

MINUTES
SENATE RESOURCES & ENVIRONMENT COMMITTEE

DATE: Monday, January 22, 2018
TIME: 1:30 P.M.
PLACE: Room WW55
MEMBERS PRESENT: Chairman Bair, Vice Chairman Siddoway, Senators Brackett, Heider, Vick, Bayer, Johnson, Stennett, and Jordan
ABSENT/ EXCUSED: None
NOTE: The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.
CONVENED: **Chairman Bair** called the meeting of the Senate Resources and Environment Committee (Committee) to order at 1:30 p.m.
MOTION: **Senator Heider** moved to approve the Minutes of January 15, 2018. **Vice Chairman Siddoway** seconded the motion. The motion carried by **voice vote**.
Chairman Bair welcomed Jim Yost to the Committee meeting for his reappointment hearing.
GUBERNATORIAL APPOINTMENT HEARING: Mr. Yost, Meridian, Idaho was reappointed to the Northwest Power & Conservation Council (NPCC) by the Governor to serve a term commencing January 15, 2018 and expiring January 15, 2021.

Mr. Yost was born in Rupert, Idaho and raised in the Magic Valley of Southern Idaho where he learned and applied knowledge of water, agriculture, and natural resources. He owned and operated a dairy distributorship for a number of years in Wendell, Idaho and worked for the Union Pacific Railroad for ten years. In 1988, he was named Assistant Public Affairs Director for the Idaho Farm Bureau and in 1991 was promoted to Public Affairs Director.

Mr. Yost graduated from the College of Southern Idaho in 1968 with an Associate of Arts degree. In 1971, he received a Bachelor of Arts degree in education from Boise State University. Mr. Yost was elected in 1972 to the Idaho State Senate at the age of 24, the youngest Idaho Senator ever elected, and served two terms.

Mr. Yost said the NPCC is an interstate compact that was created in 1980. Four northwestern states - Washington, Oregon, Idaho, and Montana - comprise the NPCC. The Governors of each state appoint two representatives, usually for three-year terms.

The three major issues that NPCC is required to address are: "1.)" to improve fish and wildlife; "2.)" to provide an economical and reliable power system; and "3.)" to interact with the public.

Senator Stennett inquired about renewable energy. **Mr. Yost** said about ten years ago, there was an extensive effort to include more intermittent resources - wind and solar - into the system; it was very effective with federal subsidies and tax credits. As the region has developed more renewable energies, it has become more difficult to balance the system and to integrate those renewables into the system. **Mr. Yost** stated that the struggle he foresees in the ensuing years will involve capacity, which relates to reliability.

Senator Stennett queried as to how much of the power that is generated by the four northwestern states goes out-of-state. **Mr. Yost** replied that in the past, it was common for energy to be exported to California in the summer and imported to the northwest in the winter. California is increasing its sources of solar power and the relationship is changing.

Senator Stennett said she understood that the Governor had appointed Mr. Yost to be Idaho's representative for the Columbia River Treaty sessions and inquired about the frequency and substance of the meetings. **Mr. Yost** said he was appointed on both the policy position and technical position to the Columbia River Treaty. He worked with the Bonneville Power Administration (BPA) and the United States Army Corps of Engineers (Corps) to provide a recommendation. The recommendation was submitted in 2013. Mr. Yost stated that he attended three meetings a month for three years, either in person or by telephone conference calls. Since 2013 and until last year, the Parliament of Canada in Ottawa had not authorized any negotiation with the United States on the Columbia River Treaty. The three issues for the Columbia River Treaty are: a power exchange for Canada; a coordinated flood control operation; and an ecosystem function. **Mr. Yost** indicated that this information is on BPA and the Corps websites.

Senator Vick asked how NPCC is preventing the spread of quagga mussels and zebra mussels. **Mr. Yost** said NPCC does not have direct funding or responsibilities for prevention, but they have had discussions on the matter. NPCC have made recommendations to BPA; however, the way BPA funds quagga mussel activities is through a lump sum payment to the Pacific Marine Fisheries Service in Seattle, Washington which, in turn, funds specific projects or tasks. **Mr. Yost** said that Idaho is a leader in developing programs and being active in testing and cleanup regarding quagga mussels. NPCC has written letters to Congress, which were signed by the four Governors, in support of federal funding in the northwest for quagga mussels and zebra mussels issues.

Vice Chairman Siddoway asked if NPCC gives direction to the Corps and BPA regarding water issues for fish. **Mr. Yost** said he has worked to ensure that NPCC does not manage Idaho's water and NPCC views water as a resource for hydroelectric energy.

Chairman Bair thanked Mr. Yost for appearing before the Committee and said consideration of his reappointment would occur at the next Committee meeting.

S 1217

Sharon Kiefer, Deputy Director of Programs and Policy for the Idaho Department of Fish and Game (IDFG), presented **S 1217**. This bill revises Idaho Code § 36-301 to give the Director of the Idaho Department of Fish and Game authority to collect a credit card fee from persons who choose to use a credit card at IDFG offices or other fish and game sponsored events to purchase licenses, applications, and other materials such as maps. Currently, IDFG only allows customers to purchase items using cash, check, or a debit card.

With this authority, **Ms. Kiefer** said IDFG intends to accept the major credit card brands - VISA, MasterCard, Discover, and potentially American Express. The plan is to apply a surcharge of three percent, which is IDFG's best estimate of the average of the fees charged by the aforementioned cards.

IDFG will work with Wells Fargo because they have the statewide contract with the State Treasurer. Moreover, the card machine terminals provided by Wells Fargo have been confirmed as PCI compliant. PCI is "Payment Card Industry" compliance, and is the set of security rules that all vendors must comply with to ensure that transactions are secure. If there is a fraudulent transaction, the cardholder is not liable for the purchase, so PCI compliance is an important element.

Ms. Kiefer stated that the Wells Fargo terminals that are already PCI compliant also means that IDFG does not need additional appropriation to meet PCI compliance. However, the state Treasurer's Office has informed IDFG that they need appropriation to pay the fee, instead of "netting it" against the revenue, because this is the state's agreement with Wells Fargo. This makes the fees charged as transparent as possible with the agencies, so IDFG will receive revenue from the sales of items and from a three percent fee when a credit card is used. IDFG will then receive a separate invoice to pay the three percent fee out of their budget authority. Thus, the three percent fee is not retained by the agency; it is passed through to Wells Fargo and can be tracked transparently.

Ms. Kiefer said the IDFG Commissioners support this bill and request a do pass recommendation.

Senator Bayer inquired if there are any costs involved in debit card transactions.

Ms. Kiefer said debit cards do not carry a surcharge fee like credit cards, so there are no costs involved for debit cards.

MOTION:

Senator Jordan moved that **S 1217** be sent to the floor with a **do pass** recommendation. **Senator Bayer** seconded the motion. The motion carried by **voice vote**. Senator Jordan will be the floor sponsor.

ADJOURN:

There being no further business at this time, **Chairman Bair** adjourned the meeting at 2:00 p.m.

Senator Bair
Chair

Juanita Budell
Secretary