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February 19, 2007

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No legislative report was issued for the week of February 12th. The flu found our office. We apologize for any inconvenience.

Legislative Reports 2007

ESPA Framework & Draft State Energy Plan Hearings Scheduled

CDR will present its report on the Eastern Snake Plain Management Plan Framework to a joint meeting of the House Resource & Conservation Committee and the Senate Resource & Environment Committee on Monday, February 19th. The meeting will start at 1:30 p.m. in the Gold Room with an introduction from Idaho Water Resource Board Chairman Jerry Rigby. No public testimony will be taken.

The Joint Finance & Appropriations Committee will begin setting the state's budget today. JFAC completed its hearing process on Friday, February 16th. The hearing process involves reviewing each agency's budget requests along with the Governor's proposals and recommendations from Germane Committee Chairmen. The budget setting process is expected to be completed on or around March 9th.

On Tuesday, the House Environment, Energy & Technology Committee will hold a Gold Room hearing on the Draft State Energy Plan. The hearing begins at 1:30 p.m. Public comment will be taken.

Idaho Ground Water Appropriators, Inc. hosted a successful legislative leadership dinner on February 13th at Leku Ona. In all over 30 legislators and their wives joined representatives from the ground water users for a Basque dinner and presentations relating to ground water modeling, recharge, and mitigation plans. Guests included House Speaker Denney, Senate President Pro Tem Robert Geddes, majority and minority leaders from both bodies, and committee chairmen or vice chairmen from the Agriculture and Resource Committees.

This legislative session continues to benignly amble its way toward a late March conclusion at least on the surface. However, some signs of discontent are working their way into the process. One North Idaho legislator offered up proposed funding for the North Idaho Adjudication as one option for addressing other IDWR needs, saying an adjudication there is not wanted.

In other developments, Dairymen presented a separate mitigation plan to the Governor's office last week. Surface water users are reportedly dismayed by IDWR's latest proposal to negotiate and mitigate a settlement on the ESPA for 2007. Negotiations will resume this week in Jerome.

CALENDAR

**February 19—February 23,
2007**

Monday, February 19:
ICIE Environmental Regulatory
Committee, 10 am
Givens Pursley Conference Rm

**CDR Framework
February 19
1:30 p.m. Gold Room**

Tuesday, February 20:
Ag Advisors Noon Yen Cheng

**Draft State Energy Plan
February 20
1:30 p.m. Gold Room**

Wednesday, February 21:
Food Producers of Idaho
8:30 am ISDA Conference Room
Senate Resources &
Environment: 1:30 pm Rm 433
House Resource & Environment
Committee: 1:30 p.m. Rm 412

Thursday, February 22:
IACI 10 a.m. IACI Conference Rm
Environment, Energy & Technol-
ogy Committee: 1:30 p.m. Rm 406

Friday, February 23:
House Natural Resource & Conser-
vation— 1:30 pm Room 412
Senate Resources &
Environment: 1:30 pm Rm 433
House Resource & Environment
Committee: 1:30 p.m. Rm 412

HOUSE

Water

H0085 IRRIGATION FACILITIES - Adds to existing law relating to irrigation districts to provide certain tax exemptions for certain irrigation facilities. **House:** 2/1 Introduce/Print 02/02 Revenue & Taxation 2/12 Report out with "Do Pass" 2/13 2nd to 3rd reading 2/15 PASSED - 65-0-5 **Senate:** 2/16 Local Government

H0086 IRRIGATION DISTRICTS - Amends existing law relating to irrigation districts to revise procedures relating to the qualification of voters. **House:** 2/1 Introduce/Print 2/02 Resource & Conservation 2/8 Report out with "Do Pass" 2/9 2nd to 3rd reading 2/12 PASSED - 63-0-7 **Senate:** 2/13 Introduce/Resource & Environment

H0087 IRRIGATION DISTRICTS - Amends existing law relating to irrigation districts to provide for recording of notices of election; and to revise timing provisions relating to the redemption or repurchase of water rights. **House:** 2/1 Introduce/Print 2/2 Resource & Conservation 2/8 Report out with "Do Pass" 2/9 2nd to 3rd reading 2/12 PASSED - 63-0-7 **Senate:** 2/13 Introduce/Resource & Environment

H0099 PETROLEUM CLEAN WATER TRUST FUND - Amends existing law to increase the unencumbered balance in the Petroleum Clean Water Trust Fund before the imposition of the transfer fee shall be suspended; to increase the fund balance amount that will allow the imposition of the transfer fee to be reinstated; to allow the State Endowment Fund to invest trust fund moneys; and to provide that the Petroleum Clean Water Trust Fund Board shall determine by resolution whether the State Treasurer or State Endowment Fund shall manage the investment of funds. **House:** 2/2 Introduce/Print 2/5 Business 2/14 Report out with "Do Pass" 2/15 2nd to 3rd reading

H0153 WATER AND SEWER DISTRICTS - Adds to existing law relating to water and sewer districts to provide for the receipt of services by owners of real property within a district; and to provide for the treatment of applications for new or additional services made by owners of real property annexed into a district. **House:** 2/9 Introduce/Print 2/12 Local Government

H0170 WATER RIGHTS - Amends existing law relating to the adjudication of water rights to revise provisions relating to the truth and accuracy of statements contained in notice of claim or amended notice of claim. **House:** 2/12 Introduce/Print 2/13 Resource & Conservation 2/15 Report out with "Do Pass" 2/16 2nd reading

HCR012 NATURAL RESOURCE ISSUES - STUDY - Stating findings of the Legislature and authorizing the Legislative Council to appoint a committee to undertake and complete a study of natural resource issues. **House:** 2/8 Introduce/Print 2/12 3rd reading 2/14 3rd rdg - PASSED - 70-0-0 **Senate:** 2/15 Introduce/Resource & Environment

H0014 MOTOR FUELS - TAXATION - BIODIESEL - Amends existing law relating to the motor fuels tax to provide a definition for "biodiesel and biodiesel blends"; and to include biodiesel and biodiesel blends in products subject to the petroleum transfer fee. **House:** 1/16 Introduce/Print 1/17 Revenue/Taxation 1/24 Referred to Transportation 2/7 PASSED - 68-0-2 **Senate:** 2/8 Introduce/Local Government 2/14 Reported out with a "Do Pass" 2/15 3rd reading

H0030 CITIES - ELECTRIC GENERATION - Adds to existing law to authorize cities to participate as joint owners or power purchasers in joint electric generation and transmission projects; and to provide required terms and provisions for participation agreements and related matters. **House:** 1/19 Introduced/Print 1/22 Environment, Energy & Technology 1/25 Report out with do/pass 1/26 2nd to 3rd reading 1/31 PASSED - 67-0-3 **Senate:** 2/1 Introduced/State Affairs 2/9 Report out with a "Do Pass" 2/12 3rd reading 2/16 PASSED - 35-0-0

H0032 ENERGY RESOURCES AUTHORITY - Amends existing law to allow the Idaho Energy Resources Authority to manage and operate distribution facilities; and to allow the State Treasurer to invest in fixed or variable rate bonds of the authority so long as such bonds are not less than investment grade. **House:** 1/19 Introduce/Print 1/22 Environment, Energy & Technology 1/25 Report out with do/pass 1/26 2nd reading - to 3rd reading 1/31 PASSED - 66-0-4 **SENATE:** 2/1 Introduce/State Affairs 2/15 Report out to the 14th Order for amendments

H0065 STATE LANDS - Amends existing law to revise provisions relating to the lease of state lands.
House: replaced by H0130

H0130 STATE LANDS - Amends existing law to revise provisions relating to the lease of state lands.
House: 2/8 Introduce/Print 2/9 2nd reading 2/15 PASSED - 65-0-5
Senate: 2/16 Introduce/State Affairs

The primary intent of this proposed legislation is to amend the definition of "commercial purposes" so that wind projects could qualify as a commercial or industrial enterprises as defined by the state land board. In addition, subject to approval of the state land board, it qualifies agricultural lands eligible for the federal conservation reserve enhancement program (CREP), to be eligible for leases in excess of ten years so that they may qualify for the fifteen year requirement of CREP.

H0137 BUILDING CODES - Amends existing law to provide a date change regarding various building codes; and to provide for adoption of the 2006 International Residential Energy Conservation Code as published by the International Code Council. **House:** 2/8 Introduce/print 2/9 Environment, Energy & Technology

H0149 RENEWABLE FUEL - Adds to existing law to provide for the "Idaho Renewable Fuel Consumer Choice and Retailer Right to Know Act of 2007"; to provide requirements for agreements or contracts between a motor fuel distributor or retailer; to provide that certain provisions of a franchise agreement or contract shall be null and void; and to provide penalties. **House:** 2/9 Introduce/Print 2/12 Transportation

H0150 ALTERNATIVE FUEL - Adds to existing law to provide the Rural Idaho Economic Development Biofuels Infrastructure Matching Grant Fund; and to provide procedures for approving grant applications. **House:** 2/9 Introduce/Print 2/12 Held at Desk 2/15 Transportation

H0151 ALTERNATIVE FUEL - Adds to existing law to create the Idaho Biofuels Supply Enhancement Program in the Department of Agriculture. **House:** 2/9 Introduce/Print 2/12 Transportation

H0152 ELECTRICITY TRANSMISSION - Adds to and amends existing law to provide authority of the Public Utilities Commission regarding siting of electric transmission facilities in a National Interest Electric Transmission Corridor within Idaho. **House:** 2/9 Introduce/Print 2/12 Environment, Energy & Technology 2/16 Report out with "Do Pass"

H0154 ENERGY FACILITIES - Adds to existing law to provide that a city or county may request advice from state agencies regarding an energy facility; to provide state department responsibilities; to provide for consideration of an application; to provide prohibited factors for consideration; and to provide for public hearings and comments.

H0156 OILSEED RESEARCH AND DEVELOPMENT - Amends existing law to provide for the Idaho Oilseed Research and Development Act; to replace references to canola and rapeseed with references to oilseed; and to revise provisions relating to the Idaho Oilseed Commission. **House:** 2/9 Introduce/Print 2/12 Agricultural Affairs 2/15 Report out with "Do Pass" to 2nd reading 2/16 3rd reading

H0169 HIGH-PERFORMANCE PUBLIC BUILDINGS - The purpose of this legislation is to require all future state funded building construction and major renovations to meet recognized high performance standards. State agencies will monitor and document annual energy costs and savings for these buildings and, with the assistance of the Permanent Building Fund Advisory Council, will report to the governor and the legislature. **House:** 2/9 Introduce/Print 2/12 Environment, Energy & Technology 2/15 Held to time certain for amendments

H0189 WIND ENERGY - Amends and adds to existing law relating to producers of electricity by means of wind energy to provide for a wind energy tax; to provide for the filing of operator's statements by producers of electricity by means of wind energy; to provide for the computation, allotment and apportionment of tax due from producers of electricity by means of wind energy by the State Tax Commission and to require certain notifications; to authorize county treasurers to collect specified taxes from producers of electricity by means of wind energy; to provide for tax liens on property of producers of electricity by means of wind energy; to provide for the assessment of nonoperating property of producers of electricity by means of wind energy; and to provide an exemption from taxation for certain operating property of producers of electricity by means of wind energy. **House:** 2/13 Introduce/Print 2/14 Revenue & Taxation 2/16 Report out with "Do Pass" to 2nd reading

HCR013 IDAHO ENERGY PLAN - Stating findings of the Legislature and adopting the Idaho Energy Plan, approved by the Legislative Council Interim Committee on Energy, Environment and Technology on January 26, 2007, as the State Energy Plan. **House:** 2/9 Introduce/Print 2/12 Environment, Energy & Technology 2/20 *Hearing scheduled 1:30p.m. Gold Room*

HCR014 FOSSIL FUEL DEPENDENCE - Stating findings of the Legislature and urging support of the enactment of policies and programs to reduce Idaho's dependence on fossil fuels, accelerate the development of clean, economical energy resources and fuel-efficient technologies; and to support efforts of our local communities to exercise property stewardship and to take action aimed at reducing greenhouse gases. **House:** 2/9 Introduce/Print 2/12 Environment, Energy & Technology 2/14 Held in committee pending hearing on Draft State Energy Plan

SENATE—WATER

S1100 WATER TREATMENT - PERPETUAL - Adds to existing law relating to water quality to provide that the Director of the Department of Environmental Quality shall not allow perpetual water treatment; and to provide an exception. **Senate:** 2/8 Introduce/Print 2/9 Resource & Environment

S1101 WATER QUALITY - Adds to existing law relating to water quality to provide that the director of the Department of Environmental Quality shall not allow perpetual water treatment; and to provide an exception. **Senate:** 2/8 Introduce/Print 2/9 Resource & Environment

S1136 WOOD RIVER - MINIMUM STREAM FLOW - Adds to existing law to provide for minimum stream flow water rights in designated areas of the Big Wood River and the Little Wood River; to provide for the distribution of donated water; to provide for certain donated water rights; to provide for a local committee; and to provide for the collection of water district expenses. **Senate:** 2/12 Introduce/Print 2/13 Resource & Environment

Energy

S1041 ENERGY FACILITY SITING - Adds to existing law relating to major energy facility siting to create a State Energy Facility Planning Committee; to provide membership; to provide for the state energy facility siting management plan; to provide for permits and licenses; to provide for expansion, enlargement or alteration of energy facilities; to provide for review and siting licenses; and to provide for the creation of site review panels. **SENATE: 1/19** Introduce/Print **1/22** State Affairs *Withdrawn by sponsor (Stennett) Other legislation is being drafted that could be introduced later in session*

S1112 GASOHOL - BIODIESEL - Amends existing law to delete the fuel tax deduction authorized for gasohol and biodiesel. **Senate: 2/9** Introduce/Print **2/12** Transportation

New Appointees

Governor Otter has made the following appointments. All appointments are subject to Senate confirmation.

Idaho Public Utilities Commission: On February 14th Mack Redford appeared before the Senate State Affairs Committee for a confirmation hearing on his recent appointment to the Public Utilities Commission. If confirmed, Redford will replace Dennis Hanson. His term will run from January 9, 2007 through January 9, 2013.

Northwest Power Conservation Council: Bill Booth was appointed to Judy Danielson's seat on the Council.

Idaho Water Resource Board: Jerry Rigby, Bob Graham and Gary Chamberlain were re-appointed to four year terms. Chuck Cuddy (Orofino) was appointed to replace Dick Wyatt (Lewiston).