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April 13, 2009

Special points of interest:

Senate Adopts CAMP 35-0-0

Swan Falls Package Goes to House Floor with a "Do Pass"

recommendation

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Legislative Reports 2009



Adjournment Remains Elusive Goal

It was a good day for the irrigated agriculture at the Idaho Statehouse. **CAMP** got the nod from the Idaho Senate this morning with a vote of 35 in favor, none absent or excused.

The Swan Falls package (S1167, 1169 and 1185) came out of the House Resource and Conservation Committee with a "Do Pass" recommendation this afternoon.

Idaho Ground Water Appropriators asked that a letter from its attorneys be read into the committee's minutes to record concerns about the Memorandum of Agreement and stipulated settlement between the State of Idaho and Idaho Power Company. The letter addressed four issues: accounting for minimum flows at the Murphy Gauge when Idaho Power Company acquires water above Milner Dam to send downstream; water marketing as outlined in the settlement; failure to codify a preference for agricultural water use in the agreement as currently written; and the potential impact to ratepayers in proceedings before the Idaho Public Utilities Commission due to recharge management.

Clive Strong from Idaho Office of the Attorney General addressed each of these four concerns, noting that the State, Idaho Power, and the ground water users must come together to finalize the MOA and settlement agreement for the framework to proceed. With that understanding, the legislation advanced out of committee with a "Do Pass" recommendation and is expected to be voted on by the full House later this week.

Adjournment remains an elusive goal as legislators struggle with state employee compensation, transportation, and education. The legislature and the governor's office continue to wrangle over employee compensation with cuts of 3 to 5% proposed. \$8 million in stimulus money could be used to reduce the need to cut salaries or personnel in state agencies. The governor remains committed to improving Idaho's transportation infrastructure while legislators balk at increased spending in the current economy. Education cuts are never popular. With no resolution in sight, this session is the second longest in history and could rival the longest session on record, a session that extended into May.

Page 2 CALENDAR

April 13-17, 2009

Monday: April 13

ment

House Resource & Conservation, S1167, 1169, 1185 (Swan Falls package) Rm 148, 1:30 or upon adjourn-

Tuesday, April 14 Ag Lobbyists, Noon Aberdeen-American Falls GWD Annual Meeting, Aberdeen High School, 6:30 p.m.

Wednesday: April 15 Senate State Affairs: Food Producers Legislative Luncheon, Yen Ching, noon

Thursday: April 16 Bonneville Jefferson GWD Annual Meeting, Idaho Falls Public Library, 10 a.m.

Friday: April 17

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WATER—HOUSE

H033 Repeals existing law relating to the Department of Agriculture and the artificial production of rainfall. HOUSE: 2/3 PASSED 69-0-1 SENATE 2/25 Returned to Ag Affairs

H0210 Replaced by H0264

H0264 COMPREHENSIVE AQUIFER MANAGEMENT PLAN

Adds to existing law to provide that the Comprehensive Aquifer Management Plan for the Eastern Snake Plain Aquifer is approved as a component of the Comprehensive State Water Plan; to provide that the Idaho Water Resource Board shall prepare and submit a funding mechanism to the Legislature for approval; to provide criteria related to the funding mechanism; and to provide that implementation of Phase I of the plan is subject to legislative approval of a funding mechanism.

HOUSE: 3/25 Introduce/Print/Resource & Conservation 3/26 "Do Pass" to 2nd reading 3/27 Rules Suspended **PASSED 66-0-4**

SENATE: 3/30 Introduce/Resource & Environment 4/8 Committee hearing scheduled 4/9 Report out "Do Pass" 4/10 2nd to 3rd reading 4/13 Adopted **Sponsor:** Stevenson **Fiscal Note:** no obligation of State funds; authorizes Idaho Water Resource Board to use approximately \$100,000 remaining in the Water Management Fund from ESPA CAMP studies and other appropriated funds to initiate the CAMP.

http://www.legislature.idaho.gov/legislation/2009/H0264Bookmark.htm

WATER—SENATE

S1002 Amends existing law relating to appropriation of water to revise the definition of "service area" for a municipality and to revise the criteria for domestic water systems. **SENATE: 2/11 PASSED 35-0-0**

HOUSE: 3/17 Held in committee

S1096 PROCUREMENT Amends existing law relating to procurement requirements to provide an exception to certain procurement requirements for the procurement of used personal property by irrigation districts and their boards of control. (Competitive bidding)

SENATE: 2/13 Introduce/Print 2/16 Commerce & Human Resources 2/25 "Do Pass" 2/26 2nd to 3rd reading 3/2 PASSED 25-7-3

HOUSE: 3/3 Introduce/State Affairs **4/3** Report out "Do Pass" **4/6** 2nd to 3rd reading **4/8 PASSED 67-0-3**

Sponsor: IWUA/Semanko **Fiscal Note:** None

http://www.legislature.idaho.gov/legislation/2009/S1096Bookmark.htm

S1162 DOMESTIC WATER SYSTEMS - Amends existing law relating to domestic water systems to revise provisions relating to the storage, treatment and transmission of domestic water.

SENATE: 3/24 Introduce/Print 3/25 Resource & Environment 4/7 Report out "Do Pass" 4/8 2nd to 3rd

reading **4/9 PASSED 28-7-0**

HOUSE: 4/10 Introduce/Held at Desk

Contact: Walter Steed Fiscal Note: None

http://www.legislature.idaho.gov/legislation/2009/S1162Bookmark.htm

S1167 WATER RESOURCE BOARD - Amends existing law relating to water to provide that project proposals relating to the diversion of certain natural flow water for specified managed recharge projects must be submitted to the Water Resource Board for approval or disapproval. SENATE: 3/27 Introduce/Print 3/30 Resource & Environment 4/2 Report out "Do Pass" 4/3 2nd to 3rd reading 4/9 PASSED 35-0-0

HOUSE: 4/10 Introduce/Resource & Conservation

Contact: Senator Geddes Fiscal Note: None to general fund

http://www.legislature.idaho.gov/legislation/2009/S1167Bookmark.htm

S1168 Replaced by S1185

S1169 PUBLIC UTILITIES COMMISSION - SWAN FALLS AGREEMENT - WATER RIGHTS - Adds to existing law relating to the Idaho Public Utilities Commission and electric utility water rights to provide that the Public Utilities Commission shall have no jurisdiction to consider certain issues and shall accept as reasonable and in the public interest for all purposes Article II of the Framework Reaffirming the Swan Falls Settlement in any proceedings before the Commission; and to provide that implementation of provisions of Article II of the Framework Reaffirming the Swan Falls Settlement shall not constitute a sale, assignment, conveyance or transfer as specified. **SENATE: 3/27** Introduce/Print **3/30** Resource & Environment **4/2** Report out "Do Pass" **4/3** 2nd to 3rd reading **4/9 PASSED 35-0-0**

HOUSE: 4/10 Introduce/Resource & Conservation

Contact: Senator Geddes **Fiscal Note:** None to general fund http://www.legislature.idaho.gov/legislation/2009/S1169Bookmark.htm

S1185 GROUND WATER RECHARGE Amends and repeals existing law relating to ground water recharge to authorize the Director of the Department of Water Resources to issue certain permits and licenses; to provide for the regulation and reduction of the amount of water authorized to be diverted for recharge purposes; to provide that the director may fix a term of years in certain permits or licenses during which the amount of water authorized to be diverted shall not be reduced; to authorize the director to approve, disapprove or require alterations in methods employed to achieve ground water recharge; and to provide that the director shall order the cessation of operations under certain circumstances. **SENATE: 4/1** Introduce/Print/Resource & Environment **4/2** Report out "Do Pass" **4/3** 2nd to 3rd reading **4/9 PASSED 35-0-0**

HOUSE: 4/10 Introduce/Resource & Conservation

Contact: Senator Geddes Fiscal Note: None to general fund

http://www.legislature.idaho.gov/legislation/2009/S1185Bookmark.htm

ENERGY— HOUSE Page 4

H007 Adds to existing law to allow the Public Utilities Commission to provide priority designation for electric transmission projects that will cause state agencies to expedite their permit procedures for electric transmission projects. Session Law Chapter 9 Effective 7/1/09

H052 Amends existing law to provide that with the approval of the Public Utilities Commission, a public utility may establish reasonable nonrecurring charges for new customers to partially recover the costs of public utility capital investment in new facilities to serve new customer growth. **Referred to Interim Committee at sponsor's request.**

H0122 ENERGY ENTERPRISE ZONES - Adds and amends existing law to provide for renewable energy enterprise zone designation and to provide state tax incentives for projects located in those zones. **Held per sponsor's request.**

HO200 ENERGY RESOURCE AUTHORITY Amends existing law to provide additional powers of the state treasurer to invest state funds or other funds in fixed or variable rate bonds of the Idaho Energy Resources Authority upon certain conditions. **HOUSE: Held at sponsor's request**

HO203aa TAXATION—RENEWABLE ENERGY PROJECTS Amends existing law to provide a property tax exemption for renewable energy projects and to provide an energy tax on renewable energy projects to be paid to local units of government in lieu of the property tax. **Withdrawn at request of sponsor**

H0208 PROPERTY EXEMPT FROM TAXATION Amends existing law to provide that a renewable energy device attached to residential property shall be exempt from taxation. **HOUSE: 2/27** Introduce/Print **3/2** Revenue & Taxation **Sponsor:** Sen. McKenzie/Rep. Eskeridge **Fiscal Note:** None to general fund http://www.legislature.idaho.gov/legislation/2009/H0208Bookmark.htm

HO209 PROPERTY - TAX EXEMPTION Adds to existing law to provide that certain energy property shall be exempt from taxation. HOUSE: 2/27 Introduce/Print 3/2 Revenue & Taxation
 Sponsor: Sen. McKenzie/Rep. Eskeridge Fiscal Note: None to state general fund http://www.legislature.idaho.gov/legislation/2009/H0209Bookmark.htm

H0233aa PROPERTY—TAX EXEMPTION Amends existing law to provide that a renewable energy device attached to residential property shall be exempt from taxation; and to provide that certain energy property shall be exempt from taxation. **Held**

S1027 ENERGY FACILITY SITING Adds to existing law relating to energy facility siting to require a siting certificate in certain circumstances, to create a siting panel, to provide authority and responsibilities of the panel, to provide for an application for a siting certificate, to provide duties of an applicant upon submittal of an application, and to provide duties of the Public Utilities Commission upon receipt of an application.

SENATE: Held

S1097 PUBLIC HIGHWAYS—UTILITIES Adds to existing law relating to public highways and utilities to provide that certain public highway agencies or any private party working with such agency on a project which may require relocation of utility facilities shall permit the affected utility to participate in project development meetings, to provide for a meeting, to provide that certain public highway agencies and affected utilities shall use best efforts to eliminate or minimize certain costs, and to provide that failure by the affected utility to respond to written notice shall not affect the public highway agency's ability to proceed with the project and to provide limits to application. SENATE: 2/20 PASSED 30-0-5 HOUSE: 4/1 PASSED 66-0-4 4/9 Governor Signed Session Law Chapter 142 Effective 07/01/09

S1119 Amends existing law to provide for low-income bill payment assistance and other programs to public utility customers under certain conditions. **SENATE: FAILED 17-18-0**

S1120 SCHOOL BUILDINGS Adds to and amends existing law relating to public school buildings and school districts to provide for school building design and energy efficiency.

SENATE: Re-introduced as S1132

S1123 PUBLIC UTILITY RATES Adds to existing law to provide that public utility commission binding ratemaking treatments are applicable when costs of a new electric generation facility are included in rates, to provide procedures and to provide for rules.

SENATE: 3/9 PASSED 31-2-2 HOUSE: 4/1 PASSED 69-0-1 4/9 Governor signed Session Law Chapter 145 Effective: 07/01/09

S1132 SCHOOL BUILDINGS Adds to and amends existing law relating to public school buildings and school districts to provide for school building design and energy efficiency. SENATE: 3/2 Introduce/Print 3/3 Education 3/6 Refer to State Affairs 3/10 Report out "Do Pass" 3/13 34-1-0

HOUSE: 3/16 Introduce/Education 3/18 Ret'd to Desk; refer to Environment Committee 3/25 "Do Pass" to 2nd reading 3/26 3rd reading 4/1 PASSED 63-7-0 4/7 To Governor

Contact: Senator McKenzie **Fiscal Note:** Voluntary incentive from state general funds already provided http://www.legislature.idaho.gov/legislation/2009/S1132Bookmark.htm

S1143 PUBLIC UTILITIES COMMISSION Amends and repeals existing law relating to public utilities regulation to revise Public Utilities Commission authority regarding rates and to revise procedures before the Commission. **SENATE: 3/6** Introduce/Print **3/9** State Affairs

Contact: Senator Geddes Fiscal Note: None to general fund

http://www.legislature.idaho.gov/legislation/2009/S1143.pdf

Page 6 APPROPRIATIONS

HO061 OMNIBUS RESCISSION AND SUPPLEMENTAL - HOUSE: 3/9 Ret'd to Finance

H0250 OMNIBUS RESCISSION AND SUPPLEMENTAL - Declares legislative intent regarding General Fund revenues and expenditures for fiscal year 2009; adjusts the Public School appropriation; transfers dedicated funds into the General Fund; reduces General Fund appropriations for state agencies and institutions; increases appropriations from dedicated and federal funds to partially offset General Fund reductions for some agencies; and adjusts the appropriation for medicaid to account for a change in the Federal Medical Assistance Percentage (FMAP). **HOUSE: 3/23 PASSED 64-3-3 SENATE: 4/1 PASSED 33-2-0 4/8** To Governor

H0255 OFFICE OF ENERGY RESOURCES - Transfers \$1.2 million to the Renewable Energy Resources Fund and \$920,028.30 into the General Fund for fiscal year 2009. **HOUSE: 3/24 PASSED 70-0-0 SENATE: 4/7 PASSED 34-0-1**

H0272 APPROPRIATIONS - DEPARTMENT OF WATER RESOURCES - Appropriates \$22,092,400 to the Department of Water Resources for fiscal year 2010; limits the number of full-time equivalent positions to 165; and directs a 5% salary reduction. **HOUSE: 3/31** Introduce/Print **4/1** Print to 2nd reading **4/2** 2nd to 34d reading **4/3 PASSED 46-18-6 SENATE: 4/7** Introduce/Finance Report out "Do Pass" **4/8** 2nd to 3rd reading

HO276 APPROPRIATIONS - DEPARTMENT OF ENVIRONMENTAL QUALITY - Appropriates \$71,429,500 to the Department of Environmental Quality for fiscal year 2010; limits the number of full-time equivalent positions to 382.05; transfers \$1.5 million from the Water Pollution Control Fund to the Environmental Remediation Fund; requires an annual report of the superfund cleanup; expresses legislative intent regarding the Coeur d'Alene Lake Manangement plan; directs a 5% personnel cost reduction; and appropriates an additional \$1,032,900 for fiscal year 2009. **HOUSE: 4/1** Introduce/Print **4/2** Print to 2nd reading **4/3** 2nd to 3rd reading Rules suspended **4/7 PASSED 53-16-1 SENATE: 4/8** Introduce/Finance **4/9** Report out "Do Pass" **4/10** 2nd to 3rd reading

S1188 APPROPRIATIONS - PUBLIC UTILITIES COMMISSION - Appropriates \$4,962,200 for the Public Utilities Division for fiscal year 2010; limits the number of authorized full-time equivalent positions to 49; directs the reduction of personnel costs, and declares an emergency. **SENATE: 4/3** Introduce/Print/Finance Report out "Do Pass" to second reading **4/9 PASSED 35-0-0 HOUSE: 4/10** Introduce/to 2nd reading

Page 7 CONCURRENT RESOLUTIONS, JOINT MEMORIALS, PROCLAMATIONS & RESOLUTIONS

HCR013 NATURAL RESOURCE ISSUES - STUDY - 3/9 To Secretary of State

HCR016 ENERGY, ENVIRONMENT AND TECHNOLOGY ISSUES - STUDY - 3/9 To Secretary of State

HCR018 NATURAL RESOURCE INTERIM COMMITTEE - 3/16 To Secretary of State

HJM006 CLEAN WATER RESTORATION ACT OF 2007 - OPPOSITION TO - Stating the findings of the Legislature and opposing any proposed federal legislation similar to the Clean Water Restoration Act of 2007 and urging Congress not to enact any similar legislation. **4/8 To Secretary of State**

SCR103 DEPARTMENT OF ENVIRONMENTAL QUALITY - RULE - Stating findings of the legislature rejecting a certain rulemaking docket of the Department of Environmental Quality relating to individual/subsurface sewage disposal rules. SENATE: 2/17 ADOPTED 27-7-1 HOUSE: 4/9 ADOPTED 45-17-8

SCR109 QUAGGA MUSSELS - ZEBRA MUSSELS - Stating findings of the Legislature resolving that a condition of extreme peril exists in and around the water bodies of the state of Idaho; proclaiming that a state of emergency exists within the state of Idaho; and asking that deficiency warrant funding authorized by the Idaho Invasive Species Act of 2008 be used by the Idaho State Department of Agriculture for personnel, equipment and facilities for the performance of any and all activities associated with quagga and zebra mussel prevention, development and implementation of incident response plans and interagency agreements.

SENATE: 3/20 ADOPTED 31-0-4 HOUSE: 4/9 ADOPTED 60-3-7

Upcoming Events:

STANDING COMMITTEE INFORMATION

SENATE

 $\textbf{Agricultural Affairs:} \ \ T, TH, 8:00 \ am,$

Room 211

Chairman: Corder Secretary: Arlene Mahaffey

332-1330

Resources and Environment

M, W, F, 1:30 pm, Room 204 Chairman: Schroeder Secretary: Juanita Budell 332-1323

332-1323

State Affairs

M, W, F, 8:00 am, Room 204 Chairman: McKenzie Secretary: Deborah Riddle 332-1326

HOUSE

Agricultural Affairs

Even Days, pm, Room 228 Chairman: Trail Secretary: Lisa Daniels 332-1137

Environment, Energy, and Technology

Even Days, pm, Room 145 Chairman: Raybould Secretary: Peggy Heady 332-1128

Resources and Conservation

Odd Days, pm, Room 148 Chairman: Stevenson Secretary: Molly Smith 332-1136

State Affairs

Daily, am, Room 145 Chairman: Loertscher Secretary: Marsha Walker

332-1145

APPOINTMENTS/CONFIRMATIONS

Idaho Water Resource Board: Vince Alberdi, Leondard Beck,

Roger Chase, Terry Uhling

Idaho Energy Resources Authority: Larry Crowley Idaho Energy Resources Authority: Ralph Williams

RULES

24-0501-0801 Pending Rule Rules of the Board of Drinking Water & Wastewater Professionals

31-0101-0801 Pending Rule Rules of Procedure of the Idaho Public Utilities Commission IPUC

37-0301-0801 Adjudication Rules IDWR

37-0309-0601 Well Construction Standard Rules IDWR

58-0112-0801 Pending Rule Rules for Administration of Water Pollution Control Loans (*Rulemaking to provide flexibility for use of loan fees and to meet nonpoint source needs*) IDEQ

58-0108-0802 Pending Rule Idaho Rules for Public Drinking Water Systems (*Incorporation by reference of federal Ground Water*) IDEQ

58-0108-0803 Pending Rule Idaho Rules for Public Drinking Water Systems (*Incorporation by reference of National Primary Drinking Water Regulations for Lead and Copper*) IDEQ

58-0108-0801 Pending Rule Idaho Rules for Public Drinking Water Systems (Revision and clarification of facility and design standards)
58-0116-0801 Pending Rule Wastewater Rules (Revision and clarification of facility and design standards) IDEQ

58-0111-0801 Pending Fee Rule Ground Water Quality Rule (*Rulemaking* to clarify portions of the Ground Water Quality Rule to promote consistency in application of the rule to mining activities) IDEQ

58-0103-0801 Pending Rule Individual/Subsurface Sewage Disposal Rules (Rulemaking to provide for a revised method to estimate wastewater flow from single-family dwellings) IDEQ

More information regarding these and other rules may be viewed at http://adm.idaho.gov/adminrules/bulletin