AGENDA HOUSE RESOURCES & CONSERVATION COMMITTEE 1:30 P.M.

Room EW40 Tuesday, January 13, 2015

SUBJECT	DESCRIPTION	PRESENTER
	Organizational Meeting	Chairman Raybould
	2015 Pending Rules	Chairman Raybould

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle(Purdy)	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DAIE:	Tuesday, January 13, 2015	
TIME:	1:30 P.M.	
PLACE:	Room EW40	
MEMBERS:	Chairman Raybould, Vice Chairman Gestrin, Shepherd, Wood, Boyle (Purdy), Vander Wolbertenshaw, Mendive, VanOrden, Youngbloom	ude, Gibbs, Miller, Bateman,
ABSENT/ EXCUSED:	Representative(s) Mendive, VanOrden, Rube	I
GUESTS:	Sharon Kiefer, Idaho Department of Fish and Users Association; Jack Lyman, Idaho Mining	
	Chairman Raybould called the meeting to or	rder at 1:32 p.m.
	Chairman Raybould introduced the Committee Page, Shae Davids .	tee Secretary, Jennifer Smith , and
	Chairman Raybould stated the 2015 rules sommittee and didn't see an immediate need representatives review the rules and identify possible controversy.	for subcommittees. He requested
	Chairman Raybould asked representatives representative provided a brief summary as to amount of years in the legislature and as a maconservation Committee.	o their district, profession, and the
ADJOURN:	There being no further business to come befadjourned at 1:47 p.m.	ore the committee, the meeting
Representative R	aybould	Jennifer Smith
Chair		Secretary

AMENDED AGENDA #1 HOUSE RESOURCES & CONSERVATION COMMITTEE 1:30 P.M.

Room EW40 Thursday, January 15, 2015

SUBJECT	DESCRIPTION	PRESENTER
Docket No. 13-0102-1401	Rules Governing Hunter Education and Mentored Hunting	Sharon Kiefer, Idaho Department of Fish and Game
Docket No. 13-0104-1402	Rules Governing Licensing	Sharon Kiefer, Idaho Department of Fish and Game
Docket No. <u>13-0104-1403</u>	Rules Governing Licensing	Sharon Kiefer, Idaho Department of Fish and Game
Docket No. 13-0104-1404	Rules Governing Licensing	Sharon Kiefer, Idaho Department of Fish and Game
Docket No. 13-0108-1402	Rules Governing the Taking of Big Game Animals in the State of Idaho	Sharon Kiefer, Idaho Department of Fish and Game
Docket No. 13-0108-1403	Rules Governing the Taking of Big Game Animals in the State of Idaho	Sharon Kiefer, Idaho Department of Fish and Game
Docket No. 13-0108-1404	Rules Governing the Taking of Big Game Animals in the State of Idaho	Sharon Kiefer, Idaho Department of Fish and Game
Docket No. 13-0109-1401	Rules Governing the Taking of Game Birds in the State of Idaho	Sharon Kiefer, Idaho Department of Fish and Game

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle(Purdy)	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Thursday, January 15, 2015

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representative(s) Moyle, Andrus,

Shepherd, Wood, Boyle (Purdy), Vander Woude, Gibbs, Miller, Bateman, Burtenshaw, Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

ABSENT/ EXCUSED: Representative(s) Moyle

GUESTS: W. Dallas Burkhalter, Idaho Department of Fish & Game; Brandt Bullock, Idaho

Water Users Association; Sharon Kiefer, Idaho Department of Fish & Game; and

John Foste, Kestral West.

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

DOCKET NO. Sharon Kiefer, Idaho Department of Fish & Game, stated this rule refers to the law passed in the 2014 legislative session lowering the hunting age from 12 years of

passed in the 2014 legislative session lowering the hunting age from 12 years of age to 10 years of age for hunting big game. The Mentored Hunting Program must

be amended to reflect that youth at 10 years of age can hunt big game.

MOTION: Rep. Wood made a motion to approve Docket No. 13-0102-1401. Motion carried

by voice vote.

DOCKET NO. Sharon Kiefer, Idaho Department of Fish and Game, said nonresident disabled

13-0104-1402: American veterans are eligible to receive a reduced fee hunting license and, as a

result, certain tags must be amended to comply with new law.

MOTION: Rep. Youngblood made a motion to approve Docket No. 13-0104-1402. Motion

carried by voice vote.

DOCKET NO. Sharon Kiefer, Idaho Department of Fish and Game, stated rules that reference

13-0104-1403: qualified organizations for the disabled veteran big game tag program must be

amended to add I.R.S. status for 501(c)(4) and 501(c)(19) organizations to comply with the new law. Ms. Kiefer explained these additional organizations will allow

more disabled veterans to participate in the program.

MOTION: Rep. Erpelding made a motion to approve Docket No. 13-0104-1403. Motion

carried by voice vote.

DOCKET NO. Sharon Kiefer, Idaho Department of Fish and Game, stated this rule would

13-0104-1404: implement discretionary authority to the Commission to add bear tags to the

Landowner Appreciation Program.

MOTION: Rep. Andrus made a motion to approve Docket No. 13-0104-1404. Motion

carried by voice vote.

DOCKET NO. Sharon Kiefer, Idaho Department of Fish and Game, indicated the rule would allow

13-0108-1402: the Commission to designate specific unlimited controlled hunts for deer and elk as "first choice only". Some unlimited controlled hunts have resulted in higher

as "first choice only". Some unlimited controlled hunts have resulted in higher hunter numbers as some hunters select these hunts as their second choice when

applying for a more desirable hunt.

MOTION: Rep. Mendive made a motion to approve Docket No. 13-0108-1402. Motion

carried by voice vote.

DOCKET NO. Sharon Kiefer, Idaho Department of Fish and Game, stated this rule change is 13-0108-1403: to revise the hunting age (from 12 years of age to 10 years of age) to comply with state law for hunting big game animals. MOTION: Rep. Bateman made a motion to approve Docket No. 13-0108-1403. Motion carried by voice vote. DOCKET NO. Sharon Kiefer, Idaho Department of Fish and Game, stated reorganizing elk zone descriptions would allow the Idaho Department of Fish and Game the ability to 13-0108-1404: better manage elk populations for balanced hunting opportunities. Rep. Miller made a motion to approve Docket No. 13-0108-1404. Motion carried MOTION: by voice vote. DOCKET NO. Sharon Kiefer, Idaho Department of Fish and Game, explained this rule allows 13-0109-1401: the Commission flexibility to modify shooting hours for game birds on wildlife management areas for the purposes of safety, upland game bird stocking and distribution, and to reduce the conflict between hunters utilizing the same property. MOTION: Rep. Wood made a motion to approve Docket No. 13-0109-1401. Motion carried by voice vote. Rep. Gibbs addressed the House Resources and Conservation Committee regarding mussels found in Utah waterways. Rep. Gibbs explained preadult mussels are microscopic and difficult to visually detect through invasive species checkpoints. These mussels are transported by water vessels, such as boats, and could threaten Idaho's irrigation, hydroelectric power, city facilities (water and sewer), and waterways by clogging pipes, equipment, and irrigation drainage, if infected watercraft utilize Idaho's waterways. ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:03 p.m. Representative Raybould Jennifer Smith Secretary Chair

AMENDED AGENDA #1 HOUSE RESOURCES & CONSERVATION COMMITTEE 1:30 P.M.

Room EW40 Monday, January 19, 2015

SUBJECT	DESCRIPTION		PRESENTER
Docket No. 20-0702-1401	Rules Governing Conservation of Oil and Natural Gas in the State of Idaho		Bobby Johnson, Idaho Department of Lands
Docket No. 26-0103-1401	Rules Governing Recreation Vendors	onal Registration	Anna Canning, Idaho Department of Parks and Recreation
Docket No. 26-0120-1401	Rules Governing the Admir Recreation Areas and Faci		Anna Canning, Idaho Department of Parks and Recreation
Docket No. 26-0121-1401	Rules Governing Leasing Procedures for Recreations Heyburn State Park		Keith Hobbs, Idaho Department of Parks and Recreation
Docket No. 26-0130-1401	Idaho Safe Boating Rules		Anna Canning, Idaho Department of Parks and Recreation
Docket No. 26-0131-1401	Rules Governing the Administration of the Idaho Department of Parks and Recreation State and Federal Grant Funds.		Anna Canning, Idaho Department of Parks and Recreation
Docket No. 26-0134-1401	Idaho Protection Against Invasive Species Sticker Rules		Anna Canning, Idaho Department of Parks and Recreation
Docket No. 26-0136-1401	Rules Governing the Winter Recreational Parking Permit Program		Anna Canning, Idaho Department of Parks and Recreation
COMMITTEE MEMBERS	8		COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle(Purdy)	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Monday, January 19, 2015

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representative(s) Moyle, Andrus,

Shepherd, Wood, Boyle (Purdy), Vander Woude, Gibbs, Miller, Bateman, Burtenshaw, Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

ABSENT/ EXCUSED: Representative(s) Moyle, and Vander Woude

GUESTS: Keith Hobbs, Idaho Department of Parks and Recreation; Tammy Kolsky, Idaho

Department of Parks and Recreation; A. Canning, Idaho Department of Parks and Recreation; Bobby Johnson, Idaho Department of Lands; Eric Wilson, Idaho Department of Lands; Joe Morton; Jim Claussen, Office of Environmental Conservation Commission; Brandon Lamb, Idaho Department of Lands; Dennis Stevenson, Idaho Office of Administrative Rules; Michael Christian, Attorney for Alta Mesa; Alma Hasse, Icare; Matt Wanick, Division of Financial Management;

and Susanne Budge, SBS Associates, LLC.

Chairman Raybould called the meeting to order at 1:29 p.m.

MOTION: Rep. Youngblood made a motion to approve the minutes of the January 13, 2015

meeting. Motion carried by voice vote.

DOCKET NO. 20-0702-1401:

Bobby Johnson from the Idaho Department of Lands indicated the pending rule changes language based on comments submitted to the agency. Mr. Johnson stated this pending rule clarifies the consent of operator and unleased mineral owners. Mr. Johnson explained the integration statement in Idaho Code has no percentage prescribed for leasing of land and the agency studied variances of other states. Mr. Johnson indicated a percentage or majority of 55% property owners can force the other 45% of property owners of accepting a drilling lease even if the property owner does not consent. Mr. Johnson stated there is a good faith effort by the company through affidavits, lease terms, and due diligence to persuade property owners to participate. Mr. Johnson clarified the 45% of property owners who are not willing to lease their property would have to go along with the 55% of majority property owners. Mr. Johnson identified four different options for a property owner in choosing how to or not to participate in the lease. Property owners would be forced to choose one of the electives.

Rep. Wood stated he would like to hold the pending rule in committee as there is a large amount of information and questions to investigate prior to a decision.

Joe Morton, resident of Emmett, Idaho in Gem County, stated the pending rule indicated if the property owner fails to make an election, such owners interest will be deemed leased. Mr. Morton indicated there is only one well in the state located in New Plymouth and the Commission has asked for \$80,000 for regulatory personnel. **Mr. Morton** indicated thumper trucks were destroying the hillside, tearing up the landscape and the large vehicles are also destroying paved roads. Mr. Morton claims the money allocated for damages will not cover all of the costs.

Jim Claussen is an exploration geologist and a member of Idaho Conservation Commission for Oil and Gas. Mr. Claussen asserted he represents many years of experience and resides in Idaho. Mr. Claussen stated that proposed oil and gas development will happen and companies will try to do the right thing. Idaho currently has one well in production and 15 to 16 more wells will be operational in the near future. Mr. Claussen supports this rule and indicated it would create significant input of jobs, generate taxes, and activity for citizens.

Bobby Johnson, Idaho Department of Lands, in response to questions that gas requires a minimum of 640 acres and oil requires a minimum of 40 acres. If 1 to 2% of landowners refused to participate it would make the unit unattainable for production. Mr. Johnson stated there is no provision for senior landowners.

Michael Christian, attorney for Alta Mesa, stated he worked closely with the Idaho Department of Lands and negotiated in the rule making.

Alma Hasse, Executive Director of Idaho Care, a Payette County resident, business owner, farmer, and is a participating stakeholder feels the stakeholders were railroaded in the rule making sessions as few concerns were addressed. Ms. Hasse asserts that any type of property loan, government guarantee, or insurance may put a property owner in violation of the hazardous substance clause and put property owners in violation of mortgage. Ms. Hasse stated she contacted her mortgage company and was told she would be in technical violation if her property was leased by a oil and gas company. Ms. Hasse urged the committee to protect property owners.

Suzanne Budge, Idaho Petroleum Council, supports the legislation and asked the committee to approve this rule.

MOTION:

Rep. Wood made motion to **HOLD Docket No. 20-0702-1401** in committee for further review.

Rep. Purdy stated she is in support of the rule as the rule brings jobs, protects the environment and she is against the motion.

Tom Schultz, Idaho Department of Lands, explained the landowner's property may or may not be over a resource. He said the resource is drawn from around a consenting owner's property which would not protect adjacent landowners.

MOTION:

Rep. Wood made motion to **HOLD Docket No. 20-0702-1401** in committee at the discretion of the Chairman.

ROLL CALL VOTE:

Rep. Purdy asked for a roll call vote on Docket No. 20-0702-1401. Motion carried by a vote of 14 AYE, 2 NAY and 2 absent/excused. Voting in favor of the motion: Reps. Raybould, Gestrin, Andrus, Wood, Gibbs, Miller, Bateman, Burtenshaw, Mendive, Van Orden, Youngblood, Pence, Erpelding, and Rubel. Voting in opposition to the motion: Reps. Purdy and Shepard. Reps. Moyle and Vander Woude were absent/excused.

DOCKET NO. 26-0103-1401:

Anna Canning, Idaho Department of Parks and Recreation, explained **Docket No. 26-0103-1401** are rules governing recreational registration vendors. She stated this rule is being adopted as originally proposed in **H 492** of the 2014 Legislative Session distinguishing the Idaho Parks and Recreation registrations from the Idaho Department of Transportation vehicle registrations.

MOTION:

Rep. Wood made a motion to approve **Docket No. 26-0103-1401. Motion carried** by voice vote.

DOCKET NO. Anna Canning, Idaho Department of Parks and Recreation, explained **Docket No.** 26-0120-1401: 26-0120-1401 are rules clarifying terminology for registrations of recreational areas and facilities. She stated this rule is being adopted as originally proposed in H 492 of the 2014 Legislative Session distinguishing the Idaho Parks and Recreation registrations from the Idaho Department of Transportation vehicle registrations. MOTION: Rep. Gibbs made a motion to approve Docket No. 26-0120-1401. Motion carried by voice vote. Keith Hobbs, Idaho Department of Parks and Recreation, explained Docket No. DOCKET NO. 26-0121-1401: **26-0121-1401** is to comply with **S 1346aa** to clarify and delineate lease terms for cottage site leases and for float home moorage site leases within Heyburn State Park. Rep. Pence made a motion to approve Docket No. 26-0121-1401. Motion MOTION: carried by voice vote. DOCKET NO. **Anna Canning**, Idaho Department of Parks and Recreation, explained **Docket** No. 26-0130-1401 is to comply with H 492 to clarify and distinguish between the 26-0130-1401: recreational registrations the Idaho Department of Parks and Recreation performs and the vehicle registrations performed by the Idaho Transportation Department. MOTION: Rep. Erpelding made a motion to approve Docket No. 26-0130-1401. Motion carried by voice vote. DOCKET NO. Anna Canning, Idaho Department of Parks and Recreation, explained **Docket** 26-0131-1401: No. 26-0131-1401 is to comply with H 492 to clarify and distinguish between the recreational registrations the Idaho Department of Parks and Recreation performs and the vehicle registrations performed by the Idaho Transportation Department. MOTION: Rep. Andrus made a motion to approve Docket No. 26-0131-1401. Motion carried by voice vote. DOCKET NO. Anna Canning, Idaho Department of Parks and Recreation, explained **Docket** 26-0134-1401: No. 26-0134-1401 is to comply with H 492 to clarify and distinguish between the recreational registrations the Idaho Department of Parks and Recreation performs and the vehicle registrations performed by the Idaho Transportation Department. MOTION: Rep. Mendive made a motion to approve Docket No. 26-0134-1401. Motion carried by voice vote. DOCKET NO. Anna Canning, Idaho Department of Parks and Recreation, explained this pending 26-0136-1401 rule is to comply with **H 492** to clarify and distinguish between the recreational registrations the Idaho Department of Parks and Recreation performs and the vehicle registrations performed by the Idaho Transportation Department. Rep. Miller made a motion to approve Docket No. 26-0136-1401. Motion carried MOTION: by voice vote. There being no further business to come before the committee, the meeting ADJOURN: adjourned at 2:50 p.m.

Representative Raybould

Chair

Jennifer Smith Secretary

AGENDA

HOUSE RESOURCES & CONSERVATION COMMITTEE 1:30 P.M.

Room EW40 Wednesday, January 21, 2015

SUBJECT	DESCRIPTION	PRESENTER
	Update on Rangen Delivery Call	Lynn Tominaga, Idaho Ground Water Assocation
Docket No. 37-0303-1401	Rules and Minimum Standards for the Construction and Use of Injection Wells	Brian Ragan, Idaho Department of Water Resources
Docket No. 15-0301-1401	Rules of Administrative Procedure of the Idaho Forest Products Commission	Betty Munis, Idaho Forest Products Commission
RS23273	Fee Provisions	Sharon Kiefer, Idaho Department of Fish and Game
RS23321	Illegal Killing and Possession	Sharon Kiefer, Idaho Department of Fish and Game

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle(Purdy)	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Wednesday, January 21, 2015

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representatives Moyle, Andrus,

Shepherd, Wood, Boyle (Purdy), Vander Woude, Gibbs, Miller, Bateman, Burtenshaw, Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

ABSENT/ EXCUSED: Representative(s) Vander Woude, Bateman, Pence, Erpelding, Rubel

GUESTS: John Williams, Bonneville Power Administration; Betty Munis, Forest Products

Commission; Sharon Kiefer, Idaho Department of Fish and Game; Brian Ragan, Idaho Department of Water Resources; Tom Hehci, Idaho Department of Water Resources; Lynn Tominaga, Idaho Ground Water Association; Roger Seiber,

Capitol West; Evan Martinez, Idaho State Bar.

Chairman Raybould called the meeting to order at 1:32 p.m.

Rep. Purdy stated for the record that she had determined, after consultation with the Attorney General's Office, that no conflict of interest exists because of her

holding oil and gas leases in another state.

Lynn Tominaga, Idaho Ground Water Association (IGWA), provided an update on the Rangen Delivery Call. In February of 2005, the Idaho Department of Water Resources ordered a curtailment within Water District 130, which covers a portion

of the Magic Valley located north of the Snake River.

IGWA has filed multiple mitigation plans and is building a pipeline. A small portion of the pipeline is temporary pipe until permanent pipe is installed. IGWA filed a motion with Idaho Department of Water Resources to allow the use of temporary pipe or to stay the curtailment until the permanent pipe is installed. IGWA has filed a motion with the District Court on January 20th to stay the curtailment until the project is completed. The project should be completed the first week of February 2015.

DOCKET NO. 37-0303-1401:

Brian Ragan, Idaho Department of Water Resources, presented **Docket No. 37-0303-1401** regarding construction and use of injection wells. The revision is to

replace the word "drilled" with the word "used".

MOTION: Vice Chairman Gestrin made a motion to HOLD Docket No. 37-0303-1401 for

further review.

ROLL CALL VOTE:

Chairman Raybould requested a roll call vote to HOLD Docket No. 37-0303-1401

for further review. Motion failed by a vote of 2 AYE, 9 NAY, 7 were

absent/excused. Voting in favor of the Motion: Reps. Gibbs and Van Orden. Voting in opposition to the motion: Chairman Raybould, Vice Chairman Gestrin, Reps. Andrus, Shepherd, Wood, Purdy, Miller, Burtenshaw, and Mendive. Reps. Moyle, Vande Woude, Bateman, Youngblood, Pence,

Erpelding, and Rubel were absent/excused.

MOTION: Rep. Andrus made a motion to approve Docket No. 37-0303-140. Motion

carried by voice vote.

DOCKET NO. 15-0101-1401:

Betty Munis, Idaho Forest Products Commission, stated the 2014 Legislature passed **H 371** requiring rule changes to address the nomination and vacancy of the at-large commission member and amend the assessment basis for forest

landowners.

MOTION: Rep. Miller made a motion to approve Docket No. 15-0301-1401. Motion carried by voice vote. RS 23273: Sharon Kiefer, Idaho Department of Fish and Game, indicated the fees for licenses, tags, and permits issued are periodically adjusted to cover the increase in the department's operating costs. The last increase for the resident license fee was in 2005. The nonresident license fee was increased in 2009. Ms. Kiefer stated the Price Lock program honors Idahoans who consistently purchase hunting, fishing, and trapping licenses by not having to pay increased license fees. The Price Lock program will remain in effect for at least three years until a commission review. MOTION: Rep. Andrus made a motion to introduce RS 23273. Motion carried by voice vote. RS 23321: Sharon Kiefer, Idaho Department of Fish and Game, stated this proposed legislation makes a technical correction to uphold the reimbursable penalty provisions for the illegal kill, possession, or waste of mule deer, white-tailed deer. elk, bighorn sheep, moose, mountain goat, pronghorn antelope, and caribou that meet the statutory trophy definition. Ms. Kiefer mentioned RS 23321 revises the reimbursable penalty for chinook salmon and wild steelhead to reflect broader conservation and fishery importance of multiple runs of hatchery and wild salmon species and steelhead. Rep. Wood made a motion to introduce RS 23321. Motion carried by voice vote. MOTION: ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:05 p.m. Representative Raybould Jennifer Smith Secretary Chair

AGENDA

HOUSE RESOURCES & CONSERVATION COMMITTEE 1:30 P.M.

Room EW40 Tuesday, January 27, 2015

SUBJECT	DESCRIPTION	PRESENTER
RS23379	Small-Scale Dredge Mining	Rep. Shepherd
RS23213	Navigable Waterways	Tom Schultz, Idaho Department of Lands
RS23224	Oil and Gas	Tom Schultz
RS23264	Oil and Gas	Tom Schultz
RS23274	Oil and Gas Unit Operations	Tom Schultz
DOCKET NO. 20-0702-1401	Rules Governing Conservation of Oil and Natural Gas in the State of Idaho	Bobby Johnson, Idaho Department of Lands

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle(Purdy)	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Tuesday, January 27, 2015

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representatives Moyle, Andrus,

Shepherd, Wood, Boyle, Vander Woude, Gibbs, Miller, Bateman, Burtenshaw,

Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

ABSENT/ EXCUSED: None

GUESTS: Bobby Johnson, Idaho Department of Lands; Justin Hayes, Idaho Conservation

League; Tom Schultz, Idaho Department of Lands; Larry Craig, Northwest Operating; Jack Lyman, Idaho Mining Association; Richard Brown, Snake River Alliance; Bob Hatfield, HTI Services; Mike Christian, Alta Mesa; John Peiserich, Alta Mesa; Terry Jones; Elizbeth Criner, J. R. Simplot Company; Evan Mortimer, Idaho State Bar; Ken Miller, Snake RIver Alliance; Norm Semanko, Idaho Water Users Association; Brandt Bullade, Idaho Water Users Association; Jim Claussen, Oil and Gas Commission; Roger Batt, Idaho Heartland Consultant; Mary Sue Roach, WRRC; Doug Paddock, IORC; Russell Westerberg, Rocky Mountain Power; Julia Page, IORC; Sharon Kiefer, Idaho Department of Fish and Game; Bob Hatfiled, HTI Services; Jon Eromenok, Goosebuster Retrievers; Alma Hasse; and Jim Pluckinski.

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

RS 23379: Rep. Paul Shepherd stated RS 23379 recognizes the de minimus nature of

suction dredge mining and tries to free this important small business vocation from unreasonable regulation as the threshold of "addition of pollutants" is not met by activities that transfer water and aggregate within the same body of water. He further stated in accordance with the existence of Federal Mining Claims under the 1872 Mining Act and amendments that no agency of the State or Federal Government may abridge those rights by regulatory scheme or by long permit

delays.

MOTION: Rep. Wood made a motion to introduce RS 23379. Motion carried by voice vote.

RS 23213: Tom Shultz, Idaho Department of Lands, stated revenues from navigable

waterways, except for mineral royalties, will be deposited in the Navigable Water Fund established for the purpose of administering the Lake Protection Act. Mineral royalties are a one-time revenue source and will be deposited into the Public

School Permanent Endowment Fund.

MOTION: Rep. Moyle made a motion to introduce RS 23213. Motion carried by voice vote.

RS 23224: Tom Shultz, Idaho Department of Lands, indicated RS 23224 modifies Chapter 3

of Title 47, Idaho Code to define the time period for which oil and gas production records will be exempt from public disclosure as six months from the date of filing with the Oil and Gas Conservation Commission. Mr. Schultz indicated this proposed legislation is not completely supported in the industry for the confidentiality of oil

and gas production records.

MOTION: Rep. Erpelding made a motion to introduce RS 23224. Motion carried by voice

vote.

RS 23264: Tom Shultz, Idaho Department of Lands, stated the Oil and Gas Commission

received General Fund appropriations to supplement regulatory activities and this proposed legislation establishes a schedule of fees for oil and gas permit activities on private, state, and federal lands changing from \$100 to \$2,500 for a permit fee.

Mr. Shultz further indicated there was no opposition in public hearings.

MOTION: Rep. Gibbs made a motion to introduce RS 23264. Motion carried by voice vote.

RS 23274: Tom Shultz, Idaho Department of Lands, stated this proposed legislation is to

define how oil and gas operators cooperate in the development of oil and gas in a field, pool or part thereof, and allows a smaller number of wells to be drilled in a common reservoir to promote reservoir pressure conservation and prevention of

waste for the efficient drainage of oil and gas.

MOTION: Rep. Wood made a motion to introduce RS 23274. Motion carried by voice vote.

DOCKET NO. 20-0702-1401:

Tom Shultz, Idaho Department of Lands, indicated this pending rule was previously on hold by the House Resources and Conservation Committee meeting on January 19, 2015, for further review. Mr. Shultz stated this pending rule has many changes to prevent waste and to protect mineral owners and has been approved by the Commission. Mr. Shultz explained all mineral owners will receive proper compensation, but some mineral owners are hesitant to participate even after a good faith effort to negotiate. Mr. Shultz explained the concept of integration or compensatory forced pooling. He explained the nonconsenting landowner would receive a proportionate monetary share based on mineral acreage. Mr. Schultz further explained each landowner may have surface use, but not mineral rights, although surface and mineral rights may be owned by the same person. Mr. Shultz said the leases were 2 to 3 years in duration and everyone in the unit has to have a lease, otherwise the unit's progress would be held up as Idaho law doesn't currently provide the state with authority to take oil and gas. Mr. Shultz indicated the need for possible road agreements on properties. Mr. Shultz identified Idaho as having 9 out of 11 hits as very favorable conditions and this information originated from 3-D seismic reports.

Larry Craig, Northwest Operating, supports the rule and believes it would create competitiveness in the marketplace.

Mike Christian, Attorney for Alta Mesa, declined to testify and stated **Tom Schultz** with the Idaho Department of Lands did a wonderful job of explaining the negotiated rule making process.

John Peiserich, Vice President of Alta Mesa, stated the integration process is utilized in other states. Mr. Peiserich indicated the drilling process time may vary, but normally progresses at 1,000 feet of rock in one hour.

Mary Sue Roach, resident of Weiser, Idaho, identified concerns for areas in safety and property rights regarding this proposed rule. Ms. Roach indicated the public sector was not in favor of integration, claimed it is a front to Idaho's property rights, and needs further revision. Ms. Roach believes the rules are complicated and the average person has no clue about the rule requirements. Ms. Roach stated the entities must work together to make sure all of the rules and regulations are followed, provide transparency, and responsible development.

Alma Hasse, testified previously in a House Resources and Conservation Committee Meeting on January 19, 2015, regarding this proposed rule. Ms. Hasse stated some property owners don't own their mineral rights as the developer has retained those mineral rights and, as a result, there isn't adequate protection for the surface land owner. Ms. Hasse indicated the land surface owner will have activities on their property in violation of their deed of trust and contract with the mortgage lender. Ms. Hasse reiterated the ramifications to mortgage companies and individuals. Ms. Hasse explained that individuals will be in violation of their deed of trust and found to be in default of their mortgage. Ms. Hasse stated the rules as they stand are not sufficient and do not provide any protection for private land owners. Ms. Hasse feels the prior rules are better than the rules in today's docket.

Ms. Hasse stated there were spacing concerns and referred to 120(4) where an exception can be granted in well spacing so wells are closer than 640 acres and alluded to a higher density in other states. Ms. Hasse stated working interest land owners are forced to have infrastructure on the property. Ms. Hasse asserted the forced infrastructure has happened in other states and as a working interest owner you also accept the liability. She recommended the proposed rule should have an opt-out clause in addition to an option not to accept liability.

Jim Plucinski, land owner and mineral owner in Payette county, stated property rights to Idahos are very important. He said a person works hard for their investments and another person taking your investment property to offer you a share of your investment property would be considered "taking". Mr. Plucinski said he feels he should have a choice and an opportunity to make a decision that would benefit his investment strategy. Mr. Plucinski said he believes he is being forced to do business with a company, Alta Mesa, whose business rating is questionable. Mr. Plucinski questioned why he should be forced to do business with this company.

Joli Eromenok, owner of Goosebuster Retrievers, stated she believes in religious freedom and property rights, and has a religious conviction to stay debt free by working hard and saving money for small and large purchases including her current home and property. Ms. Eromenok said she enjoys her nice home and property but lives next to oil and gas development referred to in this rule. She feels the state laws are drafted in favor of gas industry. She stated that real human beings live next door to these potential bombs and the smell of benzene is in the air. She explained she couldn't use her property due to the constant noise, hydrocarbon emissions, and flaring, and this affects the property value. She said she wants a peaceful life.

Terry Jones. lives in Emmett, has a dairy and large head of cattle, and said he feels conservationists use regulatory action to destroy business. He said he feels this gas and oil exploration company is truthful and he likes to conduct business with them. He said they provide good customer service, have a commitment to explore and leave the ground in its original condition. Mr. Jones said he feels the local area needs a dependable local supply of energy, he supports the regulations, and he doesn't believe the system is broken.

MOTION:

Rep. Wood made a motion to approve Docket No. 20-0702-1401.

Rep. Erpelding stated he appreciated the work performed by the Idaho Department of Lands. Rep. Erpelding stated that government protects the minority and majority. He believes that 55% majority is too low for forced pooling and it does not protect property rights. He provided an example of western states, such as Wyoming and New Mexico, with a 75% majority for pooling or integration. Rep. Erpelding requested to reject a portion of the rule, specifically, 130.01(h).

SUBSTITUTE MOTION:

Rep. Erpelding made a substitute motion to approve **Docket No. 20-0702-1401** with the exception of Section 130. **Motion failed by voice vote.**

ORIGINAL MOTION:	recorded as voting NAY.	oice vote. Rep. Erpelding requested he be
ADJOURN:	There being no further business to adjourned at 3:24 p.m.	come before the committee, the meeting was
Representative	Raybould	Jennifer Smith
Chair		Secretary

AGENDA

HOUSE RESOURCES & CONSERVATION COMMITTEE 1:30 P.M.

Room EW40 Thursday, January 29, 2015

SUBJECT	DESCRIPTION	PRESENTER
DC00070	National Monument	Dan Domroll
RS23373	National Monument	Rep. Romrell
	Presentation on Rock Creek Ranch Acquisition	Sharon Kiefer, Idaho Department of Fish and Game
<u>H 31</u>	Illegal Killing or Possession	Sharon Kiefer, Idaho Department of Fish and Game
<u>H 32</u>	Fee Provisions	Sharon Kiefer, Idaho Department of Fish and Game

Rep Mendive

Rep Pence

Rep Rubel

Rep Erpelding

Rep VanOrden

Rep Youngblood

COMMITTE	E MEMBERS	
COMMINITIE	L MEMBERS	

Chairman Raybould Rep Boyle
Vice Chairman Gestrin Rep Vander Woude
Rep Moyle Rep Gibbs
Rep Andrus Rep Miller
Rep Shepherd Rep Bateman
Rep Wood Rep Burtenshaw

COMMITTEE SECRETARY

Jennifer Smith Room: EW16 Phone: 332-1136

email: hres@house.idaho.gov

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Thursday, January 29, 2015

1:30 P.M. TIME: PLACE: Room EW40

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representatives Moyle, Andrus,

Shepherd, Wood, Boyle, Vander Woude, Gibbs, Miller, Bateman, Burtenshaw,

Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel (Green)

ABSENT/ **EXCUSED:** None.

GUESTS: Jeff Gould, Idaho Department of Fish and Game; Michael Pearson, Idaho

> Department of Fish and Game; Gregg Servheen, Idaho Department of Fish and Game; Sharon Kiefer, Idaho Department of Fish and Game; Virgil Moore, Idaho Department of Fish and Game; Michael Gibson, Idaho Wildlife Federation; Forrest Goodrum, Ada County Fish and Game; Tyler Mallard, IOGA; Teddy Stronks, Mayor of Ashton; Brett Peacock, Ashton City Council; Teresa Hansen, Ashton City; Jim Nunley, Idaho Wildlife Federation; Bryan Moore; Judy Thueson; Neils Thueson, City of St. Anthony; Tom Jewell, Mayor of Island Park; Dennis Tanikuni, Idaho Farm

Bureau; and Mitch Silvers, US Senator Mike Crapo.

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

MOTION: **Rep. Youngblood** made a motion to approve the minutes of January 19, 2015.

Motion carried by voice vote.

RS 23373: Rep. Romrell stated the purpose of this proposed legislation is to inform the

president and other Federal officials that local voters and the Idaho State Legislature

are opposed to further National Monument designations in Freemont County.

MOTION: Rep. Erpelding made a motion to introduce RS 23373. Motion carried by voice

vote.

Jack Gould, Idaho Department of Fish and Game gave a review of the Rock Creek Ranch acquisition for the restoration and protection of game, fish and animals. Mr. Gould stated the Idaho Department of Fish and Game has the appropriate resources and expertise to own and manage the property as a wildlife management area for conservation of the property with multiple uses and benefits for the people and wildlife. He said the operating costs for Rock Creek Ranch will amount to

approximately \$150,000 per year.

Sharon Kiefer, Idaho Department of Fish and Game, stated this legislation will H 31:

amend the reimbursement penalty for the illegal kill, possession, or waste of mule deer, white-tailed deer, elk, bighorn sheep, moose, mountain goat, pronghorn antelope and caribou that meet the statutory trophy definition, along with chinook

salmon and wild steelhead.

MOTION: Rep. Erpelding made a motion to send H 31 to the floor with a DO PASS

recommendation. Motion carried by voice vote. Rep. Erpelding will sponsor

the bill on the floor.

H 32:

Sharon Kiefer, Idaho Department of Fish and Game, stated wildlife is the property of the state of Idaho and the department is tasked with raising fish and game revenues with licenses, tags and permits as the primary source of funds. The Idaho Department of Fish and Game's overall costs have increased by 22% and the department cannot spend in excess of funds. She said the Price Lock program rewards Idahoans who consistently buy annual hunting, fishing, and trapping licenses as they will not pay increased license fees as long as an annual valid license is maintained.

Virgil Moore, Idaho Department of Fish and Game, stated the commission is developing innovative programs to encourage hunters and anglers to purchase licenses on a regular basis, such as the Price Lock program, which provides a discount to annual license purchasers. Mr. Moore stated the Price Lock program is unique to Idaho and other states are observing this innovation.

Michael Gibson, sportsman and Executive Director of the Wildlife Federation, spoke **in support** of this bill as the Idaho Department of Fish and Game needs adequate funding and he doesn't want to see a reduction in staff.

Forrest Goodrum, Ada County Fish and Game, said he has reviewed the Idaho Department of Fish and Game's financial information available to him and he feels the department is frugal and manages their money wisely. He said he likes the Price Lock program.

Tyler Mallard, Idaho Outfitters and Guides, spoke **in support** of **H 32** as it provides funding for game management. Mr. Mallard stated the Price Lock program will benefit 85% of its members.

Jim Nunley, past President of the Wildlife Federation, supports license fee increases. Mr. Nunley said he feels the Idaho Department of Fish and Game is doing a great job of managing wildlife and their last fee increase was 10 years ago.

Bryan Moore lives in Boise County, is a sportsman, and commercial banker. He stated other sports require that to play you have to pay.

MOTION:

Rep. Moyle made a motion to HOLD H 32 subject to call of the chair. Motion carried by voice vote.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 3:16 p.m.

Representative Raybould	Jennifer Smith
Chair	Secretary

AGENDA

HOUSE RESOURCES & CONSERVATION COMMITTEE 1:30 P.M.

Room EW40 Tuesday, February 03, 2015

SUBJECT	DESCRIPTION	PRESENTER
<u>H 47</u>	Navigable Waterways	Tom Schultz, Idaho Department of Lands
<u>H 48</u>	Oil and Gas Production Records	Tom Schultz, Idaho Department of Lands
<u>H 49</u>	Oil and Gas Permit Fees	Tom Schultz, Idaho Department of Lands
<u>H 50</u>	Oil and Gas Conservation Unitization/Pooling	Tom Schultz, Idaho Department of Lands

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Tuesday, February 03, 2015

TIME: 1:30 P.M. PLACE: Room EW40

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representative(s) Moyle, Andrus,

Shepherd, Wood, Boyle, Vander Woude, Gibbs, Miller, Bateman, Burtenshaw,

Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

ABSENT/ **EXCUSED:** Representative(s) Moyle

GUESTS: Tom Schultz, Idaho Department of Lands; Bobby Johnson, Idaho Department of

Lands; Larry Craig, Northwest Operating Corporation; Lynn Tominaga, IGWA; Elizabeth Criner, J. R. Simplot Company; Jim Classen, Independent Oil and Gas; Jim Lowe, Food Producers of Idaho; Jerome Varley, Lemhi County; Kate Haas, Kestrel West; Doug Paddock, IORC; Julie Page, IORC, Suzanne Budge, SBS Associates; Evan Martinez, Idaho State Bar; B. Schlez, Farm Bureau; Hubert

Osbourne; and Dan Justie, Idaho Bankers.

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

MOTION: **Rep. Van Orden** made a motion to approve the minutes of January 21, 2015.

Motion carried by voice vote.

MOTION: Rep. Burtenshaw made a motion to approve the minutes of January 27, 2015.

Motion carried by voice vote.

MOTION: Rep. Van Orden made a motion to approve the minutes of January 29, 2015.

Motion carried by voice vote.

H 47: **Tom Schultz**, Idaho Department of Lands, stated this legislation provides certain

> revenue from navigable waterways to be deposited in the Navigable Waterways Fund, provide for the creation and use of the fund, require appropriation and certain moneys be deposited in the Waterways Improvement Fund at the beginning of each fiscal year, and to provide that royalties from extraction of minerals from navigable

waterways be deposited in the Public School Permanent Endowment Fund.

MOTION: Rep. Erpelding made a motion to send H 47 to the floor with a DO PASS

> recommendation. Motion carried by voice vote. Rep. Gibbs requested that he be recorded as voting **NAY**. **Rep. Erpelding** will sponsor the bill on the floor.

H 48: Tom Schultz, Idaho Department of Lands, stated this legislation allows for the

efficient recovery of oil and gas by public disclosure of oil and gas records after six months. He stated the industry is divided as there are concerns over protection of intellectual property rights and competition if production records are released.

Larry Craig, Northwest Operating Corporation, stated he believes H 48 would provide a greater return on state lease auctions and conform with national

standards.

Jim Classen, Independent Oil and Gas, is a geologist and stated production information released to the public would provide an estimate of oil and gas from each specific well. He said it would provide estimated income or financial incentives

for investment consideration.

MOTION: Rep. Wood made a motion to send H 48 to the floor with a DO PASS recommendation. Motion carried by voice vote. Rep. Wood will sponsor the bill on the floor. H 49: Tom Shultz, Idaho Department of Lands, stated H 49 would increase permit fees for oil and gas drilling from \$100 to a maximum of \$2,500 and the revised fees were compared with other states. He stated a hearing was held and no opposition was received in response to permit fee increases. MOTION: Rep. Miller made a motion to send H 49 to the floor with a DO PASS recommendation. Motion carried by voice vote. Rep. Rubel will sponsor the bill on the floor. H 50: Tom Schultz, Idaho Department of Lands, stated this legislation covers unitization and how oil and gas operators will cooperate in the operation of a field or pool as a single unit for a single well. He said the Commission may be the arbitrator if the unit operators cannot agree on an issue of concern. He further stated that no opposition has been received on H 50. **Susanne Budge**, SBS Associates, stood **in support** of this legislation. MOTION: Rep. Burtenshaw made a motion to send H 50 to the floor with a DO PASS recommendation. Motion carried by voice vote. Rep. Erpelding and Rep. Ruebel requested to be recorded as voting NAY. Rep. Burtenshaw will sponsor the bill on the floor. ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:24 p.m. Representative Raybould Jennifer Smith Secretary Chair

AMENDED AGENDA #2 HOUSE RESOURCES & CONSERVATION COMMITTEE 1:30 P.M.

Room EW40 Thursday, February 05, 2015

SUBJECT	DESCRIPTION	PRESENTER
RS23451C1	Exemptions of Actions for Trespass	Rep. Nate
	Idaho Department of Water Resources Annual Report	Roger Chase and Gary Spackman, Idaho Department of Water Resources

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel(Green)	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Thursday, February 05, 2015

TIME: 1:30 P.M.
PLACE: Room EW40

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representatives Moyle, Andrus,

Shepherd, Wood, Boyle, Vander Woude, Gibbs, Miller, Bateman, Burtenshaw,

Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

ABSENT/ EXCUSED: None

GUESTS: Lynn Tominaga, IGWA; Benjamin Kelly, Food Producers; Jim Lowe, Food

Producers of Idaho; Norm Semanko, Idaho Water Users; Marie Kellner, Idaho

Conservation League.

Chairman Raybould called the meeting to order at 1:29 p.m.

RS 23451C1: Rep. Nate stated water entities continue to face liability lawsuits for flooding

events caused by old growth trees that fall over into waterways and subsequently plug water ways and cause flooding. Water entities are often times threatened or actually sued under the timber trespass statute, which was enacted for purposes other than governing water management. This change leaves in place the "reasonable and necessary" standard found in Title 42, Chapters 11 and 12. This proposed legislation strikes a balance that should help protect property owners from flooding while leaving in place the requirement that water delivery entities do only that which is reasonable and necessary while maintaining canal banks and

right-of-way easements.

MOTION: Rep. Gibbs made a motion to introduce RS 23451C1. Motion carried by voice

vote.

Roger Chase, Chairman for the Idaho Water Resource Board, provided a presentation on the Idaho Department of Water Resources Annual Report. Mr. Chase indicated that the water regions in Idaho are similar, but different, and Idaho

is very unique.

Mr. Chase identified some of the situations that have occurred over the past year and needs for the department. He listed some of the situations requiring attention over the past year were water surpluses and deficits, the resolution of the Rangen water call, conflicts with ground and surface water users, the costs and approach to recharging aquifers, the Northern Idaho Adjudication, the Snake River Basin Adjudication, and dam projects. Mr. Chase explained Idaho is ahead of other states in its water management and conservation practices. Mr. Chase indicated the need to purchase new infrastructure and technology along with the ability to anticipate the water supply and recognize future demands.

Gary Spackman, Director of Idaho Department of Water Resource, states his attention and time are focused on water issues designated by the Idaho Legislature and to the sustainability of Idaho's water resources. Mr. Spackman indicated he may seek additional money in 2017 for Northern Idaho's adjudication. Mr. Spackman stated the federal government manages flood control and they consider flood control a priority to release water to prevent flooding. Mr. Spackman stated flood control is the process of dumping water into the river and then it flows into the ocean. Mr. Spackman stated he is attempting to address this issue as an opportunity to store flood waters. Mr. Spackman said he has an obligation to all of the Idaho water users. Mr. Spackman explained that he determines the preseason prediction of our water supply, a mid-season adjustment, and an obligation to protect water right holders against inaccurate predictions.

ADJOURN:

There being no further business to come before the committee the meeting was adjourned at 3:00 p.m.

Representative Raybould	Jennifer Smith
Chair	Secretary

AGENDA HOUSE RESOURCES & CONSERVATION COMMITTEE 1:30 P.M.

Room EW40 Monday, February 09, 2015

SUBJECT	DESCRIPTION	PRESENTER
DOCKET NO. 37-0311-1101	Rules for Conjunctive Management of Surface and Ground Water Resources	Gary Spackman and Richard Rigby, Idaho Department of Water Resources

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Monday, February 09, 2015

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representatives Moyle, Andrus,

Shepherd, Wood, Boyle, Vander Woude, Gibbs, Miller, Bateman, Burtenshaw,

Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

ABSENT/ None

EXCUSED: GUESTS:

Lynn Tominaga, IGWA; John Simpson, BRS; Brandt Bullock, IWUA; Brad Hunt,

OARC; Jane Wittmeyer.

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

MOTION: Rep. Youngblood made a motion to approve the minutes of February 3, 2015.

Motion carried by voice vote.

Reps. Bateman, Van Orden, Burtenshaw, Andrus, Miller, Raybould, Pence, Wood, and Youngblood declared Rule 50 as a possible a conflict of interest on

Docket No. 37-0311-1101, but all intend to vote.

DOCKET NO. 37-0311-1101

Gary Spackman, Director of Idaho Department of Water Resources (IDWR), stated a 2010 petition from Clear Springs Foods promulgated revisions to Rule 50 and he commenced negotiated rule making proceedings due to water delivery calls in the Eastern Snake Plain Aquifer (ESPA). He said IDWR determined that Rule 50 did not reflect current technical information. He stated multiple public meetings were held and due to ongoing work related to the ESPA model and issues related to delivery calls in the Eastern Snake Plain Aquifer, the department decided to stay the rulemaking proceedings. Mr. Spackman restarted the negotiated rulemaking process and additional public meetings were held. Mr. Spackman stated there are several alternatives, but none of the alternatives are very good in his opinion. He stated he chose the best of bad alternatives. Mr. Spackman's decision was to repeal Rule 50.

Rich Rigby, senior advisor at IDWR and now retired, works for IDWR on as needed basis. Mr. Rigby indicated Rule 50 and the ESPA model are no longer accurate scientific information and some areas contribute or have more affect on ground water supply than other areas. He stated some arguments of common ground water supply areas affected by each call will depend upon facts. Mr. Rigby stated that to repeal Rule 50 results in no definition of boundary for common ground water supply and the IDWR Director will make a determination on each case.

Gary Spackman, Director of Idaho Department of Water Resources (IDWR), indicated accurate modeling information is expensive and slow and could take 2 to 5 years to be accurate outside of the Eastern Snake Plain Aquifer. Mr. Spackman agreed with Legislators that IDWR needed definite information to make accurate and fair calls. Mr. Spackman added that IDWR staff is expanding the monitoring network and their efforts will intensify in the future. He noted it takes time to gather background data, enter data into the model, and years of data will be needed to accurately analyze the results.

Lynn Tominaga, Executive Director of IGWA, stated the IGWA is split on this issue. Mr. Tominaga expressed concern with IDWR using a model with uncertainty and more folks would be included as they would be required to contribute ground water to the water call area. Mr. Tominaga stated some of the water users would not make a difference in water as the distance of their property is too far from the location of the water needed or the location of the water call. He further stated that some water would just disappear into the river bed prior to reaching the water call area due to the distance.

MOTION:

Rep. Andrus made a motion to reject Docket No. 37-0311-1101. Motion carried by voice vote. Rep. Gibbs, Wood, Bateman, Pence and Erpelding requested that they be recorded as voting NAY.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 2:50 p.m.

Representative Raybould	Jennifer Smith
Chair	Secretary

AGENDA HOUSE RESOURCES & CONSERVATION COMMITTEE 1:30 P.M.

Room EW40 Wednesday, February 11, 2015

SUBJECT	DESCRIPTION	PRESENTER
RS23488	Outdoor Industry Association Contract Renewal	Rep. Erpelding
RS23509	Natural Resources Interim Committee	Chairman Raybould
RS23527	Oil and Gas Exemption of Administrative Procedures Act	Senator Rice
RS23529	Oil and Gas Spacing Units	Rep. Boyle
RS23578	Oil and Gas Clarification	Senator Lee
<u>H 51</u>	Dredge Mining	Rep. Shepherd

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel(Green)	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Wednesday, February 11, 2015

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representatives Moyle, Andrus,

Shepherd, Wood, Boyle, Vander Woude, Gibbs, Miller, Bateman, Burtenshaw,

Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

ABSENT/ EXCUSED: None

GUESTS: The sign-in sheet will be retained with the minutes in the committee secretary's

office until the end of the session. Following the end of the session, the sign-in

sheet will be filed with the minutes in the Legislative Services Library.

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

RS 23488: Rep. Erpelding stated the biannual Outdoor Retailer Show, a convention for

retailers and representatives from the outdoor industry, contract location in Salt Lake City expires in 2016. He stated Idaho's rich outdoor heritage presents an economic opportunity for the outdoor industry and Idaho. He further explained this would create 77,000 Idaho jobs and attract employers, such as retailers and

manufacturers, to Idaho.

MOTION: Rep. Gibbs made a motion to introduce RS 23488. Motion carried by voice vote.

RS 23509: Chairman Raybould requested the interim committee on natural resources be

allowed to continue to jointly meet with the Senate to address issues from Idaho resource agencies, such as the Idaho Department of Water Resources and the Idaho Department of Fish and Game, when the legislature in not in session.

MOTION: Rep. Moyle made a motion to introduce RS 23509. Motion carried by voice vote.

RS 23527: Senator Rice stated the Oil and Gas Conservation Commission should be exempt

from the contested case provisions of the Administrative Procedures Act and the commission will adopt the administrative procedures that were in place prior to July 1, 1993. He explained this change for the Oil and Gas Conservation Commission

will align with the current practice of the Land Board.

MOTION: Rep. Moyle made a motion to introduce RS 23527. Motion carried by voice vote.

RS 23529: Rep. Boyle stated RS 23529 will define the shape and size of the spacing of units

of oil and gas in accordance with the public land survey system. Rep. Boyle explained exceptions to spacing units require the consent of a majority of mineral interest owners and will provide exclusion of federal mineral acreage from unit operations upon application to the Idaho Oil and Gas Conservation Commission

should the federal government fail to lease.

MOTION: Rep. Gibbs made a motion to introduce RS 23529. Motion carried by voice vote.

RS 23578:

Senator Lee explained **RS 23578** will include the word "condensate" to the definition of the word "gas" which was inadvertently omitted in 2012 and provides restoration of the original language in Title 47. She stated this proposed legislation is necessary since definitions are relied upon in Idaho Code.

MOTION:

Rep. Erpelding made a motion to introduce RS 23578. Motion carried by voice vote.

H 51:

Rep. Shepherd stated there was a joint meeting regarding dredge mining issues in the Lincoln Auditorium last session that created a great deal of interest. He explained many areas of our state in rural communities need jobs and means to support their families and valuable gold lays in the bottom of creeks. Rep. Shepherd states that new wealth circulates seven (7) times and even though this industry is small, it has a significant impact on the economy. Rep. Shepherd deferred to **Don Smith** of Rocky Mountain Mining Rights, an expert in dredge mining, and the main presenter for today on **H 51**.

Don Smith with Rocky Mountain Mining Rights is a small group dedicated to the education of mining rights. Mr. Smith explained **H 51** is a clarification of Idaho Code 47-1317, as mining technology has dramatically improved and the code should reflect the improved methods of small scale mining.

Mr. Smith stated the legacy of mining with big bucket line dredges follows the small scale dredge miners today with a negative connotation of the word "dredge". He states the perception must change through education. Mr. Smith said a small scale suction dredge fits into the back of a pickup truck and no remediation is necessary for the movement of riverbed materials. He stated the EPA and NPDES permit is for a discharge of pollutants in the waters under the U. S. Clean Water Act requiring disposal of pollutants shall be by permit only. Mr. Smith indicated no pollutants are discharged into the water and there is no harm to human health, safety, or fish with small suction dredge mining. Mr. Smith claimed the EPA should have rescinded this rule when it was discovered as scientifically indefensible.

Mr. Smith referred to Federal law stating "citizens are entitled to enter public lands for the purpose of prospecting and removing mineral deposits." Mr. Smith said state agencies must not use unreasonable regulations to frustrate Federal law and nullify the 1872 Mining Act when permitting schemes are not prejudiced with proper oversight. Mr. Smith stated the intent is not to diminish the authority of managing agencies, but to work with them for amendments to allow small scale suction dredge miners the ability to obtain appropriate permits in a timely manner that any business owner might expect. With respect to Federal mining laws, Mr. Smith suggested this bill will return the suction dredge miner to policies that were put in place by past legislatures and provide a fair and open process essential to the continuation of a prosperous nation.

Jim Chmelik, Idaho County Commissioner, stated the county is economically struggling and when road blocks are thrown up, resourceful people adapt. Mr. Chmelik stated the Idaho Conservation League is assaulting our freedoms and free enterprise and man should be allowed to utilize his talents in industry. He referred to wildfires and large timber fires from dead and rotting trees in our forests. He stated the Idaho Conservation League is content with destroying communities and streams with more laws and pseudo-science. He explained that dredge miners remove thousands of pounds of lead from fishing gear and debris in our waterways. He believes that dredge mining works with nature and not against it, miners support their local economy and families. Mr. Chmelik stated that Idaho County is a victim of bad judgement by the environmental community and believes they should govern themselves and not govern the county.

Jon Menough from Elk City is a civil engineer and has a masters in chemistry engineering in Idaho and Alaska. He has worked closely with water, EPA regulations, and its effects with large and small communities. Over the past twenty years, he has seen the EPA making life better for people, but has also seen foolishness by the EPA by doing more harm than good. Mr. Menough stated Idaho should recognize that small suction dredge mining has no significant impact.

David Seyer, the small suction dredge miners are frustrated and feel they are locked out of what they love to do as streams are closed and permits delayed. Mr. Seyer stated small suction dredge miners are not doing any harm and would like to get back to work.

John Crossman, Southwest Mining Association, stated small suction dredgers have a vested right from the 1872 Mining Act. He stated many dredge miners have traveled from other states and from within Idaho to today's committee meeting expressing concerns about receiving letters from the Environmental Protection Agency (EPA). Mr. Crossman suggested passing a law to control the EPA as small suction dredge miners have families to support. Mr. Crossman stated that tons of lead from fishing lures are in the Salmon River and small suction dredge mining removes the lures from the river along with other trash, and puts money into the economy.

Gay Richardson, a small suction dredge miner from Elk City, indicated large companies, such as Dupont, are interested in a mineral called gilmenite titanium ore located only in Idaho and Florida. Mr. Richardson indicated the gilmenite titanium ore is used by 3D printers and airplane parts in a titanium powder and the mineral deposits are going to be valuable.

Rep. Shepherd requested an amendment to page 1, line 19, beginning at "Additionally" to end of sentence and requested **H 51** be sent to General Orders with the recommended committee amendments.

MOTION:

Rep. Andrus made a motion to send **H 51** to General Orders with amendments attached.

SUBSTITUTE MOTION:

Rep. Gibbs made a substitute motion to **HOLD H 51** in committee.

Rep. Wood indicated that no one enjoys dealing with the Federal government, and in light of the Idaho Attorney General's opinion on **H 51**, doesn't believe Idaho passing a law would cause the EPA to change their direction. Rep. Wood further stated Idaho has a proven methodology in dealing with the Federal government such as Idaho did with the wolves. Rep. Wood encouraged the small suction dredge miners to contact **Congressman Simpson** as he has influence with the EPA and could sway the EPA to change their direction in dredge mining. Rep. Wood said Congressman Simpson has been able to delist the wolves in Idaho. Rep. Wood believes contacting Congressman Simpson is a far better approach to encourage the EPA to change some of their erroneous rules as the Idaho Legislature cannot set aside federal law.

ROLL CALL VOTE:

Roll call vote was requested on the substitute motion. Substitute motion failed by a vote of 9 AYE and 9 NAY. Voting in favor of the substitute motion: Reps. Wood, Gibbs, Bateman, Burtenshaw, Van Orden, Pence, Erpelding, Rubel and Chairman Raybould. Voting in opposition to the substitute motion: Reps. Gestrin, Moyle, Andrus, Shepherd, Boyle, Vande Woude, Miller, Mendive and Youngblood.

VOTE ON ORIGINAL MOTION:

Chairman Raybould called for a vote on the motion to send **H 51** to General Orders with committee amendments. **Motion carried by voice vote. Rep. Shepherd** will sponsor the bill on the floor.

ADJOURN:	There being no further business to come before the committee, the meeting adjourned at 2:25 p.m.			
Representative Raybould		Jennifer Smith		
Chair		Secretary		

AMENDED AGENDA #1 HOUSE RESOURCES & CONSERVATION COMMITTEE 1:30 P.M.

Room EW40 Tuesday, February 17, 2015

SUBJECT	DESCRIPTION	PRESENTER
RS23517	National Monument	Rep. Beyeler
RS23526	Irrigation Districts	Rep. Wood
RS23634	Rejection of Rule 50 - Idaho Department of Water Resources	Chairman Raybould
<u>H 94</u>	Trespass	Rep. Nate
HCR 7	Outdoor Industry Association	Rep. Erpelding
HCR 8	Natural Resource Interim Committee	Chairman Raybould
	Conservation Easements	Laurel Sayer, Idaho Organization of Land Trusts

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Tuesday, February 17, 2015

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representatives Moyle, Andrus,

Shepherd, Wood, Boyle, Vander Woude, Gibbs, Miller, Bateman, Burtenshaw,

Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

ABSENT/ EXCUSED: Representative(s) Shepherd

GUESTS: Laurel Sayer, Idaho Organization of Land Trusts; Coleen Erickson, Idaho

Organization of Land Trusts; John L. Erickson, Idaho Organization of Land Trusts; Lynn Tominaga, IGWA; Darrel Ker, Enterprise Canal; Wyatt Johnson, ITLA; Jerry Rigby, Upper Valley Irrigation Company; Gary Spackman, Idaho Department of

Water Resources.

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

MOTION: Rep. Youngblood made a motion to approve the minutes of February 5, 2015.

Motion carried by voice vote.

Chairman Raybould identified a privileged letter from **Speaker Bedke** for the committee to hear and vote on the following three RSs. (See attachment 1.)

RS 23517: Rep. Beyeler said the federal government is dedicating as a national monument

for Boulder-White Clouds area which includes Gem, Boise, Lemhi, and Custer Counties with public lands. He said Custer County has 92% of its land mass under federal management. He stated public land policy decisions or management changes will have a significant impact on families and the economy. Rep. Beyeler said **RS 23517** calls upon the U. S. President to listen to the citizens of Idaho. Rep Beyeler indicated the federal government should refrain from unilateral action and

embrace the collaborative process with Idahoans.

MOTION: Rep. Bateman made a motion to introduce RS 23517. Motion carried by voice

vote.

RS 23526: Rep. Wood stated the purpose of RS 23526 is for irrigation districts to find

alternative approval to incur debt as current law authorizes the irrigation districts to incur debt only after an election and irrigation districts need the ability to manage

funding as demonstrated by the Rangen Call from earlier this year.

MOTION: Rep. Andrus made a motion to introduce RS 23526. Motion carried by voice

vote.

RS 23634: Chairman Raybould presented RS 23634 as a rule rejection on Rule 50, Idaho

Department of Water Resources, that eliminates the current boundary lines with inadequate technical data to evaluate underground water resources and effects on

various sections of the aquifer.

MOTION: Rep. Wood made a motion to introduce RS 23634 and recommend it be sent

directly to the Second Reading Calendar. Motion carried by voice vote.

Chairman Raybould will sponsor the bill on the floor.

H 94:

Rep. Nate stated **H 94** would exempt canal and irrigation operators who are required by law to maintain water delivery systems in safe operating conditions and to prevent flooding. He said water entities continue to face lawsuits for flooding events caused by old growth trees that fall over and plug waterways causing flooding. He explained that water entities are sued under the timber trespass statute allowing for treble damages. He stated this change will leave the reasonable and necessary standards to protect property owners from flooding while upholding the requirement of water deliver entities to maintain canal banks and right-of-way easements. Rep. Nate indicated support by the Water Users Associations, Idaho Food Producers, and Farm Bureau.

Darrell Ker belongs to a group of irrigators in Ririe, Idaho. Mr. Ker indicated the local water entity has spent countless dollars defending themselves while performing their civic duty and stewardship to irrigators. Mr. Ker expressed concern over the tree trespass statute and treble damages. He stated **H 94** will reasonably allow for canal companies and water entities to prevent flooding and to deliver water to farmers to support their families and farms. Mr. Ker stated the law is not clear and hinders the water entities' ability to perform maintenance for the water delivery system. Mr. Ker expressed his concern about the unfortunate situation canal companies are subjected to in the current process to get water to patrons and this unfortunate situation has become an enormous financial burden to water entities.

Wyatt Johnson, Idaho Trial Lawyers Association, stated **H 94** is attempting to solve a problem, but will create several other problems. Mr. Johnson indicated the trespass statute is a legal defense and people have a right to post no trespassing signs to protect their property. Mr. Johnson explained the breadth of the language exempts everybody and there is no remedy under the trespass statute which may encourage mischief makers. Mr. Johnson agrees water entities should have the right-of-way to manage ditches and canals, but **H 94** needs to be fine tuned.

Norm Semanko, Executive Director of Idaho Water Users Association, stated Chapter 11 and Chapter 12 govern adequately the regulation and for lawsuits. Mr. Semanko indicated the applicability applies to anyone who owns a ditch right-of-way and uses surface water. Mr. Semanko explained an individual cannot access the right-of-way without the irrigation district's permission.

Jerry Rigby, Attorney in Rexburg, Idaho, represents water right holders and feels there is a need to change the statute, but not in an attempt to resolve water right holders of any liability. Mr. Rigby referred to the ambiguity in statutes regarding timber trespass and it was never meant for water entities or canal companies. Mr. Rigby stated "reasonable and necessary" is sufficient and if a boundary is crossed, it should be evaluated on a case-by-case basis.

MOTION:

Rep. Youngblood made a motion to send **H 94** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Rubel** requested to be recorded as voting **NAY**. **Rep. Nate** will sponsor the bill on the floor.

HCR 7:

Rep. Erpelding stated the Outdoor Industry Association is in the renegotiation process for its location and looking at other venues outside of its Utah location by considering Denver, Colorado, and Las Vegas, Nevada as possible future prospects. Rep. Erpelding suggested Idaho should support **HCR 7** in expressing an Idaho interest to inform the Outdoor Industry Association that Idaho is open for business. Rep. Erpelding pointed to the fact that Idaho is famous for outdoors and outdoor activities and has many outdoor manufacturers and retailers. He said the industry will bring in billions of dollars to the state and is supported by Outfitters and Guides as 77,000 Idahoans work in the outdoor industry.

MOTION: Rep. Van Orden made a motion to send HCR 7 to the floor with a DO PASS recommendation. Motion carried by voice vote. Rep. Erpelding will sponsor the bill on the floor. HCR 8: Chairman Raybould stated HCR 8 is a resolution allowing the continuation of the interim committee on natural resources that meets in the off legislative season. He stated this committee deals with water resources, fish and game, and pending legislation and rules to give advice to state departments. MOTION: Rep. Gibbs made a motion to send HCR 8 to floor with a DO PASS recommendation. Motion carried by voice vote. Chairman Raybould will sponsor the bill on the floor. Laurel Sayer, Executive Director of the Idaho Coalition of Land Trusts, provided a presentation regarding Conservation Easements and explained it is a statewide nonprofit organization assisting with the resources necessary for conservation easements. Coleen and John Erickson elected to have a conservation easement on their property after John's father, owner of the property. Mr. Erickson explained it took three years to complete, but it was a positive experience and recommends conservation easements to others. Mrs. Erickson stated there is not enough profit in farming alone and the land trust pays a dividend. She indicated that conservation easements allow a land owner to remain on the property, keep grazing and farming rights, preserve the scenic value of the land, and minimize farm and family debt to create additional opportunities. Kristen Troy, Lemhi Regional Land Trust, lives in Salmon, Idaho and has worked on 11 conservation easements and is celebrating the 10th anniversary. She indicated many people in the area are land rich and cash poor, but there isn't adequate resources to serve all requests received for conservation easements. **Rep. Beyeler** provided information regarding his family entering into a conservation easement. Land was valued as agricultural land and did not reduce the tax base in the county. ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 3:45 p.m.

Representative Raybould

Chair

Jennifer Smith Secretary

HOUSE RESOURCES & CONSERVATION COMMITTEE 1:30 P.M.

Room EW40 Thursday, February 19, 2015

SUBJECT	DESCRIPTION	PRESENTER
H 123	Oil and Gas Conservation - Contested Cases	Senator Rice
H 124	Oil and Gas Conservation - Spacing Units/Minerals	Rep. Boyle
<u>H 125</u>	Oil and Gas Conservation - Revised Definition of Gas	Senator Lee
	Hagerman Valley Water Restoration Effort	Speaker Bedke

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Thursday, February 19, 2015

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representatives Moyle, Andrus,

Shepherd, Wood, Boyle, Vander Woude, Gibbs, Miller, Bateman, Burtenshaw,

Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

ABSENT/ EXCUSED: Representative(s) Shepherd, Gibbs

GUESTS: Tom Schultz, Idaho Department of Lands; Gary Marquart, SeaPac of Idaho; Alma

Hasse; Doug Paddock, IORC; John Simpson, BRS; Elizabeth Criner, Simplot; Linda Lemmon; Kathy Babington; Lynn Babington; Howard Morris; Rhonda Morris; Lynn Tominaga, IGWA; Bobby Johnson, Idaho Department of Lands; Jim Classen, Idaho Oil & Gas Commission; Bob Hardgrove, IGWA; John Peiserich, Alta Mesa;

Suzanne Budge, SBS Associates; Justin Hayes, ICL; Skip Smyser.

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

MOTION: Rep. Wood made a motion to approve the minutes of February 9, 2015. Motion

carried by voice vote.

H 123: Senator Rice stated the Oil and Gas Conservation Commission should be exempt

from the contested cases provisions of the Administrative Procedures Act and the commission will adopt the administrative procedures that were in place prior to July 1, 1993. Senator Rice asserts that every oil and gas issue could be treated as a contested case and may result in a contested case for purely administrative matters. He explained this change for the Oil and Gas Conservation Commission

will align with the current practice of the Land Board.

Tom Schultz, Idaho Department of Land, has worked with Senator Rice to clarify Administrative Procedures Act issues. Mr. Schultz explained a resolution under the Administrative Procedures Act can take 3 to 6 months to resolve a contested case hearing to address lands within the oil and gas unit. He stated specifics can include formal and informal matters and may take up to 200 days. Mr. Schultz stated through negotiated rule making and updating rules with best practices will allow the commission to use the contested case hearing process under the Administrative Procedures Act if the Oil and Gas Commission chooses, but this would not be required. Mr. Schultz indicated the appeal options with the new procedure would allow a matter to be filed in court and to be heard before the commission as individuals will maintain their rights under the Constitution.

Alma Hasse, a resident of Payette County, indicated omitting the Administrative Procedures Act from the Oil and Gas Commission in the unitization of land is complete disregard for the due process and to the citizens of Idaho. Ms. Hasse indicated she received a letter from her mortgage company dated January 28, 2015, stating she would be in violation of her mortgage if she was considering an oil and gas lease.

John Peiserich, Alta Mesa, stated there is a due process.

Suzanne Budge, SBS Associates, for Idaho Petroleum Council, stated the bill mirrors the Land Board's approach to contested cases, is similar to how other states operate, and would help the agency do business in an efficient way.

MOTION:

Rep. Gestrin made a motion to send **H 123** to floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Erpelding** will sponsor the bill on floor.

H 124:

Rep. Boyle stated **H 124** will allow the Oil and Gas Commission to exclude the Bureau of Land Management (BLM) from unitization and leasing. She stated there is similar legislation in other western states.

Director Schultz, Idaho Department of Lands, stated allowing BLM the option to lease or not lease in the unitization process is a practice in Arkansas, Montana, and Utah and the terminology is similar to these states. Mr. Schultz stated the BLM would be able to initiate a lawsuit. Mr. Schultz indicated there should be a discussion with the BLM as they may not have been consulted in the unitization process.

Suzanne Budge, SBS Associates, represents Idaho Petroleum Council and said they are working with the agency to streamline the process.

John Peiserich, Alta Mesa, addressed the underlying legal abilities of the landowner living next to BLM land.

Jim Classen, geologist for 50 years and privileged member of the Oil and Gas Conservation Commission, stated the Oil and Gas Commission, as a group, has not commented on this industry derived statute change. Mr. Classen stated the BLM is hindering oil and gas exploration in Idaho.

MOTION:

Rep. Miller made a motion to send **H 124** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Rubel** requested she be recorded as voting **NAY. Rep. Boyle** will sponsor the bill on the floor.

H 125:

Senator Lee, stated **H 125** corrects a 2012 omission to include condensate in the definition of natural gas.

Alma Hasse stated landowners are being forced into business with a less than credible company and the state is giving minerals away at 2.5% interest and if integrated would be a violation of a mortgage for the hazardous chemicals clause. Further, stated Ms. Hasse, if the lender doesn't allow the lease and if the homeowner signs the lease, this would result in a technical default and foreclosure. Ms. Hasse encouraged legislators to consider their constituents.

Director Schultz, indicated the language existed in 2012 and condensate is a natural gas, an underground gas.

Senator Lee, stated the treasurers and assessors are concerned with the language defining oil and gas, but condensate is different. Senator Lee further indicated her intent to ensure all of these products are subject to tax and for the ability to collect taxes due.

MOTION:

Rep. Rubel made a motion to send **H 125** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Boyle** will sponsor the bill on the floor.

Speaker Bedke provided a presentation on the Hagerman Valley Water Restoration project and indicated good news since the legislative representatives toured Rangen Fish Hatchery in an effort to address the diminished water resources in that area. Speaker Bedke indicated the state is at an important juncture with the Snake River Basin Adjudication completion. He stated there were many lawsuits and every question has been litigated, with the clarification of property rights, and senior and junior water right holders throughout the Snake River Basin. Speaker Bedke explained we have a group of junior water right holders critical to our economy and take the responsibility for impacts on senior water right holders. He stated every party is in search of 3 things: the certainty, predictability, and stability of water resources in the aquifer. Speaker Bedke said interested parties have been meeting and will continue to meet. He congratulated the Idaho Department of Water Resources (IDWR) and the Attorney General's Office (AG) for their technical expertise and representing the stakeholders.

Speaker Bedke addressed the components for users in the Hagerman Valley regarding aquifer recharge that is dependent upon conservation, rotating crops, high water use crops, and setting up an accurate monitoring system. He explained adaptive management can be performed, but not without an accurate monitoring system. Speaker Bedke said stakeholders were able to meet a court ordered deadline to deliver water to the Rangen Fish Hatchery. He said with a mild winter, the construction of the pipeline project progressed without any shutdowns due to weather. He stated the investments in the Hagerman system were put to good use, but cautioned the diversion of water from the river to the aquifer through a canal system that was not designed for diversion. He further explained some of the systems have hydroelectric systems and chunks of ice may pose to be a detriment. Speaker Bedke stated there is an urgency for the state of Idaho to make investments and address this water issue.

Dean Stevenson is a representative of Idaho Ground Water Appropriators and Chairman of Magic Valley Ground Water System, he reviewed the necessity of ground water and the impacts from pumping that should be addressed. Mr. Stevenson indicated at one point, last spring there were 5 water calls and those were handled by supply or agreements. Mr. Stevenson said we are all users of water. He made commitments through **Speaker Bedke** for Phase 2 to take water into the fish farm and pump the water back up into a ditch and improve the water balance in the Hagerman Valley. He indicated the need for opportunities to put resources towards Hagerman, but admitted the water will not come out of every spring, and the need to attempt to strike a balance.

Craig Searle, Southwest Irrigation District, has attempted to stabilize the depleting water supply. He stated pipelines have been placed to convert ground water to surface water irrigation. He explained the industry has required water intensive crops. He indicated his appreciation for the efforts of the Idaho Department of Water Resources (IDWR) working on a management arrangement for critical ground water areas and his appreciation of many canal companies in Burley and Twin Falls to transport water and tap into their systems to stabilize the ground water levels. He said as a result of these efforts, water levels are stabilizing and higher. Mr. Searle indicated that Idaho is a state with sufficient water if managed properly.

Butch Morris is an irrigator and worked with **Speaker Bedke** on the Hagerman Valley Committee. He believes the project is moving forward and in a positive direction. He stated he is a Hagerman farmer and has seen the springs decline over the years, but appreciates the state's efforts. He asserted the state should invest in fixing the problem with the aguifer recharge.

Gary Markquardt, General Manager of SeaPac of Idaho. Mr. Marquardt is providing his statement on spring flows. Mr. Marquardt stated SeaPac operates a production and processing plant and has worked with several independent growers in Bliss, Twin Falls and other parts of state. He indicated he has been involved for over 25 years with fish and the spring flows continue to decline. Mr. Marquardt stated more progress needs to be put forth to solve this problem as the aquifer is unbalanced and pumpers and fish farmers need to work out a solution. Mr. Marquardt indicated the state has recognized the problem, but the progress needs to focus on the solution to repair and improve the aquifer, as more volume is needed. Mr. Marquardt encouraged the state to continue to move forward with discussions and their involvement has been noticed and appreciated. He stated money has been set aside and these are limited resources to address the long term project and commitment. Mr. Marquardt indicated that senior water right holders only need to call to get their water. He explained there is a need for continued negotiation, a settlement, and current meetings are heading in that direction.

Brian Patton, Idaho Department of Water Resources, said there is a managed aquifer recharge program in place which began in October 2014. Mr. Patton stated it was a great start in recharging the aquifer through the winter with the help of partners, but more work is needed for storage capacity and infrastructure. He stated the Idaho Department of Water Resources is working with canal companies to address the capacity issue as water is available and infrastructure is needed for aquifer stabilization and recharge purposes. Mr. Patton identified the Water Resource Board as managing the aquifer recharge program with support from the legislature, governor, and the cooperation of water stakeholders including IDWR's commitment to the recharge stabilization program.

Randy Budge, Attorney for Idaho Ground Water Appropriators (IGWA), stated a decade of contentious litigation has resulted in a situation where junior water users are subject to curtailment. He further explained this is a disastrous situation to the state's economy and agriculture. He said the Idaho Ground Water Appropriators has stepped up with mitigation plans of developing and implementing the sustainability of the aquifer, provided direct delivery to senior water rights, and a fully funded conversion program. The Rangen water call was detrimental.

Mr. Budge is appreciative of **Speaker Bedke** for his persistence and leadership to correct the problems, and for the great support from **Clive Strong** of the Attorney General's Office (AG), and the Idaho Department of Water Resources (IDWR) for the comprehensive recharge project. Mr. Budge emphasized recharge of the aquifer is critical and an expensive long-term project and the state has stepped up to the challenge and continues to support the financial effort.

John Simpson, Attorney for Buckeye Farms in Hagerman, stated Idaho has seen a decline in water volumes over the past 50 years and Buckeye Farms has made extraordinary efforts to continue through self mitigation. He stated Thousand Springs is a natural beauty in Idaho and needs to be maintained and sustained for the future. Mr. Simpson stated there are two concepts (1) to continue to respect the priority doctrine for water rights as a senior or junior water right holder; and, (2) the problem the water supply issue has created over time. He suggested the water users and state step forward to develop a plan to provide certainty for generations and continue to sustain and stabilization our water resources. Mr. Simpson commends IDWR and the Legislature, but it will take more efforts to stabilize the aquifer. Mr. Simpson said the first steps have been taken towards aquifer stabilization, but there is a need to move upstream to Milner Dam as Idaho has a unique opportunity.

Speaker Bedke gave his closing remarks regarding the Hagerman Valley Water Restoration Project. He indicated all parties are working towards a common goal, watching the water issue and its progression from ditch banks to farms and fish hatcheries. He stated Idaho had a recent curtailment order which would have shut-off water to 157,000 acres of irrigated agriculture along with water to 14 cities, supplemental wells, and a list of industries in the area. Speaker Bedke further explained the curtailment didn't happen and the water is now moving to Rangen thanks to the cooperation and determination of many stakeholders. Speaker Bedke stated this issue can be fixed with time and a large effort. He said these types of obstacles are scalable and junior water right holders should share their responsibility to provide short term water while the parties work together towards a common goal. He said everyone involved is committed to this surmountable challenge. Speaker Bedke thanked the committee for their time and allowing the presentation as an update report on the state's investment in this important issue that stabilizes a strategic resource as growth is expected in the southern part of the state.

Chairman Raybould thanked the House Resources and Conservation Committee's Page, **Shae Davids**, for her service and dedication to the committee as she had completed her service for this session.

ADJOURN:	There being no further business to come before the committee, the meet adjourned at 3:30 p.m.	
Representative Raybould Jennifer Smith		Jennifer Smith
Chair		Secretary

AGENDA HOUSE RESOURCES & CONSERVATION COMMITTEE 1:30 P.M.

Room EW40 Monday, February 23, 2015

SUBJECT	DESCRIPTION	PRESENTER
<u>S 1020</u>	Fish and Game - Set aside account and technical corrections	Sharon Kiefer, Idaho Department of Fish & Game
<u>S 1031</u>	Fish and Game - Senior Resident Combination Licenses	Senator Keough

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Monday, February 23, 2015

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representatives Moyle, Andrus,

Shepherd, Wood, Boyle, Vander Woude, Gibbs, Miller, Bateman, Burtenshaw,

Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

ABSENT/ EXCUSED: Representative(s) Andrus

GUESTS: Sharon Kiefer, Idaho Department of Fish and Game.

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

S 1020: Sharon Kiefer, Idaho Department of Fish & Game, stated S 1020 amends Idaho

Code to exempt Class 7 licenses, tags and permits from set aside requirements as Class 7 are duplicates for which the set-aside provisions for certain licenses, tags and permits are met at the time of original purchase. Sharon indicated that revenue from sales of duplicates would flow into the fish and game dedicated fund. This fund provides more discretion for funding the full spectrum of fish and game programs and estimate \$25,000 will be shifted from set-asides to this account each year as a result. Ms. Kiefer stated shifting the revenue to the fish and game dedicated fund will not have a significant negative revenue effect on the set-aside accounts. Ms. Kiefer added **S 1020** has a technical correction to the definition of

antelope as pronghorn antelope.

MOTION: Rep. Gibbs made a motion to send S 1020 to the floor with a DO PASS

recommendation. Motion carried by voice vote. Rep. Pence will sponsor the bill

on the floor.

S 1031: Senator Keough, said **S 1031** is to bring consistency to Idaho residency

requirements for obtaining fishing and hunting licenses. Senator Keough stated Idaho Code defines "resident" to be someone who has lived in the state for 6 months, but the definition for "Senior Resident", 65 years or older, as someone who has lived in the state of 5 years. She indicated **S 1031** will provide a resident as an

individual residing in the state for 6 months for all instances.

Senator Bayer was raised in Idaho, his parents moved to Washington and moved back to Idaho. Senator Bayer stated his father is 80 years old and can't have an Idaho senior resident fishing license for 5 years and there is inconsistency with fairness and equatability in the code provisions regarding the regulations for licenses, tags and permits. He indicated this is not a good way to show respect

and treat our seniors.

Sharon Kiefer, Idaho Department of Fish and Game, stated **S 1031** would revise the current eligibility criteria for a senior reduced fee license and reduced fee for deer, elk, bear, and turkey tags. The Fish and Game Commission's position for this bill is to monitor and provide technical and fiscal information regarding the effect to the Idaho Department of Fish and Game. The senior license tags are substantially reduced if an individual is over the age of 65 and has lived in Idaho for 5 years and is similar to reduced tags for the disabled. Ms. Kiefer said the Idaho Department of Fish and Game was unable to locate a reason, rationale, or any testimony for the specific reason for this policy. Ms. Kiefer indicated the fiscal effect to be approximately \$56,000 and there may be other negative effects, but the Idaho Department of Fish and Game has no stance on the issue.

MOTION:

Rep. Bateman made a motion to send **S 1031** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Bateman** will sponsor the bill on the floor.

Chairman Raybould introduced the new Page, **Marilyn Clements**, to the House Resources and Conservation Committee.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 1:50 p.m.

Representative Raybould	Jennifer Smith
Chair	Secretary

HOUSE RESOURCES & CONSERVATION COMMITTEE 1:30 P.M.

Room EW40 Wednesday, February 25, 2015

SUBJECT	DESCRIPTION	PRESENTER
H 161	Fish and Game - Violations/Penalties	Rep. Luker
<u>H 166</u>	Irrigation Districts - Incursion of Debt	Rep. Wood
HJM 5	National Monument - Boulder-White Clouds	Rep. Beyeler
	Idaho Soil & Water Conservation Commission - Annual Report	Teri Murrison, Administrator, Idaho Soil & Water Conservation Commission

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Wednesday, February 25, 2015

TIME: 1:30 P.M.
PLACE: Room EW40

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representatives Moyle, Andrus,

Shepherd, Wood, Boyle, Vander Woude, Gibbs, Miller, Bateman, Burtenshaw,

Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

ABSENT/ EXCUSED: Representative(s) Vander Woude, Bateman, Burtenshaw

GUESTS: Caitlin Rusche, Idaho Association of Counties; Sharon Kiefer, Idaho Department

of Fish and Game; Ana Owsiak, Idaho Department of Fish and Game; Beverly Searle; Craig Searle, Southwest Irrigation District; Lynn Tominaga, Idaho Ground

Water Appropriators.

Chairman Raybould called the meeting to order at 1:29 p.m.

H 161: Rep. Luker stated this bill relates to revising the Idaho Department of Fish

and Game's violations and penalties. He indicated there is a reclassification of misdemeanors to infractions and all offenses are a misdemeanor unless specified

as an infraction.

MOTION: Rep. Wood made a motion to send H 161 to the floor with a DO PASS

recommendation.

Rep. Mendive expressed concern regarding the public use restriction on page

2, line 45.

SUBSTITUTE MOTION:

Rep. Mendive made a substitute motion to send H 161 to General Orders with

amendments attached.

Sharon Kiefer, Idaho Department of Fish and Game, stated this bill provides reclassification of misdemeanors to infractions and the Idaho Department of Fish and Game's authority does not pertain to private lands. Ms. Kiefer indicated this legislation is only for lands owned and managed by the Idaho Department of Fish

and Game.

ROLL CALL VOTE:

Chairman Raybould called for a roll call vote on the substitute motion to send H 161 to General Orders with amendments attached. Substitute Motion failed by a vote of 5 AYE, 10 NAY, 3 Absent/Excused. Voting in favor of the substitute motion: Bone General Moule Boyle Miller and Mondive Voting in apposition.

motion: Reps. Gestrin, Moyle, Boyle, Miller, and Mendive. Voting in opposition to the substitute motion: Reps. Andrus, Wood, Shepherd, Gibbs, VanOrden, Youngblood, Pence, Erpelding, Rubel, and Chairman Raybould. Reps. Vander

Woude, Bateman and Burtenshaw were absent/excused.

MOTION: Chairman Raybould called for a vote on the original motion to send H 161 to floor

with a DO PASS recommendation. Motion carried by voice vote. Rep. Luker

will sponsor the bill on the floor.

H 166: Rep. Wood stated laws need to be amended to provide an alternative for irrigation

districts to obtain approval to incur debt for mitigation and recharge purposes through a judicial examination process. He explained irrigation districts may only incur debt after holding an election and elections can only be held at certain times

during the year.

Clive Strong, Attorney General's Office, stated there is a disadvantage to irrigation districts that ground water districts have and both districts need the ability to copartner in mitigation plans.

Craig Searle, stated during the water call the irrigation district had to back out and the ground water district could obtain the bonding. He explained the irrigation district had to come back after the process and buy their way back in, and experienced the same situation in the Rangen call. He said if the ground water district had to abide by the same rules, there would be many without water and it is imperative the irrigation districts are allowed to play by the same rules as the ground water districts.

Lynn Tominaga, IGWA, stated IGWA, IWUA and Food Producers of Idaho support the bill and the surface water coalitions favor this bill also.

MOTION:

Rep. Gibbs made a motion to send **H 166** to the floor with A **DO PASS** recommendation. **Motion carried by voice vote. Rep. Wood** will sponsor bill on the floor.

HJR 5:

Rep. Beyeler stated this memorial calls upon the U.S. President to work with Idahoans and not take unilateral action on the Boulder-White Clouds area and its national monument designation that may change land management in this area. He identified the national monument includes the Idaho counties of Gem, Boise, Lemhi, and Custer. He indicated that Custer County would be the most impacted as Custer County has 92% of its land mass under federal management. Rep. Beyeler indicated public land policy decisions and management changes have a significant impact on families and the local economy. He said many generational families run cattle and livestock in these areas. He further explained a ranching study conducted by the University of Idaho stated every \$1 of beef sold is \$1.08 in return to the local economy. He encouraged the federal government to refrain from unilateral action and embrace the collaborative process with Idahoans. Rep. Beyeler stated the people of Idaho need to send a nonpartisan statement that unites Idaho in land and treasure to communicate to the U.S. President that Idahoans need a collaboration process of our national monuments in Idaho.

MOTION:

Rep. VanOrden made a motion to send **HJR 5** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Beyeler** will sponsor the bill on the floor.

Teri Murrison, Idaho Soil and Water Conservation Commission, presented "Conservation the Idaho Way". Ms. Murrison stated "Conservation the Idaho Way" is the name of the commission's newsletter and a way of life. Ms. Murrison indicated the preference in Idaho is to take care of and improve the natural resources without regulation, together with cooperative and collaborative efforts with a commitment for conservation and sponsorship.

Ms. Murrison identified the necessity of beneficial partnerships with stakeholders and the citizens of Idaho. She indicated the contributions of these partnerships have made difficult challenges more easily obtainable. She provided the details, challenges, and an update on the Idaho Soil and Water Conservation Commission's major project for the Bear Creek/Whiskey Creek area. Ms. Murrison further explained the Idaho Soil and Water Conservation Commission has increased projects and support in the state towards conservation efforts, but has not increased their staffing.

as a unified voice to strengthen districts and lead conservation in the state with roles at the local, state, and national levels. Mr. Kelley said the conservation district at the county level is developing relationships and reaching out to schools to provide education in conservation. Mr. Kelley stated he represents the soil conservation districts as a voice at the Legislature and at the Water and Soil Conservation Commission to provide his assistance in analyzing programs and improving policies. There being no further business to come before the committee, the meeting adjourned at 2:41 p.m.

Benjamin Kelley, Idaho Association of Soil Conservation District (IASCD), works

Representative Raybould	Jennifer Smith
Chair	Secretary

ADJOURN:

HOUSE RESOURCES & CONSERVATION COMMITTEE

1:30 pm or upon Adjournment Room EW40 Tuesday, March 03, 2015

SUBJECT	DESCRIPTION	PRESENTER
HCR 12	Endowment Asset Study	Rep. Vander Woude
	Idaho Rangeland Resource Commission - Annual Report	Gretchen Hyde, Idaho Rangeland Resource Commission

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE:	Tuesday, March 03, 2015	
TIME:	1:30 pm or upon Adjournment	
PLACE:	Room EW40	
MEMBERS:	Chairman Raybould, Vice Chairman Gestrin, Representatives Moyle, Andrus, Shepherd, Wood, Boyle, Vander Woude, Gibbs, Miller, Bateman, Burtenshaw, Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel	
ABSENT/ EXCUSED:	None	
GUESTS:	None.	
	Vice Chairman Gestrin called the meeting to order at 2:50 p.m.	
MOTION:	Rep. Youngblood made a motion to approve the Minutes of February 23, 2015. Motion carried by voice vote.	
HCR 12:	Rep. Vander Woude indicated a land board interim committee is necessary to continue the endowment committee for disbursements of endowments and address land board issues.	
MOTION:	Rep. Youngblood made a motion to send HCR 12 to floor with a DO PASS recommendation. Motion carried by voice vote. Rep Vande Woude will sponsor the bill on the floor.	
	Gretchen Hyde , Idaho Rangeland Resource Commission, provided their annual report to the committee. She stated the Idaho Rangeland Resource Commission (IRRC) has Governor appointed board members serving 5 year terms and limited to 2 terms. Ms. Hyde stated the organization promotes career development in rangelands with the University of Idaho. Ms. Hyde stated the Rangeland Resource program provides great rangeland experience for FFA and 4-H students. Ms. Hyde provides teacher workshops, but most of the curriculum is for kindergarten through 12th grade. Ms. Hyde stated the internet, U-tube, and social media have been an effective resource for education and distribution of the IRRC curriculum.	
ADJOURN:	There being no further business to come before the committee, the meeting was adjourned at 3:37 p.m.	
		
Representative G	estrin Jennifer Smith Secretary	

HOUSE RESOURCES & CONSERVATION COMMITTEE

1:30 pm or upon adjournment Room EW40 Thursday, March 05, 2015

SUBJECT	DESCRIPTION	PRESENTER
H 197	Ground Water Best Practices and Quality Standards	Jack Lyman, Idaho Mining Association
<u>S 1057</u>	Irrigation District Meeting Locations	Norm Semanko, Idaho Water Users Association
<u>S 1058</u>	Irrigation District Patron Payment Methods	Norm Semanko, Idaho Water Users Association
<u>S 1099</u>	Water Users Association - Land Lien on Unpaid Assessments	Norm Semanko, Idaho Water Users Association
SCR 107	State Board of Land Commissioners - Multiparty Land Exchanges	Rep. Vander Woude

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Thursday, March 05, 2015 **TIME:** 1:30 pm or upon adjournment

PLACE: Room EW40

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representatives Moyle, Andrus,

Shepherd, Wood, Boyle, Vander Woude, Gibbs, Miller, Bateman, Burtenshaw,

Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

ABSENT/ EXCUSED: Representative(s) Andrus, Shepherd, Gibbs, Bateman

GUESTS: Jack Lyman, Idaho Mining Association; Eric Slayton, Pioneer Irrigation District;

Doug Conde, Idaho Department of Environmental Quality; Curt Fransen, Idaho Department of Environmental Quality; Barry Burnell, Idaho Department of Environmental Quality; Justin Hays, Idaho Conservation League; Brandt Bullock, Idaho Water Users Association; Monte Stewart, McMillan #2 Lateral; Dawn Justice,

Idaho Bankers; and Andy Waldera, attorney for Pioneer Irrigation District.

Chairman Raybould called the meeting to order at 1:29 p.m.

MOTION: Rep. Youngblood made a motion to approve the Minutes of February 17, 2015.

Motion carried by voice vote.

H 197: Jack Lyman, Idaho Mining Association provided information on the ground water

quality plan for the extraction of minerals from above and in ground water. Mr. Lyman indicated there is a baseline for ground water quality for a mining area and the water quality compliance is pre-set by the water quality outside of a mining area. He explained this process would minimize the impact on ground water from around the mine area. Mr. Lyman stated a "cap and cover" method with native materials, such as native plants and vegetation, would be used when the mining operation is completed to protect the aquifer. Mr. Lyman provided 3 aquifer categories and the levels of protection for each category for the public, commercial or private use to

resolve the conflict that exists with DEQ rules.

Justin Hays, Program Director for Idaho Conservation League, stated the ICL

neither supports nor opposes the legislation.

MOTION: Rep. Wood made a motion to send H 197 to floor with a DO PASS recommendation.

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

S 1057: Norm Semanko, Director of Idaho Water Users Association, stated this bill was

initiated by Pioneer Irrigation District to resolve meeting location limitations under current law. Mr. Semanko indicated an irrigation district cannot meet at another location other than their district office. Mr. Semanko stated the district office limits space and public participation. Mr. Semanko claimed irrigation districts need flexibility to utilize other meeting locations in the district and the open meetings law

requires notice and identification of meeting locations.

MOTION: Rep. VanOrden made a motion to send S 1057 to the floor with a DO PASS

recommendation. Motion carried by voice vote. Rep. VanOrden will sponsor

the bill on the floor.

S 1058:

Norm Semanko, Director of Idaho Water Users Association, stated water districts would like to update their payment methods to improve customer service and convenience for methods of payment. Mr. Semanko stated the water districts' current payment code is old and outdated. He indicated water users are currently allowed to pay a water district only by bank draft or check and not by credit, debit cards, Paypal, etc. Mr. Semanko indicated additional fees for alternative or convenient payment methods may be forthcoming.

Erica Slayton, Pioneer Irrigation District, stated there may or may not be a convenience charge for payment on the website as it had not been decided and the logistics have not been discussed as of yet.

Andy Waldara, Sawtooth Law Office, legal counsel for Pioneer Irrigation District, indicated there may be a charge for a non-sufficient funds check as allowed by statute. Mr. Waldara added a payor would be notified prior to the payment transaction if a fee will be charged for their method of payment. Mr. Waldara indicated the website payment system would be designed similar to the Idaho Department of Transportation's payment website.

MOTION:

Rep. Burtenshaw made a motion to send **S 1058** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Burtenshaw** will sponsor the bill on the floor.

S 1099:

Norm Semanko, Idaho Water Users Association, stated lateral associations of irrigation districts are common in urban areas. Mr. Semanko stated a lateral manager will use water from a ditch or main canal to distribute to others. He said the lateral associations hold annual meetings, set a budget, and hire a lateral manager with user assessments ranging between \$20 to \$25. Mr. Semanko indicated lateral associations do not currently have any lien authority to assess with their members to help pay operational costs to keep the water flowing. He stated a small number of the water user population do not pay the assessments and the lateral association uses small claims court which is costly and time consuming. Mr. Semanko states this bill would provide lien authority to lateral associations although the lien would not be superior to the irrigation district or canal company. Mr. Semanko added a lien would not necessitate foreclosure, but the lien would be paid off when the property was sold at some time in the future. He stated this process is similar to water users of canal and irrigation companies.

Monte Stewart, Director of the Board for McMillian Lateral Association, explained the McMillian Lateral Association has a budget of \$18,000 with one paid ditch rider as an employee. Mr. Stewart said lateral association members may pay an assessment of \$17 per year and this assessment money is used to provide the upkeep on the irrigation system. Mr. Stewart estimated that 8% don't pay their annual assessment year after year. Mr. Stewart stated currently he uses the small claims court system which is costly in time and money to both parties.

MOTION:

Rep. Miller made a motion to send **S 1099** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Miller** will sponsor the bill on the floor.

SCR 107:

Rep. Vander Woude, stated **SCR 107** is a resolution for the board of land commissions to enter into multiparty land exchanges. Rep. Vander Woude indicated multiparty land exchanges are necessary to consolidate parcels of land for land tracks that are isolated and have limited financial returns. He said it is the board of land commissioners' constitutional responsibility to seek the highest possible return on lands.

MOTION:	Rep. Wood made a motion to send SCR 107 to the floor with a DO PASS recommendation. Motion carried by voice vote. Rep. Vander Woude will sponsor the bill on the floor.			
ADJOURN:	There being no further business adjourned at 2:20 p.m.	no further business to come before the committee, the meeting 2:20 p.m.		
Representative R	aybould	Jennifer Smith		
Chair		Secretary		

HOUSE RESOURCES & CONSERVATION COMMITTEE

1:30 p.m. or Upon Adjournment Room EW40 Monday, March 09, 2015

SUBJECT	DESCRIPTION	PRESENTER
<u>S 1100</u>	Water District - Weather Modification Projects	Norm Semanko, Idaho Water Users Association

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Monday, March 09, 2015

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representative(s) Moyle, Andrus,

Shepherd, Wood, Boyle, Vander Woude, Gibbs, Miller, Bateman, Burtenshaw,

Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

ABSENT/ EXCUSED: Representative(s) Moyle, Erpelding

GUESTS: Rex Barrie, Water District #63; Brian Patton, Idaho Department of Water Resources;

Brandt Bullock, Idaho Water Users Association; Norm Semanko, Idaho Water Users

Association; Vernon E. Case, Wilder Irrigation District.

Chairman Raybould called the meeting to order at 2:15 p.m.

S 1100:

Norm Semanko, Idaho Water Users Association, stated Water District #1 has been utilizing weather modification for the past twenty years and the Wood River Valley is using cloud seeding to increase their water supply. Mr. Semanko indicated many partners including water districts, the Idaho Department of Water Resources, and Idaho Power have been or are considering using weather modification techniques, such as cloud seeding, to increase the surface water supply. He said weather modification activities need to be included in the state water resource plan.

Mr. Semanko said Water District #63 does not have a robust water bank or a fund for weather modification activities. They are considering using a portion of their administrative budget to support weather modification activities. Mr. Semanko stated a vote at a water district's annual meeting will determine whether a water district participates in weather modification activities.

Rex Barrie, Water Master for Water District #63, stated consecutive minimal water over a period of years can affect the water districts' operational costs and their ability to operate. He stated the Bureau of Reclamation pays \$40,000 for the Salmon water and funds received from the Bureau of Reclamation may diminish in a low water year.

Brian Patton, Idaho Department of Water Resources (IDWR), is representing the Water Resource Board to encourage stabilization strategies to augment the winter snow pack. Mr. Patton stated utilizing surface water deters the need for ground water pumping and depleting the aquifer levels. He said Idaho Power is cloud seeding in the Payette and upper Snake River Basins. Mr. Patton indicated the Water Resource Board has appropriated \$492,000 to cloud seeding and weather modification activities.

Vern Case, Wilder Irrigation District, indicated the previous testimony was sufficient and he did not have any information to add in his testimony.

Jon Bowling, Idaho Power, testified that silver oxide is used in cloud seeding. He provided Idaho Power has three meteorologists on staff and sophisticated equipment for weather modification activities. He stated it is a well-managed program and research has shown the target area provides downstream benefits at 14.4% increase for winter cloud seeding and has contributed to the snow pack supply. Mr. Bowling further explained that atmospheric conditions are checked and the conditions must be specific for effective cloud seeding. He added that water vapor from the seeding replenishes itself.

he would be voting on the legislation.

Rep. Miller made a motion to send S 1100 to the floor with a DO PASS recommendation. Motion carried by voice vote. Rep. Gibbs will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:45 p.m.

Representative Raybould

Chair

Jennifer Smith Secretary

Rep. Miller declared Rule 38 stating a possible conflict of interest on S 1100, but

JOINT

HOUSE RESOURCES & CONSERVATION COMMITTEE AND

SENATE RESOURCES & ENVIRONMENT COMMITTEE

1:30 pm or upon adjournment Lincoln Auditorium WW02 Wednesday, March 11, 2015

SUBJECT	DESCRIPTION	PRESENTER	
	Overview of the USDA Forest Service in Idaho	Nora Rasure Regional Forester - Intermountain Region	
	Following the Joint Meeting, the House Resources and Conservation Committee will convene in the Lincoln Auditorium, Room WW02		
<u>S 1059 aa</u>	Irrigation Districts - Facility Protection and Assessments	Norm Semanko, Idaho Water Users Association	

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

MINUTES JOINT MEETING

HOUSE RESOURCES & CONSERVATION COMMITTEE SENATE RESOURCES & ENVIRONMENT COMMITTEE

DATE: Wednesday, March 11, 2015 **TIME:** 1:30 pm or upon adjournment

PLACE: Lincoln Auditorium WW02

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representative(s) Moyle, Andrus,

Shepherd, Wood, Boyle, Vander Woude, Gibbs, Miller, Bateman, Burtenshaw,

Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

Chairman Bair, Vice Chairman Vick, Senators Cameron, Siddoway, Brackett,

Heider, Stennett, Lacey

ABSENT/ EXCUSED: Representative(s) Moyle, Vander Woude, Youngblood, Senator Nuxoll

GUESTS: Norm Semanko, Idaho Water Users Association; Mike Mulberry; Mitch Royer;

Dave Shenk; and Albert Barker.

Senator Bair called the joint meeting to order at 1:34 p.m.

Nora Rasure, regional forester for the USDA Forest Service, provided the USDA Forest Service's annual report to the House and Senate Joint Committee regarding their responsibilities in the United States and Idaho. Ms. Rasure was accompanied by **Andy Brunelle** with the USDA Forrest Service. Ms. Rasure stated the USDA Forest Service employs over 2,000 employees and over 400 seasonal workers in Idaho.

Ms. Rasure provided details on the USDA Forest Service projects such as hazardous fuels reduction, landscape restoration, fire management, range management, conservation, and recreation. Ms. Rasure praised the collaborative efforts of partnerships with other organizations and individuals in obtaining collaboration for achievement of the projects. Some of the local and state partnerships in Idaho include the Idaho Department of Lands, Idaho Department of Parks & Recreation, Idaho Department of Fish & Game, outfitters, private landowners, tribes, and many stakeholders in the forestry area.

ADJOURN: There being no further business to come before the joint committee, the meeting

was adjourned at 2:16 p.m.

Chairman Raybould called the House Resources and Conservation Committee

meeting to order at 2:20 p.m.

MOTION: Rep. VanOrden made a motion to approve the minutes of February 19, 2015 and

February 25, 2015. Motion carried by voice vote.

S 1059 aa: Norm Semanko, Idaho Water Users Association, stated the water users from

around the state use a flat fee assessment for their members. Mr. Semanko said the water district is responsible for the delivery of water to its users and any damages to equipment or facilities can hinder their ability to deliver water. Mr. Semanko stated the current policy is for all water users in a water district to share in the costs incurred for damages to equipment, facilities and in its ability to deliver

water in its operation.

Mr. Semanko stated **S 1059aa** provides protection of the water districts' facilities and equipment in its ability to assess irrigation run-off damages caused by an individual or individuals to the water delivery system. He stated a landowner causing damage to the water district's facilities, equipment, or the hindrance for the delivery of water would receive notification prior to an assessment for damages. Mr. Semanko encourages water users and the water district to work together to resolve issues and assessing damages would be a last resort.

Al Barker, Southwest Board of Control, indicated a water user can protest or appeal an inappropriate assessment.

Dave Shenk, Southwest Board of Control, gave an example of a water user flowing silt into an irrigation ditch from flood irrigation. Mr. Shenk indicated the water district had discussions with the particular water user, but the problem was not corrected. The silt flowing into the irrigation ditch can cause damage to irrigation pumps and equipment. He further explained the water users downstream are irrigating their crops with dirty water. Mr. Shenk stated the utilization of sprinklers is not necessary as there are other means to control silt from flood irrigation.

Al Barker, Southwest Board of Control, stated the Southwest Board of Control held meetings with the Idaho Association of Cities and they voiced no objection to this recommended approach. Mr. Barker encouraged cooperative efforts by water users and the water districts, but believes in discouraging behavior through assessments rather than have all water users pay for damages of the actions by a single or few water users.

Norm Semanko, Idaho Water Users Association, stated the Senate amended the wording of this bill to pertain to irrigation run-off only, and not to include run-off from rain or natural water flow. Mr. Semanko reiterated the penalty of assessments would be on a case-by-case basis.

MOTION: Rep. Erpelding made a motion to send S 1059aa to the floor with a DO PASS

recommendation. Motion carried by voice vote. Rep. Erpelding will sponsor

the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting was

adjourned at 2:50 p.m.

Representative Raybould	Jennifer Smith
Chair	Secretary

HOUSE RESOURCES & CONSERVATION COMMITTEE

1:30 pm or Upon Adjournment Room EW40 Tuesday, March 17, 2015

SUBJECT	DESCRIPTION	PRESENTER
H 255	Recreational, dredge mining	Rep. Shepherd
	Economic Impact of Mining	Jack Lyman, Idaho Mining Association
	Stibnite Mine Project	Anne Labelle

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Tuesday, March 17, 2015

TIME: 1:30 pm or Upon Adjournment

PLACE: Room EW40

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representative(s) Moyle, Andrus,

Shepherd, Wood, Boyle, Vander Woude, Gibbs, Miller, Bateman, Burtenshaw,

Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

ABSENT/ EXCUSED: Representative(s) Moyle

GUESTS: Jay Wilson, self; Gary Scott, self; Charles Knapp, self; Greg Smith, IGPA; Danny L.

Prochoska, Summit Mining/IGPA; Ray Harrison, IGPA; Vernon Greenland and Paul D. Williams, NCPAA; Ron Hancock and Sarah Hancock, GPAA; Clyde D. Smith, self; Lisa Smith, self; Cleve Smith, self; David Claiborne, Sawtooth Law; Forrest Goodrum, Ada County Fish & Game League; Don Smith and Sandra Mitchell, Idaho Recreation Council; Sharon Kiefer, Idaho Fish & Game; Tim Luke, Idaho Department of Water Resources; Jarrod Bunker, self; Eldon Henthorn, self; Ken

Henthorn, self; Burk Mantel, self; Jim T. Jencks, self

Chairman Raybould called the meeting to order at 1:35 P.M.

MOTION: Rep. Boyle made a motion to approve the minutes of the February 11, 2015

meeting. Motion carried by voice vote.

H 255: Rep. Shepherd presented H 255 which recognizes the de minimus nature

of suction dredge mining and ensures that this small business vocation is not encumbered with unreasonable regulations. This bill further clarifies that these suction dredge activities do not discharge or add pollutants into the involved waters and therefore not in need of regulation and do not need to be subject to the state

comprehensive water plans.

Don Smith, David Claiborne, Jay Wilson and Jarrod Bunker spoke in support of the bill citing principles iterated in the 1872 Mining Act and the "Organic Administration Act of 1897." Forrest Goodrum and Burk Mantel spoke in opposition stating concerns for fish habitat, state parks and wildlife management areas. Tim Luke, Water Compliance Bureau Chief with the Department of Water Resources, stated he was not testifying in support or in opposition, but that he did have concerns about its affect on comprehensive state water plans and that no

state agency or department is included in the permitting process.

MOTION: Rep. Wood made a motion to send H 255 to General Orders. He stated this bill

would amend the State comprehensive water plan and input is needed from the Water Resources Board, Water Users Association, groundwater appropriators

and others before it can be finalized.

Rep. Bateman and **Rep. Gibbs** spoke **in favor** of the motion based upon the opinions received from the Attorney General with concerns about comprehensive state water plans and protection of endowment lands. **Rep. Boyle** spoke **in**

opposition to the motion stating a mining claim is a property right.

ROLL CALL VOTE:

Roll call vote was requested. Motion to send H 255 to General Orders failed by a vote of 7 AYE, 10 NAY, 1 Absent/Excused. Voting in favor of the motion: Reps.

Wood, Gibbs, Bateman, Burtenshaw, Pence, Rubel and Raybould. Voting in opposition to the motion: Reps. Gestrin, Andrus, Shepherd, Boyle, Vander Woude, Miller, Mendive, VanOrden, Youngblood and Erpelding. Rep. Moyle

was absent/excused.

MOTION: Rep. Erpelding made a motion to HOLD H 255 in committee. SUBSTITUTE Rep. Boyle made a substitute motion to send H 255 to the floor with a DO PASS MOTION: recommendation. Rep. Rubel spoke in opposition to the substitute motion saying it was constitutionally vague and could criminalize entry onto property to take minerals. Roll call vote was requested. Motion to send H 255 to the floor with a DO PASS **ROLL CALL** VOTE: recommendation carried by a vote of 9 AYE, 8 NAY, 1 Absent/Excused. Voting in favor of the motion: Reps. Gestrin, Andrus, Shepherd, Boyle, Vander Woude, Miller, Mendive, VanOrden and Youngblood. Voting in opposition to the motion: Reps. Wood, Gibbs, Bateman, Burtenshaw, Pence, Erpelding, Rubel and Raybould. Rep. Moyle was absent/excused. Rep. Shepherd will sponsor the bill on the floor. ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 3:07 P.M. Representative Raybould Bev Bean Secretary Chair

HOUSE RESOURCES & CONSERVATION COMMITTEE

1:30 pm or Upon Adjournment Room EW40 Thursday, March 19, 2015

SUBJECT	DESCRIPTION	PRESENTER
	Economic Impact of Mining	Jack Lyman, Idaho Mining Association
	Southwest Idaho Juniper Utilization Project	Tina Gustaveson Wilson, Executive Director for Western Alliance for Economic Development
H 265	Federal Lands Interim Committee	Rep. Terry Gestrin

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Thursday, March 19, 2015

TIME: 1:30 pm or Upon Adjournment

PLACE: Room EW40

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representatives Moyle, Andrus,

Shepherd, Wood, Boyle, Vander Woude, Gibbs, Miller, Bateman, Burtenshaw,

Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

ABSENT/ EXCUSED: None

GUESTS:

Jack Lyman, Idaho Mining Association; Fred Birnbaum, Idaho Freedom Foundation; Chris Schwarzhoff; Lois Schwarzhoff; Tina Wilson, Western Alliance for Economic Development; Russ Hendricks, Idaho Farm Bureau; Sandee Mitchell, Idaho Recreation Council; Courtney Washburn, Idaho Conservation League; Roger Seiber, Capitol West; Michael Gibson, Idaho Wildlife Federation; John Renter, Conservation Voters of Idaho; Norm Semanko, Idaho Water Users Association; Brandt Bullock, Idaho Water Users Association; Greg McReynolds, Trout Unlimited.

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

Jack Lyman, Idaho Mining Association, presented economic information and the activities for the five member mines of the Idaho Mining Association. He stated a mining industry employee receives annual compensation of \$91,600 per year. He stated the mining industry employs 2,967 workers with 6,151 additional employees with mining providing the highest paying jobs in Idaho. He explained there has been a decline in the price of metals due to the world's economic condition and low interest rates. Mr. Lyman further explained that silver prices are below \$20 and gold prices are below \$1,200 per ounce. He said the phosphate prices are above historic levels, but cobalt prices have been falling for the past five years. Mr. Lyman said deflated prices are making it difficult for mines to be profitable and there is no government tax revenue being generated from economically struggling mines. Mr. Lyman stated the economic numbers for mines in 2015 will see a sharp decline.

Tina Gustevsan Wilson, Executive Director of the Western Alliance for Economic Development, is funded by the Department of Commerce and she presented information on the Southwest Idaho Juniper Utilization Working Group and its many partners and stakeholders in this project. Ms. Wilson stated the juniper is considered an invasive species. She explained the Southwest Idaho Juniper Utilization Working Group is working to eradicate junipers in our rangelands and forests as they are common in the western states.

Ms. Wilson identified the different classifications of juniper stages and indicated a phase II juniper uses 35 gallons of water in a day which reduces shrubs and herbaceous vegetation in the area. She stated the phase of the juniper determines the amount of feed per acre as animal and wildlife feed decline with each phase of the juniper. She said the decline includes lack of water and little growth of shrub and herbaceous vegetation in juniper areas. Ms. Wilson suggested eradication of junipers in phase I is most beneficial and the least costly. She stated there is an economic benefit in working with stakeholders and government agencies.

Ms. Wilson said junipers can be used as chips for landscaping and it makes beautiful wood. She stated the working group is collaborating with the state of Oregon regarding a study to have the Idaho juniper wood tested and graded as a commercial grade for an economic benefit. She said Oregon has been making junipers into wood products for ten years and the process is funded through the state of Oregon. Ms. Wilson concluded the working group would like to see an economic advantage in the disposal of junipers. She is encouraged by the working group's efforts as they are looking for economic benefits and using best practices in eradicating junipers from the western states with strong considerations for domestic animals, wildlife, and their habitat and feeding grounds.

H 265:

Vice Chairman Gestrin discussed H 265 as a recommendation of the Federal Lands Interim Committee to study the transfer of Federal Lands to Idaho in pursing the creation of a compact with other western states which would create the ability to enter into an interstate compact for the transfer of public lands from federal to state and establishes the operation of the compact. He said other states are in the process of developing a compact and two states, Arizona and Utah, have already adopted similar compacts. He suggested by automatically being a part of the compact, if congress should act, then no further action would be required by legislation.

Vice Chairman Gestrin explained the language would put a framework in the Idaho statute for an interstate compact regarding the transfer of public lands from federal to the state of Idaho to work in concert with other western states if approved by Congress. Vice Chairman Gestrin indicated the compact membership is defined as each member will have one vote and the ability to withdraw from the compact. He explained H 265 doesn't require any funding other than to pay for the travel expenses for the state representative to attend meetings. He stated this legislation specifies the framework for Idaho and the ability to participate without waiting for an Idaho legislative session.

Vice Chairman Gestrin indicated there would be a defined mechanism for selecting the Idaho representative as our compact member and this member can withdraw from the compact for the state of Idaho at any time.

Fred Birnbaum, Vice President of Idaho Freedom Foundation, is in support of **H 265** and identified the legislation as good public policy. He said Idaho has an opportunity and could join a compact to form the groundwork of transferring public lands to the state. Mr. Birnbaum referred to a study conducted in Montana showing the federal mismanagement and its cost of six times higher than the cost of the state's management of public lands and asserts there is value for Idaho in participating in a compact. He concluded the federal government has poor management of Idaho public lands.

Mr. Birnbaum claimed there is misinformation and false charges made by opponents and addressed the issues. He explained Idaho is already a party to many compacts. He denied claims this compact will create more government and there are out-of-state interests being represented in this compact proposal. Mr. Birnbaum cited Idaho was at its peak for per capita income at 90% of the national average ten years before the right-to-work. He stated federal land management has economically devastated our rural areas as indicated by the mining and timber industries. He stated concerns have been expressed that Idaho will sell these federal lands. He addressed the issue citing the Utah Legislature will not sell lands as these lands provide value to the state as managed lands generate positive revenue returns and intangible value for future generations. He further suggested that access to our public lands would need to be maintained, but managed at a net plus costs and to an economic benefit. He identified further the state's endowment lands are under a different set of stipulations. He encouraged participation in the compact so Idaho would have a path to the future management of our land as

opposed to the way the lands are managed now by the federal government. He said there are seven national forests in Idaho and the state manages their lands better than the federal lands are managed. He further indicated that if Idaho did half as well as the federal government we would be at a net benefit to Idaho as the federal government rapes and pillages Idaho lands. He said Idaho would agree to the lands to be transferred and some land would remain under the federal government such as EPA clean-up areas and national monuments.

Courtney Washburn, Idaho Conservation League, is Idaho's oldest and largest conservation group consisting of 25,000 supporters and is opposed to this legislation as it is unconstitutional and suffers from a lack of public support and encourages representatives to abandoned this concept. Ms. Washburn indicated Idaho should collaborate with the federal government on land management in Idaho, but agrees there are issues with the federal land management.

Michael Gibson, Executive Director for the Idaho Wildlife Federation, stated sportsman are opposed to state management of public lands as Idaho is not equipped to support the management of public lands and it would result in loss of recreational uses through the sale or closure of lands. Mr. Gibson expressed concern regarding the state's land management and the primary goal of maximum financial returns. Mr. Gibson said public lands should remain open for access to the public.

John Renter, Conservation Voters for Idaho, stated he enjoyed the vibrant debate and opposes a state takeover of public lands in Idaho.

Greg McReynolds, Trout Unlimited, indicated that sportsman are opposed as the state will not be able to manage the land adequately. Mr. McReynolds indicated these lands are where Idahoans hunt and fish, enjoy recreation and Idaho managing public lands is pie in the sky and the state will not be able to sustain the land. Mr. McReynolds stated sportsman are opposed to this legislation as they have concerns about the public lands they were able to hunt and fish on as children or young adults and these lands may no longer be accessible to them. He explained sportsman fear that state public land management may have an unknown outcome and sportsman would like to see a limitation on the amount of acres sold per year. Mr. McReynolds made the analogy "just because you can run a corner grocery store, doesn't mean you can run a Walmart".

Russ Hendricks, Idaho Farm Bureau, supports H 265 and indicated public land would be no less public and indicated the public would have more access to public lands in Idaho. Mr. Hendricks referred to the 1976 Land Policy Act by the federal government limiting timber, mining, grazing, and restricted recreational use areas on public lands. He further explained the concentrated use in restricted areas puts a heavy burden on the resources and can cause damage, and as a result, the government wants to shut down the accessible public land due to concentrated use.

Rep. Gibbs stated the Native American Tribes' title for public lands would revert to the tribes rather than the state.

Vice Chairman Gestrin indicated Idaho's representative will be at the table if the compact commission imposes fees on other parties and the commission can not levy on states or pledge the credit of any state.

Rep. Boyle stated our wildfires are very hot, animals and their habitat are destroyed and devastated in these raging fires. This legislation is not unconstitutional as many states in the eastern United States manage their public lands and requested opposers of the legislation to give Idaho a chance to manage their public lands.

Rep. Wood stated he supports this legislation and Idaho can manage their public lands and do it better than the federal government. Rep. Wood requested he go on record regarding his concerns if the individual representing Idaho is an elected or appointed official, and the details surrounding the withdraw from the compact membership.

Rep. Bateman endorses this legislation and urged lawmakers not to ever sell the land and there must be access to the public. He further indicated to trust the Idaho Department of Fish and Game to conduct their business.

Rep. Mendive stated he is in favor of the legislation as Idaho's wealth is tied up in our lands. He stated he has been in a plane and seen first hand the land management by the state and by the federal government of Idaho's public lands. He indicated the federal government is limiting accessibility to public lands and accessibility has a better chance under the state. He expressed concern over the massive wildfires on federal public lands.

Rep. Erpelding stated he encourages reforming federal agencies and proposed a concerted and collaborative effort to communication Idaho's concerns to the federal government's land management.

Rep. Andrus indicated some of the revenue generated from managing our public lands could help fund our public schools.

MOTION: Rep. Shepherd made a motion to send H 265 to the floor with a DO PASS

recommendation. Motion carried by voice vote. Reps. Pence, Erpelding and Rubel requested to be recorded as voting NAY. Vice Chairman Gestrin will

sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting

adjourned at 3:45 p.m.

Representative Raybould	Jennifer Smith
Chair	Secretary

AMENDED AGENDA #1 HOUSE RESOURCES & CONSERVATION COMMITTEE

1:30 pm or Upon Adjournment Room EW40 Monday, March 23, 2015

SUBJECT	DESCRIPTION	PRESENTER
	Sage-grouse Conservation Planning Update	Dustin Miller, Administrator for Office of Species Conservation
<u>HJM 9</u>	Sage-grouse Conservation Plan	Rep. Boyle
<u>H 291</u>	Voluntary Conservation Agreements - Sage-grouse	Rep. Miller

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Monday, March 23, 2015

TIME: 1:30 pm or Upon Adjournment

PLACE: Room EW40

MEMBERS: Chairman Raybould, Vice Chairman Gestrin, Representative(s) Moyle, Andrus,

Shepherd, Wood, Boyle, Vander Woude, Gibbs, Miller, Bateman, Burtenshaw,

Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

ABSENT/ EXCUSED: Representative(s) Moyle

GUESTS: Dustin Miller, Office of Species Conservation; Dennis Tanikuni, Idaho Farm Bureau;

Tyler Mallard, Newspaper Association; Suzanne Budge, SBS Associates.

Chairman Raybould called the meeting to order at 2:36 p.m.

MOTION: Rep. VanOrden made a motion to approve the minutes of March 3, March 5, and

March 11, 2015. Motion carried by voice vote.

MOTION: Rep. Youngblood made a motion to approve the minutes of March 9, 2015,

Motion carried by voice vote.

Dustin Miller, Administrator for the Office of Species Conservation, provided a update to the committee on sage grouse conservation efforts in Idaho. Mr. Miller stated on March 23, 2010, sage grouse was warranted for an Endangered Species Act (ESA) listing, but was placed on candidate status and, as a result of the Washington, D.C. Court settlement, the court must reevaluate the sage grouse status this year.

Mr. Miller indicated the sage grouse habitat is fragmented and there are additional secondary threats to the sage grouse. Mr. Miller added that devastating wildfires and invasion of exotic grasses, like cheatgrass, are creating unsafe conditions for sage grouse habitat and feeding grounds. He identified a removal project of junipers, an invasive species, which would keep fires to a more manageable size and eliminate perches for sage grouse predators. Mr. Miller explained that conservation actions such as working with private landowners while maintaining working ranches have assisted in sage grouse conservation efforts and the Idaho Department of Lands (IDL) planning efforts to develop practical actions on endowment lands to preserve sage grouse and their habitat have contributed to the stabilization of the sage grouse populations.

Mr. Miller stated eleven western states are in partnership with the federal government to update BLM resource management plans to protect sage grouse. Mr. Miller reported **Governor Otter** has implemented a sage grouse task force consisting of fifteen members from industry, sportsmen, conservation groups, and elected officials. He stated Idaho has made appropriations from the General Fund to demonstrate our commitment to the sage grouse conservation efforts.

Mr. Miller indicated monitoring efforts have increased over the past couple of years to collect additional sage grouse data and their breeding areas currently have an undetermined status. He said the 2006 plan served as a foundation for sage grouse conservation planning and addressed predation issues. He stated the Idaho Department of Fish & Game understands relationship control and will determine a response to predation in sage grouse populations with their certified employees able to move forward with control actions in three areas in the state. Mr. Miller stated the sage grouse require a unique habitat of mature sagebrush for nesting, shelter, and food sources in the winter time so introducing sage grouse to other states is not viable unless certain conditions are present. Mr. Miller stated sage grouse conservation is adamant towards juniper removal to discourage perching avian predators and to regain habitat with native vegetation and mature sagebrush for sage grouse. Mr. Miller affirmed the federal government is moving the goal post when milestones are achieved by Idaho in sage grouse conservation efforts.

HJM 9:

Rep. Boyle stated HJM 9 requests the U. S. Senate and the House of Representatives to recognize and encourage state primacy in the long-term management and protection of sage grouse and its habitat while protecting state economic interests, educational funding from state lands, and valid existing rights including private property rights. Rep. Boyle stated a collaborative management effort of sage grouse conservation in Idaho has been implemented for numerous years by local and state government, ranchers, sportsman, and federal agencies working together every step of the way. She said state plans take time to develop, implement and to reap the rewards of the plan. The U. S. Fish and Wildlife Service stated they were encouraged and Idaho had an adequate plan to address sage grouse conservation. She stated when Washington, D.C. became involved, the Department of Interior determined Idaho needs to do more in sage grouse conservation efforts. Rep. Boyle indicated Idaho has followed the rules, then the federal government changes the rules, again. She explained, as a result, eleven western states have brought forth memorials similar to HJM 9.

Dennis Tanikuni, Idaho Farm Bureau, spoke in strong support of **HJM 9** as policy supports it, former staffers participated in the sage grouse conservation plan, and many of the Idaho Farm Bureau members are concerned should sage grouse become endangered.

MOTION:

Rep. Shepherd made a motion send **HJM 9** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Boyle** will sponsor the bill on the floor.

H 291:

Rep. Miller stated **H 291** will enable landowners and occupiers of land to negotiate a management plan called Conservation Candidate Agreement with Assurances (CCAA) for their property and be exempt from disclosure. This legislation will allow the management plans of ranches and private property to be exempt from disclosure in relation to sage grouse conservation through voluntary stewardship agreements and best management practices (BMPs) related to all species of sage grouse by owners or occupiers of land. He said incidental takings of protected wildlife can be subject to large fines and severe penalties and have tremendous impacts on private landowners and occupiers. Landowner and occupiers of land can withdraw and are not obligated to sign-up or go through a management plan. He indicated sage grouse habitat areas are the Owyhee, Camas, Gooding, Blaine, and Wood River Counties, and desert areas such as Minidoka, and Cassia Counties, with a significant portion of sage grouse habitat in southern Idaho.

Rep. Miller indicated he is seeking clarification on an established Idaho Code, Title 9, and it is not his intention to duplicate laws, but since it is late in the legislative session, he would like to send this legislation forward until he has received clarification from the Attorney General's Office regarding existing Idaho Code regarding this matter.

Tyler Mallard, Risch & Pisca, Newspaper Association of Idaho, stands **in opposition** of **H 291**, requested some protections for sage grouse under this legislation, and states it is unnecessary to move forward until an answer is received from the Attorney General's Office on Title 9.

MOTION: Rep. Pence made a motion to send H 291 to the floor with a DO PASS

recommendation. Motion carried by voice vote. Rep. Erpelding requested to be

recorded as voting NAY. Rep. Miller will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting was

adjourned at 3:20 p.m.

Representative Raybould	Jennifer Smith
Chair	Secretary

HOUSE RESOURCES & CONSERVATION COMMITTEE

1:30 p.m. or Upon Adjournment Room EW40 Wednesday, March 25, 2015

Approval of Minutes

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS	COMMITTEE SECRETARY

Chairman Raybould Rep Boyle Rep Mendive Jennifer Smith Vice Chairman Gestrin Rep Vander Woude Rep VanOrden Room: EW16 Rep Moyle Rep Youngblood Rep Gibbs Phone: 332-1136 email: hres@house.idaho.gov Rep Andrus Rep Miller Rep Pence

Rep Shepherd Rep Bateman Rep Erpelding
Rep Wood Rep Burtenshaw Rep Rubel

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE:	Wednesday, March 25, 2015		
TIME.			
TIME:	1:30 pm or Upon Adjournment		
PLACE:	Room EW40		
MEMBERS:		Gestrin, Representative(s) Moyle, Andrus, de, Gibbs, Miller, Bateman, Burtenshaw, lice, Erpelding, Rubel	
ABSENT/ EXCUSED:	Representative(s) Moyle, Wood, Gibbs	s, Miller, Youngblood	
GUESTS:	None.		
	Chairman Raybould called the meeti	ng to order at 2:42 p.m.	
MOTION:	Rep. Erpelding made a motion to approve the minutes of March 17 and March 19 2015. Motion carried by voice vote.		
MOTION:	Rep. VanOrden made a motion to approve the minutes of March 23, 2015. Motion carried by voice vote. Chairman Raybould recognized the Page, Marilyn Clements, for her service to the House Resources and Conservation Committee for the second half of the 2015 session.		
	Chairman Raybould recognized the Committee Secretary, Jennifer Smith, for he service to the House Resources and Conservation Committee for the 2015 session		
ADJOURN:	There being no further business to come before the committee, the meeting adjourned at 2:48 p.m.		
Representative R	aybould	Jennifer Smith	
Chair		Secretary	

HOUSE RESOURCES & CONSERVATION COMMITTEE

1:30 p.m. or Upon Adjournment Room EW40 Friday, March 27, 2015

SUBJECT	DESCRIPTION	PRESENTER
S 1169	Ground Water Districts - Indebtedness	Senator Stennett

COMMITTEE MEMBERS			COMMITTEE SECRETARY
Chairman Raybould	Rep Boyle	Rep Mendive	Jennifer Smith
Vice Chairman Gestrin	Rep Vander Woude	Rep VanOrden	Room: EW16
Rep Moyle	Rep Gibbs	Rep Youngblood	Phone: 332-1136
Rep Andrus	Rep Miller	Rep Pence	email: hres@house.idaho.gov
Rep Shepherd	Rep Bateman	Rep Erpelding	
Rep Wood	Rep Burtenshaw	Rep Rubel	

HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE:	Friday, March 27, 2015	
TIME:	1:30 pm or Upon Adjournment	
PLACE:	Room EW40	
MEMBERS:	Chairman Raybould, Vice Chairman Gestrin, Representative(s) Moyle, Andrus, Shepherd, Wood, Boyle, Vander Woude, Gibbs, Miller, Bateman, Burtenshaw, Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel	
ABSENT/ EXCUSED:	Representative(s) Moyle, Vander Woude, Bateman, Rubel	
GUESTS:	Norm Semanko; Idaho Water Users Association	
	Chairman Raybould called the meeting to order at 12:51 p.m.	
MOTION:	Rep. VanOrden made a motion to approve the minutes of March 25, 2015. Motion carried by voice vote.	
S 1169:	Senator Stennett indicated the Idaho Department of Water Resources continues to issue permits for consumptive water use although the water rights are fully appropriated. This legislation increases the total dollar amount from one dollar to three dollars per two hundredths cubic foot per second of ground water for certain warrants that are authorized to be issued relating to indebtedness of a ground water district. She stated the current limit is \$25,000 dollars. She explained the cost of running the election is \$20,000 which includes publications and notices of election. She stated there is anticipation of a water call on May 4th and an expert hydrologis will research and brief the district. She suggested the ground water districts need more money to form districts. The Idaho Department of Water Resources and the Idaho Water Users Association support \$ 1169.	
	Norm Semanko , Idaho Water Users Association, stood in support of this legislation.	
MOTION:	Rep. Miller made a motion to send S 1169 to the floor with a DO PASS recommendation. Motion carried by voice vote. Rep. Pence will sponsor the bill on the floor.	
ADJOURN:	There being no further business to come before the committee, the meeting adjourned at 12:58 p.m.	
Representative F	Raybould Jennifer Smith	
Chair	Secretary	