

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 655

BY WAYS AND MEANS COMMITTEE

AN ACT

1 RELATING TO GEOTHERMAL RESOURCES; AMENDING SECTION 47-1605, IDAHO CODE,  
2 TO REVISE PROVISIONS RELATING TO ROYALTIES ASSOCIATED WITH GEOTHERMAL  
3 RESOURCE LEASES AND TO MAKE TECHNICAL CORRECTIONS.  
4

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

6 SECTION 1. That Section 47-1605, Idaho Code, be, and the same is hereby  
7 amended to read as follows:

8 47-1605. LEASES -- RENTAL AND ROYALTY. Geothermal resources leases  
9 shall be issued at an annual rental of not less than twenty-five cents  
10 (25¢) per acre, payable in advance and a royalty which shall not be ~~less~~  
11 more than ten per centum one and seventy-five hundredths percent (101.75%)  
12 of the geothermal resources produced from the lands under lease or the  
13 value thereof for the first ten (10) years of production, and three and  
14 one-half percent (3.5%) thereafter, of the amount or value of geothermal  
15 resources, or any other form of heat or energy derived from production under  
16 the lease and sold or utilized by the lessee or reasonably susceptible to  
17 sale or utilization by the lessee, unless used or consumed by the lessee  
18 in his production operations. The rentals ~~and the royalties~~ specified in  
19 geothermal leases shall be fixed in any manner, ~~including,~~ but not limited  
20 to, competitive bidding, or according to any formula as the state board of  
21 land commissioners finds will maximize public benefits from such leases.  
22 Royalties shall be paid in addition to rental payments, at the discretion of  
23 the board of land commissioners.