

MINUTES  
**SENATE RESOURCES & ENVIRONMENT COMMITTEE**

**DATE:** Monday, March 20, 2023

**TIME:** 1:00 P.M.

**PLACE:** Room WW55

**MEMBERS PRESENT:** Chairman Burtenshaw, Vice Chairman Adams, Senators Guthrie, Den Hartog, Harris, Okuniewicz, Schroeder, Semmelroth, and Taylor

**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 Burtenshaw** called the meeting of the Senate Resources and Environment Committee (Committee) to order at 1:02 p.m.

**PRESENTATION:** **Working Together to Solve a Complex Problem with a Simple Solution: Increasing Salmon Numbers with Remote Site Incubation.** **Jaime Agado**, Owner, Partner Steel, and Fish Enthusiast, presented a review of a incubation device, or egg box, he developed for housing salmon eggs in streams. He reviewed his work with the Shoshone-Bannock tribe to create an efficient way to generate fish in a natural setting. He explained the involvement of the Idaho Department of Fish and Game (IDFG), who provided the fertilized eggs, and their ability to genetically track hatched fish. He spoke about the device design, how the device works, the resulting number of hatched eggs and released fish, and the ability of the device to protect the eggs and fish from predators.

**DISCUSSION:** In response to questions from Chairman Burtenshaw, **Mr. Agado** stated he continued to work with the Shoshone-Bannock tribe to help grow their program, and at the end of this year they should have some good data on the number of fish generated with this device that returned to their birthplace.

**GUBERNATORIAL REAPPOINTMENT VOTE:** **Senator Schroeder** moved to send the Gubernatorial reappointment of Linda Mitchell of Sagle, Idaho to the Lake Pend Oreille Basin Commission to the floor with the recommendation that she be confirmed by the Senate. **Senator Taylor** seconded the motion. The motion carried by **voice vote**.

**HCR 7:** **WATER - States findings of the Legislature and supports ongoing investments in the state's water infrastructure.** **Senator VanOrden** explained **HCR 7** was a concurrent resolution asking the Idaho Legislature, the Governor, the Idaho Water Resources Board (IWRB), and the Idaho Department of Water Resources (IDWR) to continue to pursue ongoing investments in the State's water infrastructure and to establish a long term plan that identified future projects intended to help protect, improve, and secure Idaho's water resources for the benefit of the citizens of the State and for future generations.

**DISCUSSION:** **Senator Guthrie** asked about the fiscal impact of this legislation. **Senator VanOrden** explained this legislation had no fiscal impact because funding was given out as matching grants through IWRB. **Senator Semmelroth** asked if the last three lines of the resolution that state, "to protect, improve, and secure the state's water resources for the benefit of the citizens of the state and for future generations", was the criteria the resolution was asking the Governor, IWRB, and IDWR to prioritize when looking at future projects. **Senator VanOrden** confirmed that it was. **Senator Den Hartog** asked if IDWR already had the funds to establish a long-term plan that identifies future projects. **Senator VanOrden** explained that a long-term plan already existed, but this resolution allowed IDWR the resources to continue to update that plan. **Senator Taylor** asked if these long term plans or updates to these plans would have any effect on the existing plans or treaties with Indian populations in Idaho. **Senator VanOrden** responded she was not aware of any. She added that when they work through water rights and talk about mitigation plans, they respect the agreements with the tribes.

**TESTIMONY:** **Paul Arrington**, Idaho Water Users Association, testified in favor of **HCR 7**. He stated this resolution confirmed the Legislature's valuable role in ensuring the preservation of Idaho's water resources into the future. He explained this legislation had no fiscal impact because funds were allocated through the Joint Finance-Appropriations Committee (JFAC). He shared that the State's water plan was renewed approximately every ten years, and the process for the next renewal would begin this year.

**MOTION:** **Senator Den Hartog** moved to send **HCR 7** to the floor with a **do pass** recommendation. **Senator Okuniewicz** seconded the motion. The motion carried by **voice vote**.

**H 120:** **OIL AND GAS - Amends and repeals existing law to revise provisions regarding the Oil and Gas Conservation Commission, spacing units, oil and gas wells, the integration of tracts, reporting requirements, public data, confidentiality of well and trade information, rules, and royalties and to provide for minimum surface use bonds.** **Mick Thomas**, Division Administrator - Minerals, Navigable Waterways, Oil & Gas, Idaho Department of Lands, explained this legislation proposed changes to Idaho Code § 47-310, also known as the Idaho Oil and Gas Conservation Act. He provided some background on the role of the Commission and their funding. He reviewed the last update to the Idaho Oil and Gas Conservation Act, which was in 2017. He reviewed additional changes recommended by the Commission that were reflected in this legislation. Some recommended changes included improving reporting guidelines for operators, changing the makeup of the Commission and the technical requirements for Commission members, increasing protection for mineral interest owners, and increasing setbacks from unit boundaries.

**DISCUSSION:** **Senator Schroeder** asked what happened to the requirement for notice and an opportunity for hearing for a proposed drilling unit that was struck through on Page 12, lines six through 18 of the legislation. **Mr. Thomas** responded this was moved down to Subsection 318. **Senator Burtenshaw** asked for the meanings of setbacks and arms length agreements. **Mr. Thomas** explained a setback was a straight line boundary to the end of the unit, and an arms length agreement was a requirement for a third party sale price to be reported to the state for tax purposes. In response to a request from Senator Taylor regarding his answer to Senator Schroeder's question, **Mr. Thomas** stated Subsections 317 and 318 were combined into Subsection 317.

**TESTIMONY:**

**Julie Fugate, Jon Seel, Mark Mullins, Jordan Gross, Sarah Witherspoon, Shelly Brock**, representing Citizens Allied for Integrity and Accountability, and **Senator Abby Lee** testified against **H 120**. Those testifying expressed concerns about oil and gas companies having the power to drill for natural resources near, around, or under their property and community infrastructure, losing their individual property rights, the lack of liability of oil and gas companies for water contamination or damages resulting from oil and gas operations, and the insufficient compensation for the taking of resources on or under private property.

**Senator Den Hartog** asked Mr. Mullins if he had commented on this legislation at other opportunities. **Mark Mullins** responded he attended a public comment meeting at the Fruitland City Hall, but he did not give testimony. In response to a question from Senator Burtenshaw, **Mr. Mullins** stated it was his understanding that this legislation would allow oil and gas companies to drill on his land without his permission. **Senator Taylor** asked Ms. Brock what changes would she suggest that would meet reasonable and just terms. **Ms. Brock** stated some changes could be requiring bonds be set at the value of the homes in close proximity, as had already been suggested, and the industry could pay for independent third party water testing for homeowners, which is very expensive.

**Senator Lee** shared that there were a number of good things in this legislation, but she requested **H 120** be sent to the 14th order for possible amendments this session, with amendments including changes to ensure the Commission was representative of the people.

**MOTION:**

**Senator Semmelroth** moved to send **H 120** to the 14th Order of Business for possible amendment. **Senator Harris** seconded the motion. The motion carried by **voice vote**.

**ADJOURNED:**

There being no further business as this time, **Chairman Burtenshaw** adjourned the meeting at 2:03 p.m.

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Senator Burtenshaw  
Chair

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Shelly Johnson  
Secretary