_____ BILL NO. _____

INTRODUCED BY _____

BY REQUEST OF THE DEPARTMENT OF LIVESTOCK

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING LAWS RELATED TO LIVESTOCK LOSS; ADDING EAGLES AS A PREDATOR THE LIVESTOCK LOSS BOARD WILL MANAGE FOR LIVESTOCK PREDATION AND REIMBURSEMENT TO LIVESTOCK PRODUCERS; ALLOWING THE LIVESTOCK LOSS BOARD TO ENTER INTO AGREEMENTS WITH TRIBES FOR MANAGEMENT OF EAGLE PREDATION OF LIVESTOCK; ADDING MOUNTAIN LIONS, BLACK BEARS, AND EAGLES TO THE LIVESTOCK LOSS REDUCTION RESTRICTED ACCOUNT; AND AMENDING SECTIONS 2-15-3110, 2-15-3111, 2-15-3112, 2-15-3113, 81-1-110, AND 81-1-113, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 2-15-3110, MCA, is amended to read:

"**2-15-3110. Livestock loss board -- purpose, membership, and qualifications.** (1) There is a livestock loss board. The purpose of the board is to administer the programs called for in the Montana gray wolf conservation and management plan, the Montana mountain lion management plan, the Montana black bear management plan, ~~and~~ the Montana grizzly bear management plan, and the Montana golden eagle and bald eagle management plan and established in 2-15-3111 through 2-15-3113, with funds provided through the accounts established in 81-1-110, in order to minimize losses caused by wolves, mountain lions, black bears, ~~and~~ grizzly bears, and eagles to livestock producers and to reimburse livestock producers for livestock losses from wolf, mountain lion, black bear, ~~and~~ grizzly bear, and eagle predation.

(2) The board consists of five members, appointed by the governor, as follows:

(a) three members who are actively involved in the livestock industry and who have knowledge and experience with regard to wildlife impacts or management; and

(b) two members of the general public who are or have been actively involved in wildlife conservation or wildlife management and who have knowledge and experience with regard to livestock

production or management.

(3) The board is designated as a quasi-judicial board for the purposes of 2-15-124.

(4) The board is allocated to the department of livestock for administrative purposes only as provided in 2-15-121.

(5) The board shall adopt rules to implement the provisions of 2-15-3110 through 2-15-3114 and 81-1-110 through 81-1-113.

(6) The board shall prioritize grants for prevention of wolf and grizzly bear predation over those for mountain lion, ~~or~~ black bear, or eagle predation."

Section 2. Section 2-15-3111, MCA, is amended to read:

"**2-15-3111. Livestock loss reduction program.** The livestock loss board shall establish and administer a program to cost-share with individuals or incorporated entities in implementing measures to prevent wolf, mountain lion, black bear, ~~and~~ grizzly bear, and eagle predation on livestock, including:

(1) eligibility requirements for program participation;

(2) application procedures for program participation and procedures for awarding grants for wolf, mountain lion, black bear, ~~and~~ grizzly bear, and eagle predation prevention measures, subject to grant priorities and the availability of funds;

(3) criteria for the selection of projects and program participants, which may include establishment of grant priorities based on factors such as chronic depredation, multiple depredation incidents, single depredation incidents, and potential high-risk geographical or habitat location;

(4) grant guidelines for prevention measures on public and private lands, including:

(a) grant terms that clearly set out the obligations of the livestock producer and that provide for a term of up to 12 months subject to renewal based on availability of funds, satisfaction of program requirements, and prioritization of the project;

(b) cost-share for prevention measures, which may be a combination of grant and livestock producer responsibility, payable in cash or in appropriate services, such as labor to install or implement preventive measures, unless the board adjusts the cost-share because of extenuating circumstances related to chronic or multiple depredation; and

(c) proactive preventive measures and other preventive measures as information on new or different successful prevention measures becomes available; and

(5) reporting requirements for program participants to assist in determining the effectiveness of loss reduction relative to each grant."

Section 3. Section 2-15-3112, MCA, is amended to read:

"**2-15-3112. Livestock loss mitigation program -- definitions.** The livestock loss board shall establish and administer a program to reimburse livestock producers for livestock losses caused by wolves, mountain lions, black bears, ~~and~~ grizzly bears, and eagles subject to the following provisions:

(1) The board shall establish eligibility requirements for reimbursement, which must provide that all Montana livestock producers are eligible for coverage for losses by wolves, mountain lions, black bears, ~~and~~ grizzly bears, and eagles to cattle, domestic bison, swine, horses, mules, sheep, goats, llamas, and livestock guard dogs on state, federal, tribal, and private land.

(2) (a) Except as provided in subsection (2)(b), the board may reimburse confirmed and probable livestock losses at an amount not to exceed the fair market value of the livestock.

(b) The board may reimburse confirmed and probable livestock losses by paying a multiplier of the fair market value of the livestock based on a board-determined region.

(c) Before the board may issue a reimbursement for losses to a livestock producer eligible for coverage for losses, the department of revenue shall certify that the livestock producer has paid per capita fees as required by 15-24-921. Except for a tribal member or tribal entity participating in an authorized agreement pursuant to 2-15-3113, a livestock producer may not receive a reimbursement for losses until the producer has paid any delinquent per capita fees.

(3) Other losses may be reimbursed at rates determined by the board.

(4) A claim process must be established to be used when a livestock producer suffers a livestock loss for which wolves, mountain lions, black bears, ~~or~~ grizzly bears, or eagles may be responsible. The claim process must set out a clear and concise method for documenting and processing claims for reimbursement for livestock losses.

(5) Names, addresses, and other personally identifiable information of claimants must remain

confidential and may not be released.

(6) (a) A process must be established to allow livestock producers to appeal reimbursement decisions. A producer may appeal a staff adjuster's decision by notifying the staff adjuster and the board in writing, stating the reasons for the appeal and providing documentation supporting the appeal. If the documentation is incomplete, the board or a producer may consult with the U.S. department of agriculture wildlife services to complete the documentation.

(b) The board may not accept any appeal on the question of whether the loss was or was not a confirmed or probable loss because that final determination lies solely with the U.S. department of agriculture wildlife services and may not be changed by the board.

(c) The board shall hold a hearing on an appeal within 90 days of receipt of the written appeal, allowing the staff adjuster and the producer to present their positions. A decision must be rendered by the board within 30 days after the hearing. The producer must be notified in writing of the board's decision.

(7) As used in this section, the following definitions apply:

(a) "Confirmed" means reasonable physical evidence that livestock was actually attacked or killed by a wolf, mountain lion, black bear, ~~or~~ grizzly bear, or eagle, including but not limited to the presence of bite marks indicative of the spacing of tooth punctures of wolves, mountain lions, black ~~bear~~ bears, ~~or~~ grizzly bears, or eagles and associated subcutaneous hemorrhaging and tissue damage indicating that the attack occurred while the animal was alive, feeding patterns on the carcass, fresh tracks, scat, hair rubbed off on fences or brush, eyewitness accounts, or other physical evidence that allows a reasonable inference of wolf, mountain lion, black bear, ~~or~~ grizzly bear, or eagle predation on an animal that has been largely consumed.

(b) "Fair market value" means:

(i) for commercial sheep more than 1 year old, the average price of sheep of similar age and sex paid at the most recent Billings livestock sale ring or other ring as determined by the board;

(ii) for commercial lambs, the average market weaning value;

(iii) for registered sheep, twice the average value of commercial sheep of the same age and sex;

(iv) for commercial cattle more than 1 year old, the average price of cattle of similar age and sex paid at the most recent Billings livestock sale ring or other ring as determined by the board;

(v) for commercial calves, the average market weaning value;

(vi) for registered cattle, twice the average value of commercial cattle of the same age and sex;

(vii) for other registered livestock, twice the average value of commercial-grade animals of the same breed, age, and sex; or

(viii) for domestic bison and other livestock, the average price paid at the most recent public auction for the type of animal lost or the replacement price as determined by the board.

(c) "Probable" means the presence of some evidence to suggest possible predation but a lack of sufficient evidence to clearly confirm predation by a particular species. A kill may be classified as probable depending on factors including but not limited to recent confirmed predation by the suspected depredating species in the same or a nearby area, recent observation of the livestock by the owner or the owner's employees, and telemetry monitoring data, sightings, howling, or fresh tracks suggesting that the suspected depredating species may have been in the area when the depredation occurred."

Section 4. Section 2-15-3113, MCA, is amended to read:

"**2-15-3113. Additional powers and duties of livestock loss board.** (1) The livestock loss board shall:

(a) process claims;

(b) seek information necessary to ensure that claim documentation is complete;

(c) provide payments authorized by the board for confirmed and probable livestock losses, along with a written explanation of payment;

(d) submit monthly and annual reports to the board of livestock summarizing claims and expenditures and the results of action taken on claims and maintain files of all claims received, including supporting documentation;

(e) provide information to the board of livestock regarding appealed claims and implement any decision by the board;

(f) prepare the annual budget for the board; and

(g) provide proper documentation of staff time and expenditures.

(2) The livestock loss board may enter into an agreement with any Montana tribe, if the tribe has adopted a wolf, mountain lion, black bear, ~~or~~ grizzly bear, or eagle management plan for reservation lands that

is consistent with the state wolf, mountain lion, black bear, ~~or~~ grizzly bear, or eagle management plan, to provide that tribal lands within reservation boundaries are eligible for livestock loss reduction program grants pursuant to 2-15-3111.

(3) The livestock loss board shall:

(a) coordinate and share information with state, federal, and tribal officials, livestock producers, nongovernmental organizations, and the general public in an effort to reduce livestock losses caused by wolves, mountain lions, black bears, ~~and~~ grizzly bears, and eagles;

(b) establish an annual budget for the prevention, mitigation, and reimbursement of livestock losses caused by wolves, mountain lions, black bears, ~~and~~ grizzly bears, and eagles;

(c) perform or contract for the performance of periodic program audits and reviews of program expenditures, including payments to individuals, incorporated entities, and producers who receive loss reduction grants and reimbursement payments;

(d) adjudicate appeals of claims;

(e) investigate alternative or enhanced funding sources, including possible agreements with public entities and private wildlife or livestock organizations that have active livestock loss reimbursement programs in place;

(f) meet as necessary to conduct business; and

(g) report annually to the governor, the legislature in accordance with 5-11-210, members of the Montana congressional delegation, the board of livestock, the fish and wildlife commission, and the public regarding results of the programs established in 2-15-3111 through 2-15-3113.

(4) The livestock loss board may sell or auction any carcasses or parts of carcasses from wolves, mountain lions, or black bears received pursuant to 87-1-217. The proceeds, minus the costs of the sale including the preparation of the carcass or part of the carcass for sale, must be deposited into the livestock loss reduction and mitigation special revenue account established in 81-1-110 and used for the purposes of 2-15-3111 through 2-15-3114."

Section 5. Section 81-1-110, MCA, is amended to read:

"**81-1-110. Livestock loss reduction and mitigation accounts.** (1) There are livestock loss

reduction and mitigation special revenue accounts administered by the department within the state special revenue fund and the federal special revenue fund established in 17-2-102.

(2) (a) All state proceeds allocated or budgeted for the purposes of 2-15-3110 through 2-15-3114, 81-1-110, and 81-1-111, except those transferred to the account provided for in 81-1-112 or 81-1-113 or appropriated to the department of livestock, must be deposited in the state special revenue account provided for in subsection (1) of this section.

(b) Money received by the state in the form of gifts, grants, reimbursements, or allocations from any source intended to be used for the purposes of 2-15-3111 through 2-15-3113 must be deposited in the appropriate account provided for in subsection (1) of this section.

(c) All federal funds awarded to the state for compensation for wolf, mountain lion, black bear, ~~or~~ grizzly bear, or eagle depredations on livestock must be deposited in the federal special revenue account provided for in subsection (1) for the purposes of 2-15-3112.

(3) The livestock loss board may spend funds in the accounts only to carry out the provisions of 2-15-3111 through 2-15-3113."

Section 6. Section 81-1-113, MCA, is amended to read:

"**81-1-113. (Temporary) Livestock loss reduction restricted account.** (1) There is an account in the state special revenue fund established by 17-2-102 to be known as the livestock loss reduction restricted special revenue account. The account is administered by the department.

(2) Except as provided in subsection (6), the money transferred to the account is restricted to the purposes of reducing predation on livestock by wolves, mountain lions, black bears, ~~and~~ grizzly bears, and eagles and reducing expenses incurred by livestock owners, including but not limited to veterinary bills, caused by wolves, mountain lions, black bears, ~~and~~ grizzly bears, and eagles.

(3) Money received by the state in the form of gifts, grants, reimbursements, or allocations from any source intended to be used for either or both of the purposes of subsection (2) must be deposited in the account provided for in subsection (1).

(4) Money in the account is statutorily appropriated, as provided in 17-7-502, to the department for carrying out the purposes of this section.

(5) Except as provided in subsection (6), to reduce predation of livestock, the livestock loss board:

(a) shall use at least half of the money transferred into the account pursuant to subsection (2) on nonlethal, preventative measures; and

(b) may use half of the money transferred into the account pursuant to subsection (2) to contract with the United States department of agriculture wildlife services.

(6) Up to 10% of the money in the account may be used for administrative expenses. (Terminates June 30, 2029--sec. 3, Ch. 20, L. 2023.)

81-1-113. (Effective July 1, 2029) Livestock loss reduction restricted account. (1) There is an account in the state special revenue fund established by 17-2-102 to be known as the livestock loss reduction restricted special revenue account. The account is administered by the department.

(2) Except as provided in subsection (5), the money transferred to the account is restricted to the purposes of reducing predation on livestock by wolves, mountain lions, black bears, ~~and~~ grizzly bears, and eagles and reducing expenses incurred by livestock owners, including but not limited to veterinary bills, caused by wolves, mountain lions, black bears, ~~and~~ grizzly bears, and eagles.

(3) Money received by the state in the form of gifts, grants, reimbursements, or allocations from any source intended to be used for either or both of the purposes of subsection (2) must be deposited in the account provided for in subsection (1).

(4) Except as provided in subsection (5), to reduce predation of livestock, the livestock loss board:

(a) shall use at least half of the money transferred into the account pursuant to subsection (2) on nonlethal, preventative measures; and

(b) may use half of the money transferred into the account pursuant to subsection (2) to contract with the United States department of agriculture wildlife services.

(5) Up to 10% of the money in the account may be used for administrative expenses."

NEW SECTION. **Section 7. Notification to tribal governments.** The secretary of state shall send a copy of [this act] to each federally recognized tribal government in Montana.

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