

**MINUTES OF THE 359th COMMISSION MEETING
TEXAS ANIMAL HEALTH COMMISSION
May 4, 2006**

The Texas Animal Health Commission Meeting was called to order by Chairman Richard Traylor at 8:30 a.m. in the Commissioners' Conference Room at Texas Animal Health Commission.

All Commissioners were present.

Item 1 - Welcome and call to order by Chairman Traylor

Chairman Traylor congratulated Commissioner Jerry Windham on his induction into the Quarter Horse Hall of Fame recognizing his lifetime achievement in the equine industry. Chairman Traylor noted that it was an honor well deserved.

Item 2 - Approval of Minutes

A motion to approve the minutes of the 358th Commission Meeting held on February 16, 2006 was made by Commissioner Simmons and seconded by Commissioner Edmiston. The motion carried unanimously.

Item 3 – Report of the Executive Director and Approval of Actions for the Period 2/16/06 through 05/03/06.

Dr. Hillman presented a report of significant activities and issues that occurred from February 16, 2006 through May 3, 2006.

Significant activities discussed:

Avian Influenza

- USDA has developed and is implementing, with the aid of Department of Interior agencies and states, a wild bird surveillance plan. Implementation has begun in the northern nesting areas. This surveillance will continue as birds begin moving south in all of the flyways. USDA has published a draft response plan to be put into effect if AI is found in domestic birds. The TAHC response protocol which was used in response to the Gonzales outbreak is being evaluated as a template for response.
- TAHC is working with the poultry industry, USDA, DSHS and other agencies to assure that we are as prepared as possible. Many activities are ongoing in an effort to address an outbreak of HPAI in either birds or humans. It is important to keep in mind that there are many strains of AI, only a few of which are transmissible to humans. Discovery of AI in Texas or a number of other states would not be an unusual event. The strain of primary concern is HPAI (H5N1) that is circulating in Asia and areas of Europe.

Animal Identification

- Following the February 16th meeting of the Commission, an additional Commission meeting to consider the proposed regulations for animal identification and fees was set for March, but subsequently cancelled. A number of persons from the livestock groups and organizations, and legislative leaders urged the Commission to delay reconsideration of animal identification regulations until 2007. A part of the reason for delaying implementation of regulations was to get a better idea from USDA about the direction of NAIS at the national level.
- On April 6, 2006, USDA published a nine page document entitled National Animal Identification System. *Strategies for Implementation of NAIS*. The implementation plan

- continues to set an aggressive timeline for ensuring full implementation of the NAIS by 2009. Secretary Johanns clearly describes NAIS as a voluntary program and expects the marketplace to require animal identification and traceability. However, the Implementation Strategies also clearly state that “If the marketplace, along with State and Federal identification programs, does not provide adequate incentives for achieving complete participation, USDA may be required to implement regulations.”
- USDA has announced the initial implementation of the 840 animal identification numbers and is developing the data system to enable gathering of animal tracking information from private animal tracking databases.
 - Since the last Commission meeting, the Executive Director has conducted numerous radio or print media interviews. Our Public Information Officer and Animal Identification Coordinator have fielded many information calls about animal identification. TAHC staff will continue to conduct animal identification presentations, give interviews and provide information to all interested persons. Voluntary premises registration is ongoing, with approximately 12,000 premises registered. We will be evaluating data from the system soon. Summary information on the Pilot Project will be provided at the next Commission Meeting.
 - Legislation, HB 47, has been introduced in the Special Legislative Session. This bill would amend Section 161.056 of the Agriculture Code, the Animal Identification Law (HB 1361 from the last session) to require that animal identification *would be voluntary and permit, rather than require, use of official identification numbers*. This bill has eleven House members signed as co-sponsors.

Fever Ticks

- At the end of March, 2006 there were 37 infested herds in the Tick Quarantine Area and 21 infested herds in the Free Area for a total of 58 infested herds. This is an increase by two herds since the last Commission Meeting.
- The Strategic Plan for the Fever Tick program has been completed and submitted to the USDA, APHIS, VS Deputy Administrator's office for review and approval. The Deputy Administrator has not yet released the report or budgetary requests for the program.

Elk Industry Issues

- Commissioner Wood and representatives of the exotic wildlife industry have identified several issues that need to be discussed and evaluated. Some may require subsequent commission action. One issue is the implementation of Animal ID for the elk industry while implementation for other species has been delayed. We will be meeting with industry representatives to begin discussing and working on the issues.

Tuberculosis

- Testing of beef purebred and seedstock herds is almost complete. One producer who had requested an Administrative Hearing has subsequently agreed to test so the hearing was cancelled. Several owners who had agreed to test by set dates have missed the test deadlines. Penning letters have been sent to these producers.
- A request for a TB Status Review has been made to USDA. A date for the TB program review has not been set at this time.

Brucellosis

- We have not identified any new Brucellosis infected cattle herds since the last Commission meeting. However, new brucellosis infected swine herds have been identified. Dr. Dee Ellis and Dr. Max Coats will provide additional details in their reports. It is critically important that we do everything possible to identify remaining brucellosis infection in Texas and complete the brucellosis eradication program.

Administrative Matters

- During the last legislative session, updated Open Meeting/Open Records training requirements were initiated. Commissioners are required to complete the new two-hour training course by December 31, 2006. Gene Snelson has proposed that the training be conducted in two sessions, with half of the Commissioners receiving the training one day prior to the next Commission Meeting on August 1 and the remaining Commissioners receiving their training at the conclusion of the Commission Meeting.
- We anticipate by the end of June, veterinarians will be able to order and pay for health certificate books online (by credit card or electronic check). This service will be provided by Texas Online.
- USDA is proceeding with development of an electronic health certificate. We believe that this certificate will be provided at no direct cost to the veterinarian or to the state. USDA has indicated that states will be free to charge a fee for utilization of the electronic certificate as they deem necessary. Details will have to be worked out.

Strategic Plan

- On April 6, 2006 staff submitted to the LBB a Structure Change Form seeking to add an Emergency Management strategy and related performance measures to the agency's budget structure. The Executive Advisory Team met on April 13th to address personnel and budget matters as well as to discuss the process for revising and updating the agency strategic plan. Bill Powers will solicit input from industry relative to updating the strategic plan. The deadline for submitting the 2007 – 2011 Strategic Plan to the LBB and Governor's Office for Budget, Planning and Policy (GOBPP) is June 23rd.

Budget Issues 2006/2007

- First point testing numbers continue to run well ahead of last year. Costs are beyond levels at the same time next year. Management staff has taken a number of steps to assure adequate first point testing funding: continue freeze on merit raises, hold vacant positions open as long as possible, lapse salaries of five vacant positions through the end of the fiscal year, utilize cooperative agreement and emergency management funds effectively to conserve General Revenue funds, conserve travel budget to extent possible, delay or reduce supply purchases. These measures have shifted almost \$350,000 to the first-point budget. We continue to monitor the budget very closely.

Sunset Review

- The Sunset staff presented their report and recommendations at the Sunset Advisory Commission meeting on May 2, 2006. The Executive Director provided testimony and answered Commissioner's questions. The Sunset Commission Decision Hearing relative to the final recommendations for TAHC has been scheduled for August 8, 2006.

Waivers

- Since the February 16, 2006 Commission meeting, TAHC has approved six requests for waiver. Three of the requests were for movement of cattle between Texas and New Mexico for grazing under commuter herd agreements. Two of the requests were for extension of time for the brucellosis test on exotic wildlife from a wild animal park to producers in Texas because of transportation issues. The animals were segregated from time of test until movement. The final request for waiver was for movement of EIA exposed equine to a temporary facility because of eviction from the former facility. The owner was granted a reasonable time to achieve necessary testing or identify a permanent segregation facility.

Planned Activities:

- Continue NAIS Implementation Projects
- Animal Identification outreach
- Beef Quality Assurance training session

- Town Hall Meeting – Pearsall (Rep. Cuellar)
- USDA Animal ID Coordinator's Workshop
- Livestock Marketing Association of Texas meeting
- Tick Program Review
- Texas – Mexican Border Coalition Meeting
- BiNational TB and Tick Committee meetings – Veracruz
- ICA Annual Convention
- NCBA Summer Conference
- Strategic Planning
- Development of LAR

Dr. Hillman also provided a written report of his out-of-office meetings and trips from February 16, 2006 through May 4, 2006.

A motion to approve the actions of the Executive Director for the period from February 16, 2006 through May 3, 2006, was made by Commissioner Locke and seconded by Commissioner Baca. The motion carried unanimously.

Item 4 – Presentation of Animal Disease and Epidemiological Report

Dr. Max Coats, Deputy Director of Epidemiology, Laboratories, and Support Services provided a report on animal disease activities.

Cattle Brucellosis - One quarantined cattle herd as of April 30, 2006. The last reactor was removed on July 30, 2005. The herd is due the releasing test the week of May 1-5. Japanese Cattle – as a result of BSE in Japan, movement restrictions have been imposed and on-site visits are being made to observe 82 animals at a minimum of once every 60 days.

Indemnity - Total FY 2006 indemnity is \$134,48.83. This is Federal indemnity paid. The state has paid no indemnity thus far this fiscal year.

Ticks – As of March 31, 2006, 58 premises are under an infested quarantine – 37 in the Tick Eradication Quarantine Area and 21 in the Free Area. There are 246 adjacent or check premises – 93 in the Quarantine Area and 153 in the Free Area.

Tuberculosis – Bovine – No herds are currently quarantined for Tuberculosis

EIA – For Calendar Year 2006 – Negative tests 56,206; Positive tests 18 – % infection of .03%

Swine - As of April 30, 2006, there is one swine herd under quarantine for Pseudorabies. As of April 30, 2006, there are two swine herds under quarantine for Brucellosis. From October 1998 through March 2006, the total number of swine first point tests conducted is 52,819.

Scrapie – As of April 30, 2006, four affected scrapie flocks have been disclosed in 2006.

Summary of Chronic Wasting Disease Activities through March 2006

- 519 total herds have been enrolled in the whole herd monitoring program.
- The monitoring and surveillance intrastate program for elk was approved by the Commission on August 16, 2006. Tags are available and we are aware who have requested them and whose order has been sent.
- We have 1 application approved in April, 2006 with no applications denied and no applications pending.
- Effective June 21, 2005 and until further notice, TPWL will not issue any out-of-state purchase permits for white-tailed deer and mule deer. Texas now has over 10,300 negative CWD samples (no positives).

- Through USDA/APHIS, a CWD rule was written and published for public review and comment on December 23, 2003. Release of the revised rule is still pending

AI Meeting in Atlanta, Ga

This meeting was jointly sponsored by USDA and US Poultry and Ag Association to address concerns related to the Draft of the Avian Influenza Response Plan. The meeting group participants were divided into break-out sessions to address four issues of the plan: 1) Bio-Security 2) Communication and Media Relations 3) Surveillance – attended by Dr. Coats and 4) Response – attended by Dr. Ellis

Next week will be working with Industry Partners to do an Avian Influenza exercise.

There was discussion regarding Feral Swine and disease.

There was additional discussion about red deer and elk regarding CWD.

Item 5 – Administration/Budget Status Report

Mike Jensen, Deputy Director of Finance and Administration presented the TAHC – Method of Financing – Fiscal Year 2006 report as of March 31, 2006. There were no significant changes. He also presented by Budget Category and Department summaries the cumulative expenditures and the balances as of 3/31/06. As of 3/31/2006, 48.3% of the budget has been expended.

- Our Agency has an Energy Savings Plan
- TAHC participated in the Survey of Organizational Excellence
- TAHC has begun the Strategic Planning Process
- TAHC will be meeting with the LBB to request the addition of a strategy for Emergency Management for our structure.

Commissioner Rangel moved and Commissioner Real seconded the motion to approve the Fiscal Year 2006 Operating Budget as presented and discussed today. The motion carried unanimously.

Item 6 – Animal Health Programs & Emergency Management

Dr. Dee Ellis, Deputy Director of Animal Health Programs provided an updated report on the following areas:

Current TB Test Statistics: Purebred Beef/Seedstock Herds are on target. There have been no newly infected herds detected. Approximately \$150,000 in cooperative funds is left. Approximately 5 mandatory herds are left to test. We have sent a request for USDA to establish Free State status. No date has been set for the review.

Brucellosis - Still one infected herd in Area 2 . This herd could possibly be released July 30. Epi investigations continues on old sale records.

Scrapie – Many traces right now

Avian Influenza – A national AI meeting was held in Atlanta. A Texas' AI meeting to discuss issues such as disposal, communication protocols, worker protection, and integration of plans is being considered.

Swine Diseases - There was a small outbreak in East Texas transitional herds. There are 7 quarantined herds for brucellosis. The source is unknown – possibly multiple.

Emergency Management

- State Animal Response Team (SART) – Planning continues
- County Animal Issue Committees (AIC) – has been endorsed by the Governor . The Texas Cooperative Extension agency is taking the lead in organizing these.
- Governor’s Division of Emergency Mgt. hurricane evacuation plan completed. TAHC helped write animal evacuation/shelter plan as part of mass care. TAHC is to receive approximately \$29,000 in reimbursement for Rita/Katrina. A hurricane exercise is being held this week to set up procedure for evacuating animals.
- Future CAFO/FMD multi-state exercise concept being explored. Funding sources to be identified – USDA or GDEM
- Possibility of a large scale exercise this fall working with industries though out the states.
- Wildfires in Panhandle – Carcass Disposal – 14 employees working on this – 4500 horses and cattle destroyed.

Item 7 – 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 2/01/06 through 4/30/06.

- 6 Lenovo (IBM) configured system – \$6,213.90
- 7 Stick Readers with blue tooth technology - \$9,758.00
- Software to allow scanning to desktop PC - \$5,237.99 (\$98.83/Month)

Contracts, purchases, leases \$10,000 or greater for the period 2/01/06 through 4/30/06

- Small Parcel Ground Shipping Service - \$10,000
- Temporary data entry employees – extended service - \$22,260.00 (Estimate 2 employees)
- 186 PCFIA Kits - \$432,115.24

Commissioner Rangel moved and Commissioner Dyess seconded the motion to approve the contracts and purchases request for the period from February 1, 2006 through April 30, 2006. The motion carried unanimously.

Item 8– Report from the Audit Subcommittee Meeting

Commissioner Rangel gave a report of the Audit Subcommittee meeting held at 8:00 a.m. In that meeting Mr. Monday Rufus provided an Internal Audit report of the Area 2 Office located in Crockett, Texas. The audit was completed on January 15, 2006. Operations were found to be in compliance with the rules, policies and procedures of this agency. Suggestions were made for improvement and enhancement of some operations, specifically in the independent review of data entry, reconciliation of petty cash funds, and accounting of fixed assets.

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

Item 9 – Presentation of Awards

Dr. Bob Hillman and John Maruska presented Morgan Wendland with his 30 year service award.

Item 10 – Recognition of Public Comment

Judith McGeary representing Farm and Ranch Freedom Alliance provided public comment regarding the National Animal Identification System.

Item 11 - Set Dates for the 360th & 361st Meeting

360th Meeting – August 1, 2006

361st Meeting – December 5, 2006

Item 12 – Adjourn

The meeting adjourned at 11:00 a.m.