

Chair Helm, Members of the Committee,

The Wolf Compensation and Financial Assistance Program, with its intent is to work for both ranchers and wolves, apparently the program still needs reform, to make sure the original intent, the original goals are actually being realized.

I offer the article below with information in this regard for your consideration.

Therefore, I oppose HB 2147, which would appropriate money from General Fund to State Department of Agriculture for deposit in Wolf Management Compensation and Proactive Trust Fund, until such time as the necessary reforms are realized to ensure the program is being carried in accordance with the requirement of the program, and such that both wolves and ranchers are being served.

Respectfully, Al LePage, Eugene, Oregon

Questionable Payments To Oregon Ranchers Who Blame Wolves For Missing Cattle

By Tony Schick (OPB)

Halfway, Oregon July 17, 2017 12 p.m.

Many western states pay livestock operators for cattle and sheep lost to wolves depredation. But an EarthFix investigation found Oregon is making questionable payments to ranchers.

Chad DelCurto parked his pickup beside the road winding the Snake River canyon, surveying the jagged green edge of Oregon where his cattle grazed. This is where he lost them.

There's ample feed and room to wander on these remote and rugged stretches of public land. But there's added risk to open range: harsh weather, disease, rustlers, predators.

"This is the reality — this is outside, all natural, grass-fattened beef," he said.

DelCurto dresses in denim from neck to ankle, with mud-splattered black on his boots and hat. He's been ranching all his life, and he's teaching his 9-year-old son to do the same.

Last year, DelCurto claimed he lost 41 calves and 11 cows out here in Baker County. Each calf could be worth over \$700, the cows almost twice that.

He blames wolves. Alerts from state wildlife officials showed them in the area. He said the landscape showed some scat and tracks. And he could sense it in his cattle.

"You got up in there and tried to move them, could tell they'd been spooked," DelCurto said. "I can't prove it because there's no carcasses, but I know damn good and well the wolves had a big part in it."

So DelCurto filed for state-funded compensation for the losses, just as he did for nine missing cattle the year before.

A pack of wolves makes their way through the snow in Northeastern Oregon.
A pack of wolves makes their way through the snow in Northeastern Oregon.

Courtesy of the Oregon Department of Fish and Wildlife

But here's the issue: There hasn't been a confirmed wolf kill of livestock in Baker County since 2012. And according to state biologists, there are only three known resident wolves in the county. Given that, a wolf-related loss of that size, with no carcass to show, would be unheard of.

Despite all that, the Baker County wolf compensation board approved DelCurto's claim. That left one state official with the dilemma of whether to deny the rancher compensation or approve a loosely documented claim so large it would have decimated the state program's budget.

Ever since wolves' return in the West, states have experimented with some form of compensation for ranchers, with mixed results.

Since 2012, Oregon has kicked in money for ranchers to hire range riders and purchase radios and fence lining, called fladry, to deter wolves. The state has also compensated livestock operators for both confirmed or unconfirmed losses of cattle, sheep or working dogs. It's a well-regarded program that provides some relief for ranchers feeling the added strain of a returned predator: even some of the wolf-advocate groups who clash with ranchers say it was necessary.

But an EarthFix examination found the state has made a questionable pattern of payments that contradicts established knowledge of the state's wolf population.

The investigation also found state and county officials do not take all the necessary steps to confirm claims of missing livestock and ensure a limited money pool flows toward legitimate claims of wolf kills. That can mean less money to prevent wolf conflicts, and less money for documented losses.

With no consistent system for verifying unconfirmed livestock losses, the state has little way of knowing for sure whether it's denying some ranchers their due compensation or paying out claims it shouldn't.

No biological explanation

Chart the payments year over year, and a pattern emerges.

Since 2012, payments for missing cattle have increased when actual confirmed losses did not. Experts say those rates should track together.

"There is no possible biological or ecological explanation for this," said Luigi Boitani, an international expert on wolves who reviewed the data. In 2010, the University of Rome professor uncovered problems with wolf compensation in his home country of Italy.

"Small variations are understandable but the huge variation in the last few years has no justification," Boitani said. "The rate of confirmed deaths and missing livestock should track together."

Roblyn Brown, acting wolf coordinator for the Oregon Department of Fish and Wildlife, had a similar assessment: "I don't know of a biological explanation for why claims for missing livestock have gone up."

Others, like the Oregon Department of Agriculture, which administers the compensation program, say the change could be attributed to awareness: more and more ranchers discovering and utilizing these compensation programs.

Map the payments and another pattern emerges that confounds wolf biologists.

Since 2012 the state of Oregon has paid a total of over \$150,000 to compensate ranchers for over 380 missing cattle and sheep. All of it has gone to three Northeast Oregon counties: Wallowa, Umatilla, and Baker.

Umatilla and Wallowa have large known wolf populations, and a history of confirmed depredations. Baker County has little of either, yet ranchers there have received more money than anywhere else in the state, at \$65,000.

Brown had no explanation for this, either.

“We would expect wolf-caused missing livestock to be more likely in areas where we have seen confirmed depredations, and have high wolf density,” Brown said.

In total, payments for livestock losses in Eastern Oregon have far surpassed what state officials had projected based on data from other states.

The government might not believe DelCurto’s numbers, but he doesn’t believe the government’s either.

An aerial view of land used for grazing in northeast Baker County, Oregon. Ranchers say the rough, forested terrain make it difficult to find missing or dead cattle.

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Tony Schick, OPB / EarthFix

Needle in a haystack

He searched by horseback, trudging up ridges of snow. He searched by helicopter. Still, he couldn’t find his missing cattle.

“A foot of snow and you’re not cutting any tracks,” DelCurto said. “At that point, you start counting up and cutting your losses.”

He turned out about 350 head of cattle, including pregnant cows to give birth on the open range. DelCurto has done it many times. Usually, he said, more of them come back.

“That just doesn’t happen,” he said. “You don’t go to grass and have them die.”

Fellow ranchers near Halfway reported a combined 21 livestock missing that year they say were wolf-related.

There’s a reason ranchers expect to be compensated for losses, even without proof wolves are to blame: You try finding a cow carcass in 10,000 acres of wilderness.

"It's just damn rugged and steep. Trying to find a corpse or something like that is like trying to find a needle in a haystack," DelCurto said.

If you could take the flight DelCurto did, you would see what he means.

It is not the open pasture you might picture for cattle ranching. An hour soaring over Northeast Baker County reveals miles of dense timber and canyons.

But even discovering the remains of a cow thought to have been preyed upon by wolves doesn't always mean much to cattlemen. Some no longer bother to report wolf kills to ODFW, they say, because they are unsatisfied with the response. Ranchers in Eastern Oregon have complained to the state that dead livestock investigations are too slow and allow the deterioration of evidence that could implicate wolves.

"We're losing it. You've lost a lot of it," Todd Nash of the Oregon Cattlemen's Association told ODFW commissioners at a meeting in May. "Most of these aren't called in in Wallowa County anymore. You have to backtrack into talking ranchers into participating again."

There are at least 112 wolves statewide, mostly scattered across Wallowa, Umatilla and Union counties further north. There's also a population further southwest, in the Klamath area.

The state's best data show three wolves known to be residing in Baker County.

Dean Tucker, cow boss at the Pine Valley Ranch, left, and rancher Chad DelCurto talk wolves at Tucker's place in Richland, Oregon.

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DelCurto disagrees. So does his neighbor, Dean Tucker, the cow boss at Pine Valley Ranch in Halfway.

"When the Department of (Fish and) Wildlife tells the public there's only X number of wolves running around, they're full of s***," Tucker said.

Last year, Pine Valley Ranch reported five cattle missing because of wolves. The year before, it was seven.

"There's a hell of a lot more wolves than what they tell us," Tucker said.

Brian Ratliff, the local ODFW biologist, said the state's wolf population likely is higher than the official minimum estimates, but not by much. And there are wolves, like the Snake River Pack, for which the agency can only make educated guesses of their whereabouts.

He said his agency is almost surely under-counting the number of cattle and sheep killed by wolves, too, though he can't say by how many.

"You could not find 100 percent of livestock depredations. You could not do it," Ratliff said, referring to the forested landscapes where DelCurto and Tucker turn out cattle. "It's too broken, it's too rough."

In 2003, a research team from the U.S. Fish and Wildlife Service tackled the question of how many are missed. That often-cited study estimated for every livestock carcass you find killed by a wolf in rough country like this,

there are seven more out there you don't find.

Baker County's payments fly in the face of that. For one proven depredation there, ranchers have been compensated for 85 missing cattle.

Other counties have much lower rates. In Umatilla County, the rate is just over one in seven. In Wallowa County, more cattle were confirmed dead from wolves than were claimed missing.

Cattle poke their heads through the fence at Kelly Birkmaier's property east of Enterprise, Ore.

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Tony Schick / OPB

The case for compensation

Most Western states have some form of wolf compensation, an attempt to help ranchers with the added costs and stress from a predator they didn't want and felt was forced on them by people who don't bear the burden.

But payments for dead livestock don't cut it, many say.

Kelly Birkmaier, who ranches in Oregon's Wallowa County, said wolves have killed her cattle, injured them, spooked them and caused them to run through fences. The cost of all that adds up.

Harassment from wolves stresses cattle in ways that can reduce their weight gain or pregnancy rates, according to ranchers and others in the livestock industry. Beyond that, wolves can render cattle dogs useless, because cattle begin to associate them with wolves.

"Is this something we can keep doing? At this point in time, yes, it seems to still be working. But the added hardship and the added labor from the wolves make it challenging," Birkmaier said.

Ranchers take pride in their cattle, she said, and when something out of their control threatens that, "it is very hard, mentally, on you."

Kelly Birkmaier, Wallowa County rancher, at her property outside Enterprise, Oregon.

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For many years, the pro-wolf group Defenders of Wildlife compensated ranchers for losses as an attempt to increase tolerance for the predators, said Suzanne Stone, the organization's Northwest representative. As wolves became more established, they stopped and states began creating their own, she said.

Idaho no longer compensates for missing livestock anymore, only for government-confirmed losses. When Idaho did compensate for missing livestock several years ago, its program was plagued by complaints about fraudulent claims.

"They would give compensation to their friends, sometimes they would compensate themselves," said Stone, who is based in Boise, Idaho. "It was very loosely run. It would run out of money super quick, and people were only compensated for pennies on the dollar."

Wyoming pays for missing cattle, but only if there's also a confirmed kill. Using the ratio in the Fish and Wildlife study, Wyoming compensates for up to 7 missing cattle for each confirmed loss.

Washington recently began paying for indirect wolf losses, including missing animals, weight loss and reduced pregnancy rates. So far only two ranchers have used it since 2015. Its process is long and involved — each file for a livestock producer's claim is over 50 pages of documentation. In Oregon, sometime's it's only two or three pages.

In Oregon, ranchers submit their claims through county boards, made up of county commissioners, ranchers, business members and wolf advocates.

When Oregon established its local-focused program, Stone said it had the potential to become the best in the country. The plan was to try it for a year or two, she said, and then re-evaluate to see if the right people are being compensated.

"I don't think that the program's been evaluated, at all," she said. "And that really is an important step, so that you can make sure that it's transparent, honest and sustainable."

Cattle graze in a pasture in Baker County, Oregon.
Cattle graze in a pasture in Baker County, Oregon.

Tony Schick, OPB / EarthFix

Questions over large claim

Last year, the claim from Baker County was so large it raised questions at the Department of Agriculture.

Mike Durgan sat on Baker County's compensation board at the time, when it approved a request of payment for 73 missing animals — 52 of which were DelCurto's. Durgan quit, fed up with the county's lack of due diligence.

"Baker County's was not believable," he said. "It was baffling to me how we let that slide by."

He said unverified claims discredit a good program for honest ranchers.

"Some of the most anger I got was from other ranchers," he said. "They realize something like this impacts them in a negative way."

After the state started raising questions, Durgan said the board simply asked for less money, rather than trying to find the right number. Ultimately, Baker County received a total \$16,125, still more than any other county. That included paying DelCurto for 12 missing cattle.

"I will say that the committee here, we started off with some missteps," said Mark Bennett, a Baker County commissioner and rancher who sits on the compensation board.

Bennett said the county didn't want to set a bar so high no rancher could clear it.

"We didn't have a clear picture for our producers, what all was required," Bennett said. "Some of them could come up with some really decent documentation, and some it was weak."

Lapses in oversight

Across Oregon these requests are supposed to document ranchers used techniques to prevent wolf damage. They're supposed to document that all other potential factors for the loss besides wolves have been ruled out.

State and county records show some do not, and the amount of evidence varies widely from claim to claim. Counties and ranchers are under no obligation to consult with ODFW, the state's authority on wolf populations, about missing livestock.

Missing livestock compensation requests also rely extensively on documents detailing cattle counts at the start and end of grazing season, as well as estimates of historical losses. But the state has no standard for what evidence suffices, meaning not all ranchers are held to the same standard.

Claims that sailed through the process left one worker at the Department of Agriculture, Jason Barber, doing the job meant for several county compensation boards. In the past two years, Barber has raised questions about claims in Umatilla, Wallowa and Baker counties that were submitted without supporting documentation.

The result is a system with spotty evidence and large gray areas, meaning legitimate claims could be denied and questionable ones could be paid.

In one case, the state paid nearly \$1,500 for a confirmed wolf kill, only to realize it wasn't one more than a year later. The county was allowed to simply move the funds to the "missing livestock" category.

Last year, the state approved Wallowa County's grant application despite the fact that its compensation board never met to approve the request. Under deadline, a county commissioner sent the application to ODA without going through the process required by statute.

Barber, director of Internal Services and Consumer Protection at the Department of Agriculture, said the agency is working to improve the program and plans to create a checklist that counties can use "to make sure everything is kosher as far as what's in statute, what's in rule."

The state also has been unable to prove that ranchers are using the wolf-deterrent materials it's paid for ranchers to use, including fladry fence lining and radio boxes. The Agriculture Department didn't collect some counties' annual reports until EarthFix filed a public records request for them.

State-purchased fladry often sits in storage, as locals officials and ranchers say it is ineffective in the most problematic areas for wolf conflict.

To deter wolves, Baker County used the money to hire a range rider whom ranchers said they never saw. That left officials considering new ways to verify his time spent on the range.

Verifying the proper use of these funds has gained importance as wolves spread and more counties draw from the same pool of money — just over \$210,000 this year. Already, the state has too little money to fund the requests it gets.

Based on trust

Wallowa County rancher Dennis Sheehy at the Diamond Prairie Ranch near Enterprise, Oregon. Sheehy and a fellow rancher devised the first draft of Oregon's compensation plan back in 2010.

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Dennis Sheehy saw this coming. The longtime rancher is the father of Oregon's compensation plan.

As the sun set over Wallowa County, the cows mooed and cold air crept in over the Diamond Prairie Ranch. Sheehy was just finishing a long day of branding, and was facing another one in the morning.

"All of this was thought about when we put it together," said Sheehy, who devised the first draft of the compensation plan with a fellow rancher in 2010. It was adopted by the Legislature a year later.

"What it's based on is trust within the livestock industry here," he said. "There may be some people that do or do not have the same set of integrity and honor, you might say, about that."

As for a claim of 41 calves, like DelCurto's? It all depends.

"That might be a little extreme, but then another guy that I really do trust, they lost 16 or 17," he said.

Wolves are not the biggest threat, Sheehy said. At least to his ranch, they're just another problem that takes incremental bites into his operation's bottom line, along with drought, weather and cattle prices.

A few years ago, prices spiked and Oregon's cattle industry surpassed \$900 million in total value, making it the state's top agricultural industry. Prices have fallen since.

"You're going to see people going out of business," he said, if prices stay low, and predators are just one more thing to tip the scale.

"Low prices, you get the wolves eating on you, lose two or three calves, it could be a little more serious," he said.

Sheehy said compensation has done its job: Lessen the blow to ranchers. But wolf territory is expanding in Oregon, and Sheehy doubts state leaders would fund a statewide compensation program.

He now wonders what will become of what he started.