

*Attachment 1
3/6/15*

**Testimony for H0047
Navigable Waters Fund
Tom Schultz, Director, Idaho Department of Lands**

Thank you Mr. Chairman, members of the committee. My name is Tom Schultz. I am the Director for the Idaho Department of Lands and I come before you today to provide testimony regarding a proposed amendment to Idaho Code, Section 58-104.

Idaho gained title to the beds of navigable waterways at statehood in 1890 under the equal-footing doctrine. The public trust doctrine says that the state holds title to navigable waterways in trust for public benefit, and was incorporated in IC Title 58, Chapter 12. The Idaho Department of Lands administers the use and disposition of lands in the beds of navigable lakes, rivers, and streams.

Idaho Department of Lands administers the Idaho Lake Protection Act and regulates encroachments such as docks, marinas, and bridges over navigable waterways. It also leases the beds of navigable waterways for marinas and mining activities.

Revenue and expenses related to the management of these submerged lands are associated with the general fund.

The proposed amendment consists of three parts:

1. The creation of a dedicated fund. Revenue generated from navigable waterways, excluding mineral royalties, would be deposited into this fund and used for the administration of navigable waterways pursuant to appropriation. The average yearly revenue generated is \$550,000 with average yearly expenses of \$550,000. IDL expects this trend to continue.
2. Money in this fund, in excess of that needed to fund activities, would be transferred into the Waterways Improvement Fund. This fund is managed by the Idaho Parks and Recreation Board and from this fund grants are awarded to city, county, state, and tribal entities to help with the costs of

projects such as marking waterways, improving boat ramps, and search and rescue. In 2014 they awarded \$1.2 million in grants, which is about the yearly average. The grant projects make a difference at the local level. Last summer the Kootenai County Sheriff's Department received three grants that helped refurbish two (2) patrol boats, and helped purchase two (2) jet skis. This investment made waterways in Kootenai County safer and saved the taxpayers at least \$50,000.

3. Mineral royalties, arising from navigable waterways, would be deposited into the Public School Permanent Endowment Fund. This fund is managed and invested by the Endowment Fund Investment Board and interest earned is used to fund public schools. Currently about 4,600 acres of submerged public trust lands are under lease through mineral, oil and gas leases.

Mr. Chairman, with that I would be happy to stand for any questions.

*****END OF TESTIMONY*****