

MINUTES

HOUSE ENVIRONMENT, ENERGY & TECHNOLOGY COMMITTEE

DATE: Thursday, March 04, 2021

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Ehardt, Vice Chairman Wisniewski, Representatives Vander Woude, Horman, Scott, Amador, Armstrong, Furniss, Hartgen, Lickley, Young, Adams, Yamamoto, Chew, Necochea, Nash

**ABSENT/
EXCUSED:** Rep. Armstrong, Adams

GUESTS: Jerri Henry, Tiffany Floyd, Michael McCurdy, Kristin Ryan, Mary Anne Nelson, Jess Byrne, DEQ; Paul Arrington, IWUA; Ben Davenport, IMA

Chairman Ehardt called the meeting to order at 1:33 p.m.

MOTION: **Rep. Necochea** made a motion to approve the minutes of the February 22, February 24, and March 2, 2021 meetings. **Motion carried by voice vote.**

DOCKET NO. 58-0000-2000F: **Jess Byrne**, DEQ Director returned to bring **Docket No. 58-0000-2000F** before the committee for review. This omnibus rule has been before the committee previously. Director Byrne gave a quick review of the rules. These rules are necessary for DEQ to continue being the implementing agency for environmental protection law in Idaho. DEQ strongly believes it's in Idaho's best interest to have DEQ play this role instead of the EPA.

Director Byrne explained that prior to DEQ having authority over the Idaho Pollutant Discharge Elimination System Program, the EPA issued permits and regulated activities in Idaho. The EPA did their work in Idaho from Boise and from a Seattle office. The EPA was not able to keep up with the case load, and were not keeping up with the permits.

MOTION: **Rep. Vander Woude** made a motion to approve **Docket No. 58-0000-2000F** with the exception of IDAPA 58.01.25.302.20. This section is regarding water quality trading and was put in the rules without a statute being in place. **Motion carried by voice vote.**

S 1079: **Mary Anne Nelson**, DEQ Surface and Wastewater Division Administrator presented **S 1079**. This legislation establishes a dedicated account where state general funds may be appropriated to support the Agriculture Best Management Practices program. This is a recurring general fund appropriation in DEQ's base budget that has been ongoing since the 2017 Legislative session. These monies are passed through DEQ and awarded to agricultural entities (farmers, ranchers, irrigation districts, soil/water conservation districts, and others) to implement best management practices that reduce pollution to the state's waters. These projects may take more than a single fiscal year to implement, and in the past DEQ has had to guess at the dollar amount of re-appropriation they needed to request each year to handle this situation. DFM and LSO worked with DEQ to come up with the dedicated account as a solution. These funds have covered a total of 21 projects across the state. Over the last four fiscal years, a total of \$2.07 million has been appropriated and distributed. Since there is a match requirement for all projects (either of in-kind services or other matching funds), the total value of the projects implemented is \$3.89 million, or an 88% return on the general fund monies appropriated.

Ms. Nelson clarified that it is possible, but has not happened, that an entity could use improvements made by the State grants for water quality trading. Grants from the federal level have strict rules that would not allow entities to use the grants to create a profit. Ms. Nelson stated that \$279,000 is in the ongoing appropriation to go through this fund, and would be continuously appropriated each year. If this bill is not passed, DEQ will be trying to re-appropriate funds next year. This is not a budget expense increase to the State.

MOTION: **Rep. Lickley** made a motion to send **S 1079** to the floor with a **DO PASS** recommendation.

Paul Arrington, IWUA, spoke in support to **S 1079**.

In support of the motion, **Rep. Lickley** asked the committee to look broadly at water quality and working with the agricultural community to serve in the best mechanism they can. Anytime the legislature can partner with an agency to help offset the costs of clean water, it is in the State's best interest. **Rep. Vander Woude** supports this bill, but hoped that DEQ would not use these grants for water quality trading. **Rep. Horman** spoke in favor of the bill, but warned while this situation seems to answer the problem, she warned a continuously appropriated fund is legislated only once as the money is put in, and there is no oversight afterwards.

VOTE ON MOTION: **Chairman Ehardt** called for a vote to send **S 1079** to the floor with a **DO PASS**. **Motion carried by voice vote.** **Rep. Scott** requested to be recorded as voting **NAY**. **Rep. Vander Woude** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:30 p.m.

Representative Ehardt
Chair

Maggie Price
Secretary