



**Annual Report to
Senate and House Committees
2019 Legislature**

Agricultural and Natural Resources Committee
Government Operations and Audit Committee

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By

Debbie Trapp, Director
SD Brand Board

Brand Board Legislative Report for Calendar Year 2018

The South Dakota Brand Board 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 use of brands applies to the entire state. 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. 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. The Brand Board employees 11 full time brand inspectors stationed at 10 livestock markets in western SD and an additional 105 part-time /local brand inspectors in addition to six office staff.

Livestock Inspections

In CY2018, a total of 1,529,134 head of livestock were inspected. A breakdown of the inspections is the following: Livestock Markets – 1,068,071 head, Local Inspections – 474,738 head, Locker Plants – 4,092 head, Lifetime Horse Permits -800. This compares with CY2017 inspections of 1,826,424 head. The CY2017 inspections were the following: Livestock Markets – 1,255,045 head, Local Inspections – 566,029 head, Locker Plants - 4,508 head, Lifetime Horse Permits - 842. Holds placed on livestock sales increased in 2018 to 19,433 head compared with 14,615 head in 2017. Forty-one 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 CY2017 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 2018.

CY 2018 Month	Livestock Markets	Locker Plants	Local Inspections	Horse Lifetime Permits	Total Inspected	Holds per Head
January	75,782	378	48,554	33	124,747	1,587
February	108,507	385	37,249	33	146,174	754
March	76,625	360	34,757	26	111,768	450
April	60,804	410	29,329	49	90,592	2,318
May	48,040	396	40,620	80	89,136	767
June	67,845	361	51,721	122	120,049	4,561
July	59,570	316	23,566	131	83,583	3,229
August	19,439	322	27,395	75	47,231	1,896
September	33,590	305	26,118	101	60,114	306
October	47,591	257	73,366	81	121,295	1058
November	247,782	307	90,449	32	338,570	1,058
December	222,496	295	63,548	37	286,376	1,449
TOTALS	1,068,071	4,092	474,738	800	1,529,134	19,433

Table 2. SD Brand Board Livestock Inspections and Holds by Month for CY 2017.

CY 2017 Month	Livestock Markets	Locker Plants	Local Inspections	Horse Lifetime Permits	Total Inspected	Holds per Head
January	93,091	511	40,546	26	134,174	868
February	130,971	410	41,295	31	172,707	2,260
March	106,799	347	34,411	39	141,596	442
April	81,832	515	31,974	59	114,380	1,165
May	56,089	316	33,580	81	90,066	1,498
June	53,209	394	48,000	95	101,698	1,288
July	72,997	388	35,279	123	108,787	1,434
August	36,614	266	38,286	127	75,293	1,529
September	43,411	421	30,427	97	74,356	238
October	76,280	261	55,547	50	132,138	571
November	299,818	365	108,732	47	408,962	1,509
December	203,934	314	67,952	67	272,267	1,813
TOTALS	1,255,045	4,508	566,029	842	1,826,424	14,615

Table 3 shows the total number of inspections per month for 2014 thru 2018 and average inspections for each month.

Table 3. Total Livestock Inspected per Month and Monthly Average in years 2014-2018

Month	2014	2015	2016	2017	2018	Average
January	121,247	122,826	110,685	134,174	124,747	122,736
February	143,979	140,584	155,008	172,707	146,174	151,690
March	112,383	120,092	128,805	141,596	111,768	122,929
April	85,485	88,878	106,980	114,380	90,592	79,163
May	96,213	104,670	104,767	90,066	89,136	96,970
June	77,712	85,434	74,661	101,698	120,049	91,911
July	60,554	62,972	98,862	108,787	83,583	82,952
August	34,887	36,178	56,864	75,293	47,231	50,091
September	55,992	53,728	88,888	74,356	60,114	66,616
October	142,139	128,025	155,608	132,138	121,295	135,841
November	326,683	362,629	373,813	408,962	338,570	362,131
December	246,333	275,399	207,554	272,267	286,376	257,586
TOTALS	1,503,607	1,581,415	1,662,495	1,826,424	1,529,134	1,620,615

Deposits for Inspection

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 CY2017 fees are included for comparison purposes.

Table 4. Inspection Receipts Deposited for Calendar Years 2017 and 2018.

Month	2017 Market Inspections	2017 Local Brand Inspections	2017 Brand Inspection TOTAL	2018 Market Inspections	2018 Local Brand Inspections	2018 Brand Inspection TOTAL
Jan	\$84,741	\$34,502	\$119,243	\$112,980	\$62,827	\$175,807
Feb	\$122,557	\$24,496	\$147,053	\$99,114	\$46,418	\$145,532
Mar	\$137,996	\$48,966	\$186,962	\$83,684	\$40,560	\$124,244
Apr	\$87,698	\$31,754	\$119,452	\$63,160	\$20,728	\$83,888
May	\$56,552	\$52,067	\$108,619	\$63,443	\$54,691	\$118,134
Jun	\$51,713	\$40,465	\$92,178	\$54,342	\$53,878	\$108,220
July	\$71,635	\$43,030	\$114,665	\$57,398	\$27,203	\$84,601
Aug	\$40,844	\$40,975	\$81,819	\$30,907	\$27,448	\$58,355
Sept	\$43,135	\$37,708	\$80,843	\$40,799	\$27,236	\$68,035
Oct	\$76,881	\$39,976	\$116,857	\$39,598	\$73,983	\$113,581
Nov	\$268,774	\$33,688	\$302,462	\$189,289	\$84,122	\$273,411
Dec	\$185,443	\$132,045	\$317,488	\$284,055	\$76,033	\$360,088
TOTALS	\$1,227,969	\$559,672	\$1,787,641	\$1,118,769	\$595,127	\$1,713,896

Missing or Stolen Livestock

The number and type of livestock, which were reported missing or stolen in CY2018, are listed in Table 5. The numbers reported for CY2017 are listed in Table 6. Some of the livestock report missing or stolen may be the result of a civil dispute between producers or lenders taking possession of their security. The large number of cows and calves, reported missing in August 2017, was the result of a civil dispute between two producers. Livestock listed in the Found/Recovered column may have been by the owner, brand inspectors, livestock investigators or other law enforcement officials.

Table 5. Number and Type of Livestock Reported Strayed or Stolen in 2018.

Month	Cows	Calves	Yearlings	Bulls	Horses	Sheep	Buffalo	TOTALS	Found/Recovered
Jan	61	1	0	0	0	0	0	62	0
Feb	0	0	29	0	0	0	0	29	0
Mar	0	0	0	0	0	0	0	0	30
Apr	0	2	1	0	4	0	0	7	4
May	0	0	13	0	0	0	0	13	0
June	5	9	7	1	0	0	0	22	17
July	2	8	14	1	0	0	0	25	10
Aug	0	0	0	0	0	0	0	0	0
Sept	0	0	0	1	91	0	0	92	2
Oct	25	36	46	4	0	0	0	111	1
Nov	25	64	10	8	0	0	0	107	0
Dec	2	2	2	1	0	0	0	7	0
TOTALS	120	122	122	16	95	0	0	475	64

Table 6. Number and Type of Livestock Reported Strayed or Stolen in 2017.

Month	Cows	Calves	Yearlings	Bulls	Horses	Sheep	Buffalo	TOTALS	Found/Recovered
Jan	5	18	4	0	0	0	0	27	0
Feb	0	0	3	0	4	0	0	7	0
Mar	1	1	3	1	0	0	0	6	0
Apr	187	90	0	0	0	0	0	277	0
May	1	1	15	0	0	0	0	17	14
June	0	4	0	2	0	0	0	6	4
July	3	3	0	1	0	0	2	9	0
Aug	126	140	0	2	0	0	0	268	256
Sept	0	2	0	2	0	0	0	4	1
Oct	43	54	13	4	0	0	0	114	12
Nov	41	60	2	0	0	0	0	103	9
Dec	11	22	4	4	1	0	0	42	0
TOTALS	418	395	44	16	5	0	2	880	296

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.

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 2014 thru 2018.

Table 7. Number and Type of Livestock Recovered by Brand Inspectors 2014 - 2018.

Year	Cow	Heifer	Calf	Steer	Bull	Horse	Total
2014	87	85	62	48	16	0	298
2015	85	63	107	44	12	8	319
2016	46	35	57	38	18	0	194
2017	91	95	38	35	13	0	272
2018	46	56	48	25	7	1	183

Brand Board Holds

Information on holds submitted to the Brand Board office, following the 60 day period, is shown below in Table 8. The number of holds implemented at the livestock markets, feedlots, locker plants and in local inspections are included in Tables 1 and 2 on pages 2 and 3. 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 in an attempt 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 2018 and 2017

	Holds	Cow	Heifer	Calf	Steer	Bull	Horse	Amount
CY 2018 Holds Received	41	38	5	2	9	5	20	\$47,844
Paid to Livestock Owner	24	16	0	2	0	6	3	\$29,939
To T&P** by Board Action	14	4	2	0	2	6	2	\$14,000
CY 2017 Holds Received	60	90	12	71	52	17	6	\$221,044
Paid to Livestock Owner	20	68	0	74	0	5	5	\$118,567
To T&P** by Board Action	17	8	0	2	2	2	3	\$12,934

**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 (DCI). The Brand Board reimburses the AG's office for a majority of the expenses incurred by the investigators. The amount of expenses reimbursed

by the Brand Board in Fiscal Year 2018 and Fiscal Year 2017 was \$108,698.03 and \$151,489 respectfully. In CY 2018, there was only one livestock investigator as compared to two in previous years. Livestock recovered either by the livestock investigator or by the livestock investigator assisting on cases was 29 head of cattle. Other livestock recovered by owners or others was 32 head. Table 9 lists investigation information for 2018 and 2017.

Table 9. Livestock Investigative Information

Item	2018	2017
Cases Opened during the year	47	63
Cases Closed during the year	31	67
Cases Open as of yearend	16	41
Convictions	2	7
Arrests	4	5
Cases pending-turned over to State's Attorneys	4	15
Outstanding Warrant	1	3
Road Checks – Number of Days Conducted	3	5
Information Reports	59	105

Brand Program

The Brand Board office is also responsible for brand registrations, transfers, brand renewals, shipper permits, grazing permits, and trailing permits. Table 10 shows the main brand program revenue for 2017 and 2018. Brands are renewed every five years. 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 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. The Brand Board is proposing to raise the cap on the Brand Program fees as the current rate will not be sufficient to cover projected expenses. Software upgrades are needed for the development of online brand renewals.

Table 10. Brand Program Revenue

Revenue Type	2017	2018
New Brand Registrations	\$44,585	\$28,925
Brand Transfers	\$15,000	\$15,625
Abandoned Brands Registrations	\$27,060	\$14,130
TOTALS	\$86,645	\$58,680

Summary

Number of livestock inspected in CY 2018 decreased from the previous three years. CY 18 was down 297,290 head from CY 17. The Brand Board strives to keep expenses to a minimum to operate the inspection program on a \$1.00/head inspected.

Total livestock reported missing or stolen for CY 18 was 475 head. This is a decrease of 405 head from CY 17. In CY 17 a dispute between two producers resulted in the report of 252 head missing.

The number of holds resolved and paid to producers has remained constant as well as the number of holds paid to the Theft and Prevention fund.

The three largest livestock theft cases, for CY 18, were located east river which is outside the brand inspection area. There currently is one livestock investigator for the state. Previously, there had been two livestock investigators stationed in Pierre.

The maximums or caps, on the brand program fees, will need to be increased to generate adequate revenue to operate and make improvements such as online brand renewals and support 2-3 brand inspectors as compliance officers who are certified law enforcement. The brand renewal fee of \$10.00/year has been in place for the past 4 renewal periods – 2000, 2005, 2010, and 2015. The renewal fee, which generates the majority of the brand fund's revenue, is collected every 5 years. The cap of \$25.00, on the brand registration fee and brand transfer fee, has been in place since 1988.

Appendix

South Dakota Brand Board

Disposition Detail of Brand Board Holds

Calendar Year 2018

Brand Board Holds - Received 2018

Date Received	Hold Number	Cow	Heifer	Calf	Steer	Bull	Horse	Amt Held
3/14/18	BB383				1			\$394.44
4/16/18	BB384					1		\$1,044.00
4/16/18	BB385						1	\$270.70
4/16/18	BB386	1						\$1,094.26
4/16/18	BB387	1						\$835.55
4/16/18	BB388	1						\$487.21
5/30/18	BB389	8						\$5,432.18
5/31/18	BB390						5	\$1,081.47
6/18/18	BB391	1						\$1,510.57
6/20/18	BB392						3	\$493.23
6/20/18	BB393						9	\$1,191.83
7/2/18	BB394				1			\$741.35
7/24/18	BB395	2						\$1,014.39
7/24/18	BB396	1						\$676.14
7/24/18	BB397	1						\$849.07
7/24/18	BB398	1						\$569.56
7/24/18	BB399			1				\$255.74
8/16/18	BB400	1						\$986.34
8/24/18	BB401				1			\$1,246.71
9/17/18	BB402				4			\$3,601.59
9/25/18	BB403					1		\$1,352.76
9/25/18	BB404					1		\$598.19
9/25/18	BB405	1						\$678.05
9/25/18	BB406		1					\$708.08
9/25/18	BB407	1						\$717.58
9/25/18	BB408				1			\$1,065.45
10/15/18	BB409	9						\$6,238.72
10/15/18	BB410	2		1				\$1,070.71
10/15/18	BB411	1						\$731.43
10/26/18	BB412	1						\$1,052.73
10/26/18	BB413		1			1		\$1,267.80
11/19/18	BB414		1					\$556.33
11/19/18	BB415	1	1					\$1,509.50
11/19/18	BB416	1						\$1,090.47
11/19/18	BB417					1		\$740.28
11/19/18	BB418						1	\$836.82
11/19/18	BB419						1	\$416.14
11/19/18	BB420	2						\$1,318.22
12/19/18	BB421				1			\$893.32
12/26/18	BB422	1						\$815.20
12/26/18	BB423		1					\$410.09
TOTALS		38	5	2	9	5	20	\$47,844.20

Brand Board Holds - Paid to Producers 2018

Date Received	Hold Number	Cow	Calf	Bull	Horse	Amt Held	Date Paid	Paid to
6/30/16	BB300				1	\$290.42	1/22/18	Cody Morris
6/30/16	BB301				1	\$292.42	1/22/18	Ty Tope
4/6/17	BB346	3				\$1,910.02	1/22/18	Gordon Hughson & Farm Serv Agency & Security First Bank
4/6/17	BB347			1		\$6,881.66	1/22/18	Gordon Hughson & Farm Serv Agency & Security First Bank
3/31/17	BB340	1				\$775.42	2/23/18	Gary McClure
7/31/17	BB364	2				\$1,255.54	2/23/18	Maestri Ranch Company LLC
8/15/17	BB368	1				\$673.15	2/23/18	Kevin Wilson
12/4/17	BB380	1				\$1,048.67	3/20/18	Lindskov Ranch Partnership
5/22/17	BB353					\$1,031.15	3/28/18	Producers Livestock Marketing Assn
7/5/16	BB305	1	1			\$1,441.10	3/28/18	Daniel Trobaugh & Farmers / Merchants State Bank & Farm Services Agency
4/28/17	BB349	1				\$1,321.93	4/12/18	Ellis Livestock & 1st Interstate Bank
4/10/17	BB344	1				\$780.35	4/20/18	Crago Land and Livestock LLP & Producers Livestock & Sundance State Bank
10/18/16	BB318			2		\$968.20	6/21/18	Leo Heinrich
7/31/17	BB363	1	1			\$1,287.20	8/10/18	Joshua Ross
2/13/17	BB336					\$861.75	8/14/18	Thomas Kemp & Equitable Banke
2/13/17	BB337			1		\$871.61	8/14/18	Thomas Kemp & Equitable Banke
11/28/16	BB321					\$1,730.17	8/22/18	Helen Harding & Farm Service Agency
1/23/17	BB327				1	\$677.75	9/7/18	Melvin Pittman
1/23/17	BB328	1				\$700.72	9/14/18	Aaron Price
5/22/17	BB354	1				\$692.52	10/15/18	Darrel Wilcox & 1st Interstate Bank
2/17/16	BB291			1		\$1,396.26	11/30/18	Kurt Heinrich & Dakota Western Bank
10/15/18	BB411	1				\$731.43	11/30/18	James Senn
10/26/18	BB412	1				\$1,052.73	12/14/18	Ida Tryon Estate
10/26/18	BB413			1		\$1,267.80	12/14/18	Ida Tryon Estate
TOTAL		16	2	6	3	\$ 29,939.97		

Brand Board Holds - Received 2018 Pending

Date Received	Hold Number	Cow	Heifer	Calf	Steer	Bull	Horse	Amt Held	Livestock Marke	Type of Livestock	
3/14/18	BB383				1			\$394.44	Belle Fourche L/S	1 Roping Steer / Miles City, MT	Currently researching
4/16/18	BB384					1		\$1,044.00	Saint Onge L/S	1 Bull /	Currently researching
4/16/18	BB385						1	\$270.70	Saint Onge L/S	1 Sorrel Gelding / Estray	Currently researching
4/16/18	BB386	1						\$1,094.26	Saint Onge L/S	1 Black Cow / Alva, WY	Currently researching
4/16/18	BB387	1						\$835.55	Saint Onge L/S	1 Black Cow / Whitewood, SD	Currently researching
4/16/18	BB388	1						\$487.21	Saint Onge L/S	1 Cow / St Onge, SD	Currently researching
5/30/18	BB389	8						\$5,432.18	Faith L/S	8 Mixed Cows / Little Eagle, SD	Waiting on return paperwork from owner
5/31/18	BB390						5	\$1,081.47	Philip L/S	2 Mares, 2 Colts, 1 Stud / Kyle, SD	Currently researching
6/18/18	BB391	1						\$1,510.57	Belle Fourche L/S	1 Black Cow / Imperial, NE	Currently researching
6/20/18	BB392						3	\$493.23	Gordon L/S	3 Paint Geldings /	Currently researching
6/20/18	BB393						9	\$1,191.83	Sheridan L/S	9 Mixed Horses / Buffalo Gap, SD	Currently researching
7/02/18	BB394				1			\$741.35	Philip L/S	1 Black Horned Steer / Interior, SD	Currently researching
7/24/18	BB395	2						\$1,014.39	Belle Fourche L/S	1 Black Brockel Cow & 1 Red WF Cow / F	Waiting on return correspondance
7/24/18	BB396	1						\$676.14	Belle Fourche L/S	1 Black Cow / Buffalo, SD	Waiting on return paperwork from owner
7/24/18	BB397	1						\$849.07	Belle Fourche L/S	1 Hereford Cow / Newell, SD	Waiting on return paperwork from owner
7/24/18	BB398	1						\$569.56	Belle Fourche L/S	1 Black Cow / Buffalo, SD	Waiting on return paperwork from owner
7/24/18	BB399			1				\$255.74	Martin L/S	1 Calf / Martin, SD	Ownership still pending
8/16/18	BB400	1						\$986.34	Valentine L/S	1 Hereford Cow / White River, SD	Ownership still pending
8/24/18	BB401				1			\$1,246.71	Belle Fourche L/S	1 Black Steer / Highmore, SD	Ownership still pending
9/17/18	BB402				4			\$3,601.59	Fort Pierre L/S	4 Steers / Hermosa, SD	Ownership still pending
9/25/18	BB403					1		\$1,352.76	Winner L/S	1 Black Bull / Winner, SD	Ownership still pending
9/25/18	BB404					1		\$598.19	Winner L/S	1 Black Bull /	Ownership still pending
9/25/18	BB405	1						\$678.05	Winner L/S	1 Black Cow /	Ownership still pending
9/25/18	BB406		1					\$708.08	Winner L/S	1 Black Heifer / Wood, SD	Ownership still pending
9/25/18	BB407	1						\$717.58	Winner L/S	1 Hereford Cow / Mission, SD	Ownership still pending
9/25/18	BB408				1			\$1,065.45	Winner L/S	1 BWF Steer / Porcupine, SD	Ownership still pending
10/15/18	BB409	9						\$6,238.72	Lemmon L/S	9 Cows / Homestead, MT	Ownership still pending
10/15/18	BB410	2		1				\$1,070.71	Belle Fourche L/S	2 Cows & 1 Calf / Belle Fourche, SD	Ownership still pending
11/19/18	BB414		1					\$556.33	Saint Onge L/S	1 Black Heifer /	Ownership still pending
11/19/18	BB415	1	1					\$1,509.50	Saint Onge L/S	1 Black Cow & 1 Black Heifer / Hettinger,	Ownership still pending
11/19/18	BB416	1						\$1,090.47	Saint Onge L/S	1 Black Cow / Keystone, SD	Ownership still pending
11/19/18	BB417					1		\$740.28	Saint Onge L/S	1 Bull / Columbis, MT	Ownership still pending
11/19/18	BB418						1	\$836.82	Saint Onge L/S	1 Red Roan Gelding / Salem, ND	Ownership still pending
11/19/18	BB419						1	\$416.14	Saint Onge L/S	1 Mare / St Onge, SD	Ownership still pending
11/19/18	BB420	2						\$1,318.22	Saint Onge L/S	2 Black & Red Cows / Buffalo, SD	Ownership still pending
12/19/18	BB421				1			\$893.32	Fort Pierre L/S	1 Holstein Cross Steer	Ownership still pending
12/26/18	BB422	1						\$815.20	Mobridge L/S	1 Black Cow / Mound City, SD	Ownership still pending
12/26/18	BB423		1					\$410.09	Platte L/S	1 Black Heifer Calf / Kennebec, SD	Ownership still pending
TOTAL		36	4	2	9	4	20	\$44,792.24			

