

MINUTES
SENATE RESOURCES & ENVIRONMENT COMMITTEE

DATE: Friday, January 20, 2012

TIME: 1:30 P.M.

PLACE: Room WW55

MEMBERS PRESENT: Chairman Pearce, Vice Chairman Bair, Senators Cameron, Siddoway, Brackett, Heider, Tippetts, Werk, and Stennett

ABSENT/ EXCUSED: None

NOTE: The sign-in sheet, testimonies, and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.

CALL TO ORDER: The meeting was called to order at 1:30 by **Chairman Pearce**. He welcomed the large audience and said the first order of business would be to approve some minutes.

APPROVAL OF MINUTES: **Vice Chairman Bair** stated that he had read the minutes of January 16, 2012 and found them to be correct. He made the **motion** for their approval. The motion was **seconded** by **Senator Siddoway**. The motion **passed** by unanimous voice vote.

PASSING OF GAVEL: **Chairman Pearce** passed the gavel to **Vice Chairman Bair** who chairs the Rules Review.

VOTE ON RULES: **Vice Chairman Bair** said that voting on the 11 **Fish and Game's pending rules** that were heard on Monday, January 16, would commence. Each rule will be considered individually.

DOCKET NO. 13-0102-1101 *Rules governing public safety.* **Senator Heider moved, seconded by Senator Tippetts**, that the Committee **adopt Rule No. 13-0102-1101**. The motion carried by voice vote.

DOCKET NO. 13-0104-1101 *Rules governing licensing.* **Senator Tippetts moved, seconded by Senator Heider**, that the Committee **adopt Rule No. 13-0104-1101**. The motion carried by voice vote.

DOCKET NO. 13-0104-1102 *Rules governing licensing.* **Ms. Sharon Kiefer, Deputy Director, Idaho Department of Fish and Game (IDFG)**, was asked numerous questions regarding this docket (which relates to the Landowner Appreciation Program/Landowner Incentive Program {LAP/LIP}) when she presented it on January 16. As a follow-up, she sent an email to all the Committee members on January 19 responding to the questions. (A hard copy of the email (attached) has been provided to the Committee members by the Secretary for today's meeting). Ms. Kiefer referred to the information in the email when responding to the Committee's inquiries. At the close of the discussion, the majority of the Committee did not believe higher or increased demands and restrictions should be placed on landowners in order to receive additional tags. They also did not like the new Landowner Incentive Tag program, preferring instead the old Rule.

Senator Siddoway moved, seconded by Senator Cameron, that the Committee **reject Rule No. 13-0104-1102, Rules Governing Licensing**. The motion carried by majority voice vote. Asking to be recorded as **voting no** were **Senators Tippetts, Heider, and Werk**.

- DOCKET NO. 13-0105-1101** *Rules governing fishing contests.* **Senator Heider moved, seconded by Senator Cameron,** that the Committee **adopt Rule No. 13-0105-1101.** The motion carried by voice vote.
- DOCKET NO. 13-0106-1101** *Rules governing classification and protection of wildlife.* **Senator Tippetts moved, seconded by Senator Heider,** that the Committee **adopt Rule No. 13-0106-1101.** The motion carried by voice vote.
- DOCKET NO. 13-0108-1101** *Rules governing the taking of big game animals in the State of Idaho.* **Senator Siddoway moved, seconded by Chairman Pearce,** that the Committee **adopt Rule No. 13-0108-1101.** The motion carried by voice vote.
- DOCKET NO. 13-0109-1101** *Rules governing the taking of game birds in the State of Idaho.* **Senator Heider moved, seconded by Senator Siddoway,** that the Committee **adopt Rule No. 13-0109-1101.** The motion carried by voice vote.
- DOCKET NO. 13-0110-1101** *Rules governing the importation, possession, release, sale or salvage of wildlife.* **Senator Heider moved, seconded by Chairman Pearce,** that the Committee **adopt Rule No. 13-0110-1101.** The motion carried by voice vote.
- DOCKET NO. 13-0111-1101** *Rules governing fish.* **Senator Tippetts moved, seconded by Senator Siddoway,** that the Committee **adopt Rule No. 13-0111-1101.** The motion carried by voice vote.
- DOCKET NO. 13-0112-1101** *Rules governing commercial fishing.* **Senator Heider moved, seconded by Senator Stennett,** that the Committee **adopt Rule No. 13-0112-1101.** The motion carried by voice vote.
- DOCKET NO. 13-0116-1101** *Rules governing the trapping of predatory and unprotected wildlife and the taking of furbearing animals.* **Senator Brackett moved, seconded by Senator Siddoway,** that the Committee **adopt Rule No. 13-0116-1101.** The motion carried by voice vote.
- Vice Chairman Bair** announced that the **temporary rule for the Idaho Department of Parks and Recreation** would be heard next and stated that **Director Nancy Merrill** will present it.
- DOCKET NO. 26-0136-1101** **Director Merrill** said the reasons for adopting this temporary rule is that the IDPR is in the process of expanding their on-line registration services. One change will allow customers to purchase winter recreation annual passes and temporary three-day permits via the IDPR web site. This rule change allows the temporary three-day permit to be placed on the vehicle dashboard or use the option of hanging the permit. Previously, the passes/permits had to be hung from the rear view mirror.
- Senator Tippetts** noted that in the text of the docket, it appears there is confusing language and suggested that the word "hanging" be omitted in the last sentence of the text. (050. LOCATION OF PERMIT ON VEHICLE.)
- It was suggested by some members of the Committee that this **rule be withdrawn,** a new one written, and brought back next year. **Director Merrill** agreed to the suggestion.
- DOCKET NO. 20-0315-1102** Next on the agenda was **Mr. Bob Brammer, Assistant Director for Land, Minerals, and Range Division, Department of Lands (IDL),** who explained this **pending fee rule** relating to **geothermal leasing**

Mr. Brammer said that the rule format is revised to conform with Section 67-52, Idaho Code and IDAPA 44.01.01. Definitions are changed for consistency and clarity. Most leases would be initially offered at auction instead of on a first-come basis. Lease term is extended up to 49 years in conformance with Section 47-1601 and 58-307, Idaho Code. Timely exploration and development of the lease is required or the lease may be cancelled. In addition, exploration and development requirements are reorganized for clarity. Geothermal rents and royalties would be determined through bidding or set by the board according to market rates in conformance with Section 47-1605, Idaho Code. The size of a lease is not restricted and will be determined by the Land Board in conformance with Section 47-1604, Idaho Code. Reinjection of surplus geothermal water is required to recharge the geothermal aquifer. The confidentiality of well logs is limited to one year in conformance with Section 42-4010(b), Idaho Code. Bond amounts are to be determined based on the costs of reclamation in conformance with Section 47-1608, Idaho Code. Application fees are increased to the amount needed to cover administrative costs.

Mr. Brammer stated in his testimony that the adoption of this rule will complete the effort initiated last year by the Department to remove or minimize obstacles to geothermal development on state lands. The leasing structure and process provided by these proposed changes to the rule are consistent with the structure used by the Department to successfully negotiate and issue two wind energy leases. As with wind energy projects, each geothermal project has a different land base and a different set of financial assumptions that vary with the type of use proposed. Rent and royalty will be known when the lease is issued so the lessee can project costs and obtain financing for these capital intensive projects. Exploration and development plans will be reviewed and approved by the Department to ensure that activities on endowment lands are done in a responsible manner.

A copy of Mr. Brammer's full testimony is attached. Other attachments include correspondence from **Christy Morris, Vice president, Land and Permitting, Ram Power Corporation** and **Douglas J. Glaspey, Chief Operations Officer, Geothermal Energy Association**. Both parties felt that improvements/changes should be made to this rule.

TESTIMONY: Testifying in opposition to the Rule was **Mr. Scott Nichols, US Geothermal**.

TESTIMONY: Also testifying in opposition to the Rule was **Ms. Lara Rozzell, Idaho Conservation League**.

PASSING OF GAVEL: There was more discussion from the Committee, and after the Rule gave Senator Siddoway heartburn, **Vice Chairman Bair** closed the discussion and returned the gavel to Chairman Pearce.

ADJOURN: The **Chairman** adjourned the meeting at 3:15 p.m.

Senator Pearce
Chairman

Juanita Budell
Secretary