

State of Wisconsin

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Joint Committee on Finance

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Alberta Darling
Representative John Nygren

Date: October 26, 2015

Re: s. 16.515/16.505(2), Stats. Request

Attached is a copy of a request from the Department of Administration, received October 26, 2015, pursuant to s. 16.515/16.505(2), Stats., on behalf of the Department of Agriculture, Trade and Consumer Protection.

Please review the material and notify **Senator Darling** or **Representative Nygren** no later than **Thursday, November 12, 2015**, if you have any concerns about the request or if you would like the Committee to meet formally to consider it.

Also, please contact us if you need further information.

Attachments

AD:JN;jm



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

SCOTT WALKER
GOVERNOR
SCOTT A. NEITZEL
SECRETARY
Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
Fax (608) 267-3842

Date: October 26, 2015
To: The Honorable Alberta Darling, Co-Chair
Joint Committee on Finance
The Honorable John Nygren, Co-Chair
Joint Committee on Finance
From: Scott A. Neitzel, Secretary
Department of Administration
Subject: s. 16.515/16.505(2) Request(s)

RECEIVED
OCT 26 2015
ST. FINANCE

Enclosed are request(s) that have been approved by this department under the authority granted in s. 16.515 and s. 16.505(2). The explanation for each request is included in the attached materials. Listed below is a summary of each item:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>2015-16</u>		<u>2016-17</u>	
		<u>AMOUNT</u>	<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>
DATCP 20.115(2)(ha)	Inspection, testing and enforcement		2.0*		2.0*

* Project positions ending October 2017.

As provided in s. 16.515, the request(s) will be approved on November 16, 2015, unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about any of the requests.

Please contact Kirsten Grinde at 266-1353, or the analyst who reviewed the request in the Division of Executive Budget and Finance, if you have any additional questions.

Attachments

Date: October 21, 2015
To: Michael Heifetz
From: Tyler Byrnes
Subject: Section 16.515/16.505(2) Request(s)

Attached is a s. 16.515/505(2) request analysis for your approval and processing. Listed below is a summary of each item:

DOA RECOMMENDATION:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>2015-16</u>		<u>2016-17</u>	
		<u>AMOUNT</u>	<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>
20.115(2)(ha)	Inspection, testing and enforcement	\$0	2.0*	\$0	2.0*

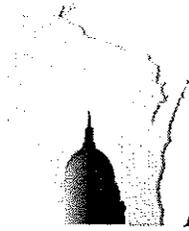
* Project positions ending October 2017.

AGENCY REQUEST:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>2015-16</u>		<u>2016-17</u>	
		<u>AMOUNT</u>	<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>
20.115(2)(ha)	Inspection, testing and enforcement	\$0	2.0*	\$0	2.0*

* Project positions ending October 2017.

MH APPROVAL 10-26-15 (FORWARD TO KIRSTEN GRINDE)



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

SCOTT WALKER
GOVERNOR

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Division of Executive Budget and Finance
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Date: October 21, 2015

To: Scott A. Neitzel, Secretary
Department of Administration

From: Tyler Byrnes
Executive Policy and Budget Analyst

Subject: Request under s. 16.505 from the Department of Agriculture, Trade and Consumer Protection for 2.0 FTE project positions.

Request:

The Department of Agriculture, Trade and Consumer Protection requests the creation of 2.0 FTE two-year project positions to serve in the department's Division of Animal Health to assist in responding to outbreaks of avian influenza.

Revenue Sources for Appropriation(s):

The program revenue to fund the positions is deposited in the department's inspection, testing and enforcement appropriation under s. 20.115(2)(ha). Revenue for this appropriation comes from licensing revenue related to deer farms, fish farms, animal market and dealer licenses, animal trucker licenses, and reinspection fees. This appropriation is a continuing, all moneys received appropriation, and expenditure authority can be increased administratively if necessary.

Background:

The department's Division of Animal Health is responsible for ensuring animal health in the state, as well as controlling the spread of serious animal diseases. The division monitors animal health and disease threats and responds to outbreaks that occur in the state. These outbreaks cause major disruption to the farm economy of the state, and can threaten human health in certain instances.

The most recent major animal health incident was an outbreak of avian influenza, which led to the depopulation of 1.9 million birds on Wisconsin farms. As part of the response to the influenza, the department collected samples from over 14,000 birds on 439 farms. The department incurred over \$600,000 in costs, with Wisconsin Emergency Management and the Department of Natural Resources also incurring costs. While the specific costs to industry from this outbreak have yet to be quantified, nine commercial poultry farm facilities were out of operation for

Scott A. Neitzel, Secretary
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approximately 14 weeks, leading to a disruption in the supply chain and layoffs of farm workers.

Avian influenza outbreaks tend to repeat in the spring and fall over the course of a three- to five-year cycle. Outbreaks generally coincide with migratory birds making trip between wintering grounds and breeding grounds. Along the way, the birds interact with domesticated wildlife. The department expects outbreaks of avian influenza to continue for the next three to five years.

The department's postoutbreak response analysis revealed opportunities to maximize collaboration among various levels of government, including state, local and federal agencies. The department is requesting additional staff members to ensure such effective coordination and cooperation in outbreak response, as well as to ensure lessons from the spring outbreak are properly incorporated into agency policy.

Analysis:

In order to address the lessons learned from the most recent avian influenza outbreak and to properly prepare for avian influenza or other animal disease outbreaks in upcoming seasons, the department requests 2.0 FTE two-year project positions. The two-year duration would allow the positions to serve for the next two expected outbreaks, while giving the agency the opportunity to determine if further outbreaks would require the positions to be extended.

The first position would serve as an emergency service coordinator. In preparation for an outbreak, the position would assist in reviewing the response to the spring 2015 outbreak and updating response plans to include new standards established during the outbreak. In addition, the position would assist in identifying commercial producers and facilitate discussions with industry and government staff to improve disease response planning.

In the event of an outbreak, the position would work with the disease-impacted locations as well as surrounding locations, contacting owners and managers of the locations regarding biosecurity measures. The position would also work with the division's program manager in drafting epidemiological reports for the outbreak. Finally the position would write after-action reports regarding the response to an outbreak to ensure proper lessons are learned from each outbreak. Currently, these functions are performed on an ad hoc basis by available department animal health field staff, which pulls them away from their regular duties. The emergency services coordinator position would serve to improve one of the vital areas of service within the department in the face of anticipated avian influenza outbreaks over the next two years.

The second requested position would serve as a program associate. This position would assist the emergency coordinator and other animal health staff in preparing for

a disease outbreak. The position would be responsible for managing administrative responsibilities and gathering information for opportunities for improvement cited in after-action reports. If an outbreak were to occur, the position would assist in issuing permits allowing animals to move from a farm within a quarantine zone. These permits are vital in ensuring commerce continues in the event of an outbreak. Currently, existing staff perform these functions in the event of an outbreak. Given the potential magnitude of the anticipated outbreaks, this is not sustainable in the near term.

During an animal health outbreak, all field staff are mobilized as part of the response, including inspectors, veterinarians and compliance specialists. Additionally, a portion of the 22.0 FTE positions located in the central office are called on to perform incident management activities, which limits the department's ability to continue regular animal health activities. By creating the new office associate position, these staff would be able to continue with focus more on day-to-day animal health activities. By approving the request, the workload related to animal health outbreaks can be effectively addressed while maintaining ongoing animal health functions.

While the department is not requesting additional expenditure authority, the positions would cost \$156,500 annually in salary and fringe benefits. The appropriation's balance is sufficient to cover increased costs related to the requested positions.

Recommendation:

Approve the request.



State of Wisconsin
Governor Scott Walker

Department of Agriculture, Trade and Consumer Protection
Ben Brancel, Secretary

Date: September 4, 2015

To: The Honorable John Nygren, Co-Chair
Joint Committee on Finance

The Honorable Alberta Darling, Co-Chair
Joint Committee on Finance

From: Ben Brancel, Secretary *Ben Brancel*
Department of Agriculture, Trade and Consumer Protection

Subject: Request under s. 16.505 for 2.0 FTE PR two year project positions under s. 20.115(2)(ha), inspection, testing and enforcement.

Request:

The Department of Agriculture, Trade and Consumer Protection (DATCP) requests 2.0 FTE PR two year project positions beginning in FY16 under s. 20.115(2)(ha), inspection, testing and enforcement, to assist in responding to foreign animal disease outbreaks including the highly pathogenic avian influenza also known as the Bird Flu. The requested two year project positions would be a 1.0 FTE Emergency Services Coordinator and a 1.0 FTE Program Associate and the projected cost for the positions is \$156,500 annually.

Appropriation s. 20.115(2)(ha), inspection, testing and enforcement receives revenue from multiple licensing programs. License revenue is received from Farm-raised Deer licenses, Fish Farm licenses, Animal Market and Dealer licenses, Animal Trucker licenses and Reinspection fees. The appropriation has a sufficient balance to support the increased expenditures.

Analysis:

DATCP's Division of Animal Health (DAH) works to protect animal and human health, and to prevent, control and eradicate the spread of serious diseases. DAH protects Wisconsin's \$50 billion livestock and poultry industry by monitoring animal health and disease threats, responding to animal disease emergencies and bio-security threats, and regulating the import and movement of animals to prevent the spread of disease.

Upon DAH's response review of the most recent avian influenza event, we found the number of staff in DAH is inadequate to deal with a foreign animal disease (FAD) outbreak. A FAD response is a complex and a challenging process, requiring careful planning and preparedness. These are high-impact events, with potential to impact human health, the economy, and foreign

trade. These diseases have the potential to spread quickly, which impacts livestock productivity. When disease appears, restrictions imposed by importing countries disrupt both interstate commerce and international trade. The loss of export markets and restricted movement of livestock and livestock products underscores the importance of preparedness. It is critical that DATCP and the industry is prepared to detect and respond to the foreign animal diseases, so borders are reopened to trade.

Effective coordination and cooperation among local, state, tribal, and federal government agencies, as well as between the government and industry stakeholders is imperative for effective planning and capable response actions. For the highly pathogenic avian influenza (HPAI) FAD, the following response actions were taken (similar actions are taken for any FAD):

1. Immediate quarantine of infected premises.
2. Indemnification assessment of poultry that were lost to disease.
3. Use of premises information to detect and notify surrounding premises that also have poultry.
4. Conduct area surveillance of the premises within 10 km of the infected premises. Surveillance includes evaluating, testing twice within 7 to 21 days, and preparing and compiling test results for each premises. Animal and product movement to and from the control area is allowed only by permit granted by DAH.
5. Depopulation of birds (often thousands of birds on one site in various types of facilities).
6. Disposal of carcasses and other infected materials. In the recent HPAI, DAH was able to compost the carcasses and bedding, having to find other disposal options for eggs, crates and non-compostable material. The composting of carcasses and other organic material requires resource commitment for monitoring. All poultry carcasses on infected sites must be composted for 2, 14-day heat cycles and must be monitored daily for coverage, moisture and temperature.
7. Cleaning and disinfection of premises, including all equipment, water systems, buildings, etc.
8. Conduct environmental sampling of premises.
9. Release quarantine of premises.
10. Monitor restocking to ensure guidelines are followed and there is no reinfection of HPAI on these premises, and if there were to be it would be rapidly contained.

DATCP is requesting a 1.0 FTE PR Emergency Services Coordinator project position to help prepare DAH in responding to an animal disease outbreak. DAH anticipates another outbreak of Avian Influenza in the fall of 2015, and potentially every spring and fall for the next 3 to 5 years. These outbreaks will be devastating to Wisconsin's poultry producers if DAH is not prepared to prevent the spread of the disease.

This position is needed now to assist in assembling the lessons learned from the spring 2015 outbreak by updating existing response plans based on new standards that were established during the response. For instance, a significant lesson learned was that of the 19,000 premises registered as having poultry, it was unknown how many were commercial poultry producers. This is significant as commercial poultry producers present a higher risk and have additional testing requirements, requiring additional monitoring responsibilities by DAH.

Prior to and during a disease outbreak emergency, the position will assist in identifying those commercial producers and will facilitate discussions and communications with industry and local, state, and federal government staff to improve DAH's disease response planning. The position will develop animal response plans, develop standard operating procedures, and provide outreach to both commercial and backyard flock owners regarding biosecurity measures.

During a disease outbreak emergency, this position will work with the FAD infected premises as well as surrounding premises. The position will contact and communicate with the owners and managers of the infected premises regarding biosecurity measures. The position will also assist DAH's program manager in drafting an epidemiological report regarding the disease incident. These reports are crucial in determining the origin and cause of the disease and in tracing potentially diseased animals back or forward from the diseased premise. The position will also write after action reports regarding the division's response to the foreign animal disease outbreak. This position will be a critical addition to the DATCP Incident Management Team as consistent, accurate implementation methods and communication with all invested parties are crucial when responding to an emergency disease outbreak.

DATCP also requests a 1.0 FTE PR Program Associate project position to assist the emergency coordinator and DAH staff in preparing for and implementing a coordinated, effective response during a disease outbreak. Prior to a disease outbreak, this position will be crucial in setting up industry meetings and assisting in gathering information for, and acting on, any opportunities for improvement cited in after-action reports.

During a disease outbreak, this position will assist in issuing permits allowing animals to move to or from a premises in a control zone within 10 km of an infected farm. The permit specifies requirements that must be met in order to move any animals or release products such as eggs. The permits help to ensure the animals remain disease free, minimize the potential for the spread of disease during transit, and provide for traceability in the event the disease is found elsewhere. DAH estimates that more than 700 permits were issued during the 2015 HPAI outbreak. Permitted movement is essential to keep commerce going while mitigating risk of spread.

The position will work closely with vendors, including the National Veterinary Stockpile, to order supplies needed for emergency response. The position will serve as courier to get those supplies to various staging areas located across the state to staff working surveillance and on infected premises. The position will also transfer tissue samples of animals taken by state veterinarians from various premises throughout the state to diagnostic labs in Madison for processing.

Since January 2015, DAH has investigated and responded to multiple FADs. They responded to the avian influenza outbreak which affected flocks totaling almost 2 million birds and also responded to a Scrapie outbreak which affected 380 game sheep. They also completed investigations for Tuberculosis in more than 1,500 cattle and Chronic Wasting Disease which affected 22 premises. To demonstrate the level of activity that is involved in one disease outbreak, the following is a summary of DAH's workload when it responded to the highly pathogenic avian influenza (HPAI) outbreak in the spring of 2015.

Highly Pathogenic Avian Influenza (HPAI) Summary

- DAH implemented its plan for a coordinated response with the USDA, state health officials and industry partners following USDA confirmation of the first positive HPAI poultry premises. HPAI is an extremely infectious disease that is fatal to birds. Once established, the disease can spread rapidly from flock to flock. The DAH had to work fast as several countries banned the import of Wisconsin poultry until monitoring and testing for the disease was completed.
- There were 10 confirmed positive HPAI poultry infected premises, including 6 commercial turkey flocks, 3 table egg layer flocks, and 1 backyard flock.
- The 1.9 million poultry and 41,760 fertilized eggs in the infected flocks were depopulated and carcasses and other infected materials disposed of in a responsible manner in order to minimize the risk of exposure.
- Along with the 10 confirmed positive HPAI poultry infected premises, 265 premises within a 10km control zone of the infected premises were quarantined and 1,445 poultry on those premises were tested twice within 14 to 21 days in order to confirm the disease hadn't spread.
- During the period of time from April through early June, a majority of DAH staff worked on the avian influenza outbreak affecting almost 2 million poultry/eggs and Wisconsin's economy. The DAH incident management team worked 13 to 14 hours per day for 3 weeks straight in order to help Wisconsin's poultry producers. Thanks in large part to the efforts of DAH, Canada and the European Union agreed to immediately regionalize their embargo on Wisconsin poultry to just the HPAI control zones.

Summary

DATCP requests additional staff to prepare and respond to disease events to keep Wisconsin's animals free of disease and borders open to trade. Keeping Wisconsin's animals free of disease is critical to the continued success of the state's \$50 billion livestock and poultry industry.

The threat of disease is on-going. According to the USDA, the HPAI incident that occurred in the spring of 2015 was the worst animal health event in the nation's history. HPAI is anticipated to occur again in Wisconsin this fall and in the spring of 2016. The requested project positions are needed to be prepared to respond efficiently and effectively to that disease as well as any other diseases that may occur.