

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 53

BY RESOURCES AND CONSERVATION COMMITTEE

AN ACT

1 RELATING TO GEOTHERMAL RESOURCE LEASES; AMENDING SECTION 47-1605, IDAHO  
2 CODE, TO DELETE CERTAIN ROYALTY PROVISIONS, TO REVISE PROVISIONS RELAT-  
3 ING TO THE MANNER OF FIXING RENTALS AND TO PROVIDE FOR ROYALTIES.  
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. (1) Geothermal resources  
9 leases 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 than  
11 ten per cent (10%) of the geothermal resources produced from the lands un-  
12 der lease or the value thereof. The rentals and the royalties specified in  
13 geothermal leases shall be fixed in any manner, including but not limited to  
14 competitive bidding, or according to any formula as the state board of land  
15 commissioners finds will maximize public benefits from such leases. Royal-  
16 ties shall be paid in addition to rental payments, at the discretion of the  
17 board of land commissioners by the state board of land commissioners includ-  
18 ing, but not limited to, competitive bidding, negotiation, fixed amounts or  
19 formulas.

20 (2) Royalty shall be established by the board of land commissioners  
21 based on the market value of the geothermal resources produced from the lands  
22 under lease. The royalties specified in geothermal leases shall be fixed  
23 in any manner by the state board of land commissioners including, but not  
24 limited to, competitive bidding, negotiation, fixed amounts or formulas.  
25 Royalties shall be paid in addition to rental payments, at the discretion of  
26 the board of land commissioners.