

MINUTES
SENATE LOCAL GOVERNMENT & TAXATION COMMITTEE

DATE: Wednesday, March 27, 2024

TIME: 1:30 P.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Ricks, Vice Chairman Schroeder, Senators Grow, Cook, Adams, Bernt, Trakel, and Just

ABSENT/ EXCUSED: Senator Rabe

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: **Vice Chairman Schroeder** called the meeting of the Senate Local Government and Taxation Committee (Committee) to order at 1:35 p.m.

PRESENTATION: **S 1370** Relating to Water. This agenda item was moved to later on the agenda.

HCR 47 **RULE APPROVAL - HOUSE REVENUE AND TAXATION AND SENATE LOCAL GOVERNMENT AND TAXATION COMMITTEES - States findings of the Legislature and approves pending rules of the Idaho State Board of Tax Appeals reviewed by the House Revenue and Taxation Committee and the Senate Local Government and Taxation Committee, with exceptions.**

Representative Ehlers presented **HCR 47**. He explained that the Senate approved the administrative rules of the Idaho State Board of Tax Appeals (Board). The House approved those rules with the exception of several sections relating to just, speedy, and efficient appeals which were being removed from the rules. **Representative Ehlers** asked that the Committee approve **HCR 47**.

MOTION: **Senator Grow** moved to send **HCR 47** to the floor with a **do pass** recommendation. **Senator Adams** seconded the motion. The motion carried by **voice vote**.

PRESENTATION: **S 1370** Relating to Water. **Paul Arrington**, Idaho Water Users Association (IWUA), made a presentation on **S 1370** (Attachment 1). This legislation dealt with the domestic use exemption in Idaho Code. The expansive use of domestic wells had a detrimental effect on Idaho's water supply. **S 1370** sought to protect that water supply. Slides 3 and 4 illustrated the decline in water storage in the Eastern Snake River Plain Aquifer and near Blackfoot to Minidoka Reach Gains. Slide 5 provided details of water supply challenges in other areas of the State. The Water Board spent \$319 million over the last decade on water stabilization projects (Slide 6).

The expansive use of domestic wells had a large impact on Idaho's water supply. The IWUA worked with various stakeholders listed on Slide 11 to develop solutions. Idaho Code § 42-111 (1) (a) defined "domestic purposes" as, "The use for homes ... including irrigation of up to one-half acre of land, if the total use is not in excess of thirteen thousand (13,000) gallons per day" (Slide 13). A domestic well did not require an application and was not subject to regulation or oversight. According to the Idaho Department of Water Resources (IDWR), there were between 87,000 and 125,000 deferred claims filed in the SRBA (Slide 14). Slide 15 illustrated the number of exempt wells that were drilled between 2014 and 2023. There were 29,646 domestic wells drilled between 2013 and 2023. Each of those wells could use up to 13,000 gallons per day which was as much as 430,000 acre feet (Slide 16).

PASSED THE GAVEL: Vice Chairman Schroeder passed the gavel to Chairman Ricks.

PRESENTATION: **Mr. Arrington** continued. He explained that a community well required an application with the IDWR and was subject to regulation and oversight in times of a water shortage. Slide 19 showed Janko Acres, a subdivision within the Eastern Snake River Plain with numerous domestic wells. IDWR sued Janko Acres and asserted that Janko Acres had junior rights. Because these were domestic wells, they were not subject to regulation.

Domestic wells were used more often than community wells for several reasons. A community well required a water right which was difficult to acquire. A community well was more expensive to drill. A community well was subject to permitting requirements and regulation. In addition, there was ongoing upkeep and maintenance required of community wells.

Various solutions outlined on Slide 22 were discussed over the last several years. **S 1370** required a community well in all subdivisions with ten or more lots. It strengthened the "retain surface water" provisions currently in statute. It clarified local government authorities (Slide 24). In addition, **S 1370** addressed the definition of domestic exemption. It provided a path for mitigation for subdivisions. Finally, it streamlined and simplified the permit and regulatory process (Slide 25).

DISCUSSION: **Senator Cook** asked Mr. Arrington to explain what was meant by strengthen the "retain surface water" provision on Slide 24. **Mr. Arrington** explained that Idaho Code § 41-3805 (2) provided that if the land was currently being irrigated with surface water, and that land was put in a development, the surface water should be left for irrigation and a well should be used for in home water use. **Senator Cook** then asked whether they had looked at reservoirs or Teton Dam as part of the solution. **Mr. Arrington** stated they had looked at various opportunities to improve the water supply such as raising Minidoka Dam and Anderson Dam, but Teton Dam was not a realistic solution to building new on stream storage space.

Senator Trakel asked whether there were any statistics regarding the percentage of water used by the agricultural community. **Mr. Arrington** answered that they had requested that information, but had not received it yet. However, he felt that a very large percentage of water use was by the agricultural community.

Senator Just commented that this was an excellent first step toward addressing Idaho's water supply shortage.

Chairman Ricks thanked Mr. Arrington for the presentation and stated that he hoped they could work toward a path going forward.

TESTIMONY: **Senator Anthon** stated that he appreciated the opportunity to have this discussion. He acknowledged the divergent interests involved and hoped to continue to work toward a solution.

DISCUSSION: **Vice Chairman Schroeder** stated that there were issues in the Mountain Home area relating to the number of shallow domestic wells. The city recommended the use of communal wells in subdivisions. He looked forward to moving forward.

Senator Trakel asked for clarification on whether the usage of water in multiple individual wells would be the same amount used by those users of a community well. **Mr. Arrington** acknowledged that was correct; however, the domestic well users did not have a water right and were not subject to administration and regulation during times of shortage.

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APPROVAL: March 20, 2024. **Vice Chairman Schroeder** moved to approve the Minutes of March 20, 2024. **Senator Bernt** seconded the motion. The motion carried by **voice vote**.

ADJOURNED: There being no further business at this time, **Chairman Ricks** adjourned the meeting at 2:14 p.m.

Senator Ricks
Chair

Meg Lawless
Secretary