

MINUTES
HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Tuesday, February 07, 2017

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Gibbs, Vice Chairman Gestrin, Representatives Moyle, Raybould, Shepherd, Wood, Boyle, Vander Woude, Miller, Burtenshaw, Mendive (Mendive), Youngblood, Kauffman, Giddings, Blanksma, Erpelding, Rubel, Jordan

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

GUESTS: Tom Schultz, Eric Wilson, and James Thum, Idaho Department of Lands; Doug Paddock and Julia Page, IORC; Victoria Casetta, Cay Marquart, and Ron Marquart, CAIA; Jeff Raybould, IWRB; Neely Miller and Brian Patton, IDWR; Braden Jensen, Idaho Farm Bureau; Tyler Murgoitio, Idaho Water Users; Kate Haas, Kestrel West; Rialin Flores, CVI; Jack Lyman, IHA; Brandy Kay, IWGA

Chairman Gibbs called the meeting to order at 1:30pm.

MOTION: **Rep. Kauffman** made a motion to approve the minutes of the January 31, 2017 meeting. **Motion carried by voice vote.**

Jeff Raybould, Vice Chairman, Idaho Water Resource Board introduced himself and provided an overview of the new Sustainability Policy Section within the Idaho State Water Plan. In September 2012, **Governor Otter** wrote a letter to the Idaho Water Resource Board requesting they define water sustainability, and incorporate a policy within the Idaho State Water Plan to focus more on achieving water sustainability within the State of Idaho. The Governor's guidance characterized sustainability as providing water supply for current needs and water availability for future economic development and job creation. The Board received a series of presentations from experts on the topic of sustainability, and received input from water users and the public. In November 2016, the Board adopted the new policy within the newly established Section 8 of the State Water Plan, titled Sustainability, and at that time submitted it to the Governor. The policy identifies sustainability as the overall stewardship of the state's water resources for the good of the people of the State of Idaho.

Chairman Gibbs stated today's presentation was informational; no action would be taken today by the committee. The new Sustainability portion of the State Water Plan will become effective 60 days from the start of the 2017 Legislative Session.

H 64: **Tom Schultz**, Director, Idaho Department of Lands stated this legislation would improve the permitting and hearing processes used for applications filed with the Oil and Gas Conservation Commission. It would simplify the integration process and modify some options for the integrated parties, would clarify confusing and potentially conflicting time frames and processes for notification, publication, review, and approval, and finally, would establish predictable hearing dates that would benefit permittee, affected parties, and the Department. This legislation would also provide a way to eliminate hearings if no objections are received and clarify the appeal process.

In answer to committee questions, **Mr. Schultz** clarified the current process from start to finish takes approximately 104 days. With these changes, it would add between 10-14 days. Additionally, since the hearing dates will be pre-scheduled throughout the year, the operators can choose which month they want to take their application before the hearing official, giving all parties ample time to meet the notice requirements and be fully prepared.

Victoria Casetta, representing CAIA, stated she is not testifying against safe, accountable, or transparent oil and gas activities, as long as citizen's due process and personal property rights are protected while Idaho profits. She does have concerns with **H 64** including personal property rights being threatened, loss of local control to support citizen values, and the failure of the Idaho's oil and gas industry delivering promised taxes to the State.

Julia Page, representing IORC stated she is **in opposition** of this legislation because it fails to address the problems in Idaho law. Additionally, she has serious concerns this legislation infringes on people's Constitutional rights to due process to appeal or challenge decisions made by the Department. She stated the language in the legislation is unclear and inconsistent.

Kate Haas, representing Alta Mesa stated they are **in support** of this legislation. This, in their view, is not a perfect piece of legislation, but it builds on legislation from last year which streamlined several processes. They supported it last year and have learned from it. As a result, in the off-season, they worked with the Department through negotiation and compromise to help develop this legislation which continues to streamline the permitting and hearing processes for both the operator and the State perspectives.

MOTION: **Rep. Burtenshaw** made a motion to send **H 64** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Reps. Erpelding and Jordan** requested to be recorded as voting **NAY. Rep. Gibbs** will sponsor the bill on the floor.

Chairman Gibbs passed the gavel to **Vice Chairman Gestrin**.

H 96: **Rep. Gibbs**, District 32, stated this legislation amends Section **42-3301**, Idaho Code to provide for alternate commissioners to the Bear River Compact Commission with the power to vote. It also makes a technical correction.

MOTION: **Rep. Raybould** made a motion to send **H 96** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Blanksma** will sponsor the bill on the floor.

Vice Chairman Gestrin passed the gavel to **Chairman Gibbs**.

RS 25116: **Rep. Kauffman**, District 25, stated this proposed legislation would amend **42-1743B**, Idaho Code, which would direct the Idaho Board of Water Resources to notify each member of the Legislature of any changes to the comprehensive State Water Plan. This amendment would ensure that any changes to the State Water Plan is known by all Legislators and the process remains transparent.

MOTION: **Rep. Moyle** made a motion to introduce **RS 25116**.

Rep. Raybould stated he had concerns with the proposed language. Striking the word "submit" on page 2, creates two concerns. First, it would no longer meet the requirements in current Statute to provide notice to the Legislature on the first day of the Regular Legislative Session. Since this notification to the Legislature starts the 60-day clock, where it would become law if no action is taken, his second concern with the word "submit" stricken, is it becomes unclear when that 60-day clock would start.

The committee discussed **Rep. Raybould's** concerns and what the best way forward would be.

**SUBSTITUTE
MOTION:**

Rep. Raybould made a motion to return **RS 25116** to the sponsor to make the necessary changes. **Motion carried by voice vote.**

Chairman Gibbs stated the committee would hear the corrected **RS 25116** at the next meeting on Thursday, February 9, 2017.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 2:53pm.

Representative Gibbs
Chair

Tracey McDonnell
Secretary