

MINUTES
HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Thursday, February 07, 2013

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Denney, Vice Chairman Gibbs, Representatives Wood(35), Barrett, Moyle, Eskridge, Raybould, Andrus, Shepherd, Wood(27), Boyle, Vander Woude, Gestrin, Miller, Anderson(1), Pence, Erpelding, Ward-Engelking

**ABSENT/
EXCUSED:** None

GUESTS: Tom Neace, IDWR; Kent Lauer, Id. Farm Bureau; Will Hart, ICUA; Norm Semanko, IWUA; Terry Jones, Rim Fire Ranch; Shelley Dan, BRS; Brenda Tominaga, IRWA/IGWWA/IIPA; Michael Christian, IPC; Kate Haas, Id. Pet. Council; Marie Kellner, ICL; Miguel Legarreta, Realtors; Suzanne Budge, SBS Assoc. LLC.; Marc Shigeta, Payette County

Chairman Denney called the meeting to order at 1:31 p.m.

H 48: **Mr. Tom Neace**, Idaho Department of Water Resources, states this bill provides bonding authority only for the Class II injection wells associated with the gas industry. He said this establishes a bond of \$10,000 per well, plus \$1.00 per foot for the Class II injections wells. He said it's consistent with the bond that is currently charged for the oil and gas production wells with the Department of Lands.

Mr. Neace, in response to questions from the committee, stated wells in the Payette Basin are several thousand feet deep. The bond should cover the cost to close the well. He stated the bond would be put in the name of the Department of Water Resources, so if there is a problem that bond would be available to the Department who would contract with the appropriate driller to close that well.

MOTION: **Rep. Wood(35)** made a motion to send **H 48** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Miller** will sponsor the bill on the floor.

H 49: **Mr. Neace**, stated this bill provides a definition for a Class II injection well associated with the gas and oil industry and establishes a fee of \$2,500 per well for each Class II injection well. Currently there is a \$100 fee that only applies to a Class V injection well.

Mr. Neace, in response to committee questions, states the oil and gas companies were present and were fine with that fee, which is consistent with the Department of Lands fee.

Mr. Norm Semanko, Executive Director, Idaho Water Users Association, spoke in favor of the bill. The association would prefer a user fee.

MOTION: **Rep. Gibbs** made a motion to send **H 49** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Gestrin** will sponsor the bill on the floor.

RS 21855: **Mr. Norm Semanko**, Executive Director, Idaho Water Users Association, explained the Association represents the irrigation delivery entities, the canal companies, irrigation districts, water districts, municipalities, hybrids like Hayden Lake irrigation, and the business sector that support agriculture. He said all those entities vote on positions of the Association and very often members have issues that they feel need to be addressed by the Legislature. He stated this proposed legislation changes the period a lien can be against a property before you go to court.

In answer to committee questions, **Mr. Semanko**, explained that this bill will have no affect on private corporations' ability to govern themselves. It is a change in the lien on the land for up to 3 years for consistency.

MOTION: **Rep. Gibbs** made a motion to introduce **RS 21855. Motion carried by voice vote.**

RS 21856: **Mr. Semanko** said this proposed legislation deals with the assessments in irrigation districts, one has a 12% interest rate, one has an 8% interest rate, and they would like to make them consistent.

MOTION: **Rep. Raybold** made a motion to introduce **RS 21856. Motion carried by voice vote.**

RS 21859: **Mr. Semanko**, stated there are special requirements to serve as a director of an irrigation district and one of those requirements is to be a land owner. He said this requirement was upheld in a Supreme Court case. He said there is currently no protection if the director does not meet this requirement. Mr. Semanko said the irrigation district would like to have this protection spelled out in detail in the Code.

In answer to committee questions, **Mr. Semanko**, said in these types of situations, they want a process they can follow.

MOTION: **Rep. Wood(35)** made a motion to introduce **RS 21859. Motion carried by voice vote.**

RS 21868: **Mr. Jeremy Chou**, Attorney, Givens Pursley, stated that this legislation restates current law in Idaho that real and personal property damage for forest and range fire can be for actual restoration costs. Willful and intentional acts are required to receive treble damages for trespass; otherwise, reasonable costs will apply. He said, this bill is supported by members in both the House and the Senate.

Mr. Chou, in answer to concerns about the language, stated they did have discussions about those concerns and they thought this language would best meet the interests of those involved.

MOTION: **Rep. Shepherd** made a motion to introduce **RS 21868. Motion carried by voice vote.**

RS 21867: **Rep. Barrett**, presented **RS 21867** and stated this was not a controversial issue. She said the purpose of the RS is to prevent water speculation and promote good faith diligence among permit holders to complete projects. This RS will make an allowance for the developer to have an extension if a qualification can be proven through the Idaho Department of Water Resources. She said this has been presented to the Idaho Department of Water Resources, the Farm Bureau, and Idaho Water Users and they are in support of this legislation and there is no fiscal impact.

MOTION: **Rep. Wood(27)** made a motion to introduce **RS 21867. Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 2:10 p.m.

Representative Denney
Chair

Rosee Winder
Secretary