

Dear Senators ANDREASON, McKague, Stennett, and
Representatives BLOCK, Hartgen, Ringo:

The Legislative Services Office, Research and Legislation, has received the enclosed rules of
the Department of Commerce:

IDAPA 28.02.05 - Rules Pertaining To The Rural Community Block Grant Program (RCBG) (Docket
No. 28-0205-1201).

Pursuant to Section 67-454, Idaho Code, a meeting on the enclosed rules may be called by the
cochairmen or by two (2) or more members of the subcommittee giving oral or written notice to Research
and Legislation no later than fourteen (14) days after receipt of the rules analysis from Legislative
Services. The final date to call a meeting on the enclosed rules is no later than 11/13/2012. If a meeting is
called, the subcommittee must hold the meeting within forty-two (42) days of receipt of the rules analysis
from Legislative Services. The final date to hold a meeting on the enclosed rules is 12/11/2012.

The germane joint subcommittee may request a statement of economic impact with respect to a
proposed rule by notifying Research and Legislation. There is no time limit on requesting this statement,
and it may be requested whether or not a meeting on the proposed rule is called or after a meeting has
been held.

To notify Research and Legislation, call 334-4845, or send a written request to the address on the
memorandum attached below.



Jeff Youtz
Director

Legislative Services Office Idaho State Legislature

Serving Idaho's Citizen Legislature

MEMORANDUM

TO: Rules Review Subcommittee of the Senate Commerce & Human Resources Committee and the House Commerce & Human Resources Committee
FROM: Division Manager - Mike Nugent
DATE: October 24, 2012
SUBJECT: Department of Commerce

IDAPA 28.02.05 - Rules Pertaining To The Rural Community Block Grant Program (RCBG) (Docket No. 28-0205-1201)

The Department of Commerce is proposing to promulgate a proposed rule that will increase the population of eligible cities for rural community development block grants from 10,000 to 25,000. This rule change will make the cities of Moscow, Eagle, Kuna, Mountain Home, Chubbuck, Ammon, Hayden, Blackfoot, Garden City, Jerome and Burley eligible to receive these funds as their population is between 10,000 and 25,000. Cities with a population in excess of the 25,000 and ineligible under the proposed rules are Boise, Nampa, Meridian, Idaho Falls, Pocatello, Caldwell, Coeur d'Alene, Twin Falls, Lewiston, Post Falls and Rexburg. Those cities are ineligible to receive rural community development block grants. There are 228 cities in Idaho with 216 under a population of 25,000 and 205 with a population under 10,000.

It appears the proposed rule has been promulgated within the scope of statutory authority granted to the Department of Commerce.

cc: Department of Commerce
Jeffery Sayer & Dennis Porter

IDAPA 28 - IDAHO DEPARTMENT OF COMMERCE
28.02.05 - RURAL COMMUNITY BLOCK GRANT PROGRAM (RCBG)
DOCKET NO. 28-0205-1201
NOTICE OF RULEMAKING - TEMPORARY AND PROPOSED RULE

EFFECTIVE DATE: The effective date of the temporary rule is October 24, 2012.

AUTHORITY: In compliance with Sections 67-5221(1) and 67-5226, Idaho Code, notice is hereby given that this agency has adopted a temporary rule, and proposed rulemaking procedures have been initiated. The action is authorized pursuant to Section 67-4702, Idaho Code.

PUBLIC HEARING SCHEDULE: Public hearing(s) concerning this rulemaking will be scheduled if requested in writing by twenty-five (25) persons, a political subdivision, or an agency, not later than October 17, 2012.

The hearing site(s) will be accessible to persons with disabilities. Requests for accommodation must be made not later than five (5) days prior to the hearing, to the agency address below.

DESCRIPTIVE SUMMARY: The following is the required finding and concise statement of its supporting reasons for adopting a temporary rule and a nontechnical explanation of the substance and purpose of the proposed rulemaking:

This rule change will increase the population of eligible cities from 10,000 to 25,000. Rural cities with a population between 10,000 to 25,000 are experiencing private sector job growth opportunities, but lack the financial ability or economies of scale to help fund public infrastructure needs for private business expansion. The current rules are 10 years old so increasing the limit is essentially keeping up with population growth or right sizing the Rural Community Block Grant program. A change would not necessarily add new cities from the original creation of the program.

TEMPORARY RULE JUSTIFICATION: Pursuant to Section 67-5226(1)(c), Idaho Code, the Governor has found that temporary adoption of the rule is appropriate for the following reasons:

The temporary rulemaking will confer a benefit on affected cities.

FEE SUMMARY: The following is a specific description of the fee or charge imposed or increased: None.

FISCAL IMPACT: The following is a specific description, if applicable, of any negative fiscal impact on the state general fund greater than ten thousand dollars (\$10,000) during the fiscal year:

The Idaho Department of Commerce does not anticipate a fiscal impact resulting from this rule change.

NEGOTIATED RULEMAKING: Pursuant to Section 67-5220(2), Idaho Code, negotiated rulemaking was not conducted because it was unlikely to get a consensus from over 180 cities (interested parties) to agree on a definition of a "rural city."

INCORPORATION BY REFERENCE: Pursuant to Section 67-5229(2)(a), Idaho Code, the following is a brief synopsis of why the materials cited are being incorporated by reference into this rule: N/A

ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS: For assistance on technical questions concerning the temporary and proposed rule, contact Dennis Porter, Community Development Manager, (208) 334-2650 ext. 2145.

Anyone may submit written comments regarding the proposed rulemaking. All written comments must be directed to the undersigned and must be delivered on or before October 17, 2012.

DATED this September 5, 2012

Jeffery Sayer, Director
Idaho Department of Commerce
700 West State Street
PO Box 83720
Boise, ID 83720-0093
Tel: (208)-334-2470
Fax: (208)-334-2631

**THE FOLLOWING IS THE TEMPORARY RULE AND THE PROPOSED TEXT
OF DOCKET NO. 28-0205-1201**

011. ELIGIBLE APPLICANTS.

Applicants for the Idaho Rural Community Block Grants are as follows: (3-15-02)

01. City Applicants. Rural cities are those generally less than ~~ten~~ twenty-five thousand (~~1025,000~~) in population. Cities contiguous to large cities are not eligible to apply. (~~3-15-02~~)(10-24-12)T

02. County Applicants. Counties may apply for county wide projects or on behalf of unincorporated communities. Counties cannot apply for projects that benefit larger cities. (3-15-02)

03. Special Purpose Districts. Special purpose districts are not eligible, although they may be involved in the execution of a project by mutual agreement. (3-15-02)

04. Indian Tribes. Indian tribes may be considered as an applicant or may be a partner in a project by mutual agreement. (3-15-02)