

**MINUTES OF THE 362nd COMMISSION MEETING
TEXAS ANIMAL HEALTH COMMISSION
February 8, 2007**

The Texas Animal Health Commission Meeting was called to order by Chairman Richard Traylor at 8:30 a.m. in the Texas Animal Health Commission conference room.

Commissioners Rita Baca and Chuck Real 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 361st Commission Meeting held on December 5, 2006 was made by Commissioner Morales and seconded by Commissioner Locke. The motion carried unanimously.

Item 3 – Report of the Executive Director and Approval of Actions for the Period 12/06/06 through 2/08/07.

Dr. Hillman presented a report of significant activities and issues that occurred during this time period.

Animal Identification

- There is little new information to report relative to the National Animal Identification System. USDA continues to stress that NAIS is a voluntary program at the federal level. The agency has recently announced that, because the NAIS is voluntary, persons who had voluntarily obtained a premises identification number could opt to be removed from the premises identification system.
- TAHC has a cooperative agreement to continue voluntary registration of premises and outreach efforts. Additionally, the cooperative agreement provides that the agency may utilize a portion of the funds to collect electronic identification information into animal health program databases if collected specifically for disease surveillance and control efforts. The cooperative agreement also specifies that the agency may provide cost share funds to livestock market operators who desire to equip their facilities to utilize electronic identification systems in the market. In order to participate, the market operator must aid in registering premises of their clientele.
- TAHC staff continues to provide animal identification presentations to industry groups around the state, give interviews, provide information to producers, legislators and other interested persons. Voluntary premises registration also is ongoing, with over 23,000 premises registered. USDA has met its goal of having 25% registered and will continue on a voluntary basis.
- Two bills, which would amend our animal identification law in Texas, have been introduced during the current legislative session. Mr. Bill Powers provided additional details in his report.

Fever Ticks

- The number of tick infested premises continues to decline from the 2005 record setting levels. At the end of December, the last full month for which we have a report, there were forty-four tick infested premises. Forty-one of these are in the Tick Eradication Quarantine Area and three are in the Free Area. A majority are in Zapata County.
- During the past hunting season several tick infested white-tailed deer were identified from pastures that had been vacated for some period of time. These cases further illustrate the growing impact of non-cattle fever tick hosts.

- The BiNational Fever Tick Committee meeting was held Jan. 30 – Feb. 1, 2007, in conjunction with the National Cattlemen's Beef Association meeting in Nashville. Chairman Traylor, Commissioner Dyess and the Executive Director participated in the meeting. Mexican Officials announced the initiation of a strategy to begin tick eradication efforts, beginning along the border with Texas and moving southward away from the border. Mexican Officials are asking for USDA funding support for their efforts. While encouraged by their efforts, we are strongly opposed to sending funds to Mexico until all USDA and TAHC needs are fulfilled.
- There is not likely to be any new funding for the Fever Tick program this fiscal year. In fact, the funding could be reduced.
- Dr. John George from the Tick Laboratory in Kerrville is working with other USDA staff in planning a Celebration of the 100th year of the Fever Tick Eradication Program. The Celebration is planned for April 24 and 25 in Kingsville. Commissioners will be invited to attend.

Tuberculosis

- The Binational TB and Brucellosis Committee meeting was held in conjunction with the National Cattlemen's Beef Association meeting in Nashville. Chairman Traylor, Commissioner Dyess and the Executive Director also attended this meeting. USDA reported that the number of Mexican origin TB lesioned cattle discovered so far this fiscal year suggests a reduction in the number of infected cattle coming to the US from Mexico – only seven cases reported so far this fiscal year. This is very encouraging, but it is too early to tell if this trend will continue.
- USDA announced to Mexican officials that it will only conduct six state reviews this year. USDA officials reiterated that Mexican officials must step up and conduct initial reviews to document progress and assure that a state is ready for final review before asking USDA to schedule a review. USDA also stressed that Mexican states that have both A and B zones must document progress in advancing the B zone or the whole state would be downgraded.
- The Executive Director reported that Texas had achieved TB Accredited Free Status and would work to retain that status. He stressed to USDA and Mexican officials that it might not be possible for Texas to retain free status unless Mexican states significantly reduced the numbers of TB exposed cattle shipped into the state and that if status was lost again, Texas would work to prevent entry of Mexican origin cattle into the state.
- USDA officials noted that efforts to complete and publish three proposed TB rules are ongoing. These include the international rule, the domestic rule and the cervidae rule. USDA plans to publish all three of these rules this year and hopes to publish all of them at or near the same time. We do not yet know if the proposed rules will provide authority and guidance for establishment and operation of TB approved feedlots, or provide for a disease prevalence level rather than two infected herds as the qualifier for loss of Accredited Free status. The TB working group that was established by the Chairman of the USAHA Committee on Tuberculosis is deliberating on these issues and will provide recommendations to USDA.

Brucellosis

- While we continue to identify and evaluate a significant number of high titered cattle, we have not identified any new Brucellosis infected cattle herds for well over one year. We continue to identify cattle that are infected with *Brucella suis* and *Strain-19*. Dr. Ellis may provide additional details in his report.
- The Brucellosis Eradication Working Group has finished its work and provided a report and recommendations. This report was provided as a separate agenda item for consideration by Commissioners.

Swine Brucellosis and Pseudorabies

- We continue to identify swine brucellosis and swine pseudorabies infection in transitional swine herds. Dr. Ellis may have additional details in the Animal Health and Epidemiology report.

Equine Diseases

- During the December Commission meeting discussion regarding EVA, Chairman Traylor asked Commissioner Windham to form an Equine Working Group to discuss EVA and make recommendations relative to EVA at this Commission meeting. Commissioner Windham formed the working group which met on January 29, 2007. Two additional topics were added to the agenda for discussion by the EWG. These were Equine Herpes Virus 1 (EHV1) and EIA as it relates to closure of the equine slaughter facilities in the state.
- The EWG report and recommendations were presented as a separate agenda item.

Legislative and Budget Issues

- First point testing numbers have declined substantially over the past two months; however, high numbers during the first quarter of the fiscal year leaves the year-to-date expenditures above the five year average. We have requested additional cooperative agreement funds for the brucellosis program. However, USDA expects to be funded through continuing resolutions for the remainder of the fiscal year. This will likely result in cooperative agreement funding at the same levels as last year or reductions from the levels received last year.
- On January 26th, Mr. Mike Jensen, Mr. Bill Powers and the Executive Director met with the agency's Legislative Budget Board (LBB) analyst to discuss the LBB budget recommendations for TAHC. We are pleased to report the LBB recommended that the 10% base reduction be restored. However, the recommendation included a reduction in funding for administrative functions of approximately \$60,000 per year. As a result of the meeting with LBB, we have re-vamped our budget request to reflect the restoration of the base and re-ordered the agency exceptional items request. The budget request included five exceptional items which were described in the budget summary that was contained in the Commissioner's notebook.
- Chairman Richard Traylor, Mr. Mike Jensen and the Executive Director presented the TAHC budget request before the Senate Finance Committee on Tuesday, February 6th. A member of the committee questioned us about the amount of fees collected to offset some to the costs of agency operation. The committee chairman asked questions about animal identification. He stated that he wants Texans to decide the animal identification needs for Texas and urged the commission to come back with recommendations.
- Chairman Traylor, Mr. Jensen and the Executive Director are preparing to present the TAHC budget request before the House Appropriations Committee, Subcommittee on General Government.
- As part of the Governor's Proposed Budget for Fiscal Year 2008-2009, Governor Rick Perry recommended the Texas Animal Health Commission be combined with the Department of Agriculture. The reason for the recommendation is to save state resources (\$2 million) through reduction in administrative costs and combining area offices, and to reduce the size of state government.

Waivers

- Since the December 5, 2006, Commission meeting, TAHC has approved one request for waiver. The waiver request was to extend the validity of Brucellosis Certified Free Herd status from two years to three years in order to match the provisions of the CFR for cervidae TB Accredited Free Herd status. USDA does not currently have a standard for Brucellosis Certified Free Herd status for cervidae, but is developing a standard which will provide for recertification every three years. Approval of this waiver would allow

producers that have both TB Accredited Free Herd status and Brucellosis Certified Free status to conduct both tests at the same time instead of having to work the herd at different times for each disease. USDA had amended the federal rule to provide for re-accreditation every three years rather than every two years for TB. However, TAHC rules had not been changed to recognize this provision. TAHC has proposed to change agency rules to comply with the USDA provisions, which was discussed as a separate agenda item. This waiver request was approved and applies to all of the cervidae herds that are due for re-accreditation and recertification prior to completion of rulemaking amendments.

Planned Activities

Dr. Hillman discussed planned activities for the next several months which included:

- Continue voluntary premises registration
- Animal Identification outreach
- Legislative and Budget hearings
- National Brucellosis Surveillance meeting
- Emergency Management Exercise
- Fever Tick meetings
- Industry and trade association meetings
- Industry information and outreach meetings

Commissioner Locke moved and Commissioner Edmiston seconded a motion to approve the actions of the Executive Director for the time period December 6, 2007 through February 8, 2007. The motion carried unanimously.

Item 4 – Legislative Report

Bill Powers gave an update regarding legislative activities.

- Animal ID – Two bills have been filed that would amend HB 1361: (1) HB461 by Representative Sid Miller – Chairman of the House Agriculture Committee. This Bill makes the program voluntary and permits, but does not require, the use of official identification. It further removes the penalty clauses. (2) HB647 by Representative Hughes – This Bill allows individuals who are already registered to opt out of the premises registration program. There also seems to be the possibility of having a “Texas Only” program.
- HB967 - This is an act relating to the reappraisal for ad valorem tax purposes on agricultural or open land placed under temporary quarantine for ticks by Texas Animal Health Commission. If TAHC has quarantined property for fever ticks, the owner has the option of going to the chief appraiser for their county and requesting a lower property tax.
- Budget Process – We have requested 5 exceptional items.
- Budgetary Merger proposal of TAHC with Texas Department of Agriculture
- Texas Agriculture Council - 50 Agriculture Associations, Dr. Hillman and Chairman Traylor met with this group and discussed animal ID, Texas horse slaughter plants, and the TAHC budget.
- Sunset – We do not yet know who will be the sponsor of the Sunset Bill for the Commission.

Item 5 – Presentation of Animal Health Activities Update and Animal Disease and Epidemiological report - Dr. Dee Ellis

Bovine Tuberculosis

- Our agency is drafting its final response to the USDA TB Review Report. A working group will be analyzing El Paso at risk populations and developing a surveillance plan.
- We are working with USAHA TB committee on comments to possible CFR changes.
- Our staff continues to work with USDA on TB Reviews in Mexico.
- Interstate movement permits for underage (less than 6 months) dairy heifers is a continuing issue.
- There is ongoing Caudal Fold Response rate monitoring and communication by Area vets.

Brucellosis

- Written request for “Free” review will be drafted this month
- Continue to work hard with traces and testing
- Review of recent positive cases is in final stages by USDA epidemiologist
- Brucellosis card test discrepancies – improved communication with veterinary practitioners

Swine Diseases

- CSF Cooperative submitted – test 1/3 of permitted feeders per year
- Increase Area Management involvement/oversight in swine waste feeders

EIA

- Closure of horse slaughter plants
- Area personnel working with market owners and dealers

Scrapie

- American Sheep Industry Meeting – met producers, market owners, USDA reps
- Scrapie Review Process was done in December 2005, however no reply as yet from USDA

Avian Influenza

- Working out details for surveillance on backyard flocks in migratory pathways as part of USDA Cooperative
- Staff has attended a number of Avian Influenza state and national meetings
- Continue to monitor growing live bird markets industry and participate in working groups

CWD

- Preparation for implementation of CWD monitoring by TPW on April 1, 2007

Program Disease Report

- Increased adjacent brucellosis testing
- Decreased fever tick infestations
- CFT response rate meeting USDA standards
- 2 infected swine herds – (1) Swine Brucellosis (1) Pseudorabies

Miscellaneous

- State Epidemiologist – Dr. Andy Schwartz – our Area 3 Director has been hired for this position. Dr. Schwartz will function in both positions until June 1, 2007
- Inspector Workshop planned for April – 1/3 of Inspectors have less than 5yrs. experience

- Summary of Equine and M-Brand Inspections – increase from 2005 in EIA events inspected, many M-brands tested, and # of M-brands found at markets
- Review of all pending compliance cases to improve oversight and transparency as suggested by Sunset Review

Emergency Management

Operation Palo Duro

- February 21-23- Amarillo
- 200+ participants
- Federal, state, local, & industry involvement
- 7 objectives – business continuity, movement controls, communication, public information, vaccination, euthanasia, and disposal issues
- Center for Naval Intelligence will facilitate and prepare after action report

Item 6 – Administration/Budget Status Report

Mike Jensen recognized Dale Jaroszewski upon his retirement. Dr. Hillman presented Dale with a retirement certificate of congratulations and thanked him for his excellent service.

Mike reviewed three Financial Reports and the 2008-2009 LBB Recommendations:

- Method of Financing Report - There was a slight reduction of \$8,833 for Commercial Air Travel Reduction as a result of legislation from the last session. Mike also reported that we have collected \$191,000 from the sale of Health Certificate Books.
- Budget Category Summary Report – The budget for Materials & Supplies was 41.38% expended as of 12/31/2006. It should be noted that \$120,000 of this expenditure was for CoRal. First Point Testing is still at a high level this year. During the first quarter of our budget this year, we did not receive the federal funding we normally receive. We will, therefore, monitor First Point Testing closely.
- Department Summary Report – On General Administration – 41.57% of the budget was expended by 12/31/2006 – A primary reason for this was for the State Office of Risk Management assessment payment.
- Executive Summary of LBB Recommendations for 2008-2009 and TAHC Exceptional Items Request- The LBB restored most of our General Revenue which had been reduced by 10%. However, for all state agencies, the LBB took an administrative reduction which resulted in a \$59,824 reduction for our agency. TAHC has requested this reduction be reinstated. Exceptional Items included requests for (1) Emergency Management funding for staff (2) Administrative Reduction Reinstatement (3) Mileage (4) Capital and (5) Longevity Payments.

Mike noted that the Veterinary Health Certificates are now available “on-line”.

Commissioner Simmons moved and Commissioner Martinez seconded the motion to approve the Fiscal Year 2007 Operating Budget as presented and discussed today. The motion carried unanimously.

Item 7 – Recommendations from the Brucellosis Work Group

Chairman Traylor provided background information regarding the development and objectives of the Brucellosis Eradication Work Group. He expressed appreciation to all the members of this group in working through differences to develop the recommendations that were best for the State of Texas. Dr. Hillman presented the topics and detailed the deliberations of the Subcommittee and the full Brucellosis Eradication Work Group; and presented the final recommendations made by the Brucellosis Eradication Work Group.

Commissioner Morales moved and Commissioner Kezar seconded the motion to approve the recommendations of the Brucellosis Work Group. The motion carried unanimously.

Item 8 – Recommendations from the Equine Work Group

Commissioner Jerry Windham provided background information regarding the members and mission of the Equine Working Group. He requested Dr. Bob Hillman present recommendations made by the Equine Working Group relating to Equine Viral Arteritis (EVA), Equine Herpes Virus 1 (EHV1), and Equine Infectious Anemia (EIA) relative to the closure of equine slaughter facilities.

Commissioner Morales moved and Commissioner Edmiston seconded the motion to approve the recommendations of the Equine Work Group as discussed today. The motion carried unanimously.

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

Mr. Volk presented the following information:

Contracts, Purchases, Leases greater than \$5,000 but less than \$10,000 for the period: 12/01/06 through 01/31/07.

- Preventative Maintenance Service for nine PCFIA machines - \$8,000
- 25 White Tychem Q!C Hood, (25 Breathing Tube Assembly, (25) Belt-Mounted Power Air Purifying Respirator, (2) Battery Chargers, (6) Battery Pack, (25) Cordura/Nylon Duffle Bag - \$9,363.53

Contracts, Purchases, Leases \$10,000 or Greater:

- Data entry and technical support service to electronically scan National Animal Identification System applications and post information on NAIS database maintained by USDA – Pending receipt of acceptance signature from Vendor – ViaTrace LLC – Estimate of \$10,000 +
- Support for ESRI software tied to GIS equipment - \$14,100
- Portable Scanners for TAHC Inspectors for scanning documents - \$16,562.00

Commissioner Windham moved and Commissioners Locke and Martinez seconded the motion to approve the contracts and purchases request for the period from December 1, 2006 through January 31, 2007. The motion carried unanimously.

Item 10 – Presentation for Approval – Proposal for decision regarding Mr. Terry Saulters resolving violations of Commission Rules

The Executive Director issued a Notice of Violation to Mr. Terry Dale Saulters recommending an administrative penalty of two thousand dollars (\$2,000.00) for violations of agency regulations. A hearing was held on September 26, 2006 at the State Office of Administrative Hearing (SOAH). Judge Georgie B. Cunningham supported the findings of the Notice of Violation and the recommended penalty amount.

Commissioner Edmiston moved and Commissioner Windham seconded the motion to approve the proposal for a decision with Mr. Terry Saulters resolving violations of Commission Rules as discussed today. The motion carried unanimously.

Item 11 – Consideration of and Possible Action on Regulation PROPOSALS Regarding: (a) Chapter 36, Subchapter D, Eradication of Brucellosis in Cervidae, regarding herd certification.

- (b) Chapter 43, Subchapter C, Eradication of Tuberculosis in Cervidae, regarding herd certification.**
- (c) Chapter 45, Reportable Diseases, regarding adding Equine diseases to be reportable.**

Mr. Gene Snelson, Legal Counsel, reviewed the above proposals with the Commissioners.

Commissioner Wood moved and Commissioner Edmiston seconded the motion to propose the amendments to Chapter 35, Subchapter D, Eradication of Brucellosis in Cervidae. This proposal changed the recertification timeframe from 24 months to 33 to 39 months. The motion carried unanimously.

Commissioner Dyess moved and Commissioner Simmons seconded the motion to propose the amendments to Chapter 43, Subchapter C, Eradication of Tuberculosis in Cervidae. This proposal will extend from 2 years to 3 the term for which accredited herd status is valid; and increasing by 12 months the interval for conducting the reaccreditation test required to maintain the accredited tuberculosis-free status of cervid herds. The motion carried unanimously.

Commissioner Windham moved and Commissioner Locke seconded the motion to propose the amendments to Chapter 45, Reportable Diseases. Commissioners proposed an amendment to make EVA and EHV-1 reportable. The motion carried unanimously.

Item 12 – Consideration of and Possible Action on Regulation ADOPTIONS Regarding:

- (a) Chapter 40, CWD (related to Elk) related to repeal and replace requirements related to elk**
- (b) Chapter 41, Fever Ticks, regarding adjustment of quarantine zone location in Starr County and clarification of dipping requirements**
- (c) Chapter 43, Subchapter D, Tuberculosis Movement Restriction Zone, regarding test requirements for movement**
- (d) Chapter 51, Entry Requirements, regarding adjustments made to various entry requirements**

Mr. Gene Snelson, Legal Counsel, reviewed the above adoptions with the Commissioners.

Commissioner Edmiston moved and Commissioner Martinez seconded the motion to adopt the amendments to Chapter 40, Chronic Wasting Disease. This adoption relates to animal identification, recordkeeping and requirements on elk. The motion carried unanimously.

Commissioner Martinez moved and Commissioner Locke seconded the motion to adopt the amendments to Chapter 41, Fever Ticks. This adoption changed the Tick Quarantine Eradication boundary as currently defined in Starr County. The motion carried unanimously.

Commissioner Locke moved and Commissioner Kezar seconded the motion to adopt the amendments to Chapter 43, Subchapter D, Tuberculosis Movement Restriction Zone. This adoption removes the Tuberculosis test requirements for the movement restriction zone, which is an area located in and around the city of El Paso. The Commission created a separate zone, or area, for El Paso and Hudspeth counties due to the prevalence of tuberculosis in that area. The motion carried unanimously.

Commissioner Dyess moved and Commissioner Vickers seconded the motion to adopt the amendments to Chapter 51, Entry requirements. The adopted changes to Chapter 51 provide greater clarity to the rule by adding, modifying and removing requirements as provided herein. The motion carried unanimously.

Item 13 – Public Comment

Mr. Charly Seale with the Exotic Wildlife Association provided testimony on Elk Movement Regulations.

Item 14 – Set dates for future Commission Meetings

363rd Meeting – May 10, 2007

364th Meeting – September 18, 2007

Item 15 – Adjournment

The meeting adjourned at 11:35 am