

Livestock Brand Inspection

ISSUE: In 2019, SDFB supported a fee increase to the brand program. A condition of this increase was to improve the program to better meet the needs of the livestock industry. There have been publicly expressed concerns about how well the brand inspection program and the brand board serve the needs of the livestock industry. Concerns include the amount of time required to get a livestock brand registered with the state board, holds, and brand inspector accountability and access.

OVERVIEW:

The hot-iron brand inspection program for cattle, horses, mules, sheep, or buffalo is the responsibility of the State Brand Board, a five-member board appointed by the Governor. Livestock in the 22 counties west of the Missouri River must be inspected for hot-iron brands before they leave the West River area or when they are sold. There is no requirement for livestock owners to brand their livestock. Although no inspection is required, owners in eastern South Dakota may also brand their livestock with a registered brand. Another important aspect of the program is a hold. A hold is placed on livestock sale proceeds if proof of ownership has not been established by the shipper of the livestock or the livestock was an estray.

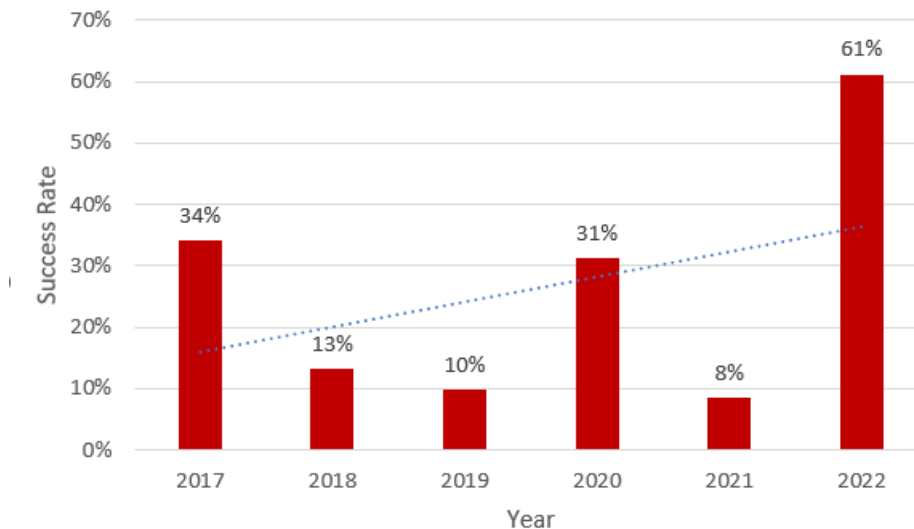


Law enforcement and inspection are key to the brand board's operation. Legislation was passed in 2020 which gave the Brand Board authority to hire certified law enforcement officers for the enforcement of brand ownership inspection laws. Prior to 2020, livestock investigators were under the authority of the Attorney General's Office and supervised by the Division of Criminal Investigation (DCI). The expenses for the brand enforcement/livestock investigators are paid out of the Brand Fund with main source of revenue coming from brand renewals. To help run the Livestock Ownership Inspection and Theft Prevention Fund, which covers the expenses of inspection, a fee for up to \$1 per head of livestock is provided in law.

During the 2023 Legislative Session, the Stockgrowers Association promoted HB 1201, an act to elect the State Brand Board. South Dakota Farm Bureau opposed HB 1201 because an election of the brand board politicized its role and did not resolve the proposed issues: Brand registrations taking more than six months, holds taking too long, and brand inspector accountability and access. SDFB was concerned if HB 1201 passed and the Brand Board was elected, the Stockgrowers Association would influence the newly elected Brand Board and gain access to the brand inspection contract. The Stockgrowers Association used to hold contract to the brand inspection program; however, the contract was terminated due to the association spending profits from the brand inspection program to further their political agenda. Since July 1, 2008, the Brand Board has administered the program and has not relied on outside associations for its implementation.

CONSIDERATIONS:

1. SDFB opposed House Bill 1201 during the 2023 legislative session.
2. In the past six years, the brand program has had a 26.16% success rate in recovering missing/stolen livestock.



3. There are two funds that help regulate the brand board and brand inspection program. The Brand Board operates the inspection program on a fee of \$1.00/head plus mileage. Fees collected from the brand inspection program are used to operate the brand inspection program only. The Brand Board is responsible for brand registrations, transfers, brand renewals, shipper permits, grazing permits, and trailing permits. The Brand Board's revenue is derived from new brand registrations, brand transfers, brand application fees, and brand renewal fees.
4. SDFB has longstanding policy in support of the brand inspection program.

SDFB POLICY:

SDFB supports the brand inspection program in West River South Dakota and supports administration by the S.D. brand board.

SDFB supports all brand inspection fees be used solely for and by the S.D. brand board for the brand inspection program.

SDFB supports livestock owner's ability to obtain a shipper's permit for taking livestock out of the ownership inspection area as they are transporting to a ranch or private individual outside the brand inspection area. The livestock will be inspected at the closest approved in-state open market at the time of the move.

SDFB opposes any effort to legalize freeze brands for ownership identification.

DISCUSSION/QUESTIONS:

1. Are inspections for hot-iron brands, in the western half of the state only, still a valuable tool for the livestock industry?
2. Is a mandatory hot-iron brand inspection system needed?
3. If an inspection program is needed, what is the most efficient and effective method of running an inspection?
4. Are there tools that can improve the process of brand registration and brand inspection?
5. Does Farm Bureau continue to oppose efforts to elect the Brand Board?