

MINUTES

HOUSE ENVIRONMENT, ENERGY, & TECHNOLOGY COMMITTEE

DATE: Thursday, January 30, 2014

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Raybould, Vice Chairman Eskridge, Representative(s) Anderson(1), Hartgen, Vander Woude, DeMordaunt, Nielsen, Thompson, Anderson(31), Anderst, Mendive, Monks, Morse, Trujillo, Smith, Rusche, Woodings

**ABSENT/
EXCUSED:** Representative Anderson(1)

GUESTS: John Lee, Drinking Water Board; Brenda Tominaga, Idaho Rural Water Association; Alex LaBeau, IACI; Joan Cloonan, Drinking and Wastewater Board; Curt Fransen, IDEQ; Norm Semanko, Idaho Water Users Association; Elizabeth Criner, NWFPA/Simplot; Jeri DeLang, City of Hayden

Chairman Raybould called the meeting to order at 1:30 p.m.

H 405: **Roger Hales**, on behalf of the Idaho Board of Drinking Water and Wastewater Professionals presented **H 405** to the committee. He stated that this legislation reduces regulation and makes it easier to renew and stay current on licenses. He described how the current renewal process works and then described the changes this legislation would make. He explained the purpose of this legislation is not only to make it easier for the drinking water operators to renew their licenses but to make the renewal process similar to the process of the other licenses issued by the Board of Drinking Water and Wastewater Professionals.

Mr. Hales introduced **John Lee, Barry Burnell, and Joan Cloonan** who were all there **in support** of this legislation.

MOTION: **Rep. Monks** made a motion to send **H 405** to the floor with a **DO PASS** recommendation.

In response to questions, **Mr. Hales** stated this legislation changes the requirement from every two years to every five years and to continue working as professionals, operators must have an active license.

VOTE ON MOTION: **Motion carried by voice vote. Rep. Nielsen** will sponsor the bill on the floor.

H 390: **Barry Burnell** from the Idaho Department of Environmental Quality (DEQ), presented **H 390** to the committee. He stated this is housekeeping legislation that revises the definition of "sanitary restrictions" to make it consistent with other sections of Code. He showed the committee that the words, "State Board of Health and Welfare through the administrator," are being replaced with the "Director of the Department of Environmental Quality."

MOTION: **Rep. Nielsen** made a motion to send **H 390** to the floor with a **DO PASS** recommendation.

In response to concerns regarding the role of public health districts and volunteers in the process, by replacing the Board with the Director of DEQ, **Mr. Burnell** stated that the public health districts act as agents for DEQ and the level of community involvement is not changing. He said this legislation simply makes the Code reflect the current process since the creation of the DEQ as a separate department from the Board of Health and Welfare.

VOTE ON MOTION:

Motion carried by voice vote. Rep. Woodings will sponsor the bill on the floor.

Rep. Anderson(31) introduced the newly elected Mayor of Blackfoot, **Paul Loomis**, and newly elected Council Woman, **Jan Simpson**, to the committee.

H 391:

Barry Burnell, DEQ, presented **H 391** to the committee. Mr. Burnell stated this legislation is a proposal to allow for fund transfers between the Drinking Water (DWSRF) and Wastewater (WWSRF) SRF loan accounts. He gave an explanation of a State Revolving Fund (SRF) and capitalization (cap) grants. He then went through both the WWSRF and the DWSRF accounts. He detailed when they were created, the grants they have received, the requests for assistance they have received and the monetary balances of each account. He went on to detail the annual process of distribution called the Intended Use Plan (IUP). Mr. Burnell stated that this legislation is important because for the last two years there have been funds unused in the DWSRF and a shortage of funds in the WWSRF. This legislation would have allowed the unused funds in the DWSRF to be used to cover some of the need in the WWSRF. He mentioned that although it would allow the DEQ to transfer money, there is a federal transfer restriction of 33% of the total SRF grant amount. He stated this transfer capability would better allow Idaho to get all available SRF funding out to communities. He stated these transfers would be subject to the IUP and that the accounts will continue to undergo the double accounting process done by the federal government and the state Legislative Services Office. Lastly, he outline the changes to Idaho Code made in the bill.

In response to questions regarding the grant process, **Mr. Burnell** stated there is only one time to submit applications. After that the department goes through the IUP to determine how to distribute the grants and loans. This is an annual decision. He stated that when the funding falls short of demand, those who did not get funding one year tend to come back the following year to try again and submit a new letter of interest.

MOTION:

Rep. Trujillo made a motion to send **H 391** to the floor with a **DO PASS** recommendation.

In response to questions about a pay back mechanism, **Mr. Burnell** stated the loan is paid back to the account it is given from, so if money is transferred from the DWSRF to the WWSRF and an organization received a WWSRF loan, the money would return to the WWSRF. He clarified that it is not a loan between the two accounts but a transfer of monies between two funds.

In response to questions regarding the source of funding for the two accounts, **Mr. Burnell** stated the grant comes from the U.S. Congress who determines the appropriation each year.

When asked if there is a forecast for long term need in the WWSRF, **Mr. Burnell** stated there does seem to be the continual need for assistance. In a need survey done for the next four years, the department continued to see a substantial deficit in funds in comparison to the need.

VOTE ON MOTION:

Motion carried by voice vote. Rep. Eskridge will sponsor the bill on the floor.

H 392: **Barry Burnell**, DEQ, presented **H 392** to the committee. He stated this legislation deals with anti-degradation significance determinations. He gave an overview of the history that has led to the need for the legislation and a letter of disapproval received by the DEQ from the EPA after a lawsuit against the previous statute. He said that under current policy, all discharge must be determined to be "significant" and is subject to a Tier II Review of the discharge. Mr. Burnell stated this additional review can be very expensive and time consuming for all involved. This legislation will allow the DEQ to classify discharge as "de minimus" and therefore not subject to additional review. He stated that this was one of the remedies suggested by the EPA in their disapproval letter. He stated the benefits would be DEQ control, lower costs, higher efficiency in the use of resources, and the ability to still maintain water quality. He then went through the various sections of the bill and outlined the needed changes. Mr. Burnell also stated that this legislation contains an emergency stipulation so it will have immediate effect if passed by the legislature.

In response to questions regarding where the test is done, **Mr. Burnell** stated the test is done at the point where the discharge is occurring.

MOTION: **Rep. Rusche** made a motion to send **H 392** to the floor with a **DO PASS** recommendation.

Alex LaBeau, President of the Idaho Association of Commerce and Industry, testified **in support** of the legislation. He stated that IACI and DEQ had worked closely together to get this legislation done. He stated that it is important and it will be good for Idaho industry.

Norm Semanko, from the Idaho Water Users Association, testified **in support** of the legislation.

VOTE ON MOTION: **Motion carried by voice vote. Rep. Thompson** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:33 p.m.

Representative Raybould
Chair

Kaela Becklund
Secretary