

**ANNUAL REPORT
OF THE
COLORADO DEPARTMENT OF AGRICULTURE
Fiscal Year 1999-2000**

*Bill Owens, Governor
Don Ament, Commissioner
Robert G. McLavey, Deputy Commissioner*

Colorado Agriculture

- There are 29,000 farms and ranches on 31.8 million acres, nearly half of the state. Colorado agriculture helps feed the nation and the world, provides wildlife habitat, protects the environment and fuels the state economy.
- Agriculture provides for over 86,000 jobs, 6.3% of the state's total, bringing in over \$12 billion to Colorado's economy.
- Agriculture cash receipts alone are over \$4.3 billion, with 66% accredited to livestock.
- Colorado farmers and ranchers help feed the world by exporting over \$923 million in 1998. Japan, Canada, Mexico and Korea receive the largest share of Colorado food products.
- Colorado's top ten farm and ranch products, in terms of production in millions are: cattle and calves; corn; wheat; dairy products; hay, greenhouse/nursery; hogs and pigs, poultry and eggs, potatoes, and sheep and lambs.
- Colorado agriculture is more than just food. Colorado farmers and ranchers also contribute to the creation of products related to manufacturing, health care, education, recreation, transportation, construction and personal care. That includes detergents, x-ray film, bandages, crayons, paper, piano keys, footballs, shoes, plastics, hydraulic brake fluid, ball bearings, tires, insulation, linoleum, soaps, cosmetics, shaving cream to perfume.

The Colorado Department of Agriculture

Mission

The Colorado Department of Agriculture is committed to strengthening agriculture's future; providing consumer protection; promoting environmental quality and animal health; and ensuring equity and integrity in business and government.

Organization

Two hundred and sixty employees provide over 300 different regulatory, inspection, marketing, consumer protection and other services across Colorado for .2% of the state's budget.

The Colorado Department of Agriculture is proud to serve you through the Commissioner's office and six divisions: Markets, Brand Inspection, Plant Industry, Inspection and Consumer Services, Animal Industry and the Colorado State Fair.

- ▶ **The Markets Division** helps Colorado food and agricultural companies sell their products in local, regional, national and international markets.
- ▶ **The Brand Inspection Division** registers and verifies more than 37,000 livestock brands; inspects all cattle, horses and alternate livestock upon change of ownership or transportation; and licenses livestock sale barns, packing plants and alternative livestock farms. The Division also conducts lost or stolen

livestock investigations and assists in returning livestock to the rightful owners.

- ▶ **The Plant Industry Division** provides organic certification; nursery stock inspection; produce, plant and seed export certificates; seed inspection and certification; weed free forage certification; noxious weed management; bee inspection and investigations; backflow prevention equipment permits and inspections; commercial pesticide applicator testing, licensing and investigations; pesticide product record inspections and label registration; groundwater protection regulation; and biological pest control.
- ▶ **The Inspection and Consumer Services Division** provides retail egg inspection and licensing; verification of animal feed and fertilizer labels through sampling and analyzing ingredients; custom meat processing facility inspection; weighing and measuring device certification; agricultural commodity dealer, handler and warehouse bonding and licensing; and, fruit and vegetable grading and inspection.
- ▶ **The Animal Industry Division** provides livestock disease prevention, control and lab services; animal cruelty investigations, rodent and predator control services; and pet shop and kennel inspection and licensing.
- ▶ **The Colorado State Fair**, since its inception in 1872, has evolved into a lively representation of Colorado's incredible diversity in agriculture, demographics, natural resources, arts and industries. The Fair annually highlights the state's best-of-the-best in crops, livestock, canning, baking, crafts, fine arts and science. Additionally, the Colorado State Fair strives to feature world-class musical entertainment with its Concert Series as well as fast-paced spectator events and a variety of family-friendly exhibits at family-friendly prices.

There are five independent authorities under the department's umbrella: the Colorado State Fair Authority, the Colorado Horse Development Authority, the Colorado Wine Industry Development Board, the Colorado Agricultural Development Authority and the Colorado Aquaculture Board.

The Colorado State Fair Authority

The Colorado State Fair Authority directs and supervises the Colorado State Fair. Eleven members govern the authority, ten of which are appointed by the Governor with consent of the Senate. The Commissioner of Agriculture, or his or her designee, is the eleventh member.

The Colorado Horse Development Authority

The Colorado Horse Development Authority, representing all types of horse interests and breeds, works to promote the horse industry and educate people on the health care and welfare of horses in the state. The horse authority is governed by 14 members, all appointed by the Commissioner of Agriculture.

The Colorado Wine Industry Development Board

The Colorado Wine Industry Development Board researches grape and wine production, and promotes Colorado wines in Colorado and across the United States. The wine board is governed by ten board members, all appointed by the Governor.

The Colorado Agricultural Development Authority

The Colorado Agricultural Development Authority's (CADA) mission is to encourage the investment of private capital in the agricultural sector through the use of public financing in order to make low-interest loans available to agricultural producers for specific uses. Seven board members govern CADA: three appointed by the President of the State Senate, three by the Speaker of the House, and one by the Governor. The Commissioner of Agriculture also serves on the board as a non-voting member.

The Colorado Aquaculture Board

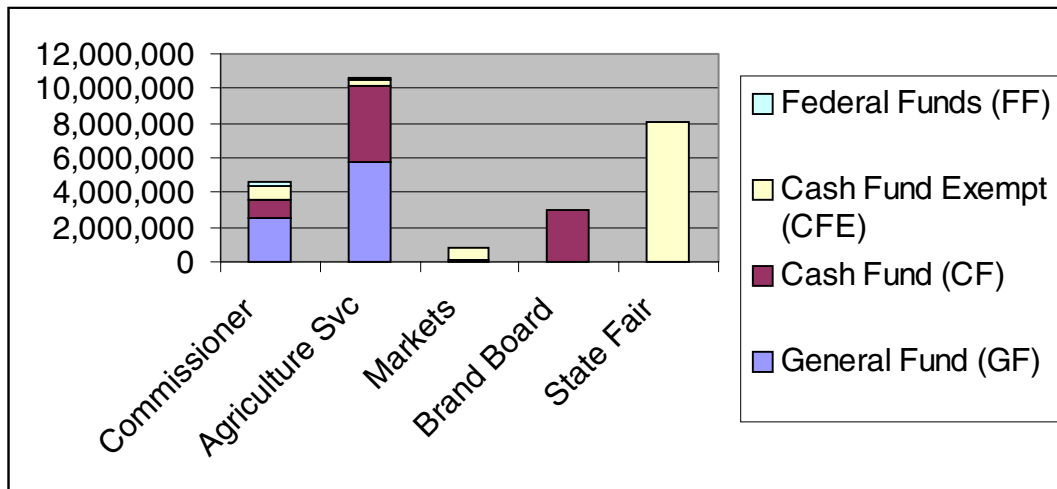
The Colorado Aquaculture Board provides input to the Colorado Department of Agriculture on the promotion

and development of the aquaculture (fish-farming) industry in Colorado. Seven members including producers, representatives from the Colorado Division of Wildlife, representatives from the US Fish and Wildlife Service, and representatives from the Colorado Department of Agriculture serve on this board.

Budget

	Commissioner	Agriculture Svc	Markets	Brand Board	State Fair
General Fund (GF)	2,496,197	5,809,200			
Cash Fund (CF)	1,075,011	4,377,782	80,645	2,988,720	
Cash Fund Exempt (CFE)	785,399	272,001	682,281		8,023,981
Federal Funds (FF)	266,413	175,707			

*The State Fair lost it's enterprise status in FY 00. This means the State Fair appropriation will now be cash funded and count against the TABOR limit.



The Commissioner's office includes the Colorado Agricultural Commission, Resource Analysis Section, Administrative Services, Public Information and Human Resources. Agriculture Services includes the Inspection and Consumer Services Division, the Plant Industry Division and the Animal Industry Division.

Office of the Commissioner

Don Ament, Commissioner of Agriculture
Robert G. McLavey, Deputy Commissioner

The Colorado Department of Agriculture continues to be engaged in the issues that will shape the future of food and fiber production for the new century. Hot issues for the 1999-2000 year included: animal diseases, animal cruelty, wildlife species protection, Platte River Partnership, environmental quality protection, genetically altered crops, the Food Quality Protection Act, noxious weed management and Colorado Peak Performance. Other Commissioner's office activities include the 2000 Colorado Agricultural Outlook Forum.

Animal Diseases

Hot animal disease issues during 1999-2000 have been chronic wasting disease in elk, scrapie in sheep, and malignant catarrhal fever in bison. The Animal Industry Division Livestock Disease Section has monitored and controlled the spread of these and other diseases. The division has also led the way in forming new partnerships to do more with less.

Colorado's alternative livestock producers continue to face the challenge of preventing the spread of chronic wasting disease (CWD). CWD is a form of spongiform encephalopathy, a fatal disease of the brain and nervous system. CWD has been discovered to infect approximately five percent of the free-roaming deer and elk in Northern Colorado and Southern Wyoming.

The State Veterinarian has confirmed a second case of CWD on a large elk farm in Northeast Colorado and the herd will be under quarantine indefinitely. As a result, CWD will continue to command considerable attention within the department for the foreseeable future.

Vesicular stomatitis did not visit Colorado during 1999, nor was it diagnosed in the United States during this past year. The vesicular stomatitis protocol for 1999 was the same as 1998, which the Animal Industry Division commissioned accredited veterinary practitioners to monitor infected animals for healing and quarantine release.

The section worked with the sheep and wool industry to assist that industry with an epidemiological study of mastitis. They also worked with the alternative livestock industry to develop a proposed chronic wasting disease import rule. This section also worked closely with cattle industry in developing and implementing beef quality assurance programs throughout all segments of beef production.

The Rocky Mountain Regional Animal Health Laboratory developed several new tests, including DNA testing capability.

Animal Cruelty

With the continued growth that is presently taking place in Colorado statewide, there are many first-time animal owners. They often don't understand, for example, how much feed a horse needs per day, so the number of animal cruelty complaints and resulting investigations continue to increase. The Bureau of Animal Protection will continue to work with the Colorado State University Cooperative Extension and other organizations to provide animal care education. Bureau staff worked with the Brand Inspection Division and the County Sheriff's of Colorado to provide animal care education for brand inspectors, animal control officers and sheriff departments. The BAP gave assistance to municipalities and counties in dealing with special problems related to animal care. Emergency preparedness to aid the owners of companion animals has also been a major issue. The BAP has helped formulate a plan to interact with animal welfare agencies statewide to react to natural disasters as well as nuclear, biological or chemical emergencies.

Wildlife Species Protection

The staff of the Colorado Department of Agriculture continues to monitor developments regarding species protection, particularly the effects of designations under the Endangered Species Act. The department also continues to work with wildlife officials on pending species listings, including the mountain plover found in eastern Colorado, the Gunnison sage grouse, and the sharp-tailed grouse. The department anticipates release of a proposed rule that will determine how Front Range farmers can conduct irrigation without unnecessarily harming the Prebles Meadow jumping mouse. Ranchers in Western Colorado are concerned about the future of federal grazing permits in areas inhabited by the nearly a hundred reintroduced Canadian lynx. The Colorado Division of Wildlife released the lynx in 1999 and 2000.

In 1999-2000, staff worked with the Colorado Division of Wildlife and the US Fish and Wildlife Service as the Service considered the status of the black-tailed prairie dog (BTPD). In late 1999, the Service declared that the BTPD warranted listing as a threatened species but precluded further enforcement of the Endangered Species Act due to budget considerations. While the Service conducted its study, the Colorado Department of Agriculture worked with the Colorado Division of Wildlife and 12 other state and federal agencies to develop a work plan and memorandum of agreement to protect the habitat of the BTPD. The agreement calls on each agency to actively participate in habitat surveys, population estimates, and to develop a statewide strategy for habitat protection. The department remains skeptical that significant strides can be made in protecting the BTPD until such time as science provides an effective deterrent to sylvatic plague, the prairie dog's greatest enemy.

Platte River Partnership

Commissioner Ament served as Vice-Chairman and lead negotiator for Colorado as the state participated in the Platte River Endangered Species Partnership. This project is a three-state effort to address the upstream impacts on three endangered species. The goal of the partnership is to develop workable solutions to the needs of the Platte River wildlife habitat associated with fluctuations of in-stream flows. Commissioner Ament will serve as the partnership's Chairman for the coming year.

Environmental Quality Protection

Department staff has worked throughout the year with livestock producers and the Colorado Department of Public Health and Environment to implement the 1998 voter-imposed law governing larger hog production facilities. The law, known as Amendment 14, imposes stringent air and water protection measures for this category of livestock facilities. The rules are now in place and will be in full force beginning July 1, 2000.

The department has also been active in developing general water quality discharge permits for other livestock facilities. Dairies and cattle and sheep feedlots are seeking permits that stipulate how they can protect surface water quality and conform to the requirements of the federal Clean Water Act. The permits will likely be available and by the end of 2000.

Genetically Altered Crops

The issue of genetic engineering became a front-page issue in the year 2000 as some citizen organizations called for stringent controls on the use and labeling of products containing genetically altered crops. Currently, Congress is considering a bill that would require that foods containing gene-altered crops be labeled to inform consumers of the presence of the product. Colorado voters may be asked to consider a statewide labeling bill that would be required by citizen petition. The department continues to believe that only sound science should dictate how and when gene-altered foods will be allowed.

Food Quality Protection Act

The department has begun an intensive effort to assure food product safety while maintaining the ability of farmers and ranchers to obtain effective and affordable crop protection chemicals. The department will work throughout the next year to urge the Environmental Protection Agency and federal lawmakers to ensure that implementation of the FQPA does not result in negligent decisions that eliminate the availability of proven pesticides.

Noxious Weed Management

The department distributed \$220,700 in weed grants to 19 local, regional, and statewide projects. Collectively, recipients matched the state's dollars with approximately \$840,033 (3.81:1 matching ratio). Grants ranged from \$1,812 to \$28,000. The State Weed Coordinator continued to facilitate the development of a statewide strategic plan to help focus Colorado's noxious weed management efforts at every level on public and private lands. The result of this plan will be a more coordinated, efficient and successful weed management effort involving numerous public and private partners throughout the state. The coordinator also

continues to increase weed awareness through educational materials and events.

Colorado Peak Performance

The department's trial year for the new performance management ended December 31 and evaluations have been completed. The department's performance evaluation year is April 1, 2000 through March 31, 2001. Supervisors and employees collaborated to have new performance plans in place by April 1 and incorporated lessons learned from the trial year. Results of a recent employee survey indicate strong support for the performance planning and evaluation process.

The department's CPP plan was presented to the CPP Core Committee and approved in February. We anticipate participating proactively with the Department of Personnel/GSS and other state agencies to develop a revised merit/performance pay system.

Colorado Agricultural Outlook Forum

The mission of the Colorado Agricultural Outlook Forum (CAOF) is to facilitate a spirit of community to enhance Colorado agriculture's competitiveness; and to encourage positive awareness of Colorado agriculture, and interaction among commodity and other industry segments. The forum strives to present future-oriented, cutting edge topics that promote communication and understanding across the entire industry while considering the uniqueness among industry segments. International and national speakers capitalized on our theme "International Trade, GMOs, and Environmental Markets" and 437 people attended this event on February 10, 2000.

The Colorado Agricultural Outlook Forum is sponsored jointly by the Colorado Department of Agriculture, Colorado State University Cooperative Extension, and graduates of the Colorado Agricultural Leadership Program.

In conjunction with the Colorado Agricultural Outlook Forum, Commissioner Ament convened the sixth-annual meeting of AgInsights. AgInsights is a group made up of organizations and individuals committed to building a strong future for Colorado Agriculture. From 15-25 agricultural organizations participate in quarterly meetings where they discuss their concerns with other groups and determine what they can do as a whole to resolve those issues. There are two primary subcommittees: legislation and media.

Colorado Agricultural Commission

Lorna Columbia, Executive Assistant

The Colorado Agricultural Commission is a nine-member board of agricultural leaders, appointed by the Governor and confirmed by the State Senate. The Commission is responsible for: making recommendations to the Commissioner, the Governor and General Assembly regarding agricultural issues with the state; developing policies for preparing and enforcing rules and regulations related to agriculture; reviewing and approving all rules and regulations before release by the Commissioner or the agriculture department's divisions; developing general policy for managing the agriculture department; and monitoring and approving the department's budget.

The Colorado Agricultural Commission held five meetings and two conference calls in FY 1999-2000. The meetings were held in Denver, Greeley, Cortez and Pueblo. A town meeting was held in conjunction with the Greeley and Cortez meetings, with 70 local citizens in attendance. The Commission and the State Fair Authority Board jointly met with the Governor in Pueblo.

The Commission approved the appointment of Bureau of Animal Protection agents and/or advisory committee members for weed-free hay, agricultural chemicals and groundwater protection, pesticide

applicators, organic certification, nursery and chemigation. The Commission approved fruit and vegetable inspection fees, farm products dealer/commodity handler bond schedule, commodity handler examination fee schedule and weed grants for the year 2000. They approved amended rules for the Pesticide Act, Alternative Livestock Act, Pet Care Facilities Act and the Nursery Act. The commission authorized the appointment of a special counsel for the State Fair Authority.

The State Veterinarian's Office worked with the Colorado Elk and Game Breeders Association, the Colorado Division of Wildlife, Colorado State University and others on the emergence of chronic wasting disease (CWD). As a result, the Commission approved the designation of CWD under the department's authority in alternative livestock statues, CRS 35-50-151. In early 1999, a small captive elk herd near Hudson and an index herd near Ft. Collins were diagnosed with CWD. The Commission approved indemnification for the Hudson herd. The index herd remains under quarantine. Another case of CWD has recently been diagnosed in a captive elk facility near Stoneham. The Commission also authorized an animal checkpoint to restrict movement of livestock.

Commission members are Bob Briggs from Westminster, CO representing the Green Industry; Steve Ela, an apple grower from Hotchkiss, CO; Max Harper, past chairman and a dairyman from Yuma, CO; Penny Lewis, a cattle rancher from Kremmling, CO; Glen Murray, present chairman and a corn and wheat farmer from Brighton, CO; Brad Rock, Vice Chairman, a farmer and cattle feeder previously from Hudson, recently relocated near Wray, CO; John Salazar, a livestock and certified seed producer from Manassa, CO; Kelly Spitzer, a grain merchant and family farmer from Wiley, CO; and Dan Webster, a livestock feeder from Greeley, CO.

Resource Analysis

Dr. David Carlson, Section Chief

This section analyzes key issues and trends affecting Colorado agriculture and develops and manages special programs at the direction of the Commissioner.

The section continues to disseminate information on agricultural land conversion in Colorado through documents and presentations, focusing on landowner-oriented approaches to agricultural land preservation. Section staff, together with staff from the US Department of Agriculture (USDA) National Agricultural Statistics Service and the USDA Natural Resources Conservation Service are preparing a detailed comparative analysis of the different data sources for agricultural land conversion trends. Check the section's extensive set of tables and articles at [www.ag.state.co.us/resource analysis](http://www.ag.state.co.us/resource%20analysis).

Section staff participated in task forces and stakeholder meetings to develop growth management approaches acceptable to agricultural interests. Staff also participated in meetings with other agencies and with agricultural industry leaders to develop acceptable solutions to agriculture-wildlife conflicts.

In 1999-2000, section staff coordinated the 2000 Colorado Agricultural Outlook Forum, which attracted more than 430 people. Section staff released its final report containing estimates of net irrigation requirements by crop for each county in the state. Staff also assisted in the planning and implementation of the Colorado Peak Performance Plan for the department.

Administrative Services Section

Pat Farnes, Controller

The Administrative Services Section, a.k.a. fiscal, continues to focus on customer service in accounting, budgeting, purchasing, data processing, and business support services to each department division, the public and department clients.

In the past year, the fiscal section has improved its service delivery in a number of areas. To cut down on paper work and to improve timeliness, the fiscal group is currently implementing an on-line purchase requisition for signature. To help ensure proper budget control and purchasing control, division and section directors must approve each purchase requisition. This has traditionally been accomplished by signature through interoffice mail. Signatures and approvals can now be performed through department email.

In April of 1999, the department was granted the ability to make procurements using competitive bids. Purchasing rules require that any commodity over \$10,000 or service over \$25,000 must be conducted by an invitation for bid. Traditionally, State Division of Purchasing handled the invitation for bid process, collecting the bids from vendors and performing the bid opening process. The department is now performing these duties, with the approval of the State Division of Purchasing. The department purchased the mass spectrometer for the standards lab and the Measurement Standards truck through this process.

Additionally, the contract administrator has worked diligently with the Attorney General's Office, the State Division of Purchasing, and the State Privatization Program to implement a phase-one routing waiver on three department contracts: noxious weeds contracts, predator control contracts, and the Wine Board marketing assistance program contracts. This waiver allows the department to approve these contracts through delegated authority, which has significantly cut the time necessary to carry out the contract process.

The 1998 facilities audit continues to assist the department in identifying capital construction and controlled maintenance needs. The fiscal section supports the department in facilitating capital construction and controlled maintenance requests and will continue to seek the proper resources for upkeep of department facilities. The department will be seeking funds in fiscal year 2002 to direct an updated facilities audit.

The fiscal section will continue to work with and train department staff in purchasing procedures; thereby ensuring purchasing rules compliance. Additionally, this section will provide good, accurate information to the executive and legislative branches, and meet fiscal deadlines.

Information Technology (IT)

John Picanso, Information Technology Manager

The information technology group provides information technology coordination, planning, and service to each department program. This group is responsible for maintaining program functionality and integrity, as well as maintaining the department's computer infrastructure. Additionally, this group is the departmental liaison to the Governor's Office of Innovation and Technology.

It has been a successful and productive year for IT. The department effectively implemented Y2K compliance standards, thereby averting any system failures. Also, the department is now fully interconnected with remote sites and central agencies. This has proven an immense benefit to our remote offices in Monte Vista and Palisade.

Additionally, the IT staff coordinated the purchase, configuration and deployment of a quarter of the department's infrastructure through the IT asset maintenance plan, as well as implemented database standards and rewrote 15 database programs. Lastly, the IT staff is now conducting in-house training courses. This has significantly reduced costs in keeping department personnel up to date with software applications, as well as improving their skills.

Public Information Office

Jim Miller, Director of Policy and Communications

The public information office provides the public and the media information about, and access to, the services and activities of the Colorado Department of Agriculture. For half of this year, the Public Information Officer (PIO) had the privilege of being the department's representative in the Governor's Office of Innovation and Technology, working on the Governor's New Century Colorado (NCC) initiative. The other half of the year, the PIO focused in five main areas: media communication, publications, citizen's advocate, agriculture promotion through participation in AgInsights, and promotion of the Colorado Agricultural Outlook Forum and other events.

In NCC, she spent time on the E-procurement Team interviewing State employees and documenting steps in vendor registration, bid acceptance, electronic catalog purchasing, and vendor payment. After the group submitted their findings and recommendations, she was transferred to the internal Communications Team. There, she created and continually updated several tools to assist teams in communicating with one another, including the creation and updating of the internal *Team Connection* web site (177 files) where team members could share announcements, reports and information. She also created and continually updated the public New Century Colorado web site (914 files), located at www.state.co.us/ncc/. She wrote and submitted a 17-page detailed public relations plan, interviewed agriculture departments across the US on membership and dues expenses in relation to their budgets and more.

During the other six months of the year, the PIO wrote and faxed out 85 press releases and worked on teams for the Ag Appreciation Day at the Rockies event and the Colorado Proud campaign. She coordinated the department's first booth at the Colorado State Fair, completed a Measurement Standards survey and completed the Animal Care Resource Guide database. She also wrote for and compiled the department's monthly employee newsletter and the annual report. This year, the Public Information Office thankfully had assistance in creating and/or updating 26 audience databases.

The Public Information Office stopped sending press releases via mail and saved over \$7,000 by distributing news releases via fax and email. The PIO also assisted the Colorado State Patrol in installing and implementing the same media information distribution system. She is currently working with the State Division of Purchasing to contract with one electronic clipping service for all State departments.

The officer is active on the AgInsights media team and this year participated on teams to host a legislative luncheon and tour and to design and sell crop identification signs. The officer leads the Colorado Agricultural Outlook Forum Marketing and Public Relations Team, including the creation, execution and evaluation of the marketing and public relations plan; formulating, implementing and monitoring the budget; creating and distributing all marketing pieces; and setting up press conferences with speakers. This year, the PIO created a new web site for the event at www.ag.state.co.us/forum/default.htm. The office also answered over 4,000 information calls and requests.

Human Resources

Marilyn Stolpa, Human Resources Administrator

Human Resources' mission is to provide a full range of human resource services to all internal and external customers to insure that the department of agriculture hires and retains high-quality and satisfied employees.

Human Resources directs and administers the following for the department: recruitment and selection, job evaluations, benefits, leave, retirements, data input into the State employee database, workers' compensation claims, short term disability, risk management, and employee and management consultation. Human Resources is committed to effectiveness and efficiency and this fiscal year has been or is involved in many projects to foster a more efficient and effective human resources operation. These efforts include: a joint effort with the Information Technology staff to develop a comprehensive human resources database that will streamline and automate many human resources related tasks; work site ergonomic evaluations for employees

to prevent possible work related injuries; and collaboration with State Fair staff to establish a mutually beneficial working relationship.

This year, Human Resources staff recruited for, tested and filled 29 vacant positions. Job classes filled include multiple inspectors, brand inspectors, international marketing specialist, structural trades, pesticide applicator coordinator, director of the Colorado Wine Industry Development Board, pesticides enforcement specialist, program assistants, and administrative assistants. Vacancies were filled in all divisions of the department. In addition, Human Resources staff created and filled temporary positions to provide seasonal assistance for brand inspections, fruit and vegetable inspections, other programs and projects.

The Human Resources Administrator continues to be actively involved in the department's activities for the implementation of pay for performance.

Division of Markets

Jim Rubingh, Division Director

The Markets Division is responsible for developing new marketing opportunities for Colorado producers and processors, as well as retaining existing markets for the full array of Colorado products. The division also develops promotional programs and materials, assists in expanding the state's food and agriculture processing industry, administers the seal of quality program, and collects livestock and produce market news from around the state. The division also oversees eight market orders, is responsible for administration of the Wine Industry Development Board, licenses all of the state's aquaculture producers and provides staff for the Colorado Agricultural Development Authority.

Market Orders

Helen Davis, Senior Marketing Specialist

Market orders are created and can be discontinued only when growers petition the Commissioner of Agriculture. When the majority of producers vote for the creation of the market order, the Commissioner of Agriculture formally creates and oversees it, including approving the market order's budget. The first commodity handler collects market order funds and turns them over to the board. Each commodity has its own board, composed of producers who determine how those funds should be used – on research, promotion and/or education. Market order funds cannot be used for political purposes, including lobbying. Most market order funds are totally or partially refundable, allowing producers to request refunds within 30 days.

Market orders provide greater utilization of commodities and increased profitability for producers. In some cases, market orders provide for commodity inspection and grading in order to assure that only high-quality commodities reach the marketplace. Market orders generally work to solve marketing problems and conduct programs that would be impossible for individual producers to accomplish.

There are eight active market orders in the state for apples, corn for grain, potatoes (two), dry edible beans, sweet corn, milk and wheat, representing 15,000 farms and over \$1 billion in sales. This year, the sunflower growers requested a market order and the department is in the process of holding public hearings.

The Markets Division responsibilities involve establishing, enforcing, and overseeing the administration of the market orders. In addition, the program serves to enforce the market order rules and regulations by conducting investigations, holding hearings, and reviewing audits of the orders. The agency reviewed budgets for the eight market orders and approved expenditures totaling over \$3 million.

This year, the division created a market order taskforce to evaluate whether or not market orders are fulfilling producers' needs in research, promotion and advertising, education, quality inspection and fair competition.

Results will be released as soon as they are available.

International Marketing

Tim Larsen, International Marketing Specialist

The goal in the international marketing program is to increase the export sales of Colorado grown and processed agricultural products. This section works with individual companies as well as in developing industry-specific marketing efforts. International marketing also provides access to the USDA Foreign Agricultural Service (FAS) programs. This section also coordinates agricultural access to the State of Colorado offices in Japan and Mexico.

International marketing provides individual counseling ranging from market assessment utilizing research reports, computer data sources and other research, to assistance in obtaining “Branded Promotion” grants for overseas marketing through the USDA. International Marketing also assists through Colorado’s Agricultural International Trade Promotion program (AITPP), which provides financial assistance for international promotions.

A key element of the section’s international trade development effort is coordinating state participation in WUSATA, the Western US Agricultural Trade Association. Through WUSATA, Colorado companies have access to international trade development funds, industry and market promotions in overseas markets. The Colorado Department of Agriculture is currently managing one project in Japan, one in the European Union (EU) and one in Mexico. In Japan, the Markets Division manages a food service project; in the EU, an organic products project; and in Mexico, a project to increase the exports of breed-stock sales. The Markets Division has recently established a rancher exchange program with Mexico and has established a Colorado International Livestock Cooperative. With cooperation from the International Trade Office, the US Export Assistance Center, and the US Department of Agriculture, the Markets Division assists in staffing an international assistance office in Montrose.

The international marketing section continues to build the resource library for international trade to provide marketing data on most international markets for food and agricultural products. The section is also active in meeting with companies at their plants or ranches. The Markets Division has lead in a national effort, funded by the USDA, to establish a national standard for state databases for companies and exporters and continues to seek more efficient and effective ways to reach potential buyers worldwide.

Domestic Marketing

Wendy White, Marketing Specialist

The mission of the domestic marketing program is to increase awareness and demand for Colorado food and agricultural products in local, regional and national markets.

The domestic marketing staff publishes and distributes several marketing directories for Colorado producers, including the *Hay Directory*, the *Farm Fresh Directory*, the *Fresh and Processed Food Trade Directory* and the *Food and Beverage Gift Guide*. The Markets Division also offers a handbook, *Developing a Marketing Plan for your Food Product* and publishes a quarterly newsletter. The division has made most of their publications available on the Internet.

This year, the Markets Division launched the *Colorado Proud* campaign, encouraging people to buy Colorado foods. Governor Bill Owens introduced the logos at a media event/picnic at the capitol in late August. Governor Owens also appeared in a public service announcement to encourage Colorado consumers to look for and purchase Colorado products. Division staff worked with the Rocky Mountain News to publish a special insert announcing the program and worked with the ACF Culinarians of Colorado, retail and institutional buyers to encourage participation in the program. Over 100 companies are now participating in the program.

Ongoing marketing activities include: *A Match Made in Colorado*, a joint marketing program with the ACF Culinarians of Colorado that promotes the use of Colorado food products by the state's foodservice industry; the seal of quality program, a labeling and inspection program that differentiates super-grade apples; another seal of quality program with the Colorado Livestock; the centennial farms program which recognizes 100-year-old farms in the State; the *Gimme 5 Colorado* produce campaign, a statewide effort to increase awareness of the importance of fruits and vegetables in the diet; and a public relations program which informs consumers when select Colorado crops come into season.

As part of AgInsights, the Markets Division maintained the Colorado Agricultural Speakers Bureau, which provides speakers on agricultural issues for audiences throughout the state, and an agriculture awareness campaign. Aginsights also worked with a local sculptor to create and sell statues to honor Colorado farmers and ranchers. With each statue purchase, the buyer's name is engraved on a bronze plate, which will be placed at the foot of the sculpture at CSU. The group has sold 60 statues so far.

The division also administers a program to promote Colorado wines, which is funded by the Colorado Wine Industry Development Board. The Markets Division continues to serve as the lead agency for aquaculture development in the state and has licensed more than 40 aquaculture facilities. Personnel from the Markets Division assist in distributing \$6 million in agricultural loans/bonds for first-time farmers and for agricultural processing.

Business Development

Rosemary Biggins, Business Development Specialist

The purpose of the business development program is to encourage agricultural manufacturing in-state. Included in this effort is assistance to start-ups, existing business, and agricultural recruitment undertaken in conjunction with the Colorado Office of Business Development.

The Markets Division administers the Agricultural Processing Feasibility Grant program to assist local governments and entrepreneurs in evaluating the potential for developing or expanding agricultural processing facilities. The Colorado Economic Development Commission funds this program and this year, the division distributed \$55,000 in feasibility grants. Private consultation, as well as written and group training is also provided for start-up food processors. Publications and programs for start-ups include: *From Growing to Processing: A Guide For Start-up Food Processors*, a workshop on *Starting a Food Processing Business*, and *Checklist for Start-Up Food Processors*, a concise list of steps in developing a food processing business.

Growth of existing business is encouraged through: the Domestic Trade Show Assistance program, which provides partial funding for booth space at domestic food trade shows outside the state; Colorado sections at the International Fancy Food & Confection Trade Shows; the *Colorado Co-Pack Directory*, a listing of food companies which provide contract packing services; a workshop on *Marketing Your Food Product*; and facility visits to inform processors about available programs.

A publication called *Public Finance for Colorado Agriculture*, informs growers and processors about available grant and loan programs.

Cooperative efforts continue to grow with agencies and associations that have a focus in line with the division's business development program. Partnerships include: the American Institute of Wine & Food-Colorado Section, the Colorado Food Association, the Colorado Office of Business Development, the Colorado Small Business Development Centers, the Colorado State University Cooperative Extension and the Denver Enterprise Center.

Market News

Tom Gutierrez and Charlie Niccoli

Personnel of the Colorado Department of Agriculture's Markets Division attend livestock sales at the major sale yards around the State to report the movement and price of livestock exchanged in open trading. This information is made available to livestock producers. The staff also monitors and reports on hay, fresh produce and nursery marketing.

Brand Inspection Division

J. G. Shoun, Brand Commissioner

The Brand Inspection Division has a long history in Colorado beginning around 1865 in what was then the Colorado Territory. Today, the division administers more than 37,000 livestock brands to identify ownership of cattle, sheep, mules, burros, horses, elk and fallow deer. Brand inspection is crucial to verify ownership in cases of strayed or stolen livestock, and animal health programs are strengthened by the ability to trace animals to their herd of origin.

The division is administered by the State Board of Stock Inspection Commissioners comprised of five members, appointed by the Governor, representing all segments of the industry. The members of the board during the 1999-2000 period are Mr. Dick Tanner of Yoder, Mr. Dean Davis of Lindon, Mr. Lee Spann of Gunnison, Ms. Linda Ingo of Ridgway and Mr. Roger Hickert of Akron.

The division employs 65 brand inspectors located throughout the state, eight brand foremen, one theft investigator and nine administrative personnel, including Brand Commissioner J.G. Shoun. The annual budget for the division exceeds \$3 million and is completely funded by fees levied to livestock owners, and brand registration and assessment fees levied every five years.

The division is assigned five principal regulatory responsibilities: to record and administer livestock brands; to inspect livestock and verify ownership before sale, transportation beyond 75 miles, transportation out of the state, or slaughter; to inspect and license packing plants, livestock sale rings as well as inspect all consignments before sale to verify ownership; to license and inspect alternative livestock (elk and fallow deer) facilities; and to investigate reports of lost or stolen livestock and to return strayed or stolen livestock to their rightful owners.

In addition, brand inspectors collect beef promotion and research funds, as well as Colorado Horse Development Authority horse promotion funds. The division is also the trustee for all surety bonds issued to licensed markets and packinghouses doing business in Colorado.

In 1999-2000, division personnel traveled in excess of 1.4 million miles and inspected approximately 4.9 million head of livestock. In addition, they identified ownership of lost, stolen, strayed or questionably owned livestock valued at over \$17 million. The division conducted 56,000 horse inspections and issued permanent horse travel permits.

The Brand Inspection Division has concentrated on educational programs in the past few years. The focus of the educational program is on teaching brand law and theft prevention to the public and law enforcement agencies. Fourteen classes were given in 1999-2000, all in different areas of Colorado.

Division of Plant Industry

John Gerhardt, Director

The Colorado Department of Agriculture's Division of Plant Industry performs a wide array of services to the

public and engages in several important environmental and public health protection programs.

Beginning as the Bureau of Plant and Insect Control in 1937, the agency was under the direction of the State Entomologist. The Colorado Department of Agriculture Plant Industry Division is organized into the Biological Pest Control, the Plant and Insect Section and the Pesticide Section. The division's staff of 40 includes 13 field inspectors, six biological pest control specialists and one State Weed Coordinator.

Biological Pest Control Section

Kent Mowrer, Section Chief

In 1945, the Bureau of Plant and Insect Control developed the state's initial biological pest control program in Palisade, Colorado, at the Colorado Department of Agriculture Insectary. Biological pest control program employees study, import, rear and release beneficial insects to control plant and insect pests. Biological pest control decreases production costs, reduces a portion of the chemicals entering the environment and offers a more permanent pest control solution.

In 1999-2000, the staff of the Biological Pest Control Section made releases of 42 species of beneficial insects that were designed to assist in the suppression of 17 weed species and six insect pests. A total of 169 post-release surveys were conducted which revealed that 20 of the natural enemy species are now established in Colorado. These activities were conducted throughout the state on private and public land.

Plant and Insect Section

Mitch Yergert, Section Chief

This section provides the following services:

- Inspect plants and plant products intended for export to provide phytosanitary certification required by receiving states and countries;
- Register sellers of nursery stock, providing inspection of that stock to aid in control of insects and diseases, and aiding consumers in purchasing high quality stock;
- Inspect apiaries for bee diseases, by request;
- Conduct pest surveys and work with private and public agencies to control certain pests;
- Administer and enforce the Colorado Chemigation Act to avoid pollution of groundwater sources;
- Register and inspect commercial seed dealers to assure truth in labeling of seed as to content and germination claims;
- Administer the Organic Certification program to assure buyers that organically-grown produce conforms with state standards;
- Administer fruit and vegetable pesticide residue monitoring under contract with USDA;
- Administer request program for certification of weed-free hay and mulch crops;
- Register canola fields to avoid cross-pollination of different types of rapeseed (The San Luis Valley is the only area subject to the registration program at this time);
- Implement noxious weed management program activities including distribution of grant money; and
- Enforce the late blight quarantine by inspecting and sampling truckloads of potatoes coming into the San Luis Valley.

The Plant and Insect Section issued an estimated 2,000 phytosanitary inspection certificates on plant products for international export, valued at approximately \$14 million. Inspectors conducted 1,100 inspections of nurseries and greenhouses and issued approximately 1,600 registrations to sellers of nursery stock. An estimated 15,000 stop sale orders were issued on nursery stock.

Chemigation permits issued totaled 3,234 in 1999. Inspectors conducted approximately 1,150 seed dealer inspections, and issued an estimated 140 cease and desist orders for labeling violations. The Plant and Insect

Section registered approximately 980 seed sellers and custom seed conditioners and certified 196 organic growers.

The fruit and vegetable pesticide residue-monitoring program identifies possible contaminants in the food system. A total of 343 samples were taken in 1999.

Under the weed-free certification program, a total of 439 field inspections were made on 19,772 acres of forage and mulch crops, mostly hay, for 160 producers.

In the potato late blight quarantine enforcement program, the division inspected 26 loads of seed potatoes transported into the San Luis Valley in the spring of 1999.

Noxious Weed Management

Eric Lane, State Weed Coordinator

As the third full-year for the department's noxious weed management program, 1999-2000 was a productive year. The program places a high priority on helping communities across the state develop, implement, or improve noxious weed management efforts at the local and county levels. At the local level, the program worked extensively to eradicate rare noxious weeds such as orange hawkweed, Eurasian watermilfoil, Mediterranean sage, purple loosestrife, and yellow starthistle.

The department reviewed 44 applications to the Colorado noxious weed management fund that requested a total of \$624,951 in assistance and offered to provide a total match of \$1,830,632 (2.93:1 overall matching ratio). After careful review, the department distributed \$220,700 to 19 projects of local, regional, and statewide importance. Collectively, recipients matched the state's dollars with approximately \$840,033 (3.81:1 matching ratio). Awarded grants ranged from \$1,812 to \$28,000.

The State Weed Coordinator was also active in implementing Governor Owens' executive order, which instructs State agencies to improve their efforts to manage weeds across the state. This coordinated effort could greatly advance weed management efforts on State lands.

In addition, the State Weed Coordinator was active in developing and enhancing relationships with regional organizations including the Western Governors Association and Western Weed Coordinating Committee. The coordinator assisted the North American Weed Management Association with the development of international mapping standards, which will be adopted by Colorado and other neighboring states. The program was also active in implementing new regulations prohibiting the sale of numerous noxious weeds, both ornamentals and contaminants, through seed and nursery trade in Colorado.

Pesticide Section

Tom Kosinski, Section Chief

The Pesticide Section regulates pesticide products, pest control devices, pesticide applicators, and groundwater quality. Pesticide Section services include: ensuring proper labeling, packaging, displaying, formulation, and effectiveness of pesticide products; handling special local needs pesticide registrations and emergency exemption requests for pesticides; ensuring competency of commercial pesticide applicators, and under certain circumstances, commercial and public applicators; and ensuring the protection of groundwater and the environment from impairment or degradation due to the improper use of agricultural chemicals.

After 21 years of dedicated service, Linda Coulter retired as Section Chief. Tom Kosinski comes to the department with 15 years of regulatory and industrial pesticide experience. The section worked with the Pueblo County District Attorney's office to obtain a criminal conviction and sentence for an applicator that was using a forged applicator's license to perform pesticide applications for an extensive customer list, while under

permanent injunction with the department. As a result, he was sentenced to 30 days of home detention and four years of probation.

Due to an increase of new pesticide chemistries, the department's pesticide laboratory purchased a new gas chromatograph mass spectrometer to aid the section in pesticide formulation and investigative sampling.

In 1999-2000, approximately 11,649 pesticide products were registered in Colorado; approximately 597 applicators were tested for competency. Approximately 738 commercial pesticide application firms were licensed and 119 limited commercial and public applicators were registered. Approximately 2,979 applicators were licensed as qualified supervisors or certified operators. Approximately 43 complaints of misuse of pesticides or other violations of the Pesticide Applicators' and Pesticide Act were investigated; and administrative actions were finalized in approximately 32 complaints ranging from letters of warning to license suspensions, civil fines, assurances of discontinuance, injunctions and license revocations.

To ensure groundwater quality, the section coordinates the efforts of federal, state, and local agencies with the emphasis on public education, outreach, and monitoring. Presentations to industry, professional organizations and interested groups are ongoing to inform and seek input. A citizen advisory committee consisting of representatives from the general public, producers, and agribusiness, has been instrumental in determining program priorities, development and implementation.

In 1999-2000, the groundwater protection program inspected 92 secondary containment sites, 102 mixing/loading pads, six large fertilizer tanks, and had eight enforcement actions. Staff had two meetings with the advisory committee for program input/direction and continued an aggressive education program in the South Platte Basin, focusing primarily on crediting nitrogen in irrigation water and nutrient management planning. Staff completed two fact sheets and one technical report on the status of best management practices (BMP) adoption in Colorado, completed one fact sheet on nitrogen management BMPs and completed a revised bulletin on BMPs for manure utilization. Program staff began work on developing groundwater vulnerability matrices for assessing nitrate and pesticide contamination potential and completed development of a *Pesticides in Groundwater Protection Plan* for EPA. They conducted follow-up monitoring to the regional groundwater quality baseline study for the Western Slope of Colorado and continued long-term monitoring in the South Platte. They also produced a report on West Slope groundwater quality based on previous season's sampling.

Inspection and Consumer Services Division

Ronald Turner, Director

The Inspection and Consumer Services Division consists of five sections: technical services, farm products, laboratory services, measurement standards and fruit and vegetable inspection. The division employs approximately 100 individuals in a variety of inspection programs designed to assure fairness, quality, safety and financial soundness in commercial transactions.

The facility operations program oversees two state-owned buildings and two leased properties for fruit and vegetable Inspection. The facility operations program has one goal in mind - to make sure that the buildings maintain a safe and secure environment for the employees.

Technical Services Section

Jim Thurman, Section Chief

The division's Technical Services Section is responsible for field inspections, testing and/or sampling for the following programs: measurement standards (small devices), feed, fertilizer, anhydrous ammonia, egg, and meat inspection. Each inspector in the section has been trained to perform inspections in all program areas. Thirteen inspectors, strategically located throughout the state, perform the various inspections required for

each program. Inspectors are empowered to enforce the laws and regulations relating to each program.

The feed program registers and selectively samples commercial animal feeds throughout the state. In 1999-2000, 889 companies registered over 15,000 products. Program employees collected 3,900 samples of feed products. Inspection (tonnage) fees were collected on 1,753,931 tons of feed. Under a cooperative agreement with the US Food and Drug Administration (USFDA), five medicated feed mills were also inspected. Under the current cooperative agreement with the USFDA, 45 inspections were conducted to ensure compliance with the "BSE Rule." The "BSE Rule" bans the feeding of certain mammalian proteins to ruminant animals.

A new feed law went into effect in Colorado on January 1, 2000. The feed program is currently in the process of adopting new rules under this law which will clarify the statutory requirements. Input and comments are being compiled through the rule making process and the department expects these rules will be in effect by the 4th quarter of the year.

The egg program assures compliance pertaining to quality and labeling standards for eggs at the retail and wholesale level. In 1999-2000, 2,350 retail licenses and 90 wholesale licenses were issued. At these licensed locations, eggs are inspected for food safety and quality. The department continues to work with the industry to improve the quality of eggs on the market.

The fertilizer program registers and selectively samples fertilizers, soil conditioners and related products to determine nutrient content and to assure labeling accuracy in accordance with State laws. In 1999-2000, the department registered 316 companies and 2,755 products. The fertilizer program also inspects 4,500 anhydrous ammonia tanks and assists in safety training in the use of this potentially dangerous product.

The meat inspection program licensed 82 custom meat processors and 12 food plan operations. This program also inspects 101 meat processors to protect the public from unsanitary or fraudulent practices in meat processing and in bulk meat sales. The program has a cooperative agreement with the US Department of Agriculture (USDA) Food Safety Inspection Service to inspect custom processing facilities for the USDA.

Farm Products Section

Gary Graalman, Section Chief

The Farm Products Section is responsible for the enforcement of statutes licensing and regulating those who buy and/or store agricultural products produced in Colorado, or owned by Colorado residents. The section makes sure dealers and state-licensed warehouses are bonded and adequately capitalized. The section licensed over 1,400 firms and holds surety bonds in excess of \$95,000,000. The section coordinates with the USDA Farm Service Agency and Commodity Credit Corporation to assure that Colorado grain producers can participate in the government grain loan programs.

The section investigates complaints by dealers, producers and owners against dealers operating in Colorado. The Farm Products Section issues cease and desist orders and/or other regulatory sanctions in the event a firm appears to be financially unable to meet its commitments. In addition, the section conducts investigations of complaints regarding timely payment or non-payment for farm products purchased and seeks remedies for losses including bond demands, licensing changes, civil and criminal prosecution.

The Farm Products Section tests and verifies the accuracy of commercial testing equipment used in the grain industry such as moisture meters and protein analyzers.

The section created a grain storage taskforce to prevent, prepare for and address grain and livestock problems in Colorado. They have discussed grain storage problems, genetically modified corn regulations, the federal loan deficiency payment program guidelines and the loan environment for grain and livestock producers. Representatives from the Colorado Agricultural Commission, the Colorado Cattlemen's Association, the Colorado Cooperative Council, the Colorado Corn Administrative Committee, the Colorado Wheat

Administrative Committee, the Colorado Grain and Feed Association, the Colorado Livestock Association, the Colorado Farm Bureau, the Rocky Mountain Farmers Union, Independent Bankers of Colorado and USDA Farm Service Agency are on the taskforce.

Laboratory Services Section

Charles Hagburg, Section Chief

The Laboratory Services Section analyzes animal feeds and fertilizer samples to ensure they conform to the manufacturers' label claims for nutrients, medications and other ingredients. The laboratory also analyzes pesticide concentrates to check for compliance with the manufacturers' label claims. The laboratory participates in a cooperative grant program with the US Environmental Protection Agency to analyze pesticide residue samples. Department investigators collect these samples in commercial pesticide applicator pesticide misuse or misapplication complaint cases.

The laboratory has a microbiology section, which can examine food destined for human consumption for contamination by harmful bacteria, in addition to checking animal feeds for antibiotics.

Our groundwater testing staff continues to work in cooperation with the Colorado Department of Public Health and Environment and Colorado State University to analyze groundwater samples from around the state. These samples are analyzed for pesticide and nitrate contamination. The lab analyzed 186 water samples, for a total of 4300 different constituents. In the spring of 2000, our groundwater lab is working with USGS on a project to examine soil from drilling cores for the presence of pesticides. We will resume our normal water analysis this summer beginning with 22 monitoring wells we have checked for the last five years.

This year, the entire laboratory performed a total of approximately 20,000 different analyses on over 4,000 samples.

Measurement Standards Section

David Wallace, Section Chief

The Measurement Standards Section licenses all weighing and measuring devices in commercial use in Colorado and certifies public scales. The State Metrology Laboratory maintains Colorado's official mass length and volume standards, and provides calibration of mass, frequency, length, volume and moisture in grain for public and private agencies.

The State Metrology Laboratory calibrated 6849 mass standards, performed 152 other tests, and certified 765 tuning forks used to calibrate radar speed detectors.

The Measurement Standards Section inspects and test packages for truth in labeling and the accuracy of measuring devices used commercially. More than 26,000 small weighing devices were tested this fiscal year, and of those, 11.7% were out of compliance. Multiple inspectors also performed 90,876 price verifications and errors up to 50% were common. Inspectors examined 52,761 packages for short measure and found 20.7% to be in error. Inspectors assessed \$49,930.66 in fines. Because the Measurement Standards Section doesn't have enough inspectors to protect consumers from content and price discrepancies in the growing number of stores, they developed a retail training program, working with stores to test themselves in price verification, accurate packaging and weighing. As part of this program, the Measurement Standards Section presented four of Colorado's top grocery stores with certificates of excellence for accurate packaging, labeling and scanning.

The section's large scale testing units tested and inspected 3,557 scales (a 6.2% decrease over last year), while rejecting 45% of the scales tested. A projected budget shortfall had Measurement Standards working

overtime (over 90 hours) to ensure that all scales used for planting and harvest were certified prior to 3/31/00. As a result, many other scales remain untested.

Fruit and Vegetable Inspection Section

Tracy Vanderpool, Section Chief

The Fruit and Vegetable Inspection Section is a cooperative effort by the US Department of Agriculture and the Colorado Department of Agriculture to assure consumers of high quality Colorado produce. The program operates under federal standards, rules and regulations to provide official inspection, grading, and certification of produce quality, condition, size and other pertinent factors of fresh fruits and vegetables grown in the state. Inspection certificates are issued by the State to certify grade and condition of the product at the time of inspection.

Mandatory produce inspection is required by statute to promote quality standards. Non-mandatory inspections are conducted on other commodities for shippers who wish to market an inspected product.

This year, the section has inspected an estimated 20,793,379 hundredweight (cwt.) of potatoes, and issued approximately 35,666 mandatory inspection certificates. Staff inspected 500,931 cwt. of other fruits and vegetables and issued 461 non-mandatory inspection certificates.

Division of Animal Industry

Wayne Cunningham, DVM, Acting Director

The Division of Animal Industry is responsible for animal health and disease control activities in Colorado. The division works in close cooperation with the livestock industry and veterinary medical organizations, as well as other state and federal agencies, to protect the health, welfare, and marketability of Colorado livestock. The division is composed of five different sections: livestock disease, Bureau of Animal Protection, Rocky Mountain Regional Animal Health Lab, rodent control and pet care. The division has 19 employees.

Livestock Disease Section

Dr. Wayne Cunningham, Section Chief

The Livestock Disease Section is responsible for monitoring and controlling contagious infectious diseases in livestock and captive alternative livestock. The staff concentrates on diseases that are a threat to public health, are not easily controlled by individual livestock owners, and would significantly impact the more than \$3 billion livestock economy in Colorado. Disease surveillance programs at slaughter plants and at livestock concentration points are conducted in cooperation with the US Department of Agriculture. The division controls diseases through inspections, vaccinations, treatments and other activities.

The division assisted the Colorado Livestock Association and Colorado Cattlemen's Association in the implementation of a beef quality assurance program to assist producers in providing a safe and excellent product to all customers. Good management practices including handling of feed, correct animal medication procedures, record keeping, sanitation of facilities and more have been developed for distribution. Following producer education and certification, an audit process is being developed to check the certified facilities. Division personnel secured federal funds to assist with the program development and provided assistance in developing educational seminars. They continue to provide input on the audit team.

This year, the section, with the industry, took strong preventative measures to protect Colorado's domesticated deer and elk populations from chronic wasting disease, a nervous system disease causing holes in the brain. The Colorado Department of Agriculture continues to require that all domesticated deer and elk producers to

submit samples from any sick or dying deer or elk to Colorado State University for lab analysis to determine if that animal tests positive for chronic wasting disease (CWD). To date, there have been two positive cases. On small herd of ten elk were depopulated and indemnified as result of a bull elk being diagnosed positive for chronic wasting disease. The second herd with a positive CWD case is under quarantine and will be under a herd plan to control the disease.

The Colorado Division of Wildlife (DOW) is proactively trying experimental methods to control CWD in the free-roaming cervidae. One method that is being implemented this fall is significant population reduction in the highest CWD prevalence game management units. The section is working with the DOW to encourage agriculture landowners to cooperate with the experimental effort. The section examines all resident domesticated herd inventories, making sure that free-roaming deer or elk are not incorporated. All deer and elk with CWD in other states have been quarantined and cannot be transported into Colorado. All resident and imported domesticated deer and elk are tattooed, tested for other diseases, then tagged with an official USDA tag. Again, any animal testing positive is not allowed in the state. The department also requires all domesticated deer and elk to have health certificates and entry permits to track their movement.

The section formed a livestock emergency preparedness team to develop standard operating procedures in the event of a livestock emergency. The team includes representatives from the Department of Clinical Sciences at Colorado State University; epidemiology at Colorado State University; United States Department of Agriculture; Large Animal Commission for the Colorado Veterinary Medical Association; and the Colorado Department of Agriculture. The emergency preparedness program will be integrated into the Colorado State Emergency Plan. The section also created a livestock emergency contact database and plans to put that database on the web. During the year, the Colorado Cooperative Extension joined the livestock emergency effort, and they have been instrumental in identifying the county emergency committees and asking that both a local veterinarian and extension agent be included on their committee. Further, they have been identifying animal carcass burial locations throughout the state, as well as defining other methods of disposal where environmental conditions are not acceptable for burial. This section is developing an emergency response trailer system called VETT. This system will include a van trailer equipped with all the "first responder" equipment required for livestock emergencies, a livestock trailer and livestock panels, that will provide for animal containment and transportation.

The health regulation changes in the Alternative Livestock Act are now in effect. These amendments, written in cooperation with the alternative livestock industry, allow the importation of domesticated elk or fallow deer into Colorado only from herds with known tuberculosis status. They also change the per head assessment fee to allocate money to an indemnity fund to partially reimburse elk or fallow deer owners if their animals have to be destroyed due to disease.

The scrapie rules are also now in effect, to prevent breeding sheep from scrapie-infected flocks from coming into Colorado. These rules, written in cooperation with The Colorado Wool Growers Association and the Colorado Sheep and Wool Authority, require the owner to certify, on the animals' health certificates that the sheep have not come from a scrapie-infected flock. Health certificates are checked at all public livestock sales. These are the strictest rules to date in the US and several states have expressed interest in modeling their rules after these. New federal scrapie laws, that closely parallel Colorado's scrapie rule, are now ready for implementation. Five scrapie infected flocks and six trace flocks have been identified since the first of 2000. These flocks are under quarantine, but the third eyelid test and genotyping is being used to identify preclinical cases in these flocks, which will allow the sheep producers to more quickly eradicate the disease from their flocks as opposed to mandated depopulation.

This section initiated a Johne's disease advisory committee, which has been successful in resolving most regulatory and producers concerns, and has just adopted a Colorado Voluntary Status Program (CVSP). Increasingly, there has been producer interest for Johne's disease information, management strategies and animal testing. This program will allow producers to address the disease in non-regulatory environment and voluntarily test, control and eradicate the disease from their herds using the CVSP guidelines and protocols.

Colorado has been a brucellosis-free state since January of 1995 and a pseudorabies-free state since April of 1996. Free status in both brucellosis and pseudorabies economically benefits producers because a lower level of testing is required; and livestock is more marketable to other states and countries. The section has established a John's disease certification advisory committee to assist with a producer-driven John's disease control and eventual eradication certification program.

To assure sanitation for disease control and clear labels, the Livestock Disease Section licenses and inspects establishments which process, handle and/or transport inedible meat products for pet foods.

Bureau of Animal Protection

Dr. John Maulsby, Bureau Chief

In 1999-2000, the 111 commissioned officers working in the Bureau of Animal Protection (BAP) investigated approximately 375 complaints of animal neglect and cruelty across the state. Brand inspectors, sheriff's deputies and cruelty officers from the Colorado Humane Society and Dumb Friends League performed some of these investigations. Mr. Jim Foster, Mr. Frank Gilbert, Mr. Dewey Boyd, Dr. Keith Roehr and Dr. John Maulsby from the State Veterinarian's office also investigated cruelty complaints. The majority of these complaints were resolved with an inspection of the animals and if necessary, recommendations were made along with appropriate monitoring. Legal proceedings were initiated when warranted.

During March of 1999, the BAP was forced to relocate a large group of severely emaciated cattle leased to Mr. Ben Palen. Two ranchers from Texas and two ranchers from the western slope had cattle leased to Palen. The Texas cattlemen suffered a 20% death loss of their mature solid-mouthed cows. The cows were so weak that they could not endure a 30-minute ride. The death loss of calves was 25%. Many of the remaining Texas cows did not show estrus or had delayed estrus because of their extremely thin condition. This was a very difficult situation because the owners lived 800 miles away and were not able to monitor their cattle in person. The Western Slope cattlemen did not experience such a high death loss because they were monitoring their cattle more closely and moved them before they starved to death. Cruelty to Animal Charges were filed against Palen and this case is scheduled in Douglas County Court on July 17, 2000.

During March 2000, Mr. Jim Foster coordinated an investigation into the deaths of two 800lb. steers at a Weld County feedlot. These steers had been killed by two pit bull dogs, which were roaming the countryside. Foster was able to locate the dogs with the assistance of the Weld County Sheriff's Office and their owners euthanized the dogs.

Also during March of 1999, 25 fighting roosters were impounded by the BAP at the request of the Sheridan Police Department. An attempt to obtain a court order to destroy was not initially granted, so Dr. John Maulsby cared for the roosters for over one year. The owner of the roosters fled to Mexico and did not appear for his animal fighting trial. These roosters were eventually destroyed after obtaining a court order.

During the past year Dr. John Maulsby participated in four educational seminars. In June, he spoke to the animal welfare committee of the Colorado Cattlemen's Association in Mt. Crested Butte. In September, he taught at an Equine Cruelty investigation class sponsored by the American Humane Association in Westminster. Also in September, he spoke to the State Code Enforcement Officers Association in Glenwood Springs and in October; he spoke to the sophomore class at the CSU Veterinary School in Ft. Collins on how to recognize animal cruelty.

Finally, during the past year, six abandoned horses were picked up by Dr. Maulsby and rehabilitated to the point where they could be placed in new homes. Three of these horses were signed over to the BAP and three were picked up under the Brand Board's stray law.

Rocky Mountain Regional Animal Health Laboratory (RMRAHL)

Richard Forde, RMRAHL Chief

The Rocky Mountain Regional Animal Health Laboratory (RMRAHL) provides accurate, timely, efficient laboratory services and logistical support to various regulatory programs and veterinary practitioners. The laboratory also provides a means of conducting animal disease diagnosis and surveillance activities that facilitate the movement and marketing of livestock.

In fiscal year 1999-2000, RMRAHL performed approximately 134,000 tests for various livestock diseases. These tests assist in disease surveillance, animal health programs, and the qualification of livestock for intrastate, interstate and international movement. Laboratory personnel train livestock market veterinarians in test procedures and provide confirmatory tests.

Increasing importance is being placed on herd health, emergency preparedness, livestock pre-harvest practices, global trade, zoonotic diseases, and food safety. The RMRAHL is currently positioned to provide laboratory support for these important issues.

The Animal Health Lab has recently added tests for Bovine Virus Diarrhea, Caprine Arthritis-Encephalitis, *E. coli*/Coliform counts, Equine Infectious Anemia, *Neospora caninum*, and Ovine Progressive Pneumonia. RMRAHL's Preharvest Pathogen Reduction Program will be expanded with the addition of *Listeria*, *Salmonella*, and *Campylobacter*. Laboratory services for *Trichomonas foetus* will also be available later this year.

Rodent/Predator Control Section

Mike Threlkeld, Section Chief

According to the latest Colorado Agricultural Statistics *Vertebrate Rodent Infestation Survey*, 5.7 million acres of Colorado farm and ranch land are damaged to some degree by prairie dogs, gophers, and other rodents. The Animal Industry Division's Rodent/Predator Control Section provides options, information, training, services and supplies to private citizens and local, state and federal officials to control vertebrate pests. The section also assists producers in controlling livestock predator losses through cooperative agreements with federal, state and local agencies and associations.

Pet Animal Care Facilities Section

Dr. Keith Roehr, Section Chief

Since early 1995, any person who is operating a pet animal facility that engages in selling, transferring, adopting, breeding, boarding, training, grooming, sheltering or rescuing dogs, cats, birds, rabbits, ferrets, reptiles or fish may need to be licensed with the Colorado Department of Agriculture.

The last year has been very busy. The Pet Animal Care Facilities Act (PACFA) is an industry-initiated program that licenses pet care facilities and establishes a minimum facility requirement for those facilities. The Pet Animal Care Facilities Act gives the Colorado Department of Agriculture the responsibility to inspect, license and discipline all pet care facilities with more than 24 pets. The Pet Animal Care Facilities Section is committed to making sure care facilities meet minimum standards for physical facilities, sanitation, ventilation, lighting, heating, cooling, humidity, space and enclosure requirements; nutrition, humane care, medical treatment; and methods of operation and record keeping. PACFA is funded by license fees.

The Pet Animal Care Facilities Section program went through the sunset review process for the last 12 months. When the PACFA was written, it contained an automatic review after the first five years of operation. This sunset review was directed by the Department of Regulatory Agencies (DORA). The report that DORA generated covered every aspect of the PACFA Program. A few of the noteworthy conclusions were:

1. Ninety percent of the license holders either agreed or strongly agreed with the continuation of PACFA. This shows the industry support for the program.
2. The number of violations generated from routine inspections has decreased while the number of complaint investigations has increased. This demonstrates an overall improvement in licensed facilities and an increased awareness of the public as to PACFA's ability to respond to complaints about pet facilities.
3. DORA has recommended the continuation of PACFA and has suggested the next review to take place in nine years.

The sunset report has been reviewed by the Colorado Legislature, has been passed and will be signed by Governor Owens. We will continue to do our best to administer the PACFA program to create an improvement in licensed facilities while protecting them from those who would might have unrealistic expectations of how the pet animal industry should operate.

The section has closed a few cases that required litigation by the Attorney General's Office. After five years of constant effort to either have the Colorado Animal Refuge animal shelter come into compliance with PACFA or cease operation, owner and operator Mary Port chose to move her facility out of the state.

The section has had two dog breeders who have ceased operation after a considerable effort on the part of our PACFA inspectors and Dr. Keith Roehr. They both relinquished their remaining breeding dogs to our office, one voluntarily and the other by virtue of a court order. The section's position concerning anyone who operates within the pet industry remains the same, do what ever you choose to do but operate within the minimum standards of PACFA with the welfare of the animals as a top concern.

The PACFA program continues to grow. At the end of the 1995 license year we had 950 licensed facilities within the PACFA program. Each year we have seen an increase of approximately 10% of licensed facilities. At the end of the 1999-2000 license year, we had 1325 facilities licensed in the program and have a projected goal of 1500 licensed facilities by March of 2001. The increased number of facilities has come about through the compliance efforts of our inspectors and a growing pet animal industry.

Colorado State Fair

Ed Kruse, Manager

The 1999 Colorado State Fair experienced a wildly successful year in terms of attendance, concert ticket sales, carnival revenue, concessions revenue and commercial booth space rental. A record smashing Junior Livestock Sale, which raised \$268,150 highlighted the 127th Colorado State Fair. All money at the Junior Livestock Sale went directly back to the 105 4-H and Future Farmers of America youth who participated in the Sale, giving many of the youth the opportunity to pursue a college education or participate in future livestock projects.

With more than 800 Colorado buyers attending the 1999 Junior Livestock Sale, State Fair organizers are moving the 2000 Junior Livestock Sale from the Fairgrounds' Livestock Pavilion to its state-of-the-art Event Center. The move to a larger, more accessible facility will accommodate more buyers and allow the Sale's participants to showcase their hard work in front of a larger crowd. Furthermore, the youth livestock events, as they were in 1999, will be concentrated during the Fair's opening week to make exhibiting at the Fair easier by minimizing conflicts with back-to-school activities. This schedule change in 1999 resulted in a sharp increase in the number of youth exhibitors. In fact, the Colorado State Fair 4-H Championship Horse Show set a national record with 2,350 entries - roughly 150 more than the State Fair of Texas, which previously held the record.

The 2000 Colorado State Fair begins August 19 and runs daily through September 4. Included on the long list of on-grounds entertainment options during the Fair are 19 concerts featuring international acts of all musical

genres; eight nights of PRCA rodeo; a monster truck show; professional wrestling; pig races; mutton busting; free stage entertainment; a 500-ton sand sculpture; a children's barnyard; and Fiesta Weekend, Sept. 2-3, which is highlighted by Latin music, dance, food, art, a parade, a Mariachi Mass and a "Charreada" or Mexican rodeo.

In addition to the 17-day Colorado State Fair, the State Fairgrounds in Pueblo plays host to summertime events including horse shows, the Rocky Mountain Street Rod Nationals, a national motorcycle rally and graduation ceremonies for Pueblo Community College and the University of Southern Colorado.

Improvements are continually being made to the State Fairgrounds to better serve events and shows throughout the year. Governor Bill Owens recently signed a bill approving funding for construction of an open-sided steel structure enclosing a 65,000-square-foot area over the Fairground's West horse show arena as well as construction of a new horse show office and three new restrooms. State Fair management is optimistic that such improvements will help the State Fairgrounds attract larger and more prestigious events that will help make the Fairgrounds' off-season as active and exciting as the 17 days of the Colorado State Fair. *Check out Colorado's NEW Web site, www.colorado.com, or call 800-COLORADO to get your free Colorado 2000 vacation guide!*