Economic Analysis: MDOL’s DSA Worth Millions to Cattle Producers, State

An Economic Impact Statement on the Montana Department of Livestock’s Designated Surveillance Area shows an annual economic benefit of $5.5 to $11.5 million to livestock producers statewide.

The Designated Surveillance Area (DSA) is a disease management area for parts of counties (Beaverhead, Gallatin, Madison and Park) adjacent to the nation’s last known reservoir of bovine brucellosis in and around Yellowstone National Park. It was created in January 2010 to help the state maintain its Brucellosis Class-Free status.

The economic analysis requested by state legislators was released March 4. It reveals great economic benefit to cattle producers statewide while demonstrating that the DSA has limited economic effect on producers within the area, who are reimbursed for testing and vaccination expenses by the state. Half of the reimbursement is provided through the state’s general fund, while half is provided by the cattle industry.

Christian Mackay, executive officer for the Montana Board of Livestock, which oversees and directs department operations, says protecting the marketability of all of the state’s cattle is the top priority.

“We’re an export state. We have to assure our trading partners that we take disease risks seriously, and that we’re doing everything we can to prevent transmission,” he said. “The report shows what the real value of the DSA is, and we’ve made sure that DSA producers receive direct compensation for testing, vaccination and handling as well as the value of continued marketability of their cattle.”

Some states have recently expressed an additional concern about importing cattle coming from the Greater Yellowstone area. Colorado and Nebraska are two important destinations for Montana cattle, and while they approve of the state’s DSA, they intend to impose more rigorous animal identification requirements on cattle from the DSAs in Montana, Idaho, and Wyoming.

Montana state veterinarian Dr. Marty Zaluski said the requirements are not surprising. “Should an infected animal be found, you can’t argue with other states’ interest in knowing where it came from,” Zaluski said.

A summary of the new identification requirements follows:

- Colorado will require that all intact female cattle, regardless of age, that have previously resided within a DSA are individually identified with an official ear tag.
- Nebraska will require individual identification with an official USDA-APHIS approved identification, OR with a Location Identification Number (LID) specific to state of origin (Idaho, Montana, or Wyoming).

Colorado’s new requirements will go into effect on September 1, 2011, while Nebraska’s new requirements are set to become effective April 1, 2011.

Montana in 2010 exported 294,366 cattle to Nebraska and 126,794 to Colorado, or 14 percent of the total number of cattle exported from the state.

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