

1 UNITED STATES DEPARTMENT OF AGRICULTURE
Marketing and Regulatory Programs
2 Animal and Plant Inspection Service
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5 PUBLIC INDUSTRY FORUM
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8 June 24, 2010

9 8:03 a.m. to 1:12 p.m.
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11 Sheraton Hotel

150 West 500 South

12 Salt Lake City, Utah
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1 P R O C E E D I N G S

2 DEBORAH MILLIS: Thanks for coming today. My
3 name is Deborah Millis, and my role here is as the
4 moderator of this meeting today. Hopefully, you
5 won't be hearing much of my voice. You'll be hearing
6 from our speakers today and all of you as we explore
7 some of the issues related to animal traceability. I
8 wanted to just give you a few logistics of our
9 meeting today. Out this door and to your right and
10 around the restaurant here called Olio's you can find
11 the rest rooms. I understand there's others as you
12 go out the other direction and keep following around.
13 The nearest fire exits are right out the door. We
14 hope that -- feel free to use the first one. We
15 won't ever need to use the second one.

16 What we have up first today is Dr. T.J.
17 Myers from Veterinary Services and Animal Health Plant
18 Inspection Service, and he'll be saying a few words
19 of welcome to you.

20 DR. TJ MYERS: Thank you, Deb. Can you hear me
21 in the back?

22 AUDIENCE MEMBER: No. Little louder.

23 DR. TJ MYERS: So you can hear in the back and
24 not in the front. That's interesting. Is that
25 better? I need to know how close.

1 Thank you, Deb. And I want to welcome
2 everyone to this public meeting today. We really
3 appreciate your taking time from your day and busy
4 schedule to attend and to provide us your input and
5 your feedback on animal traceability.

6 What I would like to have everyone keep in
7 mind for the day is that our theme really is
8 collaboration. We are here to hear from you to get
9 your input into the work that we're doing to move
10 animal traceability forward. We've been doing a lot
11 of work on this issue in the last few years as I
12 think everyone is aware, and we've had some good
13 success, but we've also had our challenges. And as a
14 result of those challenges, Secretary Bill Sacks last
15 year asked us to hold a number of listening sessions
16 to take a hard look at how we were approaching what's
17 called NAIS, National Animal Identification System.
18 And through those listening sessions we heard a lot
19 of concerns, a lot of good feedback, and as a result
20 of that on February 5th of this year Secretary Bill
21 Sacks announced a new way forward for animal
22 traceability, and we have been working diligently
23 since February to put his new framework into action.

24 We've established a federal, state, and
25 tribal working group that has been working and

1 meeting I think almost weekly on this issue to help
2 us build that new framework, and we're also reaching
3 out to producers and industry in sessions like this
4 and through a variety of other ways to get your input
5 as we move forward with this new framework.

6 So, again, that's why we're here today, to
7 collaborate, to talk about how best to build this new
8 framework, and so we really do value your input and
9 we really look forward to the conversation that we're
10 going to have today. So with that introduction, what
11 we have planned is first we're going have three
12 presentations. First Dr. Bruce King, who is the
13 state vet here in Utah, is going to talk about the
14 need for traceability and the context of why
15 traceability is important in animal disease
16 prevention and control context.

17 Then I'll be back up here to talk about the
18 new framework and to give you more detail on how that
19 framework is shaping up, and then finally Dr. Marty
20 Zaluski state vet in Idaho is here. He is a member
21 of our federal, state, tribal working group, and he's
22 going to be speaking about the work that that working
23 group is doing, particularly around the area of
24 performance standards, and then after those three
25 presentations, we'll be moving into break-out groups

1 and discussion to get your input and feedback on what
2 you've heard. So with that introduction I'd like to
3 invite Bruce to come up and give us his perspective.

4 Bruce.

5 DR. BRUCE KING: It's a pleasure to be here this
6 morning and talk you to just a little bit about
7 animal disease traceability, but before I get into my
8 subject, I was reminded this morning as Tim Munds
9 come in of a story about him, and I'd like to share
10 it with you if I might. A while back Tim had the
11 opportunity -- maybe it wouldn't have been an
12 opportunity, but he was officiating at an old
13 rancher's funeral up near where he lives, and they
14 were getting ready to start the funeral and he got up
15 to get things underway, and this old rancher hadn't
16 spent a lot of time in church in his life. He'd been
17 out on the range most of his life.

18 So Tim got up to the podium. He looked
19 down over the podium and the casket was sitting right
20 here in front of the podium. I can't remember the
21 old fellow's name, but I'm going to call him George.
22 He says, "George, you didn't spend much time in this
23 chapel when you was alive and we're not going to keep
24 you very long today."

25 Anyhow, I'm not going to take a lot of time

1 today either, but I would like to talk to you a
2 minute, talk more about what I would like to call a
3 philosophy than I am getting into any of the
4 specifics. I think I'll leave that to the USDA, and
5 I'm sure some of you folks out there have got some
6 ideas.

7 But let me just talk to you why I think
8 animal traceability is important. To be able to
9 recognize a disease is important, and perhaps I might
10 start by an experience that happened to me several
11 years ago as I come to work for the state of Utah
12 down here in Central Utah to some egg producers,
13 which emphasized to me the importance of
14 traceability. Let me give you a little background.
15 Down in southern Nevada there had been an outbreak of
16 food poisoning, and they determined this food
17 poisoning to be caused by salmonella enteritidis.

18 Now, if you're familiar with that
19 particular bacteria, when most people hear that they
20 start thinking of eggs and chickens. So they started
21 tracing this disease, and they traced the eggs back
22 to a wholesaler who got eggs from several different
23 producers. There was no way from there to trace to a
24 specific producers. There was nothing in place to
25 trace that back to exactly where that eggs may have

1 come from. And so the FDA -- now if you want to get
2 into some -- I don't want to be ignorant, but if you
3 want to get into some heavy handed folks doing
4 investigation, I would suggest the FDA to you. And
5 they traced these eggs to several different
6 producers, and I become associated with it because in
7 Utah we had what we call a Utah Egg Quality Assurance
8 program, and that's a partnership between the
9 producers, the state of Utah, FDA, public health, and
10 few other entities, USDA as well.

11 Since they could not trace these eggs back
12 to a specific producer, they tested all the producers
13 that sold eggs to that wholesale house, and it was
14 very invasive. I went down and kind of was there as
15 they done the testing. If you want to feel like
16 government is getting involved in your business, they
17 certainly were that day, and let me suggest to you
18 that a good animal traceability system will keep
19 government out of your business more than it will
20 allow them in.

21 If we're able to pinpoint disease and just
22 go back to a specific ranch or farm, it's going to be
23 a lot less intrusive than if we had to do the way the
24 FDA done that day where they had to cover eight
25 producers not only in Utah. There was one this

1 Colorado and there was one in California. So I would
2 just suggest to you the need to be able to trace
3 disease through the system is very important. I
4 would suggest to you another thing before I go on.
5 There's several program diseases, and if we have an
6 animal diagnosed at a slaughter facility with
7 tuberculosis, I would suggest to you that the public
8 expects us to be able to trace that animal back to
9 its origin. That is what the public expects of us.

10 There's many times that happens, and we
11 can't. I think a good example of that happened when
12 tuberculosis was diagnosed on a dairy in Texas not
13 very long ago, and animals were literally distributed
14 all over the United States. And to trace those
15 animals out to find out where they went and which
16 animals to test became a nightmare, and a lot of
17 animals were tested that wouldn't had to be have
18 been. Animals were slaughtered that wouldn't had to
19 have been if we were able to pinpoint the trace.

20 So I would suggest -- and I know there's
21 some here -- I was raised on a little ranch down in
22 Southern Utah. I don't believe in the old adage,
23 "I'm from the government. I'm here to help you."
24 And I suspect there's a lot of you feel the same way,
25 but we have to be responsible for what we produce.

1 Now, that being said, I want to tell you a
2 little story that happened to me. There was an old
3 sheep herder when I was growing up in Antimony that
4 brought a herd of sheep up through Antimony on his
5 way out to Boulder Mountain, and there was a little
6 enclosure there that he could put his sheep herd in.
7 And us boys, we were probably 8, 9, 10 years old,
8 just old enough to where we could ride our bikes
9 really good. Well, maybe not that not good. We
10 would go down to where he was camped and sit around
11 his camp fire, and he would feed us a little
12 sourdough.

13 We didn't ever tell our mothers that but he
14 generally would give us a cup of coffee. And we
15 would sit around that campfire, and he would tell us
16 stories. I remember the end of one night he said to
17 me, to us, he said, "You'll have to forgive me for
18 referring to personal experiences, but it's really
19 the only kind I've ever had." So I'm going to talk
20 to you a little about a personal experience I had a
21 few years ago that became -- it's kind of been
22 something I think about when I think about early
23 recognition of disease, diagnosis of disease, and to
24 be able to trace a disease.

25 Next slide, I put this slide in here for us

1 to realize if we're going to get our arms around a
2 disease, especially a disease that our animals in
3 this countries may be naive to, we're going to have
4 to recognize it early. We're going to have to
5 diagnose it early. That is key to being able to get
6 our arms around it fast, and next in line to that
7 would be being able to trace that disease, where it
8 might have left or went to or how it got there. Did
9 anybody know what that picture was that we just left?
10 What was that?

11 AUDIENCE MEMBER: Antelope Island.

12 DR. BRUCE KING: Antelope Island? It is an
13 island. I'm going to give somebody else a chance.
14 You're right as far as island goes. Anybody else?

15 AUDIENCE MEMBER: Plumb island.

16 DR. BRUCE KING: It's Plumb Island. The reason
17 that's significant is that's where much of the
18 research is done on foreign animal disease. You can
19 see it sits off the tip of Long Island there out in
20 the ocean. Right now that's where your foreign
21 animal disease diagnosticians will be. Now that
22 good-looking fellow standing up there is me. I'm
23 kind of out of my element right there because where
24 I'm at is over in Leeds, England, back in '01, and
25 what I'm doing there is -- I found out because I was

1 working for the state of Utah that there had been a
2 foot and mouth disease outbreak over there and that
3 they were needing veterinarians to come and help with
4 that disease.

5 So I, through Dr. Marshal, who was the
6 state veterinarian at the time, asked if I could go
7 and he said sure. I think he was kind of glad to get
8 rid of me for 30 days. Anyway, we went over there,
9 and they gave us a little training. I want you to
10 pay attention, if you would, to the table there in
11 front of me. There's a set of keys.

12 Now, the training wasn't bad, but there was
13 some actual hands-on training in that they throw
14 these car keys at us and said, "You may not have
15 driven in England before." I'm sure they looked at
16 me and knew I hadn't driven in England before. And
17 said, "You might want to go out here in the parking
18 lot and practice a little bit because you're going to
19 be driving about 50 miles north here to your area of
20 responsibility." There was six veterinarians with
21 cars, weapons, and we left that parking lot, headed
22 south. By the time we got to our pub where we
23 stayed, two of the veterinarians had already had a
24 wreck.

25 So, anyway, next picture, what I wanted to

1 talk to you a little bit about is what was going on
2 over there. I'm sure many of you have heard this
3 story many times before, but it's one thing to hear
4 and it's another thing to be there and see what it
5 did to those people, to that society. And my
6 responsibility was to go on farms that were in
7 quarantined areas and see if there was any disease.
8 The contiguous premises of disease had already been
9 depopulated, so these were farms just in the
10 quarantined area.

11 And over in England -- to my left you can
12 see the main highway, and over to my right is the
13 lane leading down into this particular farm I'm going
14 on, and what you would do is dress up in -- I call
15 them sprinkler-changing boots. They call them
16 something different over in England. Does anybody
17 remember what they call them in England? Well,
18 there's no English people in here today.

19 All right. We go down onto the farms, look
20 and see and monitor the animals. Next slide. Now,
21 the reason I put this slide in here -- now, the
22 fellow in green, he's the one that owns this
23 particular farm. The fellow in white is the Texan.
24 I'm sure you could tell he's a Texan. One thing
25 that's interesting about this, you can always tell a

1 Texan if you've been around and listen to them talk,
2 but, you know, you never can tell them very much.
3 That's kind of the way this fellow was. Anyway, I
4 want you to notice on this slide these pastures. Can
5 you see the livestock down in there? It's a
6 beautiful country. They don't call them ranches over
7 there. They call them farms. You can see the rock
8 fences there. The reasons why we wear these boots
9 all the time because it's really wet over there.

10 Next slide, so what we would do is go onto
11 the farms, look and see if there was any animals that
12 we suspected of having foot and mouth disease. If
13 they were, we put them in a shoot. Most of the
14 shoots over there -- they call them crutches -- were
15 in better shape than this one. This reminds me of
16 some in Antimony. Anyway, we would look and examine
17 the animals, see what was going on.

18 Next slide. Now before I go any further,
19 what do you think a farm animal disease might do to
20 society? Do you think it would have any effect
21 outside of -- if it come to your ranch -- well, this
22 is a livestock auction right here, they hadn't had a
23 sale there for five months before I got there, and
24 they didn't have a sale for about four months after I
25 got there. They would not let animals come together

1 at a livestock facility over there. Stop for a
2 minute. What effect do you think that had upon those
3 people that were making a living on that facility? I
4 had a picture, and I couldn't find it of a church
5 that I took when I was out in the country over there.
6 It says, "All services are postponed due to foot and
7 mouth disease." They wouldn't let people congregate
8 at church. There was no livestock auctions. You
9 couldn't take animals to be slaughtered. All of
10 those -- that was closed down.

11 Next slide. Now, this is England and this
12 is where the disease was. I was up in that big area
13 in the top of England where you can see them black
14 spots. The black spots are the infected area. The
15 areas in gray were the quarantined areas. They
16 restricted cattle movement completely, cattle, sheep,
17 and pigs, but they wouldn't let even human beings
18 moving through those areas was only when you had to.
19 In other words, tourism was completely shutdown.
20 Many of the little pubs that are out in the country
21 over there depended on the tourism that come there in
22 the summers to exist, and as a result many of them
23 went broke and out of business.

24 Next slide, this is more recent. How many
25 of you have been following the foot and mouth disease

1 outbreak in Japan right now? I want you -- I'm not
2 going to read through this. I tried to read through
3 it the other day, and I am not good at pronouncing
4 Japanese names. I want to you pay attention to that
5 third paragraph down. This is a trucking company.
6 "'We're uncertain about the future. If this doesn't
7 end quickly, then our company won't last,' the firm's
8 52-year-old president said." So here is a trucking
9 company that basically is shipping feed in from the
10 coast that come out of Australia into the cattle
11 industry, and they were on the ropes already. And
12 that has not been that long since that outbreak
13 started there.

14 Look down at the last paragraph. It says,
15 "The tourism industry has been affected. 34,000
16 people shows that -- accommodations and conferences
17 for 34,000 people were canceled over a period of
18 about one month after the outbreak." I don't know
19 what 265 million yen is. Maybe you're more familiar
20 with that currency and would know. I'm going to say
21 it's a pretty big number. If any of you know, you
22 can help me out. It affects a lot more than the
23 rancher or a farmer. It effects the whole
24 countryside.

25 Next slide. Let me tell you, that ranch --

1 or farm -- they didn't call them ranches over there.
2 That farm you see me getting ready to go down onto, I
3 would go every 48 hours. Every other day I would go
4 there to that place. This was the third day I was
5 there, third visit -- actually six days, and as I
6 started down, I looked over that rock wall out into a
7 pasture where a bunch of holstein heifers were, and
8 noticed one heifer pulled off to herself, laying
9 down. The rest were up grazing. She acted real
10 subdued. I got just a bit closer to her, and I could
11 see she was slobbering just a little bit.

12 So I walked on down to the fellow's dairy
13 barn where he was just finishing milking cows. As a
14 matter of fact he was cleaning the barn when I got
15 there. I said, "We need to bring this one heifer in
16 and have a look at her when you get done." He and I
17 walked out to the pasture and dropped her down and
18 put her into the squeeze shoot. Now, when I opened
19 her mouth and reached in her mouth and got ahold of
20 her tongue, she jerked her head away from me because
21 her tongue was really sore. And when I opened up my
22 hand, I had all the epithelium from her tongue in my
23 hand. For an old country boy, that was quite a
24 shock. So I looked closer and she had lesions on her
25 feet. I took her temperature. She was running a

1 temperature about 106.

2 I went back out in the pasture and seen
3 about four or five of these heifers starting to show
4 signs. We rounded them up, there was about 40 head
5 of heifers. We rounded them up and brought them down
6 into a small holding facility there to bring them
7 into the shoot, and I went in to his house to make a
8 telephone call to London, England. It was
9 interesting over there. Here I am, a veterinarian,
10 kind of cocky I might add, on the farm, looking at
11 the lesions that were there as foot and mouth
12 disease, but I couldn't diagnose the disease. I had
13 to call down to London, England, explain to them what
14 I seen, and then three veterinarians had a little
15 conference a hundred miles away from where I was and
16 decided whether it was foot and mouth disease or not.

17 Anyway, they called back about five minutes
18 later and said, "You have foot and mouth disease." I
19 don't know what I would done if they said I didn't.
20 Anyway, what happened is they put everything in
21 motion. Military come within a short period of time
22 and just completely surrounded the farm. You could
23 not get on and off from there. They were gun-toting
24 military unless you were clean and disinfected, and
25 no animals left the farm at all.

1 At that point I sat down at the table --
2 now, most of the farms in England, because of
3 government assistance would be my suggestion, they've
4 been able to stay like the farms were back in the
5 United States in the 50's and 60's. In other words,
6 they have a little herd of dairy cows. They have a
7 little herd of sheep. They have a little herd of
8 pigs. They have some beef cows. And that's the
9 typical farm. Most of the farms in England, people
10 have been on them for a long time.

11 There was a barn over there, rock barn over
12 there, on one of the farms I was on. The fellow
13 asked me "How old do you think that barn is?" And,
14 you know, I knew he wouldn't have asked if it hadn't
15 been pretty old. I said it's probably a couple
16 hundred years old. He said it was built in 800 A.D.
17 So some extremely old buildings over there. People
18 have been on these farms for a long time. This
19 couple that I sat down around their kitchen table to
20 give them the bad news, they were fourth generation
21 farmers on that particular facility.

22 And I'll never forget the wife. She was
23 standing at the kitchen table with her hands sitting
24 on top like this, and I began to tell her what was
25 going to take place, and basically what I told her is

1 "You won't need to milk your cows tonight because
2 they'll all be dead." As I started telling her that,
3 her hands started shaking, and I looked into her
4 eyes, tears started coming. Looked into his eyes,
5 tears started coming, and I looked into mine and
6 tears started -- that was an extremely tough
7 situation to be in. A lot more so for them than me.

8 Let's show the next slide. That is a real
9 dark slide. There's three people there. What these
10 people are are evaluators. I'm the one in the white,
11 and what we would do is go -- the evaluators came
12 shortly after. They were sent by the government. I
13 was told to stay there, and I went around with the
14 evaluators and the owner and evaluated these animals,
15 and this happened very quickly. This didn't extend
16 over four or five days. I'm talking hours now. All
17 I was to do was to make sure the count was right, and
18 it was interesting to see how they went through this
19 evaluation process.

20 And I don't mean to side track so much.
21 Let me just tell you one quick story and it wasn't on
22 this particular farm. It was on one I was on a
23 couple days later where we had the same situation. I
24 had been there, like I say, every two days for
25 several days, and they had an old bull and he was

1 crippled. He couldn't have bred a cow. Old Gib
2 Yardley needed to sell him another bull. He couldn't
3 breed a cow. The guy told me, he says, "If I could
4 move that bull, I would sell him." He was over 30
5 months of age. And after they are over 30 months of
6 age in England, you can't sell them for human
7 consumption. Do you know why? Why?

8 AUDIENCE MEMBER: BSE.

9 DR. BRUCE KING: BSE. So the government buys
10 them. That bull was worth about 400 pounds if the
11 government bought him. Well, now that I've given you
12 that background, I was going around with the
13 evaluator, and this farmer, we come to this old
14 crippled bull and they finally get him up. He
15 cripples across the pasture, and that farmer says
16 that bull is irreplaceable. His genetics were hard
17 to find. We actually went to Ireland, Scotland, my
18 brother even went to France before we finally found
19 that bull. There's no way to replace its genetics.

20 And the evaluator who was the local
21 livestock barn owner who was out of work because I
22 mentioned earlier all the livestock barns were
23 closed. He said, "I don't know what a pure bred bull
24 is worth. How much do you think he's worth?" Now,
25 remember, the guy told me two days before he was

1 worth 400 pounds. He says, "Well, he ought to be
2 worth at least 10,000 pounds," and the old evaluator
3 said, "What about 9,000?" The old rancher said, "Why
4 don't we split the difference." So that bull was
5 worth 9,500. Anyway, we went around and evaluated
6 these animals. At that conclusion -- let's go to the
7 next slide.

8 Then we had the euthanasia crews come in.
9 They are setup to be portable -- that's an old
10 Holstein cow laying there dead. She just been hit
11 with a cap and bolt gun. And what this fellow is
12 doing is doing what they call pithing the animal
13 where they would actually stick a plastic rod through
14 the hole the stun gun left. I call it scrambling the
15 brain.

16 Next slide there. He had sheep also.
17 These are the folks there euthanizing the sheep. You
18 can see the stun gun the young man has in his hand.
19 Next slide. And so I guess my question is how do you
20 think something like this would effect you? How do
21 you think that affected that family there? That was
22 their way of life. That's all he had known since he
23 was born. Do you think the government paying him
24 from that cattle replaced -- filled the void that was
25 in his life and his family's life? Why do you think

1 during the foot and mouth disease outbreak in England
2 that suicide went up? Drinking went up. Calls out
3 to homes because of domestic abuse went up in those
4 areas where this occurring. It affects a lot more
5 than the animals.

6 Next slide. You know, really eerie thing
7 to me was the next morning after we had put this guy
8 out of business, I went back out to that farm. The
9 cleaning and disinfecting crew was going to come on
10 and clean that place up. I went back out there to
11 show them around and suggest to them some areas they
12 ought to pay particular attention to. As I come
13 there, I got there before anybody else and I was
14 sitting there at the gate waiting to go into that
15 farm. Look at those fields. How many animals can
16 you see out in them? It was just quiet. It was
17 eerie it was so quiet.

18 And let me get back before I get too
19 emotional. We have got to develop a system that we
20 could recognize, diagnose, and trace disease. Now,
21 those of you who are ranchers out there, we have got
22 to be able to do this so that we don't get in a
23 situation like England did. If we have a disease
24 outbreak, we recognize it early on. We diagnose it
25 early on, we're able to trace it and get our arms

1 around it before it gets completely out of control,
2 and it won't take long. Now, I would just suggest to
3 you that if we do nothing -- the public expects more
4 of us than that. They expect us to be able to
5 diagnose, trace, and get rid of the disease.

6 Next slide. That's all I have to say. I'm
7 going to let other folks come that are far more
8 informative than I am, but do you have any questions
9 with what I talked about? Thank you.

10 DEBORAH MILLIS: We'll turn the floor back over
11 to you, TJ.

12 DR. TJ MYERS: Thanks, Deb. Thanks, Bruce. We
13 really appreciate your putting traceability animal
14 disease in context. I think that was a very
15 informative and very helpful way to take a look at
16 where we need to go, which is what I would like to
17 talk about today. Next slide, as I mentioned
18 earlier, we have some objectives for today. We'll be
19 reviewing and clarifying the new traceability
20 framework, and that's what my talk here over the next
21 few minutes is going to cover. We'll also be
22 summarizing the work that the traceability work we
23 have been doing and the forum that was held earlier
24 this year. That's what Marty Zaluski is going to be
25 talking about, and finally we are then going to be

1 turning to you and asking for your feedback on this
2 new framework.

3 As Dr. King has mentioned, the real
4 framework for what we're talking about is the
5 importance of traceability to the prevention and
6 control of animal disease, and, as I mentioned
7 earlier, Secretary Bill Sacks on February 5th
8 announced his new framework for animal disease
9 traceability. And he did that in the context of the
10 larger work that we do as USDA to prevent and control
11 animal diseases. So along with developing a new
12 traceability approach, we are also looking across the
13 board at all of our programs and strengthening where
14 we can our ability to prevent and control diseases.

15 And as a couple of examples of that we in
16 last few months have published concept papers for our
17 brucellosis program, our tuberculosis program,
18 looking at new ways to restructure those programs to
19 meet the current challenges that we face with those
20 programs. So I want you to realize that our
21 traceability efforts are part of that larger context
22 of disease prevention and control. It's going to be
23 important as we move forward with this new framework
24 that we implement a flexible and coordinated
25 approach. That's what the secretary expects of us,

1 and we are looking to embrace the strengths and
2 expertise of states and tribal nations in order to do
3 this.

4 And so when the secretary made his
5 announcement, he made it clear that he wanted to see
6 the states and tribes take a leadership role in how
7 traceability would be structured and would occur
8 within the states and tribes. The secretary also
9 made it clear that he wants to be sure that we
10 support the state and tribal efforts with federal
11 funds and the department works very closely with
12 Congress in communicating the needs for that funding.
13 I'll be talking a little more about funding a little
14 later on.

15 And, finally, the secretary's announcement
16 indicated that we need to develop appropriate
17 standards that will need to be met in order for the
18 program to be a nationwide, consistent program, and
19 so that's what we're going to be talking about today,
20 what those performance standards need to be. So what
21 I'd like to do over the next two slides is to talk
22 about the fundamental approach that we're taking with
23 traceability. So these next two slides are really
24 the key to what I'll be talking about.

25 So the fundamentals of the new traceability

1 framework are the following: First, the requirements
2 that we'll be putting in place will apply only to
3 animals moving interstate. The federal role is that
4 interstate movement role, and intrastate movement is
5 the purview of the states. Our programs and
6 regulations will not deal with intrastate movement or
7 what the traceability program within the state would
8 look like. Our are interest is in the interstate
9 movement. We recognize there are probably some
10 movements that may need to either be excepted or
11 traceability requirements may need to be phased in
12 over time, and that will be part of our discussion
13 today, and areas where we're looking for comments and
14 feedback from you.

15 Second, we need to build upon what has been
16 successful. We have a long history with many of our
17 animal disease programs like brucellosis and TB and
18 scrapie where we have had successful traceability
19 elements within those programs. We need to build on
20 those, capitalize on them. Also, there had been a
21 lot of work and effort that was put into the former
22 system, the NAI System. We need to look at what
23 worked there and what didn't work there and utilize
24 what was helpful and useful from that and, again,
25 benefit from the work that's already been done.

1 Third, the rule priority as we're looking
2 at this new traceability system is with the cattle
3 sector. I think we've seen that we have good success
4 with traceability in many of the other sectors like
5 sheep and goats and poultry, but cattle is where we
6 saw with the previous system that we weren't having
7 as much success. So that's really where we're
8 looking to focus our efforts and to learn from all of
9 you what will work.

10 Fourth, we need to get back to the basics.
11 We need to have identification that is cost effective
12 and so that will include such approaches as using
13 nine character silver tags that we used in the past.
14 We're really interested in getting animals identified
15 particularly cattle and making sure we're able to
16 record the distribution of those tags so they are
17 traceable, but, again, we are focusing on
18 cost-effective, inexpensive basic methods as our
19 starting point.

20 Fifth, we recognize we're going to need to
21 see progress over time. This isn't all going to
22 happen all at once. So we need to again build from
23 the basics and then progress over time. As I
24 mentioned earlier, there may be areas where we need
25 to phase in different approaches over time.

1 And, finally, we do need to allow for
2 advanced technology. There are a lot of folks that
3 have invested in RFID and want to continue to use
4 that. We want to make sure the system is flexible
5 enough it allows for both very basic approaches to
6 traceability as well as more advanced technology. So
7 all of that leads to regulatory changes. We will be
8 drafting a new regulation in order to do what I've
9 described in the previous slide. So our intent is to
10 publish a new animal disease traceability section
11 within the Code of Federal Regulations, and as I
12 mentioned earlier, it would apply only to animals
13 moving interstate.

14 We'll also within that section of the
15 regulations consolidate regulations that we already
16 have in place for some of our disease programs, so
17 where we have requirements, say, in the scrapie
18 program for sheep identification, we'll be
19 consolidating that into this new section of the
20 regulations. There are also within Section 71 of our
21 regulations some general requirements for interstate
22 movement for cattle and swine. We'll be looking at
23 those sections and also very likely consolidating
24 that into the new section of the rule.

25 The real cornerstone of the rule that we're

1 working on will be to base that rule on performance
2 standards. We will be asking that animals moving
3 interstate are able to be traced, but we are looking
4 to the states and tribes to develop traceability
5 systems that work for them and that work within their
6 areas of oversight.

7 So in order to do that, in order to allow
8 that flexibility, regulations are going to be based
9 on performance standards, and that's what Dr. Zaluski
10 is going to be talking about, but to sort of preface
11 what he'll be saying, performance standard is a
12 measurable standard that does not specify a mechanism
13 to reach that standard. So, for example, in the auto
14 industry there are rules and regulations that require
15 auto manufacturers to meet certain miles per gallon
16 standards or to meet certain emission standards. The
17 federal government doesn't tell Detroit to build a
18 car, it just says, "When you build a car, it needs to
19 be able to meet this miles per gallon or meet this
20 emission standard."

21 So we're talking a similar approach using
22 performance standards. We're not going to tell the
23 states how to build a traceability program, but we
24 need to have standards in place that provide a target
25 that needs to be met from the standpoint of how

1 animals are traceable as they move interstate. So
2 that's sort of a preview of what Dr. Zaluski is going
3 to be talking about, and that's where we're going to
4 need your input today.

5 And, finally, as I already mentioned,
6 identification would be required for animals moving
7 interstate. So in order to have this system work,
8 there are a number of commitments that USDA is
9 making. First of all, again, we want to capitalize
10 on the progress that we've seen with the previous
11 system with NAIS. Again, there are areas of NAIS
12 that were very useful and helpful that we could
13 capitalize on. There's a lot of folks that have
14 invested in that system, a lot of producers, but then
15 there were a lot of challenges and problems with that
16 system, and we're only going to be saving what we
17 think is useful from that.

18 So, for example, information technology
19 systems that were developed through that system,
20 where those will be useful to the states where the
21 states and tribes want to use those, we'll make those
22 information technology systems available. We'll also
23 support the development of data standards and
24 guidelines for information technology systems so that
25 they can talk to one another. Also, we intend to

1 collaborate and we have been collaborating with
2 states, tribes, and industry producers. And we will
3 continue to do that throughout this process.

4 As I mentioned, we have established the
5 federal, state, and tribal working group to help us
6 develop those performance standards that will be the
7 cornerstone of this regulation, and that work will
8 continue. We have also recently redefined what used
9 to be the secretary's advisory committee on foreign
10 animal and poultry disease. That secretary's
11 advisory committee is now called the secretary's
12 advisory committee on animal health. So it's much
13 broader than it used to be, and we recently published
14 a notice asking for folks to nominate themselves or
15 others on this secretary's advisory committee that
16 those nominations are open through August 2nd.

17 So if you're interested or you know someone
18 who is interested in being on that advisory
19 committee, please take a look at that notice in the
20 Federal Register. We're looking for a broad, diverse
21 group of folks to sit on that advisory committee, and
22 we would welcome any and all nominations to that.

23 And finally the USDA is committed to
24 helping fund the implementation of this new
25 traceability framework, and I'll be talking a little

1 bit later about our funding streams on a later slide.
2 I also wanted to spend just a moment talking about
3 the 2015 initiative that USDA Veterinary Services
4 Unit has. This initiative is our effort to plan
5 strategically for what our organization needs to do
6 from the standpoint of providing services to the
7 public in the year 2015, trying to look at what the
8 changing animal agriculture landscape is over the
9 next few years and how we need to position ourselves
10 to respond to those challenges.

11 There are a lot of drivers that are
12 changing the way we need to interact with our
13 customers. For instance, animal agriculture industry
14 is changing, moving from small farms to large
15 production units. We've seen that over the past few
16 decades. New technologies are always coming online,
17 whether that's for the diagnosis of disease or
18 treatment of controlled diseases.

19 There are newly emerging diseases that we
20 see and we see our disease programs that have been
21 successful like brucellosis. We see the older
22 diseases become less of an issue. So we need to
23 change how we address those. Food safety is an
24 issue. There's an expectation by the public that
25 food safety is a concern from the farm forward. It's

1 not just the purview of the food safety inspection
2 service, or FDA. It's something all of us need to be
3 engaged in. Extension of international trade I don't
4 need to tell anyone in this room that that has been a
5 real driver over the last couple of decades.

6 And, finally, budget, our federal budget is
7 flatlined at best in recent years and we expect that
8 to continue, so that provides us challenges in the
9 way we provide services to the public. So we're
10 looking at traceability as one part of this larger
11 picture that we have as far as how we engage the
12 public and how we respond to that customer base and
13 provide services. But we do want to meet those
14 challenges and to continue to be recognized as the
15 national veterinary authority within the United
16 States.

17 But we can't do that alone, and we really
18 need to strengthen the good partnerships that we've
19 had over the years and enhance our collaboration at
20 this meeting today and all of our work within
21 traceability is one example of our efforts to
22 strengthen those partnerships and to collaborate with
23 all of you. So with that collaborative spirit in
24 mind, how do we all move forward together on this
25 issue of traceability? Again, just to kind of

1 reiterate, we do need to achieve basic effective
2 national traceability. Dr. King's presentation
3 highlighted what devastating disease can look like in
4 the absence of the ability to do effective tracing
5 and to contain or respond appropriately. So we would
6 like to be able to prevent that type of a disaster.

7 But we also need to recognize that whatever
8 system we put in place can be overburdensome to
9 producers. It needs to be economically feasible.
10 Again, we're developing our rule to apply only to
11 animals moving interstate, and we are looking to
12 states and tribal nations to provide leadership for
13 what a traceability program needs to look like within
14 their states or tribes.

15 As part of that, we are -- we want to
16 ensure that traceability data is owned and maintained
17 at the discretion of the states and tribes. There
18 will not be a national repository that holds all of
19 this information at the federal level. That's going
20 to be held at the state and tribal level, and the
21 federal government would work in cooperation with the
22 states and tribes during those times when disease
23 requires that there be a trace. And, finally, as
24 I've said earlier, we want to encourage the use of
25 lower-cost technologies.

1 I mentioned earlier that we do intend this
2 to be funded through our congressional
3 appropriations. Secretary Bill Sacks has made it
4 clear he does not want this to be a unfunded mandate
5 on the states and tribes, so we need to continue to
6 look to Congress for that funding, and Congress's
7 expectation is that we have an effective traceability
8 system in place, one that's outcome-based, based on
9 the performance standards that we're looking to
10 develop. And unless we have that kind of effective
11 system in place, we can't expect Congress to continue
12 to fund it. So we do need to show progress in that
13 way.

14 For fiscal year 2010, which is the year we
15 are in right now that ends September 30th, we do have
16 approximately \$14 million that we are using for the
17 traceability system this year, and then for fiscal
18 year 2011, the President's budget proposed to
19 Congress would call for an additional \$14 million.
20 So, again, we need to demonstrate that we are moving
21 forward with putting an effective system in place to
22 continue to receive this funding.

23 The working group that I mentioned is
24 helping us in the drafting of the rule that will be
25 proposed in next few months. The objective of the

1 working group that we've asked them to work on is to
2 draft the framework of the rule whereby states and
3 tribes locally will be responsible for their animal
4 disease traceability programs. So, again, it's state
5 and tribal responsibility here, and those programs
6 will need to comply with traceability performance
7 standards and those standards direct interstate
8 movement of livestock from the geographic area each
9 state or tribe is responsible for.

10 This slide shows a list of the folks that
11 are on the traceability working group so we do have a
12 good representation of state and tribal folks, and we
13 really thank them for the hard work they are doing
14 and will continue to do. The responsibilities of
15 working group is three, first of all, the development
16 of traceability performance standards. Again,
17 Dr. Zaluski is here to speak about that in a few
18 movements, but also we have asked the working group
19 to help us develop protocols for evaluating tracing
20 capability and to look at compliance factors, what
21 type of compliance that we need to put within the
22 rule for states or tribes that are not meeting those
23 traceability performance standards.

24 And then, again, all of this needs to be
25 done in the context of this collaborative approach

1 that we're taking with industry and with producers.
2 We intend to provide regular updates on the progress
3 of the working group, and we'll be doing that through
4 our website. If you haven't looked at our
5 traceability website, please do that. Also, through
6 public meetings like this where we look for input
7 from you. We've also been holding meetings with
8 various industry groups. Last week we had several
9 phone conferences with those industry groups. We
10 also meet regularly with state animal health
11 officials and tribal authorities, so we are trying to
12 do a lot of outreach here as this regulation gets
13 developed. Once we have language that will form the
14 basis of the rule, we intend to share the context of
15 that rule with folks and we are planning some
16 additional public meetings in August and our intent
17 is at that time we should have more meat on the bones
18 from the standpoint what the regulation would look
19 like that we can share at that time and get any
20 additional input.

21 And then also we have traceability
22 performance standards that we're going to be sharing
23 at these tables today for your discussion, so we'll
24 be looking for input on that today. I mentioned our
25 traceability website. It's listed up here. The

1 public meeting that we're having like this one -- if
2 you walk away from the meeting today and you think of
3 something additional that you could have or should
4 have said but didn't, we are taking written
5 statements as well as the verbal statements that
6 we're receiving today. So there is an opportunity to
7 send additional written comments later if you care
8 to. Again, we're also looking to states and tribes
9 to have discussions within their states with their
10 local industries so there will be an opportunity for
11 producers to provide input at the state and local
12 level. Again, we're really depending on states and
13 tribes to develop traceability programs within their
14 states, so those discussions are going to be
15 critical, the same with tribal consultations and
16 national industry organizations and groups.

17 So, finally, I just want to give you a
18 sense of a general time line. We do hope to have a
19 proposed rule published this coming winter, and as
20 with any proposed rule, there is a comment period.
21 We're going to have a 90-day comment period for this
22 rule, and hopefully we'll have a final rule published
23 eight to ten months after the close of that comment
24 period. We do recognize there are some requirements
25 that may need to be phased in over time, so, again,

1 we would like to hear your comments and input on that
2 idea today.

3 So with that -- that's the general
4 framework -- I think I would like to invite
5 Dr. Zaluski to come up and follow this talk with more
6 specifics on those performance standards and that
7 will provide a good lead into our discussions today.
8 So with that, Marty.

9 DR. MARTIN ZALUSKI: Thank you, Dr. Myers. I
10 appreciate it. I am going to break protocol here
11 with my jacket on so my teeth don't chatter. I think
12 I should have eaten more burgers the night before. I
13 appreciate that. Thanks, Dr. King, for providing the
14 context of why we're here and why it's important that
15 we're able to identify diseased animals quickly and
16 go to the source and try to limit the impact on
17 producers, on families, and on animals.

18 Thanks, Dr. Myers for providing the federal
19 context or the framework under which this rule would
20 take place, and I also appreciate the promotion of
21 Idaho state veterinarian, the part about how it's
22 declined, because I have lots of work in Montana. So
23 Dr. King watch out. Dr. Logan, I'm after you next,
24 so at any rate, thank you very much. I appreciate
25 that though.

1 All right. The next slide, please. What
2 we'll talk about today is really the mechanics of
3 some of the outcomes that have come from the
4 traceability group. As has been mentioned, we've
5 been meeting on a weekly basis for a couple-hour
6 conference call as well as some in-person meetings.
7 We had a meeting in Kansas City a few weeks ago and I
8 believe there's one in Texas coming up that's
9 associated with a public meeting in Texas. So
10 there's a lot of work gone into this, a lot of
11 expertise, not only from the federal side, from the
12 tribal participants as well as from the state
13 veterinarian side. And we just added a couple state
14 veterinarians, a state veterinarian from Pennsylvania
15 as well as Indiana to provide a little bit more
16 influence or context from the Midwest or the East.

17 So as has been mentioned, we have really
18 three responsibilities. One is to define the
19 performance standards, so what do we want to measure?
20 Then we want to figure out how we measure those
21 things, and then we need to define how we encourage
22 compliance, whether it's through incentive based or
23 through and kind of other motivation.

24 Next please. Okay, like has been said with
25 the performance standards, the point of the

1 performance standards is to establish a requirement
2 of performance, a requirement of competence, and so
3 the analogy of miles per gallon has been used.
4 Another analogy is a target weight. If you want to
5 reach a target weight of x-number of pounds, you can
6 do it many different ways. You're not tied down to
7 any particular one. You can either eat less. You
8 can exercise more. You can eat healthier. You can
9 have any kind of combination. You don't really need
10 to be specified to a particular method of how you
11 will accomplish that. But you wind up going to a
12 particular goal or having some kind of measure.
13 That's really where we're at right now.

14 The other important point here is we have
15 brucellosis or we have disease or traceability
16 protocols that really have been associated with
17 disease that have been associated with TB program or
18 brucellosis program or scrapie program. The intent
19 here that we are trying to develop is this program
20 will meet any disease challenges that we see coming
21 down the road. One of the challenges that we've seen
22 is that the brucellosis program has really met the
23 objectives that it's intended to. We've eliminated
24 brucellosis from the cattle population. There's less
25 vaccination. There's less identification as animals

1 are ID'd during the vaccination process so really our
2 traceability has gone backwards. So we want to be
3 able to ensure this traceability standard is somewhat
4 beyond a particular disease but will be able to help
5 us to respond to a variety of disease challenges.

6 So really what we're looking to propose is
7 fairly simple. Really the first thing is what's
8 being measured? Really what's being measured is the
9 common activities that are associated with finding
10 and tracing disease, and then that's the first bubble
11 there. The second bubble is we need to be able to
12 assess how well those activities are performed, and
13 then at that point you can develop a performance
14 standard.

15 So as an example you have a measurable
16 activity is to be able to trace animals to where they
17 are identified. If you have an animal of interest,
18 where is that animal ID'd? That's the first question
19 we're going to ask. And the measure is how often can
20 we find that state or that location where it's been
21 identified? That's really the crux of the
22 measurement. And as an example we said 95 percent of
23 the time in seven days. So that would be a
24 performance standard and then it would be a
25 measurement to evaluate.

1 Next, please. So again the performance
2 standards are based on typical activities that were
3 performed during any disease trace. We want to know
4 where that animal was identified, where that animal
5 was shipped from, what other cohorts are adjacent or
6 other exposures took place. I've pretty much covered
7 that. Basically what we're talking about there is
8 we're talking about -- go back a slide -- we're
9 talking about scale. Are we measuring in inches, in
10 feet, or another scale?

11 When it comes to traceability, the one
12 thing that's priority is to be able to do things in
13 the right amount of time or a certain amount of time
14 because we know as the duration between the detection
15 of a disease or outbreak of a disease, as the
16 duration between the outbreak of a disease and the
17 time when we can identify the source premises where
18 that disease took place increases the longer or the
19 more damage that takes place, and that's one of the
20 problems that happened in England from what I
21 understand is that it took them a very long time find
22 where the disease originated and then the prior to
23 demobilizing a multinational effort, it took them a
24 very long time to identify positive premises before
25 intervention took place. So that's a long way of

1 saying that really the measurement for -- that the
2 scale that we're using for these performance measures
3 is on time, how long will it take us to do the right
4 thing?

5 Next. Another important component of what
6 was our efforts -- of where we've been is figuring
7 out where we are right now. If we need to set up
8 some objectives of where we need to be for
9 traceability, we need to have some understanding of
10 our current ability. This slide basically talks
11 about us being able to have a good understanding of
12 where we are. What we can do at this point is we can
13 identify or we can take a look at these activities of
14 trying to find out where we -- what animals --
15 animals of interest and then find -- and to see how
16 long it takes us to do a trace.

17 Alternatively for states that don't have a
18 large number of traces, we can look at other data
19 sources such as after CVIs, or Certificates of
20 Veterinary Inspection, test charts, et cetera, and
21 then we can pick IDs from those test charts and see
22 if we can get right amount of information and say if
23 that animal was an interest, can we follow it back
24 and get the right information in a small amount of
25 time?

1 Next. Really this -- any kind of rule
2 where we desire or we have -- there's a necessary
3 outcome of compliance needs to have an incentive. It
4 needs to be either incentive or consequence basis,
5 and really depending your perspective it can be
6 either a consequence -- it can be either a
7 consequence or incentive. We like to look at things
8 to be incentive. Other folks might look at it as a
9 negative consequence. Ultimately there are outcomes
10 for either meeting the performance standards or not
11 meeting the performance standards, and I think that's
12 a necessary component and we need your input as far
13 as what those need to be.

14 Our initial thoughts on the consequences or
15 incentives are probably to use the scrapie program as
16 a model. Scrapie -- inconsistent states wind up
17 actually identifying more sheep than they would if
18 they were consistent. In this same situation, one
19 analogy or one potential way we can go forward is to
20 provide -- is to take away any kind of exemption --
21 for states that are inconsistent in traceability,
22 potentially remove exemptions that would be available
23 to states that are consistent.

24 Really what we're seeing here is that --
25 the next couple slides are really what the working

1 group has been involved in. Next. You know, some
2 other conversations we've had as far as the working
3 group is what kind of animals need to be traced and
4 what kind of animals do not need to be traceable at
5 this time or ever and how should -- how do we
6 categorize a compliant or consistent or inconsistent
7 state.

8 Again, what should be the consequences of a
9 noncompliance whether it should be incentive or
10 consequence based, and then how do we communicate
11 these products to the public? Are these public
12 meetings -- are these public input meetings -- are
13 these the right way that we can get the word out or
14 do we need to use different modalities? So, again,
15 we appreciate your input on that.

16 Okay. Really, this process here, these
17 activities here, are very much in line with what an
18 animal health official does to understand where a
19 disease started, what animals have been exposed, and
20 really how big of a problem it is. So obviously we
21 want to know where an animal was officially
22 identified, and even more importantly we want to know
23 where an animal is shipped from. If the state of
24 Montana has a brucellosis reactor, a brucellosis
25 suspect, and we send that animal -- or that animal

1 gets shipped from the state of Montana to a state in
2 the midwest or Colorado or Nebraska, the first thing
3 the Nebraska health official is going to want to know
4 is where that animal came from. Is this a local
5 disease or is this one that came from Montana that
6 already has an understood risk? That is one of the
7 first questions going to be asked.

8 So as you see, we need to know where the
9 animal was shipped from. We need to know what heard
10 it came from. We would like to know -- we can do a
11 karaoke -- we need to know where it was shipped from.
12 We would like to know what other herds were affected
13 or in contact. We would like to know what other
14 animals were in contact with a suspect or animal of
15 interest.

16 Next, please. However, like Dr. Myers
17 said, this program is specifically focused on
18 interstate movement. Therefore, these two first
19 performance standards would be ones that would be
20 directly related to that question or to that issue,
21 and really -- so what if those animals came in from
22 out of state, what state were they identified from
23 and where were they shipped from? And you'll see
24 there a little bit of case study here, or kind of an
25 example. These are one of the four kind of standards

1 that we are looking at at this point.

2 Next. So as I mentioned, the current --
3 one of the emphasis here is to establish what our
4 capability is. Ultimately we don't know -- we can't
5 manage it if you don't measure. So we need to be
6 able to see where we are at right now and find a goal
7 where we want to be in a couple years. There will be
8 variabilities between different states. We
9 acknowledge that. We want to have some kind of
10 standardization, and performance standards are going
11 to help us in that direction.

12 Next. So I've given kind of a 30,000 foot
13 view of some of the priorities of the working group
14 or some of the things that we discussed, and let me
15 get into a few specifics. As it stands right now
16 from the working group, the position is from the
17 working group that animals must be officially
18 identified, and also there needs to be or what needs
19 to accompany those animals is a Certificate of
20 Veterinary Inspection or a movement permit.

21 There are exceptions, as I mentioned, that
22 we talked about that may include either some classes
23 of animals or classes of movement. So classes of
24 animals could be, let's say, animals going directly
25 to slaughter or animals -- really more directly would

1 be animals potentially in a certain class like feeder
2 animals. For movement classes, you're thinking maybe
3 animals moving to veterinary clinic for treatment and
4 returning home. Those are kinds of movements that
5 would be exempt or could potential be exempt.

6 Next. We do understand there really is a
7 difference between the requirements for an individual
8 animal ID and exemption from a certificate of
9 veterinary inspection. For instance, we had some
10 discussions in the group about animals needing to be
11 identified regardless, but potentially if animals are
12 going from the farm of origin or ranch of origin to
13 an approved livestock market, they could go without a
14 Certificate of Veterinary Inspection, keeping in mind
15 they will be inspected at the market and the fact
16 it's sometimes difficult to get a veterinarian
17 on-site prior to shipment to a market. So those are
18 some of the discussions we've had. Next.

19 AUDIENCE MEMBER: Marty, what about commuter
20 herds, commuter permits? Have you looked at that and
21 what direction are you going that way?

22 DR. MARTIN ZALUSKI: Absolutely. The question
23 was have we looked at commuter herds or commuter
24 permits? Commuter herds are ones we discussed and
25 actually put into the exempt category for now,

1 looking for greater feedback and that kind of thing.
2 But I think there's a bit of misconception or maybe a
3 very loose use of commuter herds when in fact the
4 definition is fairly specific. It's really one
5 ownership and under the -- or in the scope of normal
6 operations for that facility. And I think sometimes
7 it's been a little bit more loosely interpreted, and
8 I think we might need to be cognizant of that as we
9 go forward, but as we discussed recently, commuter
10 herds would be exempted from a ID requirement.

11 AUDIENCE MEMBER: What about brands? Are they
12 going to be acceptable as a form of ID for commuter
13 purposes?

14 DR. MARTIN ZALUSKI: The question was are brands
15 going to be useful or accepted as an identification
16 method? What I probably want to do is -- brands are
17 important. I'm from a brand state. I fully -- they
18 have saved our skin on many instances, but I don't
19 want to get into some of the gray areas from this
20 point. I'd like to be able to explore those through
21 the smaller sessions, and we can discuss how well or
22 how those the brands integrate into a traceability
23 system.

24 What I will say is that under the framework
25 that we propose, any two states can have an agreement

1 for identification that is somewhat outside of this
2 framework or this framework allows for an agreement
3 between two states, and brands would certainly be a
4 critical component. I think in that -- certainly as
5 I see it within the states that border Montana.
6 That's kind of where I'm -- let's see.

7 Anyway, so as we talked about feeder
8 animals being exempted, I think the working group can
9 look at this as far as non-exempting them forever,
10 but exempting them during the phase-in period. We
11 talked about potentially some movements that would
12 also be exempted. As I understand it all, 70 percent
13 of the animals of the feeder calves that come into
14 Montana markets are not identified. So we need to
15 provide some kind of a spool up. Those calves don't
16 see wood -- they might see wood. They don't see
17 metal for the first seven months of their life.
18 There are some real significant challenges with
19 making a feeder cattle ID requirement. Having said
20 that, I think a long enough spool up time will allow
21 us to do that.

22 Next. So there are -- as I mentioned in
23 the working group, there are state veterinarian
24 representatives and also tribal representatives. And
25 really states and tribes are on a very similar

1 playing field here. We all need to provide or allow
2 for or comply with a certain level of performance
3 standards, and there are a lot of kind of unique
4 issues as far as how the tribes and tribal boundaries
5 interrelate with movement of livestock, and we're
6 working through those issues, and I'm hoping some of
7 that will be discussed today.

8 All right. So as an example, one of the
9 four standards that I'll talk about today is figuring
10 out or finding out where an animal is identified and
11 notifying the state where that animal was ID'd. From
12 the working group's perspective, this is the lowest
13 bar really of any kind of traceability. Especially
14 if any animals are identified with unique ID, there
15 is a state code there, this should be done, most of
16 the time, within one business day. Certainly there
17 are difficulties when animals aren't identified at
18 this point where there's brand inspection. But,
19 again, typically those animals are able to be
20 identified to the place where -- excuse me -- that we
21 are able to know where those animals are identified
22 typically by that tag.

23 Next. The working group team has broken
24 out these four items by whose responsibility it is.
25 So on this first slide that we passed, that is really

1 a state that receives the animals needs to know --
2 needs to find out where that animal was identified
3 and notify that state where that animal has been
4 identified. So I want you to keep that in mind.
5 There's a couple responsibilities here. There's at
6 least four -- two of these belong or are the
7 responsibility of the state that receives the
8 animals, and two of those are the responsibility of
9 the state that sends the animals. So have that in
10 context when we go through the next three.

11 So this performance standard is the
12 responsibility of the sending state, of the state
13 where the animal originated. So the state that
14 was -- let me just -- so the state that has sent the
15 animal need to be able to identify the traceability
16 unit. And the traceability unit can be a physical
17 location, can be a group of animals, can be a
18 particular sector, business sector. And the state
19 that sent the animal needs to be able to identify the
20 traceability unit or the epidemiological unit
21 within -- again, proposal is 75 percent within five
22 business days and Phase 2, 95 percent of the time two
23 business days.

24 As you can see, Phase 1 and Phase 2, we
25 know this particular standard would have a fair bit

1 of challenges in the current system. So the working
2 group has proposed to phase in this kind of standard
3 based on current capability and where we need to be.

4 KATHY SMITH: Martin, can you go back to the
5 traceability unit and define that again. You
6 mentioned a group of animals, physical location.
7 What was the third one?

8 DR. MARTIN ZALUSKI: The traceability unit
9 really can be defined by a state, so our discussions
10 went more or less all over the place and saying that
11 a state veterinarian can define traceability as being
12 an entire state. However, the problem there is that
13 doesn't give enough specificity for being able to
14 localize a disease. So we're talking about either a
15 geographical location, a herd, or a business sector
16 or some kind of animal cohort is the way we talked
17 about the traceability unit.

18 And number three. Okay. So this third
19 performance standard again falls on a state that
20 receives the animal. So like I said, the first
21 standard, to notify the state where the animal was
22 ID'd, that falls on the receiving state, and this
23 second performance standard that falls on the
24 receiving state. The receiving state needs to be
25 able to contact the state where the animal was

1 shipped from, and if the animal was ID'd in one
2 state, moved to a different state, and then shipped
3 from that different state, then we know that this --
4 the state that has to -- where the animal originated
5 from and state that the animal is ID'd may be
6 different. But this obviously is a more difficult
7 task than to find where an ID came from. So proposal
8 is 95 percent within seven business day, and Phase 2
9 would be 95 percent within three business days.

10 Again, to some degree one can argue we
11 pulled these out of a hat thus far as the
12 measurement, that's not true quite true but perhaps
13 not far off the mark. We all sat in the room and
14 said what is our current capability? What is our
15 experience with traces in the past? And we felt that
16 these are reasonable measures but certainly we're
17 looking for input.

18 Next. The last of the four is the -- is to
19 identify the traceability unit where the animal was
20 shipped -- from where the animal was shipped. So
21 this last traceability performance standard, again,
22 goes back to the state that ships the animal. And we
23 also recognize that this is a bit of challenge
24 sometimes as far as being able to find the location
25 where -- the traceability unit and so the expectation

1 is 75 percent within five business days, 95 percent
2 of the time within two business days in Phase 2.
3 Again, a phased-in approach.

4 Okay. So how will this work? Go ahead --
5 okay. So as an example or scenario as far as what we
6 need to how these performance standards and this
7 process would be implemented, so if an animal is
8 shipped -- if an animal is identified in Iowa and
9 shipped to Nebraska and shipped to Kansas and then
10 shipped to Missouri -- so now we have three states,
11 four states involved, and then -- next. And we
12 somehow find lesions on this animal or this animal
13 tests suspect for a particular disease or for
14 whatever reason we have an interest in this animal.
15 Then this is where the performance standards start to
16 play.

17 Next. Okay. So Missouri needs to identify
18 the state where the animal needs to communicate or
19 inform the state where the animal was identified.
20 This is the key standard. This is number one. So
21 they need to contact Iowa. Iowa is informed that
22 they have an animal of interest or an animal
23 identified in Iowa is of interest. They need to find
24 out where the animal was ID'd. Oftentimes again this
25 is not a real high bar. Either that's going to go

1 through a veterinarian or through a vaccination
2 certificate. They need to find where the animal was
3 ID'd.

4 Next. However, this animal was shipped --
5 was identified in Iowa, was shipped in Kansas. So we
6 need to know -- so Missouri needs to find these
7 two -- find out or needs to be able to know that this
8 animal was shipped from Kansas and needs to notify
9 Kansas that they shipped an animal of interest.
10 Next. So Kansas finds out that they shipped an
11 animal and now they need to find the traceability
12 unit, and, likewise, Nebraska may also be needing to
13 do the same thing. So those performance activities,
14 performance measures would be not only on the state
15 of Kansas but also on the state of Nebraska to find
16 where those animals were shipped from and where the
17 ID was.

18 Yes?

19 AUDIENCE MEMBER: What's new about this? It's a
20 well-oiled machine that's working now.

21 DR. MARTIN ZALUSKI: You know, I think that's a
22 good comment, so the question is what's new about
23 this? This is well-oiled machine that's working now.
24 I would beg to differ. I think the example from
25 Texas that Dr. King talked about highlighted the very

1 difficult time people had tracing animals out of that
2 herd. When we had a brucellosis case in Montana, we
3 eventually traced, I think, 97 percent of the
4 animals, but it took us about three months. With a
5 well-oiled machine that entire process should take no
6 more than a week, ten days. I think we can get the
7 job done for some diseases. For other diseases we
8 don't have the luxury of time.

9 Yes, sir?

10 AUDIENCE MEMBER: What about all these cows that
11 come in across our borders from other countries that
12 are coming through a lot of states on our interstate?
13 We don't even know sometimes what country they are
14 originated in let alone what farm or ranch they --
15 and what will be used -- seems to me like a lot of
16 diseases we come up against in our own countries come
17 from other countries specifically like third-world
18 countries like Brazil and Mexico.

19 DR. MARTIN ZALUSKI: I'll let someone from APHIS
20 address international imports. What I can tell you
21 is the international animals that come through
22 Montana, I just have a hint they come from Canada.
23 We do -- that's a difficulty of providing a standard
24 that's national that will take into account all of
25 the different variables from different states, and so

1 I think -- when I saw some of the discussions on the
2 traceability standards, I believe there was an effort
3 or statement made by USDA that they will be reviewing
4 the import requirements and import restrictions on
5 imports. That will also make sure that there's
6 consistency.

7 DR. TJ MYERS: And we are doing that review.
8 But currently our import requirements do require live
9 cattle, live animals coming from any source must be
10 permanently tagged. So that identification
11 requirement is already in place.

12 DR. JOHN WIEMERS: Also, it's on the books that
13 the removal of those country of origin tags is
14 prohibited. If they are being removed, it's being
15 done by somebody on this side of the border not on
16 that side of the border. If that's happening, that
17 can be a point of education and outreach and letting
18 people know don't cut those country of origin tag out
19 because that's important traceability information we
20 need.

21 AUDIENCE MEMBER: When are those tags put on? A
22 lot of times they probably aren't put in until right
23 before they are shipped and there could have been a
24 lot of movement.

25 DR. JOHN WIEMERS: Those tags, say, Mexican

1 imports, those tags are applied when those animals
2 are tested for tuberculosis on the Mexican side.
3 They are required to be observed as they come through
4 the importation stations. So without that tag, those
5 cattle cannot even enter into the United States
6 legally. So those blue ear tags on those cattle, if
7 they show up on this side -- folks, if you have a
8 feed lot, please don't take those tags out. That's
9 important information.

10 DEBORAH MILLIS: Dr. Wiemers, I appreciate your
11 answering that question, and I want to let people
12 know there will be an opportunity to bring those
13 questions forward. I want to turn the floor back to
14 you Dr. Zaluski, and let you finish your presentation
15 and then I'm going to send us off to break and
16 announce what's coming next.

17 DR. MARTIN ZALUSKI: The end. So that was
18 pretty much it. I think the next basically is just
19 to summarize. The performance standards are
20 something that I feel strongly is the right way to go
21 because it provides flexibility for the states to do
22 what needs to be done. It takes into account the
23 fact the states are different and their industries
24 are different. And with that we're hoping to get
25 your input to make sure this rule is as good as it

1 can be. Thanks.

2 DEBORAH MILLIS: All right. We're coming up on
3 half past the hour, and I am going to recommend we
4 take a break now and come back in 15 minutes. When
5 we arrive back at this room, you'll see there's some
6 labels on the table -- sheep and goats, here there's
7 some that say cattle. Some say swine. What we'd
8 like to do is break off into smaller groups based on
9 those species, if you're interested in that, and take
10 the opportunity to take a deeper look at these
11 performance standards, ask those kind of questions --
12 you'll have that opportunity -- and work at your
13 table to look at these issues. So I'll ask that you
14 come back in 15 minutes, a quarter until the hour,
15 and thank you all for your attention. Thanks.

16 (A break was taken.)

17 DEBORAH MILLIS: All right. Welcome back.
18 Thanks everyone for joining us once again. Let me
19 talk a little bit about what we're going to do during
20 the next part of this meeting. Our intention during
21 this part of the meeting is to gain your input around
22 the traceability standards that Dr. Zaluski from
23 Montana discussed in the earlier presentation, and we
24 want to get your thoughts around that. We've got, as
25 I explained earlier, placards on the table that

1 describe a particular species. I'd like to get a
2 show of hands. Is there anyone that's interested in
3 talking about species other than cattle? Anybody in
4 species other than cattle? In other words, poultry
5 or swine or sheep and goats or lamas?

6 Okay. So everyone -- so most of our tables
7 may be talking about cattle at their table. I'm
8 going to turn the floor over to Dr. Dave Morris to
9 review what the questions are we'll be talking about
10 at the table. So this will happen in a couple ways.
11 At your table there will be a discussion. There will
12 be a USDA person there to kind of track the notes or
13 outcomes of that discussion so we can share that
14 information.

15 The other thing is you'll have a list of
16 questions on your table because things may arise
17 during your discussion that you would still like an
18 answer as we were having questions this morning. You
19 had some things you want to addressed. So please
20 take note of those on that list. We'll get those
21 back to me and make sure someone has a chance to
22 address that. So I'll turn the floor over to you,
23 Dave.

24 DR. DAVID MORRIS: Thanks, Deb. Indeed it's my
25 pleasure to be back in Salt Lake City. I certainly

1 recognize several of you from previous Utah
2 Cattlemen's Association meetings. It was in this
3 very room that I got to meet Kathy and Bert Smith,
4 and adjacent room enjoyed probably offered
5 entertainment Mr. Munds for your auctioneering and
6 expertise at that Cattlemen's meeting. So I enjoyed
7 that very much. I also have to draw attention to
8 Gib Yardley back there. He probably doesn't remember
9 me, but I was a veterinarian in 1974 in January at
10 the National Western Stock Show when he brought his
11 traceability information to me for participation at
12 the National Western Stock Show for those Colorado
13 Association sales events. So I've known you for 36
14 years now. Whether or not your premises number is in
15 a federal database or you are known by a federal
16 employee, I don't know which is worse. But
17 nevertheless I know you on a first-name basis. I
18 hope I haven't ruined your credibility among your
19 peers here in the state.

20 What we're going to do at this point,
21 Dr. Wiemers has assisted me in providing you with the
22 performance standards, and as Deb indicated our
23 charge for these break-out sessions is to gain your
24 industry input in terms of how we can develop this
25 rule making that will indeed advance our animal

1 disease tracing capability.

2 And, Bert, there is a lot of similarities
3 as to what we have done in the past. As Dr. Zaluski
4 did point out, we are challenged in many
5 circumstances with those systems, not because of
6 those are already participating but the other one --
7 he brings those cattle across state lines and they
8 have those certificates and indeed they have the
9 national uniform ear tagging system -- and translated
10 out of federal-ease, that means you've got those
11 orange metal ear tags in there. You have official
12 USDA ID. Those are the very basic essentials we are
13 asking for, not only in the previous attempt, but
14 also in this current new framework.

15 So many of you are already participating in
16 adequate traceability information, but it's how we
17 can acquire that information that makes it
18 meaningful. So in that concept, traceability
19 performance standards, we're asking for your input as
20 to whether these things are appropriate whether or
21 not they are potentially going to be adequate, do
22 they adequately reflect the important goal here, the
23 issue of advancing animal disease traceability.

24 Within your packet I will direct you to
25 that one-page inclusion that has a front and a back

1 to it, and this does review Dr. Zaluski's offering
2 and description here of those performance standards.
3 So as I give you a few seconds to retrieve those from
4 your packet, I would ask that you would look at this
5 similar thing as offered here on the slide as well on
6 the four performance standards that the working group
7 has presently proposed. We're asking you to discuss
8 those after you reviewed them critically; identify
9 whether or not they indeed are appropriate; are there
10 additional measures that might be useful as we look
11 at those?

12 Dr. Zaluski did look at the issue here that
13 when an animal moves interstate, it involves two
14 entities, state or tribal entities, that is, the
15 state from which the animal left where they stepped
16 on the trailer and where they step off the trailer of
17 the truck. And so every interstate movement from a
18 performance standard that's currently offered has
19 created two criteria for the state from which the
20 animals stepped on the trailer and the state or tribe
21 from which the animals stepped off the trailer. So
22 those are identified here and Dr. Zaluski did go over
23 those. I'm not going to belabor the issue here of
24 reiterating those since you do have those in front of
25 on this particular chart.

1 But notifying the state or tribe of which
2 the referenced animals were officially identified --
3 if you have a question relative to what is a
4 reference animal, a reference animal is an animal we
5 are identifying with an official ID number. Indeed
6 we're asking you in terms of these performance
7 standards as an industry member in protecting your
8 industry, to put yourself in the position of your
9 state animal health official. Put yourself in the
10 position of the federal official in that state or
11 those responsible for the state or tribe. As you put
12 yourself in their position and you are asked to
13 respond to determine where the animal came from, its
14 pertinent traceability history -- and this is with no
15 regard to a disease but traceability in of itself --
16 can you with these criteria have the information they
17 need to be able to respond adequately to an inquiry
18 or question of concern?

19 Quite honestly this happens on a much more
20 daily basis than we would all imagine. I think
21 Dr. King, Dr. Zaluski, Dr. Rood, who served as state
22 veterinary in Vermont is with us as well, Dr. Thayne,
23 previous state veterinarian in Nevada -- they can all
24 attest to the fact that answering these types of
25 questions happens on a daily basis. In that regard,

1 these performance criteria are geared in that
2 direction. If they were provided with an official ID
3 number, could they appropriately notify the state
4 where the animal was officially identified, could
5 that state animal health official or tribal animal
6 official identify where the traceability unit came
7 from?

8 Some minor point of clarification, the
9 traceability unit is a geographical entity. It may
10 be the state in and of itself. It may be the tribe
11 in and of itself. It could be focused down to the
12 individual premises or location identifier. If
13 indeed the state wished to use an entire state,
14 that's up to them. Your input as to what's
15 appropriate for your state relative to this
16 traceability unit and its potential impact will
17 probably be expanded upon as you discuss at your
18 table relative to the impact of defining the
19 traceability unit.

20 Nevertheless, the issue is then for the
21 reference animals where they were shipped from, can
22 that state then drill down to that traceability unit?
23 Is that adequate information to perform the function
24 as you place yourself in the state or federal animal
25 health official role? Now, a little bit more

1 clarification. On the back of that very same sheet,
2 you'll see the graphic that Dr. Zaluski did go over,
3 and it very quickly explains the application of those
4 performance standards.

5 So the first question here, the
6 traceability performance standards, how will they
7 address current gaps in animal disease traceability
8 information? What other standards might need to be
9 considered? What species might need to be exempt
10 from official ID requirements as you expand upon and
11 explore the issues of traceability performance
12 standards and most importantly traceability
13 performance gaps.

14 Now, we're going to move two questions here
15 at your sessions, and as you spend time discussing
16 these issues, those questions are on the sheet that's
17 been handed out to everyone that -- the moderators at
18 the tables will have this information. To keep you
19 focused, there is a list of specific questions. What
20 I'm going over will be available to you at your
21 tables.

22 Once we have those standards, the concept
23 is that if indeed we have states or tribes that have
24 tracing capability, then the eligibility for those
25 animals to move interstate on and off tribal lands

1 will be pertinent. So once we have those performance
2 standards, how will we evaluate those traces and
3 capabilities. So the essence of the question then is
4 how can those standards be evaluated by virtue of a
5 process or effort to achieve traceability status?

6 Dr. Zaluski referred to the sheep scrapie.
7 For those of you familiar with the sheep scrapie
8 rule, the issue of consistent or inconsistent status,
9 they are evaluated in their compliance to the sheep
10 scrapie program standards. So this is very analogous
11 to that very same concept and process. And then
12 ultimately if indeed a state or tribe does not meet
13 those performance criteria in terms of tracing
14 capability for animal disease purposes, then what
15 happens? What might be the issues or consequences
16 associated with that. As you note from Dr. Zaluski's
17 slides, those consequences have not yet been defined,
18 and your assistance in the ramifications associated
19 with that would be important parts of the input here
20 this morning.

21 And then after that, Deb, we are going to
22 have the question-and-answer session, and if those
23 come up during your discussions, please note those
24 down and we'll catch up with those after we respond
25 to this first two sets of inquiries. So that kind of

1 outlines what we're hoping to achieve here, and again
2 our focus is your input from industry in the process
3 here of the rule-making process.

4 Deb. Thank you.

5 DEBORAH MILLIS: Thank you. So we'll invite you
6 to engage in those discussions around your table.
7 It's a big room. If you find you're too close to
8 another group and it's hard to hear each other,
9 you're welcome to pick up and move to another
10 different table. So we shall begin.

11 (Group Session Break from 10:11 p.m. to 11:23 p.m.)

12 DEBORAH MILLIS: At this first table do we know
13 who is going to talk for the group? Dr. King, in
14 just a moment I'll turn of the mike over to you, and
15 we'll come around to each table in turn and kind of
16 hear the discussion that's gone on at each table.
17 One thing I want to point out is that we do have a
18 court reporter here collecting the information that's
19 gone on and that's been discovered at this meeting so
20 that we can share that with the Secretary's office.

21 This table here, have you figured out who
22 is going to talk for your table? Very good. Good
23 enough. We'll start with you, Dr. King. I'm going
24 to hand you the mike.

25 DR. BRUCE KING: Okay. We talked about several

1 things here, but how come I got to stand up? I'm
2 going to have Terry come up and explain a salient
3 point. Terry, come up and explain that point that
4 you made.

5 TERRY MENLOVE: We had quite a discussion on our
6 group about performance standards and not only from a
7 state standpoint but from the individual standpoint.

8 DEBORAH MILLIS: With all the background chatter
9 it's hard for the court reporter. Thank you.

10 TERRY MENLOVE: Anyway, this discussion centered
11 on the fact that we saw some people probably not
12 wanting to comply with this which posed the threat
13 that a state would be out of compliance as well, and
14 so we thought that whatever the performance standards
15 may be would be that for a state, at least, that it
16 would be acceptable that if you wrote in the rule
17 that you had a way or wrote in the performance
18 standard that the state had a way to deal with the
19 noncompliance, that was an acceptable performance
20 standard, not that you had to have a certain percent
21 of compliance. That was one of the big issues for us
22 so -- don't know -- and we're still struggling here.

23 We talked a lot about how to utilize the
24 brands into the system. We talked about a simple
25 identifier going into the tag to the ear of a cow

1 that would tie it back to a state and then from there
2 you could take it to the brand and the state could
3 work it back on the brand. That posed some problems
4 for us especially at slaughter because we're not sure
5 slaughter plants are gathering that information on
6 the brand. So you'd get it back to a state and then
7 you'd be dead-ended. So I'm not sure that we had a
8 lot of solutions. We just thought that that was at
9 least the performance standard for a state should not
10 be based on compliance within the state.

11 DEBORAH MILLIS: Thank you. Is there anything
12 else that anyone from your table would add? All
13 right. Appreciate it.

14 Kim, could we go back to your table.

15 J.J. GOICOECHEA: I'm not Kim, but we have a
16 whole bunch of stuff written down, so don't throw
17 rocks at us. One of the main concerns we had we
18 first got started was for TJ that this needs to be
19 plainer English for producers. It was great to see
20 charts and everything up there. We were sitting here
21 talking -- it's got to get to the producer level, and
22 I don't know how many of you guys can take this back
23 home to the coffee shop and they are not going to
24 understand a thing on this paper. This needs to be
25 simplified a little bit to be accepted. That was our

1 first thing. Most of us in this room I think we can
2 kind of figure out what's going on because we've been
3 here for half a day, but back home it's not going to
4 work.

5 As far as the trace back, it should just be
6 where did it come from originally and where did it
7 come from last. I think that's what this really
8 boils down to. We did have some issues about
9 commingled animals, high-risk animals, those
10 especially in the dairy industry. We talked a lot
11 about that. The dairy mostly likely already knows
12 they have a problem. They know they have a problem
13 with TB. We've seen that outbreak in California and
14 Texas. We had to do TB testing in Nevada because of
15 some problems in our neighboring state of California.

16 I guess as we put this in we would like to
17 see maybe steers, heifers down towards the bottom.
18 Let's put our efforts in our aging cattle up at the
19 top. They are moving interstate, and by the time we
20 get to an ID system, mandatory system, if you will,
21 for interstate movement on our steers, we'd have it
22 kind of figured out. We really want to encourage the
23 use of the RFID tags. We want veterinary service to
24 recognize those as official tags, make sure they are
25 recognized as official tags. There's a lot of

1 producers using those. Some go with Michael's
2 company. We sure would like to see those as official
3 tags. In Nevada they are using brucellosis tags.
4 They are not recognized as official tags by
5 veterinary services.

6 They are now? Well, are they for sure?

7 DR. TJ MYERS: They are.

8 J.J. GOICOECHEA: They are. 840 tags are
9 official.

10 DR. JOHN WIEMERS: Yeah, they are official ID.
11 Regardless of color.

12 J.J. GOICOECHEA: Right. Regardless of color.
13 I think we need to put the 88 on there on the back or
14 MV or -- I don't remember what we have on there right
15 now. I think that is one key place we need to go.
16 As far as our spot checks, I guess we disagreed with
17 the first table. There should be random audits of a
18 certain percentage. The thing that was brought up at
19 this table was how do our foreign markets play into
20 this? Whatever standards we have set up, we better
21 make sure the foreign markets -- be it Korea or
22 Egypt, for example, Vietnam -- that they are happy
23 with our guidelines, and they are happy with the
24 standards of our trace back. If we're randomly
25 picking "You have to have within seven days" and it

1 doesn't meet their standards, it doesn't do anything
2 for the industry. So we're encouraging USDA to
3 continue working towards that as well.

4 We did have some questions. Those will be
5 answered later I guess. We would like to see the
6 foreign producers held at the same standards as U.S.
7 producers. The way it stand right now, we are traced
8 back to port of entry. For Mexican, we can get it
9 back to Sonora or Chihuahua but we can't get it back
10 to the ranch, so why do we have to say ours came from
11 this ranch, when the foreign guys don't have to? So
12 we'd like to encourage that as well.

13 And as far as penalties, if you will, if
14 you don't meet your audit, we recommend an annual
15 report so the state is satisfactory. If it's not,
16 then you will go to a quarterly report on that state
17 as far as our label for trace back. We really
18 believe states like Utah, Nevada -- I know they have
19 a hard time tracing back. Dr. King is tightening
20 down and make individual IDs on everything in the
21 state if we can't trace it back. We've had phone
22 calls about that already. We believe the industry
23 and the states will take care of that. I guess
24 that's it. We do have other questions written down.
25 I think the moderator will read those later.

1 DEBORAH MILLIS: Thank you. I appreciate that.
2 And we're going to go to this table next. Who is
3 going to speak on behalf of table? I know you were
4 going to tag team it.

5 AUDIENCE MEMBER: Thank you. Nobody took any
6 notes. But if you ask me, the gentlemen sitting over
7 there doesn't discuss why they are here. Let's worry
8 about the mess of cows coming in, whether it's an 840
9 tag or a banks tag or individual dangle tag, if they
10 don't meet the requirements of the system quota, for
11 lack of a better word -- what about a tag with your
12 name and phone number on it? How is that going to
13 work? Trace it back to anybody. Anybody thought of
14 that? We've been doing that for years.

15 Anyway, one thing we did come up with is
16 whatever we do needs to move at the speed of
17 commerce. Slowing down, whatever we're doing sorting
18 cattle, shipping cattle, shipping them purebreds,
19 whether we're shipping a load of the steers, it's got
20 to move at the speed of commerce. I personally have
21 done it for years. It's got to be market driven. We
22 said a lot of discussion here with Gib and Steve
23 talking about why we're doing it and how we're doing
24 it. I use it as management tool on my place. I've
25 been putting 840 tags in for five years running,

1 whether or not it become mandatory or didn't. I used
2 it as cross reference. I cross reference my dangle
3 tags, 840 tags, and it's easy to put the banks tag
4 number on it. The discussion was held here if we go
5 to a bright tag on the steers to identified them,
6 who's going to put it in? Is that going to be a
7 veterinary or producer going to put that in? The
8 tags going to be issued from the state to track them
9 bright tag numbers for steered calves and bulls.

10 Gibb had a question on what's the cost for
11 the tags, RFID tags, different outfits are providing
12 source verification programs, what the cost was. It
13 cost nothing for the tags, but how many we got left?
14 The state? Are we going to continue to get those 840
15 number tags or --

16 TERRY MENLOVE: As long as the federal keep the
17 repository stocked up, we'll keep getting them.

18 AUDIENCE MEMBER: That's an option there.
19 That's why I believe that process ought to stay
20 market driven. I hope to get paid for our efforts of
21 what we're doing here. I mean, I'm not for a
22 mandatory system either, but I'm all for voluntary
23 livestock identification system so we can trace these
24 cattle on a disease outbreak. Anybody else got to
25 chip in here?

1 GIB YARDLEY: Yeah, I brought up the question
2 that when these cattle leave our place, we're no
3 longer responsible for them. We have no control over
4 them, and they said that -- they told us here that
5 once you sent a health certificate with those cattle,
6 you're released from your liability after they left
7 here and what contamination they get after they leave
8 here, if you've had official health paper, they can't
9 come back on you. Now is that correct, all you
10 college graduates, doctors, and lawyers?

11 DR. DAVID MORRIS: I'll speak to that because
12 you asked me that question. Gib, you kind of stated
13 it the way you wanted to hear it, I'm afraid, because
14 what I indicated was that depending upon the disease,
15 you may or may not have any liability. If a disease
16 is transmitted in the first six weeks of life and
17 it's diagnosed eight years later, then that does not,
18 just because your animals were listed on that health
19 certificate when they were two years of age, exclude
20 any liability or anything associated with the disease
21 investigation. I will reassure you, however, that
22 we're interested in disease control not in trying to
23 impose punitive damages or responsibility associated
24 with them having that disease. So the issue depends
25 upon the disease, but what the issue that I attempted

1 to address was that this provided you an opportunity
2 to document that at this point in time as dated on
3 that health certificate or other movement document
4 that you had moved those animals and were no longer
5 responsible for them at that point in time. That is
6 probably different than saying that you no longer
7 have any liability for them, but the fact that you at
8 that point in time have a means to document that you
9 have reduced your liability, perhaps not totally
10 eliminated it.

11 GIB YARDLEY: Is mad cowboy disease reportable
12 and quarantinable?

13 DR. DAVID MORRIS: That's a public health
14 question I'm not qualified to address.

15 AUDIENCE MEMBER: We discussed what was going to
16 be required going interstate on cattle coming back
17 and forth on commuter permits. Thank you.

18 DEBORAH MILLIS: Thank you. I appreciate that.
19 We'll go to this center table. Some of you are
20 coming up with questions, and remember there's that
21 sheet of paper on your tables that we want to be sure
22 and we collect. So if you have questions that have
23 come up and remain unanswered in your mind, please
24 feel free to write them down and we'll be sure they
25 get answered. And I'll turn the floor over to you.

1 KATHY SMITH: Thank you. We had a very lively
2 and healthy discussion about the gaps and the
3 perceived gaps, and we didn't get much past that
4 discussion. I think there's a belief gap and it
5 regards the need for traceability. I think the
6 producers believe that tagging is a burden and the
7 state vets perhaps and the USDA believes that tagging
8 would alleviate the burden on the producers. We
9 talked about how the brand program works, and what
10 works for us in the state of Utah we feel is
11 sufficient and doing a great job. We talked about
12 bookending and commingling like you did over here
13 too.

14 The other big gap, we think the big
15 elephant in the room is the lack of protection at the
16 border, whichever border that is. We're not happy
17 with the government protection of our imports, and we
18 did talk too about the belief gap, if you want to
19 call it that, in what is the role of the federal
20 government compared to the role of the states and
21 that it was the producers at this table's opinion
22 that even the interstate commerce issue can still
23 being managed between the states and the federal role
24 should be very limited as enumerated in the
25 Constitution.

1 We also had some concerns -- we skipped the
2 middle of this discussion, number two, and went to
3 the concerns. There was some really good questions
4 raised about the funding of the program. It's, I
5 understand, formula based. How will the funds be
6 allocated? What is the scope of the power of the
7 advisory counsel of 15 people? What's the
8 composition of the board? Anything else I'm
9 forgetting? We had a great discussion.

10 BERT SMITH: We had a discussion that we need
11 tags on the cattle that's going to the feed lots,
12 and, of course, that means that you vaccinate the
13 heifers because they are in the breeding herd and a
14 lot of them are culled out and we still have to
15 vaccinate because we are not sure which to cull out.
16 The steers, that's really not practical to have
17 vaccinate them off of a full operating ranch because
18 they have contracts or they know where they are going
19 right to the feed lots, and our discussion was
20 trailer cattle. They are so mixed up that anybody
21 can -- nobody can keep track of trailer cattle in the
22 auction ring, but in the western states, Utah and
23 Nevada, it's pretty easy to keep track of the big
24 herds. So this isn't one shoe that fits everybody.
25 We've got to have more flexibility, and we can't slow

1 this market down anymore than it is. We have
2 respectable people and safe vets. We've got to keep
3 this whole things under the state laws, limited
4 powers of the federal government. That's what we
5 discussed here.

6 One thing I'll add is BSE is not a disease.
7 It's not -- it can't be spread from one cow to the
8 other unless one cow eats the other. So not many
9 cows are eating each other. So forget BSE being a
10 virus disease. It's not. Mark that out of your
11 book. It's not a virus disease.

12 KATHY SMITH: One other thing I heard discussed
13 in other meetings around the national animal ID
14 system is the very success of the brucellosis program
15 is now creating this gap in being able to trace back.

16 BERT SMITH: One thing I need -- that we -- we
17 need to find out -- I'll ask this question: Is there
18 a penalty if somebody -- if this becomes mandatory
19 for the colored tags, is there a penalty for anyone
20 that don't use them?

21 DEBORAH MILLIS: Dave, you want to respond to
22 that?

23 DR. TJ MYERS: Yeah, I'll respond to that.

24 DEBORAH MILLIS: Thank you, TJ. Can you repeat
25 the question.

1 DR. TJ MYERS: The question was is there a
2 penalty if someone does not want to participate in
3 tagging their cattle? Is that your question? Again,
4 I just want to remind folks what we are talking about
5 here is a regulation that would require
6 identification for interstate movement, and that
7 requirements is on the state. So animals moving
8 interstate would need to be identified. How a state
9 develops that interstate or develops that
10 traceability program within their state is up to the
11 state to determine. So we would not in our
12 regulations have, to my understanding -- Dave or
13 John, please, chime in -- we would not have that type
14 of a penalty within part of our regulations; correct?

15 DR. JOHN WIEMERS: Yeah, we're not necessarily
16 dictating what method of identification is used for
17 interstate movement, but it requires they be
18 officially identified. And we're leaving various
19 options open. If two states want to agree on a
20 method of identification between those two states --
21 for instance, a branding program that would move
22 cattle back and forth -- that would be up to
23 discussion between those two state animal health
24 officials to come up with.

25 The basic identification would be the

1 official identification ear tag for cattle, and that
2 would be recognized anywhere in the country, but if
3 two states wanted to agree on something else, that
4 would be okay too. Keep in mind that official ear
5 tag right now doesn't necessarily mean the metal ear
6 tag. The 840 plastic ear tags are also official,
7 whether they be RFID or purely visual. Those are
8 still considered official ear tags. There's also
9 another system of identification that uses the
10 location identifier plus a production number that's
11 used in the scrapie program. It's an official ear
12 tag. So many methods of identification will fit
13 within the purview of officially identified, and then
14 if two states wanted to agree on something different,
15 so be it. If that answers your question.

16 DEBORAH MILLIS: John, thank you. Since you
17 have the mike at your table, I'm going to ask to hear
18 from the last table before we break for lunch, and,
19 again, to remind you that when we're done here, we
20 still will be glad to take your questions and when we
21 return we'll address those.

22 BRIAN THOMAS : Excuse me. My name is Brian
23 Thomas. I'm a producer and rancher from Coeur
24 d'Alene reservation in Idaho. I'm also on the
25 working group, and we have a good group of people

1 here, Department of Interior, Farm Bureau, and Ag
2 producer, rancher. We got a good start here, aside
3 from the USDA official here. We had a good start
4 talking about the gap program, and I want to
5 recognize these guys first. We started out great.
6 On the gap, what concerns us as a producer is once
7 cattle are sold, we no longer are responsible,
8 especially with Nevada, Idaho, what I've seen on
9 reservations and -- most of the ranchers are -- they
10 have cattle and they sell them within eight to nine
11 months or so and sell steers and heifers. They are
12 gone from the premises where they are raised at.

13 And then a lot of us cattle operators here
14 in the west do sell within eight months, and I guess
15 this program is similar to the CarFax. We were
16 discussing that. It was a good point that brought up
17 on CarFax how if you participate in this program, it
18 will bring back where the livestock was raised at and
19 born at. And I see it as a -- to be a participating
20 in this program not that -- it's going to protect you
21 in the long run, and I see as coming from a
22 reservation where if we're -- the ties are not in
23 compliance with some of the USDA rules, it's going to
24 be a big factor to them because I see it as a -- I
25 see on our reservation and other reservations where

1 there's a lot of non-eating cattle on the
2 reservation. And we'd rather see them identified as
3 where they are coming from, so if there's any break
4 out on reservation, it can always be traced back.

5 Once the livestock does leave the
6 reservation or the premises where they are born, most
7 of those calves are in really good clean bill of
8 health. It's really grass roots. As part of some of
9 the ID -- this was brought to me here from one of my
10 family members. We're a brand state. We brand on
11 the reservation. We are a brand state in a Idaho,
12 and it's the common -- the brand should be
13 grandfathered into this animal ID system because it's
14 official identification that was before -- that was
15 there before years and years ago, and it should be
16 grandfathered into it.

17 But let me use an example that happened in
18 the state of Nevada and the guy from Carson office
19 Department of Interior, Bureau of Indian Affairs
20 brought a good point that on one of the reservations
21 there was a thousand head of cattle running wild
22 through the range, and this sold to all the western
23 states, and many of the livestock sold out there, and
24 we're talking about 1200, 1300 steers with a lot --
25 the livestock were wild. They had to have some

1 really good cowboys to bring them in.

2 But one of those had a disease. There was
3 a breakout afterward. So in a lot of these cases a
4 good ID system would really work. It will take --
5 let's say, for example, none of them were given their
6 shots for the heifers and all that. So that's a good
7 part of this program. But like I said, we had a good
8 start, and the other part that was brought up was the
9 number of horses that were brought onto the
10 reservation, dumped on reservations in the western
11 state here. It's a large number of -- actually
12 horses that are gentle horses dumped on reservations
13 even on the BLM portion. The question was who will
14 police the program? The USDA, the brand board, the
15 sale barn? Who is going to do the policing?

16 And the commuter heard was brought up, and
17 I understood the part where this should not be exempt
18 livestock commingling. It's really what I said
19 earlier about the commuter herd should not be exempt
20 from that because like I said earlier there's a lot
21 of cattle that's brought on the reservation that's
22 nonIndian cattle that's used on the reservation just
23 for grazing. And I've seen that happen on several
24 reservations in Nevada, and who knows what kind of
25 disease that livestock can possibly have. I know

1 some producers on a couple reservations that are not
2 pretesting their bulls.

3 And we went off course. We had a good
4 discussion here at this table. Pretty much the topic
5 is part of what could be possibly happening on
6 reservations. I'm a producer, and I see this
7 important as a producer.

8 DEBORAH MILLIS: Thank you, Brian. Do you have
9 another comment at your table?

10 MATT SPAULDING: My name is Matt Spaulding. I'm
11 with the Bureau of Indian Affairs in Nevada. Most of
12 my comments aren't going to impact any of the
13 nonIndian producers, but I do want to point out some
14 things to USDA that I think are important to consider
15 on Indian lands. This exercise is for states and
16 tribes. In the United States we have over 500
17 recognized tribes. That's ten times more than we
18 have states. That 500-plus governments. Bill
19 Clinton during his administration signed an executive
20 order where we as federal agencies have an immense
21 burden put on us to coordinate and consult and
22 cooperate with Indian governments. Barack Obama just
23 recently had a big national Indian convention back in
24 Washington D.C., I believe back in November, and he
25 made our consultation requirements even more

1 restrictive and even more burdensome as federal
2 agencies.

3 So I just want to point out that we may
4 have to bring this more to the tribal government
5 level. If there's anybody here from tribes other
6 than Brian, raise your hand representing tribes.
7 Okay. The reason that there's nobody here from the
8 tribes is the tribes are always considered -- almost
9 all, not all, almost all tribes in the United States
10 are considered officially third world countries.
11 Unemployment rates are in the 20's and 30's and 40's
12 and 50 percent on reservations. Socioeconomic
13 considers on reservations are entirely different than
14 what we -- most of us would be considering in our own
15 private nonIndian lives.

16 So I just ask USDA to really consider that
17 in this effort because when you boil this down to you
18 want to get an animal to the consumer's plate that's
19 safe, if livestock come off a reservation,
20 considering all these factors, the tribes don't have
21 the capacity to do any of this. And in most cases
22 state and county law, no law except federal law
23 usually applies on Indian lands. Whether it's
24 allotted land, assigned land, reservation, it doesn't
25 matter. If it's Indian land, it's a federal issue.

1 It's always a federal issue with tribes. So you need
2 to consider that in this whole exercise. I mean,
3 it's going to be really hard for you -- and I'm not
4 trying to be a spoiler here. I'm trying to make you
5 guys aware of some of the issues on Indian lands.
6 It's an entire set of issues compared to public lands
7 or private lands that most of us are familiar with.
8 That's all I want to point out. Thank you.

9 DEBORAH MILLIS: Thank you, sir. I will turn
10 the floor over to TJ Myers.

11 DR. TJ MYERS: Just for everyone's information
12 we do have an individual at APHIS veterinary
13 services, Dr. Terry Clark, who is our tribal liaison,
14 and he's been working with a lot of the tribes over
15 many years on a lot of our animal health programs.
16 We do try to the best of our ability to link into the
17 tribes and make sure that what we're developing is
18 going to be workable for them. So I really
19 appreciate your comments. I just wanted you to be
20 aware that we are trying our best to do exactly what
21 you're talking about.

22 MATT SPAULDING: Sure. I think maybe what I
23 recommend is you may have to take it to the res. The
24 guys on the res, they really can't afford -- for one,
25 they don't have anybody on staff that has the

1 expertise or the education to even consider any of
2 this. This gentlemen's comments about bringing it
3 down to the lay people's level is so appropriate for
4 the reservations because, you know, I work with a lot
5 of Indian producers that never even went to school.
6 They are completely illiterate. When they pay their
7 grazing fees, I have to fill out the check out for
8 them. So you may have to consider Barack Obama's
9 consultation parameters. You may have to take it to
10 the individual reservations and the individual tribal
11 counsels because there's nobody here that can
12 represent them. I mean that's -- unfortunately
13 that's what the BIA's job is to try to fill that void
14 between the tribes and the rest of the world.

15 DEBORAH MILLIS: Dr. Decarolis.

16 DR. DECAROLIS: Just for your information we
17 have Terry Clark, Dr. Clark, who is a liaison with
18 veterinary services to the tribal nations. The IAC's
19 in each state work closely and -- depends on the
20 state where they may work closer or not as close --
21 but there is connections at the local level probably
22 for most -- in the West anyway. I'll speak with the
23 West. Here in Utah we work with the Utes, the Piute,
24 not so much of the Gochutes. We're starting with
25 work with them a little more.

1 Other things other than this at the local
2 level from rabies clinics, contacting them with
3 roundups of their horses. So we work probably a lot
4 closer with the tribes than maybe you're aware. So
5 at the local level there is very close communications
6 with the tribes and tribes were here -- they are on
7 the working group. For whatever reason they are not
8 here. They were invited. Dr. King, when we set this
9 up, made sure that the Intertribal Ag Counsel people
10 were aware of it. So they are -- like TJ said,
11 there's very close communications with the tribes.

12 DEBORAH MILLIS: Thank you, Dr. Decarolis for
13 that clarification.

14 Thank you, sir, for bringing that forward
15 because that is a concern to the USDA, and we
16 certainly are doing outreach with the tribal nations,
17 and we'll continue that.

18 So I need to put something out to all of
19 you so you can make a decision about it. We have a
20 couple opportunities here. One is that we could
21 break and go to lunch and come back at 1:00. The
22 other is that we could ask our veterinary experts to
23 respond to the half a dozen questions that you have
24 all collected and then close for the day. So show of
25 hands of who wants to go to lunch and come back at

1 1:00. Show of hands who would like to just drive on
2 through and finish the questions and closeout for the
3 day. Okay. That's what we're going to do. I'm
4 going to turn the floor over to -- okay. Let's take
5 about a ten-minute bio break, and let's come back.

6 (A break was taken.)

7 DEBORAH MILLIS: We want to take the opportunity
8 to allow your questions to be answered. Some of them
9 you've written down and other ones you may think of
10 as we go on here, so I'm going to turn the floor over
11 to Dr. David Morris, and you have some of the
12 questions written. If people have more, I'll run
13 around with my microphone.

14 DR. DAVID MORRIS: Sounds good, Deb. I thought
15 I would begin -- the gentleman here to my right, your
16 left, made an interesting comment about the tracing
17 capability in other countries in terms of
18 compatibility. He did reference Mexico. So I will
19 speak to that because I did have the fortunate
20 experience of being invited because of a pilot
21 project on traceability of imported Mexican steers to
22 visit the state of Chihuahua and in so doing found
23 some very fascinating things and in fact the state
24 animal health officials in Mexico strongly suggested
25 and essentially took me down there because they view

1 that as an model example of a large traceability
2 system put into place.

3 In the state of Chihuahua there are 30,000
4 brands. In that concept I would probably differ with
5 you from two approaches here. I do know in their
6 slaughter facilities or harvest facilities, they
7 actually do track brands and put them in very
8 sequential, very immaculate order such if they did
9 need to do a trace back, they could associate the
10 brand. Something we don't do in this country in our
11 harvest facilities.

12 By the same token they have locations on
13 their major highways -- granted there are only a few
14 major highways which makes it easier than in this
15 country -- but indeed there are inspection points to
16 make sure that traceability and the proper
17 documentation is there. So I would offer to you that
18 with the size of their brand program and the size of
19 their state -- and I recognize that's only one state
20 in the whole country of Mexico -- but it was a very
21 great example and I was purposely taken there to look
22 at it as a model -- that we would be hard-pressed to
23 be compared with.

24 The other question that surfaced was
25 relative to the use of the 840 numbering system and

1 whether or not that can be used with the agriculture
2 marketing system of USDA, and indeed, animal disease
3 traceability staff and BS leadership did engage with
4 the agriculture marketing service. It is a sister
5 agency and the marketing regulatory programs. And as
6 I say that, I see the gentleman here I ought to point
7 out Mr. Steve Lewis, perhaps he can raise his hand in
8 the back, is a special assistant for Under Secretary
9 Avalos. Steve is from Artesia, New Mexico, and a
10 lifelong lamb and beef producers, and he is a special
11 assistant for disease traceability.

12 So we do have producer input, and that is
13 through the under secretary's office. So we're
14 grateful for that and his appreciation. My point in
15 saying that and introducing him is to be sure if you
16 would like to make comments to him directly, he's
17 certainly very personable and willing to engage in
18 those kind of discussions.

19 Back to the 840 numbering system, we shared
20 at this table earlier that currently the working
21 group is proposing three number systems for official
22 use in interstate movement, one being the bright tag,
23 or advanced tag concept, another being the premises
24 identification number along with a management ID,
25 very similar to the sheep scrapie program, as well as

1 the 840 numbering system. It was important in
2 previous discussions to separate the number system
3 from the actual technology itself. But beyond that
4 one of the advantages of the 840 numbering systems is
5 multiple uses for one ID number.

6 As Tim Munds pointed out very well, the
7 concept that's ideal is a number system that, number
8 one, is useful in your day-to-day management
9 practices. So his comment relative to the usefulness
10 of the 840 numbering system, that particular need is
11 important to convey, but what's also neat is the 840
12 numbering system can be used for regulatory animal
13 disease purposes whether it be interstate
14 certificates of veterinary inspection or whether it
15 could be TB testing or mass vaccination.

16 Importantly, as we engaged with our sister
17 agency at AMS, it's important for you to know that
18 the 840 number can be used by other any of the
19 AMS-approved value-added, agent-source, European,
20 hormone-free market systems. So the process verified
21 systems that AMS proposed, the 840 numbering system
22 can be used. What's happened in the past, however,
23 is we have had manufacturer coded numbers. They are
24 through the International Committee on Animal
25 Recording approved. And what I'm trying to get to is

1 that if indeed you use one particular vendor as a tag
2 supplier, those numbers may well begin with a 900
3 series. It may be a 985. It may be a 982. It could
4 be 949. It could be a 915. It could be a 900 number
5 depending upon the contracted provider for
6 verification of tracing capability organizations and
7 other various programs.

8 So the 840 numbering system management
9 regulatory, value added or agent source programs --
10 and I think it's also been mentioned here not only in
11 these questions but in other comments that the value
12 in international marketing, and I think it's going
13 to -- it appears to be increasing in domestic
14 marketing advantages as well and at one time was
15 intended for a fifth value and that was in country of
16 origin labeling compliance, or COOL compliance.
17 Although we may be reassessing that potential
18 direction in terms of a 840 number being completely
19 compliant with COOL, it certainly has been offered as
20 a potential alternative in that regard. So the 840
21 numbering system, yes, will be remaining as official
22 numbering system option that has several other value
23 in terms of one numbering system for many uses.
24 The other thing in terms of the cost of the
25 tags, Gib, I can't tell you exactly what they are

1 going to cost, but I know we've seen some information
2 in the last two weeks actually in which the cost of
3 some of the automated data capture RFID tags are
4 coming down. So it's going to be more cost
5 competitive relative to that.

6 And, Terry, we don't have funding just yet.
7 But with input from groups such as this, perhaps we
8 continue to ask to replenish the warehouse so the
9 opportunity and to some extent luxury that Utah now
10 has in terms of accessing tags from the state office,
11 if you do choose to use the 840 number system, is
12 definitely a possibility.

13 Okay. So that covered some of the comments
14 and notes that I had initially taken, but I do have a
15 list of other questions, and with the assistance from
16 my colleague Dr. Wiemers and Dr. Myers and thought to
17 be Michael Dorr, but we'll stick with Dr. T.J. Myers.
18 The first question is the scope, as he mentioned in
19 his comments, the development of a secretary of
20 agriculture advisory committee on animal health, and
21 the inquiry here was relative to the scope and reach
22 of that new committee. So Dr. Myers, if you could
23 expand on that.

24 DR. TJ MYERS: Sure. The secretary's advisory
25 committee on animal health is exactly that, an

1 advisory committee. The way advisory committees
2 typically operate is we ask for nominations to that
3 committee and people apply and are pointed to the
4 committee. Appointments come at the secretarial
5 level. So we are looking for very broad and diverse
6 representation on that group. Once that group forms,
7 then the function of that group is to provide advice
8 to the secretary on any and all animal health issues
9 that the committee feels are important. We're asking
10 with this particular committee that they do form some
11 additional subcommittees, one of which would be
12 traceability.

13 So we are specifically looking to this
14 committee to provide advice on the traceability
15 program as it develops. But, again, that committee
16 is there to provide the advice that they feel is
17 important, so it is a self-driven committee. So I
18 think that's probably the best description of the
19 scope and effect. Whoever wrote that question, is
20 there something more that you want to know about that
21 committee or does that answer it?

22 DR. DAVID MORRIS: I guess I would add just
23 recently announcements will be made and have been
24 made in the Federal Register relative to --

25 DR. TJ MYERS: Right. For nominations, the call

1 for nominations was published in the Federal Register
2 and nominations are open through August 2nd. For
3 anyone that interested in being on a committee or
4 getting friends on the committee, however you want to
5 look at it, please put those nomination in.

6 TERRY MENLOVE: Can you on give us any idea of
7 maybe how much time and travel that might involve?
8 Do you know yet?

9 DR. TJ MYERS: It really depends on what the
10 committee decides they want to happen, but as far as
11 the typical structure for the committees, they
12 typically meet face-to-face once a year. So there
13 would be at least one trip, and then they meet
14 regularly throughout the year on phone conferences.
15 So if the committee decided they wanted to meet more
16 often than that, they could certainly do that, but
17 the typical committee would be meeting at least once
18 a year face to face.

19 DEBORAH MILLIS: Repeat the question, TJ.

20 DR. TJ MYERS: The length of the appointment,
21 typically a two-year appointment from what I've seen
22 in the past, but I don't know with this particular
23 announcement whether they would sit longer than that.

24 AUDIENCE MEMBER: I had a quick question about
25 is the travel cost paid by us? By the federal

1 government?

2 DR. TJ MYERS: Yes, it is.

3 DEBORAH MILLIS: Any other questions about the
4 secretary's advisory committee? All right. Dave.

5 DR. DAVID MORRIS: Yes. The next question is
6 regarding the current funding level of 14.3 million
7 for 2010 in terms of how the funding will be
8 allocated. I interpreted the question as to the
9 states and whether or not it is formula based. That
10 14.3 million does need to cover more than just state
11 cooperative agreement funding. That is, there's
12 federal support for information technology
13 infrastructure support and there's outreach support
14 and various other categories in the budget of that
15 \$14.3 million allocation.

16 Of the money that's going to cooperative
17 agreements, this year which was around \$5 million
18 possibly 6, I'd have to go back and check and clearly
19 I'm the guy responsible for cooperative agreements so
20 I should know off the tip of my tongue, but it's
21 between five and six. That funding is allocated
22 primarily in the very same allocation that
23 percentages that we provided to the states on the
24 basis of eastern region and western region. Through
25 the administration of those offices, they reserve a

1 portion of those funds proportionally to the states
2 on the basis of animal numbers, industry
3 infrastructure in those particular states, and we
4 reserve money for tribes as well.

5 But the states are based upon the NASS,
6 National Agriculture Statistic Service data on
7 livestock numbers and infrastructure resources within
8 those particular states. Now, in that regard, not
9 all states have made application for cooperative
10 agreement support, and in that effort, why, then
11 additional monies may be available for the regions to
12 provide to those states. The actual amounts provided
13 to the states are based upon the application plan
14 presented to the regional offices relative to their
15 use of those funds to advance animal disease
16 traceability.

17 The additional question was relative to a
18 20 percent cost share associated with that because
19 the Animal and Plant Health Inspection Service uses
20 the cooperative agreement as the funding instrument
21 in deference to a grant and because of the term
22 "cooperative" and "cooperative agreement" we ask the
23 states to provide matching fund relative to the level
24 of 20 percent. So in that regard we accept certainly
25 the contributions that states make for their state

1 animal health officials or personnel that may be
2 assigned to that particular aspect of animal disease
3 traceability. So the cost-matching effort is
4 oftentimes already in-kind type of alignment. So
5 there is a 20 percent cost matching, and that is how
6 those funds are provided to cooperative agreements to
7 the states, but, again, that's not the entire 14.3
8 allocation. Any questions on that funding a
9 approach?

10 Okay. The next question that is
11 appropriate in our understanding this new framework
12 and advancing animal disease traceability, the
13 question states "Is this going to be a bookend
14 system?" A bookend system means something very
15 similar to the sheep scrapie program. As you know,
16 the premises identification is the initial bookend
17 because in that disease transfer process knowing the
18 birth location is extremely important in the
19 epidemiological investigation of such a disease, and
20 the opposite end, that is, at harvest, or at the
21 slaughter facility, the capturing or retirement of
22 that number so we have origination and destination
23 that is referred to as the bookend system.

24 So the question is this going to be a
25 bookend system? Yes, that is the initial concept and

1 framework because of the clear value that, because of
2 the bookend system, the advantage over our current
3 concept is that if we identify an animal at harvest
4 where many of our disease surveillance programs
5 occur, that we are only able to do a trace back
6 because we do not have immediate information from
7 which to do a trace forward.

8 With a bookend system we have information
9 to go forward with. We have information to come back
10 with, so we can do a trace forward and a trace back.
11 So the bookend system does represent an advancement
12 in our current tracing capability which again is
13 largely a trace back effort, both in trying to
14 acquire or have historical data in place in databases
15 but also because of what many of us have coined shoe
16 leather epidemiology, we have to have many of our
17 state and federal health animal officials begin to
18 take the information that's provided, however meager,
19 and begin to make contact in the field and work their
20 way back to acquire the association and the location
21 with an ID at a point in time.

22 Next question follows, "If so, what about
23 the middle?" So if indeed we a bookend system and
24 filled it with the middle, then we have what is
25 referred to sometimes as a full traceability system.

1 If we look at the ag marketing service issues, we're
2 looking at a full traceability system is what the
3 providers are paying for in terms of those animals
4 from where they enter into that system to when they
5 are marketed.

6 So the opportunity here, what about the
7 middle? Well, I think the best answer right now is
8 we'll probably worry about that when we get there.
9 But certainly it's being discussed and we're laying
10 the foundation and the framework so that if indeed we
11 did need to move to that and the states or tribes
12 decided to move to that for whatever reasons, then
13 the same infrastructure we have now will be useful as
14 we move to a full traceability system.

15 Quite honestly moving to a full
16 traceability system requires the reporting of animal
17 movement activity. One of the distinct advantages
18 that brand programs have -- and there are 15 brand
19 inspection programs -- is that there are state laws,
20 no federal, but state laws on the books that define
21 when those reported animal movement activities occur.
22 One of the challenges to those brand inspection
23 programs, however, is the great variation in the
24 recordable animal movement activities. For instance,
25 in many states change of ownership triggers a brand

1 inspection. In the state of North Dakota that is not
2 the case. If indeed we look at, as mentioned about
3 Idaho being a state that requires the brand applied,
4 indeed that is case, but there's only one other
5 state, New Mexico, that requires a brand be applied.

6 So the issue you is as we reviewed the data
7 with brand inspection administrators, we recognize
8 barely 50 percent of the animals in brand inspection
9 states -- cattle, that is -- have been officially
10 affixed with a brand. So that the requirement is
11 that they be inspected prior to the movement.
12 Defining of those reportable movement activities
13 exist, but it is limited in the fact you don't have
14 to have an animal branded and still be compliant with
15 the law. So there's great amount of variations among
16 the states, but a full traceability system is
17 requiring reportable animal movement activity. Many
18 of the brand states already have those laws in place,
19 but of the 35 states that do not have brand laws,
20 they are looking to develop reportable animal
21 movement activity to complete what is referred to
22 here as a full traceability system.

23 In terms of the next question, "How are all
24 movements going to be recorded?" I probably covered
25 that here in terms of the requirements for animal

1 movement activity, and summarizing again, it's going
2 to be up to the states or tribes relative to that.

3 "What is the current status of COOL, and
4 how does the current framework apply to COOL?" The
5 country of origin labeling requirements are separate
6 and distinct from our animal disease traceability
7 requirements. So from the prospective of COOL being
8 engaged or integrated with animal disease
9 traceability, that is not the intent of our efforts
10 nor the intent of their efforts. That is an entirely
11 separate issue, and that, although as I illustrated
12 by example, the 840 may be useful in documenting
13 compliance with COOL, that is an entirely separate
14 regulation.

15 I'll take a deep breath and ask if there
16 are any questions over what we have spoken about here
17 and look here for the next question to identify.

18 Deb, do we have any other questions?

19 DEBORAH MILLIS: Any other questions?

20 BERT SMITH: One of the questions we'd like
21 answered here is this disposition of premise sign up,
22 and if you are signed up on premise, can you get off?

23 DR. DAVID MORRIS: The question is relative to
24 opt out. Is opt out the --

25 BERT SMITH: Opt out.

1 DR. DAVID MORRIS: Yes. That option is still
2 available and that can be initiated by yourself
3 through your state animal health officials, and opt
4 out is certainly an option for you if you so chose.
5 To give you a summary of current use of the premises
6 registration system, which will continue and is
7 continuing on a daily basis, we presently have very
8 close to 550,000 locations identified across the
9 country relatively to that. We've had five
10 challenges, and all five challenges legally have been
11 upheld in terms of the privacy issues associated with
12 the data in those databases, but if you do choose to
13 opt out, you still can, yes, sir.

14 BERT SMITH: Did I understand there's only been
15 five people opt out?

16 KATHY SMITH: Five challenges. So 550,000
17 locations, what percentage is that?

18 DR. DAVID MORRIS: Just under 40 percent
19 nationwide based upon NASS data from 2007.

20 AUDIENCE MEMBER: So you said you'll have the
21 opportunity still available to opt out? Is there
22 going to be a date when it's not available to opt
23 out, when it's not an option?

24 DR. DAVID MORRIS: I have not heard any
25 information relative to that. That will continue to

1 be an option. It is not a requirement to have to be
2 in there. That's based on the national level. What
3 happens at the state or tribal level is another
4 issue.

5 DR. JOHN WIEMERS: I want to chime in here. The
6 requests always comes to us from the state. The
7 producer requests to opt out through the animal
8 health official. If it's the state policy, they'll
9 allow them to opt out, and then we honor that request
10 and process that opt out request. To date, every
11 single request we've received has been processed.

12 KATHY SMITH: Dave, is there somewhere where we
13 can locate the report of those five challenges?

14 DR. DAVID MORRIS: Probably through our
15 legislative public affairs staff is where I would
16 start. If you want to send me that inquiry, Kathy,
17 I'd be happy to try and identify those.

18 KATHY SMITH: Just one other question at this
19 point, I noticed on the printed slides that there was
20 5/31 date for written statement or written comments
21 to be accepted. We've passed that obviously. So is
22 there a date when you'll cease to take written
23 comment?

24 DR. DAVID MORRIS: Dr. Myers is probably best to
25 answer that.

1 DR. TJ MYERS: Yeah. That 5/31 date we should
2 have pulled off. I pulled it off my set of slides.
3 Those slide are developed for last year's public
4 meetings we had back in May. With this new notice
5 that we put out for this meeting and the one that's
6 coming next week -- Mike, are you there? Was there a
7 date put in that Federal Register notice for written
8 comments?

9 UNIDENTIFIED INDIVIDUAL: No, I don't believe
10 so. We'll continue to accept written comments for
11 duration.

12 DR. TJ MYERS: In case you couldn't hear,
13 written comments are going to be accepted throughout
14 this entire period where we're building up to
15 publishing.

16 AUDIENCE MEMBER: I have a question. If you opt
17 out, how long will it be that there will come a
18 regulation that you can't market your cattle through
19 a federally inspected livestock market? I'm
20 concerned about what the penalty will be when you opt
21 out, and I'm sure that there could be.

22 DR. DAVID MORRIS: In terms of the requirement
23 to have animals processed through a federal inspected
24 plant, we have not made any conversations relative to
25 that effort right now. In terms of projecting what

1 would happen on down the road would be speculative
2 here on my part and probably would not be able to --
3 and would not be able to answer that question. If it
4 indeed required merely the acquisition of a location
5 identifier, however that would be compatible with
6 your state, would probably be easily done to comply
7 with the need to have traceability as a requirement
8 for processing a federally inspected plant. So I do
9 not know the exact answer to your question, but it
10 would seem there are options available to comply if
11 indeed that scenario created itself.

12 DEBORAH MILLIS: Are there any other questions
13 of your list of questions, Dave?

14 DR. DAVID MORRIS: Actually we do have quite a
15 few. So I'll read the first statement. I think this
16 is directed, however, to Bruce as well as Marty. "To
17 specify the traceability unit within which the
18 animals were officially identified by state, tribe or
19 where the animal was officially identified, in my
20 opinion it is necessary to build a working intrastate
21 traceability system by all states." That was one
22 comment I pass that on to you guys formally.

23 In terms of the next question, "Will there
24 be a penalty for noncompliance?" The issue and the
25 intent of rule making and regulations is for

1 interstate movement, the animals to be officially
2 identified and accompanied by the interstate
3 certificate of veterinary inspection or approved
4 substitute. The issue of penalty for noncompliance I
5 think is a question more indicated that if your
6 animal resides in that state or tribe and is not
7 officially identified, will there be a penalty? And
8 I am not aware of any of those, but that would be up
9 to the state or tribe relative to that. If the
10 animal would engage in interstate movement activity,
11 however, then there is probably no penalty for a
12 first violation, but again that's speculative on my
13 part, but the issue is the requirement to be complied
14 with is to have the animals officially identified.

15 In terms of whether or not -- the issue to
16 move animals interstate is certainly a voluntary
17 component. So in trying to define the mandatory
18 issue here, the mandatory component is only the
19 regulation for animals that move interstate. It's a
20 voluntary choice by producers to move those animals
21 interstate, and in so doing no different than
22 current, in terms of complying with the requirements
23 associated with moving those animals across the state
24 line.

25 Next question, "Should branding be

1 grandfathered in to the animal disease traceability
2 system?" I discussed some limitations associated
3 with it. The predominant one, however, is that we
4 have 35 states that do not currently have brand
5 inspection systems. So on the basis of that, we
6 appreciated the value branding brings to the table
7 regarding traceability, we recognize animal disease
8 traceability and subsequently associated aspect of
9 surveillance using those criteria have to be
10 considered here as well. And we have left it as an
11 option for states to accept brand information for
12 movement between states, but it needs to be up to the
13 states relative to that. Along with the answer, no,
14 we have not considered that branding should be
15 grandfathered into the animal disease traceability
16 system from that perspective as part of the rule
17 making.

18 DR. BRUCE KING: Dave, can I address the
19 question about intrastate movement of animals as far
20 as this traceability goes? You know, we're going
21 have to have, in my opinion, the capability -- if an
22 animal traces back to the state of Utah for one
23 reason or another, the capability of tracing that
24 back to a premises or to a ranch or whatever you want
25 to call it. I don't think we can just stop at the

1 state boarder and say we traced that animal far
2 enough. I certainly don't want to, as an animal
3 state official, to see other people that ranch or
4 farm or whatever aspect of agriculture they are
5 involved to be penalized due to a disease track back
6 and not have the ability to trace that back to the
7 ranch of origin. I don't think that would serve any
8 of you very well.

9 So we're going to have to have some way of
10 tracing intrastate at least on trace back. Now,
11 trace forward, I haven't given that a lot of thought
12 intrastate, if we're going to need to have the
13 ability to trace animals that leave the ranch and
14 stay within Utah. I haven't even, I guess to be
15 honest with you, thought about that.

16 DR. DAVID MORRIS: Okay. Two other quick facts
17 on the brand issue, the brand commissioner from the
18 state of Wyoming has informed me there are 300
19 duplicate brands in the state of Wyoming alone. I
20 also know in the state of Colorado there are four C
21 brands in the brand book. So in terms of uniqueness
22 within some states, there are some additional
23 challenges and supplemental reasons as to why we've
24 chosen to leave it up to the states relative to the
25 brand inspection issue and the use of brands for

1 traceability. Certainly it's a complement and Marty
2 said it well, it's useful when we have it, but those
3 are some of the complications that we've encountered.

4 Next question, what percentage audit can we
5 afford to do? The answer to that is we don't know at
6 this point within the regulations working group. We
7 have formed a subgroup to evaluate the concept here
8 of an audit or an evaluation system. In other words,
9 how many test cases, how many test exercises, how
10 many numbers would we ask the states or tribes to
11 provide to us in terms of the compliance with these
12 performance standards? So we are working on that
13 potential question and we don't have the answer just
14 yet.

15 Similarly the next question, "How will USDA
16 enforce interstate laws in regards to one tribal
17 nation to another tribal nation?" We have identified
18 individuals within the working group to take a look
19 at the tribal issues, this being one of those, and
20 that issue is being addressed, but it's not being
21 finalized, so I wouldn't be able to answer that one
22 directly.

23 "Is the USDA considering foreign markets
24 when establishing performance standards?" We're
25 certainly aware of those. We've -- in terms of our

1 foreign markets, I think our primary focus right now
2 is to establish what is a workable animal disease
3 traceability system within the U.S. We recognize its
4 implications on foreign markets, but our driver is to
5 improve and advance animal disease traceability as we
6 now know it domestically. So certainly not ignored
7 but our focus here for the initial and near term
8 anyway is get something that's workable for the
9 partnership of industry, states, and tribes, and
10 federal partners.

11 Next question, "Because this traceability
12 is, quote, up to the state, unquote, how will state
13 requirements between the 50 states be considered?
14 That is, if Colorado requires an official tag and
15 Utah only requires a brand, how do I as a producer
16 know what to ID with? Trips through a shoot equals
17 dollars lost." Certainly concerned with those issues
18 and uniformity and has been expressed in many
19 different venues the issue of 50 different states and
20 50 different systems. We are, I think, in those
21 discussions -- and maybe Dr. Zaluski and Dr. King can
22 address that here after my brief comments -- but
23 certainly standards and simplicity and uniformity are
24 important to us, and it is a concern by all the state
25 animal health officials as well as federally. We're

1 working through that with a working group, but Marty,
2 Bruce, do you have any additional comments?

3 DR. MARTIN ZALUSKI: This is Marty. I'm afraid
4 I'm going to have to speak in generalities. The
5 problem is we're trying to find a balance between
6 providing the right flexibility for the different
7 operational or management styles yet provide
8 uniformity that would provide some predictability and
9 economies of scale for producers tagging animals. I
10 guess what I would like to say that we're taking
11 feedback on how best to find that balance because on
12 one hand flexibility can actually be an enemy for
13 marketability because it provides too different of
14 playing field for different operations. Again,
15 finding that balance between uniformity and
16 flexibility is one of the big challenges as a
17 regulator that I have.

18 DR. TJ MYERS: I can say from the standpoint on
19 the federal side, wanting to create that level
20 playing field, there are some areas where the federal
21 will need to preempt individual states. Best example
22 of that is the forms of officially recognized ID. We
23 couldn't have a state saying, "Of those three or four
24 official IDs we're only recognize one. It has it be
25 to RF." We couldn't abide by that. So one area

1 where the federal rule would provide that level
2 playing field is to say all states must recognize
3 those forms of federally recognized official ID.

4 DR. BRUCE KING: I had a question asked me a bit
5 early by one of the producers here about are we going
6 to be able to incorporate brands into this trace
7 back, so to speak; and, you know, as you stop and
8 think about that, if they record the brands at
9 slaughter, that would make a pretty simple system for
10 us here in the state of Utah. In other words, we
11 could put a tag on all animals here with a simple 87
12 on it, which most people know that's Utah, then if
13 the brand was recorded at slaughter and that tag 87,
14 we could not only trace it back to Utah but we could
15 trace it back to the registered owner of that brand.
16 But brands aren't recorded at slaughter.

17 You know, if you're talking about a disease
18 that an animal got at a feed lot, that still had its
19 hide on it, then it can certainly be traced. But,
20 you know, if there were some way we could change what
21 they do -- didn't you tell me down in Mexico they
22 record brands at slaughter?

23 DR. DAVID MORRIS: Yes, that's what I was
24 informed.

25 DR. BRUCE KING: If we did something like that

1 at slaughter, we could sure incorporate brands into
2 the system, Tim.

3 AUDIENCE MEMBER: If you've got a cow that's got
4 five or six brands, which one are you going to
5 record?

6 DR. BRUCE KING: That's a good point.

7 DEBORAH MILLIS: Dave, did you have any other
8 questions?

9 DR. DAVID MORRIS: We have three pages, and I'm
10 going to go through them, I think.

11 DEBORAH MILLIS: Okay.

12 DR. DAVID MORRIS: "What happens if a state
13 legislature refuses to put the 20 percent in-kind
14 cost match associated with the cooperative
15 agreement?" Certainly it's up to the state as to
16 whether or not they wish to engage in the cooperative
17 agreement with federal government for support. If a
18 state legislature refuses to fund, the 20 percent
19 in-kind will be up to the state animal health
20 official submitting the application as to whether
21 they could somehow find a way to receive federal
22 support. But in terms of the current cooperative
23 agreement, unless we change those guidelines, the
24 state would be denied receipt of those funds.

25 "What kind of burden does this unfunded

1 cost put on the state veterinarian?" The federal
2 rule will be enforcing the movement of animals
3 interstate. In terms of coming from a state with
4 approved or consistent tracing capability, that rule
5 will still be in place. If the state does not
6 receive federal funding, the state will still be
7 responsible for complying with those performance
8 standards. If the loss of federal support
9 compromises their ability to do that, then that may
10 alter, based upon their performance, the compliance
11 with tracing capability. So what kind of burden does
12 the unfunded cost put on the state veterinarian? I
13 probably wouldn't know what kind, but I could say
14 additional, is all I could probably leave it with.
15 If you have further questions on that, based upon
16 current state budget, why we have at least two
17 experts here to help respond to that question.

18 The next one was "Realizing federal law
19 supersedes state law, how does this affect the
20 enactment of mandatory traceability?" The current
21 rule making is for those people that voluntary choose
22 to market or move their animals across state lines.
23 In terms of compliance with the requirements for
24 destination are the issues they would need to
25 address, no different than we currently have, and

1 Dr. Myers did speak to some preemption associated
2 with it. But the enactment of mandatory
3 traceability, we are not referring to this present
4 system as a mandatory system. But if you do move
5 animals interstate, these are the additional
6 requirements that would be in place to facilitate
7 tracing capability.

8 And, lastly, hear on this page "Is the cost
9 passed down to producers?" We did do a benefit-cost
10 analysis with Kansas State University's leadership.
11 That was based primarily on the RFID technology
12 rather than the lower cost technologies that we now
13 have. So I really don't have any pure cost estimates
14 that would be there, and, again, as it varies
15 relative to the choice of technology and how one
16 would implement and associate partial costs with the
17 values in management for that operation makes that a
18 very difficult question to answer.

19 "Who will regulate and enforce compliance?"
20 We're still working on that, and we do have systems
21 in place to deal with that, but in terms of advancing
22 it or accelerating or expanding it, those are being
23 discussed at both the state as well as federal
24 levels.

25 "USDA thinking and voicing that there are

1 market incentives for trace back are a fallacy.
2 Packers don't care" was a statement here relative to
3 that. The next and last issue is "My concern is that
4 this is the same as NAIS only in a more infantile
5 stage. What guarantee can you give us that this
6 system will not expand to become essentially the same
7 as NAIS which was, is strongly opposed by a majority
8 of producers?"

9 Well, I'm certainly not in a position to
10 offer any guarantees one way or the other. I think I
11 would respond here by noting that traceability,
12 whether it's on your own farm or ranch or whether or
13 not it's associated with any previous attempts at
14 advancing animal disease traceability in the current
15 new framework, is very fundamentally, very
16 simplistically: We are associating some location
17 identifier with a unique animal identifier at a point
18 in time. That is traceability.

19 If we look at the FedEx package system,
20 when you deliver that package for subsequent delivery
21 to the FedEx office, they assign a unique number to
22 it. You have a location identifier at any of the
23 warehouses. And if your experience has been like
24 mine, you've been impressed they can even tell you
25 when they were put on the delivery truck and when it

1 was precisely delivered to that location. So in
2 essence we expect that of your UPS delivery trucks.
3 We expect that of DHL. We expect that of FedEx. But
4 again it's traceability in terms of associating a
5 location or warehouse in this case with a package ID
6 at a point in time.

7 In terms of advancing animal disease
8 traceability again, whether it's management purposes
9 of knowing which cattle are in which pasture at what
10 point in time for your own producer records or
11 whether it's for animal disease purposes or marketing
12 purposes, those fundamental things will be there.

13 In terms of our approach to implementing
14 those access to information are different. We've
15 certainly given more flexibility in this approach to
16 our state and tribes to implement strategies that are
17 best useful in those state or tribe areas. And so we
18 feel that the current framework is a different
19 approach than NAIS, but at the end of the day for
20 tracing capability purposes, we are dealing with
21 locations. We are dealing with animal IDs. We are
22 dealing with points in time.

23 Dr. Myers, would you have any other
24 additional comment?

25 DR. TJ MYERS: Yeah, I do. I do want to

1 directly address that question about whether or not
2 this is scaled down form of previous NAIS system. We
3 went through a lot last year from the standpoint of
4 public meetings we held and all the input we received
5 because there was a lot of concern and a lot of
6 challenges that previous system held and were
7 identified for us. I think the new framework we've
8 identified addresses those to the greatest extent
9 possible that we could identified or address those
10 issues.

11 What we heard loud and clear during those
12 listening sessions was that producers want to see the
13 role of federal government minimized and the role of
14 state and local authority be increased. This
15 framework does that. It puts the state and tribal
16 governments in the position of developing
17 traceability systems that work for them. And we have
18 limited our role to regulating interstate movement.

19 As Dave as mentioned, the decision to move
20 animals interstate is a business decision. If you
21 plan to move animals interstate, then we need to have
22 some ability to be able to trace those animals from
23 an animal disease control and prevention standpoint.
24 So it is, I think, a system that does address the
25 concerns that we heard last year with regard to the

1 National Animal Identification System. So I'm hoping
2 the system that we've identified or we're putting in
3 place will be one that is useful and helpful and
4 beneficial to folks that are marketing animals
5 because I think what we heard last year as well is
6 that we do need some form of traceability in order to
7 assist with disease control and disease prevention.
8 So I think it is very different from what we had
9 previously.

10 KATHY SMITH: So, Dr. Myers, will you clarify
11 for me, at the point the commerce becomes interstate,
12 then at that point is it a mandatory participation?

13 DR. TJ MYERS: What the regulation would
14 accomplish is to say that animals moving interstate
15 must be identified.

16 KATHY SMITH: So it's a mandatory program.

17 DR. TJ MYERS: It's a mandatory program from the
18 standpoint of moving animals interstate. I think
19 where that differs from NAIS is that the earlier
20 concept was focused more on identifying animals and
21 identifying premises. And we heard a lot of concerns
22 and complaints and comments about folks who grow and
23 market animals locally in state that did not want to
24 be included in this system. So it does not apply to
25 animals that are born, raised, slaughtered, marketed

1 within a given state. So it is not a mandatory
2 system from the stand point of those animals needing
3 to be identified. Now, how a state develops a
4 traceability system within their state becomes their
5 purview under this framework. So our mandate is that
6 animals moving interstate must be identified. So
7 from that standpoint it is mandatory.

8 KATHY SMITH: Yes, it's a simple yes. Okay. At
9 that point. So then it becomes the NAIS system with
10 premises ID, the specific animal identification --

11 DR. TJ MYERS: No.

12 KATHY SMITH: -- and the point in time --

13 DR. TJ MYERS: No.

14 KATHY SMITH: -- according what Dave said
15 earlier. That's the system, those three components.

16 DR. TJ MYERS: Those three components, that's
17 the old system. What we're saying is that that
18 animal must be identified using an officially
19 recognized ID system. How the state uses that
20 official identification system to have a traceability
21 system within their state is up to them. So if the
22 state decides that my traceability unit is going to
23 be entire state and all -- that my producers within
24 my state will support is a system whereby it traces
25 back to the state of western North Carolina -- let's

1 make an imaginary state. So in that case, that state
2 is still compliant with the system. That state is
3 not requiring premises ID. It's not requiring
4 anything beyond being able to trace back to that
5 state.

6 DR. DAVID MORRIS: Excuse me. Premises ID as in
7 federal. If they want to have their own state
8 system, that's clearly up to them. So in terms when
9 you use premises ID, I think Dr. Myers and I are
10 interpreting that as the federal ID. If they want to
11 choose their own system or keep the data at their own
12 state level and not forward it to the federal system,
13 there's several options on the table. In some ways
14 even if they just use an address as an location
15 identifier, they have to have that fundamental
16 principle.

17 So, Kathy, if I misspoke in terms of
18 conveying only a prem ID for a location identifier,
19 that is a distinction.

20 Sorry, Dr. Myers.

21 DR. JOHN WIEMERS: Certainly those three things
22 as Dr. Morris pointed out -- the ability to have an
23 animal identified to a location in time -- are the
24 three tools of epidemiology, not necessarily -- it's
25 a point of what we need to do to trace disease day in

1 and day out. As far as the national standards, they
2 are flexible enough to allow different methods of
3 animal ID, different methods of identifying
4 locations, but still the idea that we need to trace
5 animals for disease.

6 DR. TJ MYERS: John, if a state chooses that
7 their location is the state rather than a premises --

8 DR. JOHN WIEMERS: Right.

9 DR. TJ MYERS: They can do that.

10 DR. JOHN WIEMERS: That's true. If they want to
11 trace it back to the state and that's the location
12 the animals are in, that's their decision.

13 DR. TJ MYERS: Or they could choose county or
14 premises. It's entirely up to them.

15 DR. JOHN WIEMERS: Exactly. And they if they
16 want to continue to use the existing system, that's
17 fine, or their own system. It's up to the state and
18 the industry to determine, like you said earlier,
19 what best meets the needs of the industry within that
20 state.

21 DR. DAVID MORRIS: Location meaning the
22 traceability unit.

23 BERT SMITH: My question is once this has been
24 gone through the system and the final rules and
25 regulations have been adopted, will we have the

1 opportunity to review those and comment on them at
2 public meetings?

3 DR. TJ MYERS: Yes, as I mentioned in my
4 presentation -- I'll run through that time line
5 again -- we'll be holding additional public meetings
6 probably in August. The rule concepts will be a
7 little more defined at that point, and then whenever
8 we publish the rule, the proposed rule, next winter,
9 there's a 90-day comment period to receive comments
10 on proposed rule. And then we would hope that we
11 could finalize the final regulations within eight to
12 ten months after receiving those comments. So
13 there's multiple opportunities for comments.

14 BERT SMITH: But you won't have a public
15 meeting. It will have to be written comments on
16 these, but you're not going to have -- around the
17 country to allow the public to comment on your rules
18 and regulations. It has to be written comments by --

19 DR. TJ MYERS: Typically once a proposed rule is
20 published, it's a written comment period, that 90-day
21 comment period.

22 BERT SMITH: One of my questions along these
23 lines is that how about alternative tagging? You
24 know, you're going to put it all on just one kind of
25 a tag, one size fits all, we might have an

1 alternative. It's been suggested that we use TB and
2 brucellosis type tag as an alternative tag. If that
3 complied with identification, would that be an
4 alternative?

5 DR. DAVID MORRIS: Yes, sir. That is an
6 alternative. That has been in the past and will
7 continue to an alternative to use of the bright metal
8 tag or the orange brucellosis vaccination tag. We
9 refer to that as national uniform ear tagging system,
10 but it has the state code associated with it. It's a
11 nine alphanumeric character format. Certainly
12 acceptable. We'd be happy to have a high percentage
13 of cattle have those in place.

14 AUDIENCE MEMBER: Your stock just went up.

15 DR. DAVID MORRIS: Thank you very much.

16 BERT SMITH: This one we have a real bone to
17 pick. We're importing a lot of this meat without
18 proper inspection for a lot of diseases, and a lot of
19 cattle are coming in with ticks and different
20 parasites without proper inspection especially the
21 meat and bone that's coming in here. We know that
22 the best way to import BSE is in the bone. That's
23 where the poison pions are in the bone. That's what
24 they call them, pions. And we're importing some of
25 the bone and we're not making proper inspection, and

1 we can't burn the barn down to heal our grass when
2 the grass is coming in from the outside. We need
3 that tightened up, and I think long before we get
4 anyplace, we're going have to tighten up these
5 borders. Our borders are loose.

6 DR. TJ MYERS: We do have requirements, and if
7 you're talking particularly about Mexico, we do have
8 requirements in place for TD, brucellosis for various
9 diseases, and we are evaluating and looking at ways
10 that we can improve that. We are working closely
11 with Mexico and holding them to the standards that we
12 have in place. I won't say that the system is
13 perfect, but we are working to improve it, but we do
14 have those requirements in place, and we do hold them
15 to them.

16 BERT SMITH: We have proof they are not as tight
17 as the ones that are put on us.

18 DR. TJ MYERS: And, again, we are looking at
19 that. There is a recognition that we need to do a
20 better job there. So we are working on that.

21 DEBORAH MILLIS: Did you have any more questions
22 on your list?

23 DR. DAVID MORRIS: I don't know, but there's one
24 right behind you.

25 AUDIENCE MEMBER: These cattle coming out of

1 Mexico, are they -- are those cattle coming out of
2 Mexico, are they dipped or sprayed for these pests,
3 because they have a lot of insects and parasites that
4 they can bring into these borders into this country?

5 DR. TJ MYERS: They are required to be dipped
6 and they are required to have a dip certificate
7 demonstrating that they have been treated, so that is
8 the requirement.

9 DEBORAH MILLIS: Dave, any more questions on
10 your list?

11 DR. JOHN WIEMERS: Plus at the border they are
12 scratched and visually inspected for parasites as
13 well.

14 DR. DAVID MORRIS: I don't. I am done, Deb. If
15 there are any other, I turn it over to you.

16 DEBORAH MILLIS: Well, TJ, I'm going to turn it
17 over to you for your final summation or thank you.

18 DR. TJ MYERS: I'm not a lawyer, so I won't do a
19 summation. What I will do though is thank you for
20 your attendance today. We do recognize that this
21 takes time out of your work and your business, but we
22 do appreciate your coming here and providing your
23 comments and your thoughts. This is very, very
24 helpful to us as we formulate this new regulation.
25 So, again, thank you, and we ask you to continue to

1 collaborate with us and be our partner in this.
2 Everything that we do is designed to assist and help
3 and support the animal production industries, not to
4 hinder it. So, again, watch for those opportunities,
5 take a look at our website, submit written comments,
6 call us on the phone. But we do need to continue to
7 hear from you as this develops and we will certainly
8 be providing more information as time goes on so that
9 you can see the rule as it develops so that we can
10 get your input on that continuously. Again, thank
11 you all very much.

12 DR. DECAROLIS: I just wanted to thank, TJ, and
13 everybody who came here from Washington D.C. and put
14 this on. I think it was outstanding effort on
15 everybody's part, very well organized, very
16 impressive. This show that you have that you go
17 around the country, I would recommend other states
18 doing it. We didn't have a huge turnout but we had a
19 significant turnout of important people, leaders in
20 the industry, representative of Farm Bureau,
21 Cattlemen's. So even though there's not a large
22 number, the people here were significant people,
23 players in the state and will be able to take that
24 information back to the producers. So I want to, on
25 my part, thank you guys for something. Appreciate

1 it.

2 DR. TJ MYERS: Thanks, Bob. Since Bob jumped
3 up, it made me think one other thing I can ad. I
4 hope what you saw through our discussions today -- I
5 hope you saw how critical it is for each state to sit
6 down and have those conversations with their state
7 animal health officials, their tribal representatives
8 and producers to develop that state traceability
9 system.

10 So I want to encourage everyone here to
11 take that message home, to really engage your state
12 officials in looking at what is the type of
13 traceability system that would work for you for your
14 state given the unique nature of an animal health
15 industry in each given state. So, again, I encourage
16 you to have those local conversations. And with
17 that, I think we'll adjourn. Thank you again.

18 (Whereupon the taking of this meeting was
19 concluded at 1:12 p.m.)

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C E R T I F I C A T E

STATE OF UTAH)
)
COUNTY OF SALT LAKE)

THIS IS TO CERTIFY that the foregoing meeting was taken before me, Letitia L. Meredith, Registered Professional Reporter for the State of Utah and Certified Shorthand Reporter for the State of California.

That the meeting was reported by me in Stenotype, and thereafter transcribed by computer under my supervision, and that a full, true, and correct transcription is set forth in the foregoing pages.

I further certify that I am not of kin or otherwise associated with any of the parties to said cause of action and that I am not interested in the event thereof.

WITNESS MY HAND and official seal at Spanish Fork, Utah, this ___ day of _____, 2010.

Letitia L. Meredith, RPR