

MINUTES
HOUSE RESOURCES & CONSERVATION COMMITTEE

DATE: Wednesday, February 09, 2022

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Gibbs, Vice Chairman Lickley (Schutte), Representatives Moyle, Wood (Critchfield), Boyle, Vander Woude, Gestrin, Mendive, Kauffman, Blanksma, Addis, Moon, Manwaring, Okuniewicz, Yamamoto, Rubel, Mathias, Burns

**ABSENT/
EXCUSED:** None

GUESTS: The sign-in sheet will be retained in the committee secretary's office following the end of the session the sign-in sheet will be filed with the minutes in the Legislative Library.

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

MOTION: **Rep. Manwaring** made a motion to approve the minutes of the February 1, 2022 meeting. **Motion carried by voice vote.**

Matt Lengerich, Executive General Manager, Jervois, provided an overview of Jervois, a company with key assets in the United States (Idaho), Brazil, and Finland, looking to become a leading nickel and cobalt company. Their Idaho cobalt operation, located on the Salmon-Challis National Forest, near Salmon Idaho, will be the only cobalt mine in the United States once in production. Currently, approximately 70% of the global cobalt supply is sourced from the Democratic Republic of Congo (DRC), with 80-90% being exported to China. The only pathway for the United States to reduce its dependency on cobalt imports and the indirect supply chain from China and the DRC is to develop the Idaho Cobalt mine. Mr. Lengerich explained, cobalt is a key mineral for the United States with regard to the battery supply chain for defense, aerospace, and more recently the automobile industry.

Mr. Lengerich explained, the Idaho cobalt mine will be a low impact underground mine, and is the first cobalt mine in the United States since the 1980's. Jervois is committed to creating a modern mining operation, estimating once in production it can meet up to 30% of the United States demand for cobalt. There are numerous permits underway at the federal level, and construction of the mine is on track, with production expected to begin later this year.

In response to a committee question regarding processing the cobalt, **Mr. Lengerich** noted the concentrate mined from Idaho will be shipped via truck, rail, and ship to the Brazil facility where it will be refined, then returned to the United States.

In response to a committee question regarding what happens to the tailings, **Mr. Lengerich** explained, there are two forms of backfill; cemented rock fill that allows for a permanent underground storage, and a surface dry stack storage facility.

In response to a committee question regarding the life of the mine operation, **Mr. Lengerich** explained, the initial indication is seven years, but the ore sits on an incline going down the mountain, and they haven't drilled below a certain level yet, so are unclear how far it goes. If more ore is present, that could extend the mine's operations.

- RS 29420:** **Paul Arrington**, Executive Director, Idaho Water Users Association, stated this proposed legislation involves the water right associated with the raising of Anderson Ranch Dam. He explained Idaho Code requires the Director to analyze certain criteria when reviewing whether a new water right can be granted. This legislation states certain of those criteria the Director has to consider will be considered met, and that the Director is not required to do any further analysis.
- MOTION:** **Rep. Addis** made a motion to introduce **RS 29420. Motion carried by voice vote.**
- RS 29461:** **Rep. Okuniewicz**, District 2, stated this proposed legislation would raise boating fees for nonresidents who want to enjoy Idaho's waters. This would create a new funding stream, in addition to other boating fees, licenses, stickers, etc., which will go to local counties and the Idaho Department of Parks and Recreation. He remarked this fee would not apply to Idaho residents.
- MOTION:** **Rep. Yamamoto** made a motion to introduce **RS 29461. Motion carried by voice vote.**
- RS 29462:** **Rep. Boyle**, District 9, stated this proposed legislation amends **Idaho Code, Section 36-1401**, to revise certain Fish and Game provisions regarding violations, and to make them infractions rather than misdemeanors.
- MOTION:** **Rep. Addis** made a motion to introduce **RS 29462. Motion carried by voice vote.**
- RS 29410:** **Brody Aston**, lobbyist, Westerberg and Associates, representing Trident Holdings, stated this proposed legislation would increase the state endowment's long term financial returns through added transparency and accountability in the management, practices, and processes employed by the Idaho Department of Lands. He remarked, this would not remove or reduce the authority of the Land Board; they remain the final arbiter in any decision.
- MOTION:** **Rep. Okuniewicz** made a motion to introduce **RS 29410. Motion carried by voice vote.**
- ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 2:02pm.

Representative Gibbs
Chair

Tracey McDonnell
Secretary