

IN THE SENATE

SENATE BILL NO. 1122

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO OIL AND GAS WELLS; AMENDING SECTION 47-314, IDAHO CODE, TO RE-
2 VISE A PROVISION REGARDING THE OIL AND GAS CONSERVATION COMMISSION; AND
3 DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.
4

5 Be It Enacted by the Legislature of the State of Idaho:

6 SECTION 1. That Section 47-314, Idaho Code, be, and the same is hereby
7 amended to read as follows:

8 47-314. OIL AND GAS CONSERVATION COMMISSION CREATED -- POWERS -- LIMIT
9 ON LOCAL RESTRICTIONS -- ATTORNEY GENERAL. (1) There is hereby created an oil
10 and gas conservation commission of the state of Idaho within the department
11 of lands. The commission shall consist of a county commissioner as described
12 in this section and four (4) members appointed by the governor with the ad-
13 vice and consent of the senate.

14 (a) The county commissioner shall be from a county where oil and gas
15 are being produced or have been produced within the last ten (10) years
16 and shall be elected by a majority of the county commissioners from such
17 producing counties. The county commissioner shall serve a four (4) year
18 term. A vacancy shall be filled by election for the unexpired term in
19 the same manner provided for election to a full term.

20 (b) The governor shall appoint four (4) members who shall serve at the
21 pleasure of the governor. One (1) member ~~shall be knowledgeable in oil~~
22 ~~and gas matters and~~ shall have a college degree in geosciences or en-
23 ~~gineering and or~~ at least five (5) years of experience in the oil and
24 gas industry. One (1) member shall be a mineral interest owner without
25 an oil and gas lease in a county where oil and gas have been produced.
26 One (1) member shall be a resident of Idaho knowledgeable in land use
27 matters and shall have at least five (5) years experience in land use
28 matters. The term of office of each appointed member of the commission
29 shall be four (4) years. A vacancy shall be filled by appointment for
30 the unexpired term in the same manner provided for an appointment to the
31 full term.

32 (2) The commission shall annually elect a chairman and a vice chairman
33 from its membership. Such officers shall hold their respective offices un-
34 til their successors are elected. If a vacancy occurs in either office, the
35 commission shall elect a member to fill such office for the remainder of the
36 term.

37 (3) The commission shall meet at least annually and thereafter on dates
38 set by the commission. A majority of the members shall constitute a quorum.

39 (4) The members of the commission appointed by the governor or selected
40 by the county commissioners shall be compensated as provided in section
41 59-509(n), Idaho Code.

1 (5) The oil and gas administrator of the department of lands shall be
2 the secretary for the commission.

3 (6) The department of lands shall have the power to exercise, under the
4 general control and supervision of the commission, all of the rights, powers
5 and duties vested by law in the commission, except those provided in sections
6 47-328 and 47-329(3), Idaho Code.

7 (7) The commission shall have and is hereby given jurisdiction and au-
8 thority over all persons and property, public and private, necessary to en-
9 force the provisions of this act and shall have power and authority to make
10 and enforce rules, regulations, and orders and to do whatever may reasonably
11 be necessary to carry out the provisions of this act. Any delegation of au-
12 thority to any other state officer, board or commission to administer any and
13 all other laws of this state relating to the conservation of oil and gas is
14 hereby rescinded and withdrawn and such authority is hereby unqualifiedly
15 conferred upon the commission as herein provided. The commission shall fol-
16 low procedures on applications as provided in section 47-328, Idaho Code,
17 except as provided in sections 47-316(1) (a) and 47-329(3), Idaho Code.

18 (8) It is the intent of the legislature to occupy the field of the regu-
19 lation of oil and gas exploration and production with the limited exception
20 of the exercise of planning and zoning authority granted cities and counties
21 pursuant to chapter 65, title 67, Idaho Code.

22 (9) To implement the purpose of the oil and gas conservation act, and
23 to advance the public interest in the orderly development of the state's oil
24 and gas resources, while at the same time recognizing the responsibility of
25 local governments to protect the public health, safety and welfare, it is
26 herein provided that:

27 (a) The commission will notify the respective city or county with ju-
28 risdiction upon receipt of an application and will remit, electroni-
29 cally, a copy of all application materials.

30 (b) No ordinance, resolution, requirement or standard of a city,
31 county or political subdivision, except a state agency with authority,
32 shall actually or operationally prohibit the extraction of oil and
33 gas; provided however, that extraction may be subject to reasonable
34 local ordinance provisions, not repugnant to law, that protect public
35 health, public safety, and public order or that prevent harm to public
36 infrastructure or degradation of the value, use and enjoyment of pri-
37 vate property. Any ordinance regulating extraction enacted pursuant
38 to chapter 65, title 67, Idaho Code, shall provide for administrative
39 permitting under conditions established by ordinance, not to exceed
40 twenty-one (21) days unless extended by agreement of the parties or upon
41 good cause shown.

42 (c) No ordinance, resolution, requirement or standard of a city, county
43 or political subdivision, except a state agency with authority, shall
44 actually or operationally prohibit construction or operation of facil-
45 ities and infrastructure needed for the post-extraction processing and
46 transport of gas and oil. However, such facilities and infrastructure
47 shall be subject to local ordinances, regulations and permitting re-
48 quirements, not repugnant to law, as provided in chapter 65, title 67,
49 Idaho Code.

1 (10) The commission may sue and be sued in its administration of this act
2 in any state or federal district court in the state of Idaho having jurisdic-
3 tion of the parties or of the subject matter.

4 (11) The attorney general shall act as the legal advisor of the commis-
5 sion and represent the commission in all court proceedings, in all proceed-
6 ings before the commission, and in any proceeding to which the commission may
7 be a party before any department of the federal government. The commission
8 may retain additional counsel to assist the attorney general and, for such
9 purpose, may employ any funds available under this act.

10 SECTION 2. An emergency existing therefor, which emergency is hereby
11 declared to exist, this act shall be in full force and effect on and after
12 July 1, 2025.