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March 30, 2009

Special points of interest:

**H0210 (CAMP) re-
placed by H0264**

**Swan Falls Legislation
Introduced (S1167,
1168, 1169)**

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Legislative Reports 2009

CAMP & Swan Falls: The 2nd Time Around

CAMP: Legislative approval for CAMP is back on track with the introduction of H0264. The bill replaces previous legislation (H0210) by incorporating some minor amendments proposed by the Idaho Water Users' legislative committee and referencing incidental recharge to appease certain Upper Valley surface water users. These minor changes do not appear to affect the Plan as it was approved by the Idaho Water Resource Board nor alter the funding formula in that plan. H0264 was fast-tracked through the House with rules suspended for a 66-0-4 vote on March 27, 2009.

Swan Falls: On Friday the Senate State Affairs Committee printed three bills (S1167, 1168 and 1169) aimed at resolving issues between Idaho Power Company and the State of Idaho pertaining to the Swan Falls Agreement. Most significantly, the negotiated settlement reportedly puts to rest IPCO's opposition to aquifer recharge.

Budgets: JFAC also set the education budget on Friday. Education accounts for more than half of the general fund budget, but the proposed cuts have been controversial. If the votes are there to approve the proposed budget, the legislature moves closer to final adjournment. It also appears that the Governor's office and the legislature may be closer to an understanding on transportation funding. The most recent proposal is to raise the gas tax by 2 cents, up from 25 to 27 cents.

A&B Final Recommendations: The hearing officer released his final recommendations in the A& B Administrative Hearing held last December. Following his review of those recommendations, Idaho Department of Water Resource's Director Dave Tuthill will be able to issue a Final Order in the case.

Mitigation: Tuthill also acted on IGWA's latest mitigation plan. Curtailment has been forestalled in the Magic Valley at least for now.

March 30-April 3, 2009

Monday: March 30

Senate Resource & Environment: HJM 6 Rm. 204, 1:30 p.m.

House Environment, Energy & Technology: Presentation by Office Energy Resources, Rm. 145, upon adjournment

Tuesday, March 31

Ag Lobbyists, Yen Ching
Noon

Wednesday: April 1

Food Producers Legislative Luncheon, Yen Ching, noon

Thursday: April 2

High, 7 p.m.

Friday: April 3

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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

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

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

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

Contact: Senator Geddes **Fiscal Note:** None to general fund

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

S1168 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 of water rights for recharge purposes and to authorize the director to approve, disapprove or require alterations in methods employed to implement ground water recharge.

SENATE: 3/27 Introduce/Print 3/30 Resource & Environment

Contact: Senator Geddes **Fiscal Note:** None to general fund

<http://www.legislature.idaho.gov/legislation/2009/S1168Bookmark.htm>

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

Contact: Senator Geddes **Fiscal Note:** None to general fund

<http://www.legislature.idaho.gov/legislation/2009/S1169Bookmark.htm>

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.**

H0200 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**

H0203aa 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. **HOUSE: 2/27** Introduce/Print **3/2** Revenue & Tax **3/12** General Orders **3/18** Report out amended **3/19** 2nd reading as amended **3/20** 3rd reading as amended **3/23 PASSED 68-0-2 SENATE: 3/24** Introduce/Local Government

Sponsor: Rep. Cronin **Fiscal Note:** None to state general fund

<http://www.legislature.idaho.gov/legislation/2009/H0203Bookmark.htm>

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>

H0209 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. **HOUSE: 3/12** Introduce/Print **3/13** 2nd reading **3/16** 2nd to 3rd reading **3/17** General Orders **3/18** Report out amended **3/19** 2nd reading as amended **3/20** 3rd reading as amended **3/23**

PASSED 68-0-2 SENATE: 3/24 Introduce/Local Government

Sponsor: Werk, McKenzie, Moyle, Eskeridge **Fiscal Note:** None to general fund

<http://www.legislature.idaho.gov/legislation/2009/H0233Bookmark.htm>

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: 2/13** Introduce/Print **2/16** Transportation **2/18** "Do Pass" **2/20 PASSED 30-0-5** **HOUSE: 2/23** Introduce/Transportation **3/26** "Do Pass" to 2nd reading **3/27** 3rd reading **Contact:** Ed Lodge/Qwest **Fiscal Note:** No impact to state general fund <http://www.legislature.idaho.gov/legislation/2009/S1097Bookmark.htm>

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: 2/23** Introduce/Print **2/24** State Affairs **3/5** Report out "Do Pass" **3/6** 2nd to 3rd reading **3/9 PASSED 31-2-2** **HOUSE: 3/10** Introduce/State Affairs **3/25** "Do Pass" to 2nd reading **3/26** 3rd reading **Contact:** Sen. Curt McKenzie **Fiscal Note:** None to General Fund <http://www.legislature.idaho.gov/legislation/2009/S1123Bookmark.htm>

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 **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>

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: 3/18** Introduce/Print **3/19** 2nd reading **3/20** To 3rd reading **3/23 PASSED 64-3-3** **SENATE: 3/24** Introduce/Finance **3/25** "Do Pass" to 2nd reading **3/26** 3rd reading

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: 3/19** Introduce/Print **3/20** To 2nd reading **3/23** 2nd to 3rd reading **3/24 PASSED 70-0-0** **SENATE: 3/25** Introduce/Finance **3/26** "Do Pass" to 2nd reading **3/27** 3rd reading

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 - requests the Natural Resources Interim Committee to study the impacts of conversion of working ranches, farms and forests to other uses and examine need for new state policy initiatives to protect the values that such lands contribute to local economies, agricultural heritage, wildlife habitat, and recreation. **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. **HOUSE: 3/23 ADOPTED**
SENATE: 3/24 Introduce/Resource & Environment

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: 2/18** Introduce/Health & Welfare **3/3** Refer to Environment, Energy & Technology **3/5** Report out "Do Pass" **3/6** 2nd to 3rd Reading

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: 3/12** Introduce/Print **3/16** Ag Affairs **3/19** Do Pass/10th Order **3/20 ADOPTED 31-0-4**
HOUSE: 3/23 Introduce/Agricultural Affairs **3/25** "Do Pass" to 2nd reading **3/26** 3rd reading

Upcoming Events:

March 31: EPA Industrial Stormwater Workshop, AIC Training Room, Boise

April 1: EPA Industrial Stormwater Workshop, IF Public Library

April 14: EPA Industrial Stormwater Workshop, NIC Workforce Training Center, Post Falls

April: Tentative Legislative Adjournment

**STANDING COMMITTEE
INFORMATION**

SENATE

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

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

3/23 Idaho Water Resource Board: Vince Alberdi, Leonard Beck, Roger Chase, Terry Uhling

Idaho Energy Resources Authority: Larry Crowley

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>