposals have passed both houses of the legislature. Two (2) of these bills contained language authorizing TAHC to assess fees. These include HB 1361 – Animal Identification Program, and HB 1363 – Certificates of Veterinary Inspection. The legislative expectation is that TAHC will take the actions necessary to begin assessment of fees. The mechanism to charge a fee and receive payment on certificates of veterinary inspection is already in place. TAHC has not developed the proposed fee regulations for premises identification. These regulations will be significantly more complex and will take time to develop. Chairman Traylor requested a Working Group be formed to develop proposed regulations for consideration by Commissioners at the next Commission meeting – August 16, 2005.
- Sunset Review - TAHC is scheduled for sunset review during the next legislative session. The review process will begin this summer. The Review process will take significant effort and staff time in the coming months, but will also provide an opportunity to recommend improvements for the agency.
- Waivers – Since the February 8, 2005 Commission Meeting, TAHC has approved six (6) requests for waivers. Four waivers were for movement of cattle from Texas to New Mexico and one waiver was for movement of cattle from New Mexico to Texas for pasture under the USDA Commuter Herd Agreement Protocol. Under the provisions of the Commuter Herd Agreement, the herd will have to be tested every three years if it continues to move back and forth for grazing. One of the requests was for a waiver to extend the validity of a negative brucellosis test for seven days for three water buck being moved from the San Diego Wild Animal Park to Texas. The animals had been held in isolation since testing. One request for waiver was denied. This was a request for early release of the fever tick quarantine on a vacated pasture.
- Planned Activities:
  - (a) Continued implementation of NAIS Project
  - (b) Continued efforts on budget and fees
  - (c) Southern Animal Health Association in June

- (d) Legislative hearings, meetings with legislators
- (e) Participate in meetings of stakeholder organizations
- (f) Animal Identification meetings
- (g) Fever tick program activities - June
- (h) TAHC Work Conference in May
- (i) NAIS Advisory Subcommittee meeting in August

Dr. Hillman also provided a written report of his out-of-office meetings and trips from February 8, 2005 through May 17, 2005.

A motion to approve the actions of the Executive Director for the period from 2/8/2005 through 5/17/05 was made by Commissioner Rangel and seconded by Commissioner Real. The motion carried unanimously.

#### **Item 4 – Presentation of Animal Disease Report**

Dr. Coats provided a verbal and written presentation on animal disease activities.

Animal Disease updates included:

- Cattle Brucellosis - One quarantined cattle herd; 2 -12 month accumulative number of infected herds as of 04/30/05; One newly infected herd for FY' 05
- Japanese Cattle – 83 left – Anticipate with age they will be bought out.
- Indemnity – FY 2005 – Federal \$7,000.00; State \$2,600.00; TOTAL: \$9,600.00
- Ticks – 107 premises under an infested quarantine; 280 adjacent or check premises – Significant increase over last year.
- Tuberculosis – No herds are currently quarantined for Tuberculosis  
Fee Basis – Total Herds Fee Basis Tested = 1,380
- EIA – Calendar Year 2004 – 259,582 tests - .03% of infection; Calendar Year 2005 – 83,128 tests - .02% of infection
- Swine – Currently there are no swine herds under quarantine for Pseudorabies or for Brucellosis; Swine First Point Testing – October 1998 through April 2005 – total tests conducted 49,018.
- Scrapie – No flocks have been disclosed in 2005
- CWD – Record review and herd owner contact activity have been transferred to the Area Offices. State whole herd monitoring program continuing – 422 total herds enrolled.; 107 herds with certified status.
- Poultry – Increased registration in Fowl Registration Program; the following countries have imposed bans specific to Texas origin poultry/poultry products as a result of Avian Influenza outbreaks in the U.S. – Columbia, Egypt, French Polynesia, Indonesia, Kazakhstan, Mexico, Peru, Qatar, Taiwan

#### **Item 5 – Administration/Budget Status Report**

Mike Jensen presented the TAHC – Method of Financing – Fiscal Year 2005 report as of April 30, 2005. One budget adjustment was made to reduce the budget by \$750,000 because the TB cooperative federal funds have not been awarded. He also presented by Budget Category and Department a summary of the cumulative expenditures and the balances as of 4/30/2005.

Commissioner Edmiston moved and Commissioner Real seconded the motion to approve adjustments to the Fiscal Year 2005 Operating Budget as presented and discussed today. The motion carried unanimously.

## **Item 6 – Report from the Audit Subcommittee**

Commissioner Rangel, Chairman of the Audit Subcommittee gave a summary of the Audit Subcommittee Meeting held at 8:00 a.m. on 5/18/05.

Four (4) Audit Items were discussed at the Audit Subcommittee Meeting:

- (1) An Audit of the Agency's Performance Measures for FY ended '2004  
Result: Certified: All reported performances were accurate within +/- 5 percent and controls are in place for collecting and reporting measures
- (2) An Audit of Area 8 Field Office – Hallettsville, Tx  
Result: The Office is in compliance with the Commission's policies and procedures and provides accurate and reliable information. The Office could enhance reliability of information by ensuring the periodic review of data entry production by someone other than the person who entered the data into the database. Area 8 administrative support staff will conduct independent periodic reviews of data after it has been entered into the system.
- (3) A Follow-up Audit on Cash Disbursements  
Result: All vouchers selected for review had evidence that the documents were reviewed and signed by authorized staff.
- (4) A follow-up Audit on Program Records  
Result: This audit focused on determining if Data Entry Specialists are consistently monitored and if review of permit applications is properly documented. Actions taken by the Commission have satisfied the intent of the internal audit.

Gene Snelson provided an update on an audit being conducted by the State Auditor's Office. This audit is not yet complete. Results of this audit will be presented at the August Commission Meeting.

Commissioner Real moved and Commissioner Locke seconded the motion to approve the report made by the Audit Subcommittee as discussed today. The motion carried unanimously.

## **Item 7 – Presentation of Awards**

A 25 year service award was presented to Roberto Adams – Inspector from Area 5 by Commissioner Rangel.

**Item 8 – Legislative Report** – Bill Powers presented a legislative update. Three separate bills HB 1361, 1362, and 1363 were signed May 17, 2005 and have been sent to the Governor. The industry representatives were heavily involved in this process.

HB 1361 - Allows TAHC to set the Premise registration fee (these funds will go to the General Revenue). It also allows TAHC to decide when the animal identification program will become mandatory; HB 1363 - Allows TAHC to set Health Certificate (Certificates of Veterinary Inspection) fees. HB 1362 - The last piece of legislation gives Dr. Hillman and the Commissioners the ability to better manage the work activities of the Inspectors at livestock markets.

It is anticipated a Rider will be in the Appropriations Bill that will allow us to recover our 5% budget cut through fees. Also, a rider is anticipated which will allow TAHC to hire additional employees above the FTE cap with federal funding and continued employment contingent upon that federal funding. We are hopeful that a Rider will be included to allow the Commissioners to increase the salary of the Executive Director. We are also hopeful that the Bill will include salary enhancements for current employees in competitive positions.

Sunset Commission – A review will be made to determine if the agency (TAHC) is still considered necessary. A Self-Evaluation Report is due on August 19, 2005. All reporting done is open to the public. The Sunset Commission staff will be interviewing Commissioners, our customers, and staff.

Affecting all agencies, a 4% raise with a minimum of \$100/mo effective 9-1-05 and a 3% raise with a minimum of \$50/mo effective 9-1-06 will be given to state employees

Chairman Traylor requested Bill Powers notify all commissioners of the results on pending legislation when the session is over.

### **Item 9 – Consideration of and Possible Action on Agency Contracts and Purchases.**

Contracts, purchases, leases greater than \$5,000 but less than \$10,000 for the period February 1, 2005 through April 30, 2005

- PCFIA QA/QC Performance Particles - \$7,049.64

Contracts, purchases, leases \$10,000 or greater for the period February 1, 2005 through April 30, 2005

- PCFIA Test Kits - \$432,115.20
- Hydraulic Spray Rig – John Bean (Towable) - \$11,000.00 +
- Co-Ral Flowable Insecticide - \$146,000.00
- Lease Renewal – Forth Worth - \$46,260.00

Commissioner Locke moved and Commissioners Edmiston and Dyess seconded the motion to approve the contracts and purchases request for the period from February 1, 2005 through April 30, 2005. The motion carried unanimously.

### **Item 10 – Animal Health Activities Update**

Dr. Dee Ellis presented updated information regarding Animal Health Activities.

- Brucellosis - One infected herd in Leon County. Release date 6/17/05 or later
- Tuberculosis - No newly infected herds;
  - Purebred Testing Update: Process - Letters mailed on 4/22/05
  - Problems – no pens - #1 issue
  - Funding - \$350K left – no word on additional funding from USDA.
  - Statistics Report on testing in notebooks
  - Dairy Entry Requirements have been implemented.
- Mexican Issues - Mexican Event Inspection – A summary report was provided showing an increase in the number of event inspections by TAHC Inspectors. A Mexico Cattle Importation Report was provided for the notebooks. Areas 5 and 6 are contacting Mexican roping steer brokers to ensure animals are tested appropriately.
- Dr. Ellis introduced TAHC's new Area 7 Director – Dr. Tommy Barton
- Emergency Programs Update :
  1. 4 TAHC Vets attended FADD (Foreign Animal Disease Diagnostician) Training
  2. 4 TAHC employees attended the DHS – AgERT Training
  3. 39 FAD investigations have been conducted thus far in FY' 05
  4. TAHC has a Feedlot Working Group with DHS to assess vulnerability
  5. TAHC County Animal Issue Plan was adopted
  6. DHS/ODP Grant - \$691 K submitted – No response yet
- Miscellaneous - Area 2 TAHC Office will move from Lufkin to Crockett on 6/1/05

### **Item 11 – Fever Tick Update and Recommendations**

Ed Bowers, USDA/APHIS/VS from the Laredo Office provided an update on the Fever Tick situation. Mr. Bowers provided a map showing counties where current tick infested premises exist. He answered questions and provided information regarding these counties and the movement of fever ticks.

A written report by Dr. Bob Hillman was provided in the Commission Notebooks summarizing findings and potential action items relative to control of Fever Ticks. The Executive Director requested the Commissioners' concurrence that he, TAHC staff and Tick Force personnel carefully evaluate all the possible control strategies to determine which would be most effective, practical and economical to implement. Additionally, that TAHC and Tick Force Personnel conduct meetings with cattle industry organizations and ranchers in the fever tick impact area of the state to discuss possible actions and gain input from the affected livestock industries. The findings from these efforts would then be brought before the Commissioners for consideration at the next Commission meeting.

Commissioner Dyess moved and Commissioner Simmons seconded the motion to approve the recommendations made regarding fever ticks as discussed today. The motion carried unanimously.

### **Item 12 – Petition to change the rules regarding Entry Requirements for Equine**

Dr. Dee Ellis presented a request to change the entry requirements for equine entering Texas. At Dr. Ellis' request, Dr. J.D. Norris, a veterinarian from Sulphur Springs provided additional testimony on this issue.

After discussion, Dr. Ellis recommended that further evaluation be conducted and a recommendation regarding this change be brought to the next Commission Meeting on August 16, 2005 for Commissioners' consideration.

Commissioner Edmiston moved and Commissioner Dyess seconded the motion that the Commission **TABLE** the petition to change the rules regarding entry requirements for Equine as discussed today. The motion carried unanimously.

### **Item 13 – Chronic Wasting Disease Advisory Group recommendations regarding identification and monitoring requirements for Elk:**

Dr. Ken Waldrup provided a report and a brief presentation regarding recent Chronic Wasting Disease activities and discussions. With regard to monitoring and surveillance within the elk industry in the state, the following recommendations were agreed upon by the attendees of a meeting hosted by Commissioner Jill Wood in March and the attendees of the legislative meetings in April. These recommendations were: (1) elk breeders would accelerate enrollment in a premise and animal ID program; (2) within a reasonable time frame, all elk entering into commerce within the state of Texas must be officially identified and could only move to officially identified premises; (3) all elk moving in commerce would be tracked from premise to premise; and (4) CWD testing surveillance in elk would be increased.

Charly Seale- Executive Director of Exotic Wildlife Association provided comments during this portion of the meeting.

Commissioner Wood moved and Commissioner Davenport seconded the motion to approve the Chronic Wasting Disease recommendations regarding identification and monitoring requirements for Elk as discussed today.

A working group was formed to develop proposed regulations for consideration at the August Commission meeting. This group consisted of Todd Franks, Charley Seale or his representative, Karl Kinsel or his representative, a representative from Texas Parks and Wildlife, Dr. Dan Baca, Dr. Bill Eikenhorse, and Kirby Brown or his representative from Texas Wildlife Association. Those of the group who were present at the Commission meeting met following the Commission meeting. Chairman Traylor further recommended that a taxidermist be added to the working group prior to the development of proposed regulations.

**Item 14 – Consideration of and Possible Action on Regulation Proposals Regarding:**

**(a) Chapter 41, Fever Ticks**

Commissioner Dyess moved and Commissioner Rangel seconded the motion to PROPOSE the amendments to Chapter 41, Fever Ticks, located in Volume 4 of the Texas Administrative Code, as discussed today. It was further moved that notice of the proposed amendments be published in the *Texas Register* with a thirty day comment period. The motion carried unanimously.

**(b) Chapter 51, Entry Requirements**

Commissioner Dyess moved and Commissioner Wood seconded the motion to PROPOSE the amendments to Chapter 51, Entry Requirements, located in Volume 4 of the Texas Administrative Code, as discussed today. It was further moved that notice of the proposed amendments be published in the *Texas Register* with a thirty day comment period. The motion carried unanimously.

**(c) Chapter 59, General Practices and Procedures (CVI)**

Commissioner Dyess moved and Commissioner Locke seconded the motion to PROPOSE the amendments to Chapter 59, General Practices and Procedures, located in Volume 4 of the Texas Administrative Code, as discussed today. It was further moved that notice of the proposed amendments be published in the *Texas Register* with a thirty day comment period. The motion carried unanimously.

**Item 15 – Consideration of and Possible Action on Regulation Adoptions regarding:  
Chapter 49, Equine**

Commissioner Rangel moved and Commissioner Real moved to ADOPT the amendments to Chapter 49, Equine, located in Volume 4 of the Texas Administrative Code, as discussed today. The motion carried unanimously.

**Item 16 – Consideration of and Possible Action on Regulation Rule Review Adoptions regarding:**

**(a) Chapter 43, Tuberculosis**

Commissioner Edmiston moved and Commissioner Rangel seconded the motion to adopt the Rule Review of Chapter 43, Tuberculosis, as found in Sections 43.1 through 43.3 of Volume 4 of the Texas Administrative Code, as discussed today, and that notice be published of the completed rule review in the *Texas Register*.

**(b) Chapter 55, Swine**

Commissioner Real moved and Commissioner Locke seconded the motion to adopt the Rule Review of Chapter 55, Swine, as found in Sections 55.1 through 55.9 of Volume 4 of the Texas Administrative Code, as discussed today, and that notice be published of the completed rule review in the *Texas Register*

**Item 17 – Recognition of Public Comment**

There were no additional public comments at this time.

**Item 18 – Set Dates for the 356<sup>th</sup> and 357<sup>th</sup> Meetings**

356<sup>th</sup> Meeting – August 16, 2005

357<sup>th</sup> Meeting – December 6, 2005