



Idaho Council on Industry and the Environment

ICIE's Saturday Summary—

Date: February 9, 2008

This is a weekly roundup of some of ICIE's activities in and around the Idaho Legislature. Staffing limits mean we can't cover every meeting. If there's an item of interest to you at an upcoming meeting of one of the environment or agriculture committees, let us know and we'll try to cover it. Agendas are available at www.state.id.us. Click on "Legislative" and click on "Calendars and agendas."

House Energy, Environment and Technology Committee, 2-4-08

Jack Lyman, Executive Director of the Idaho Mining Association, presented a report on the impact on Idaho's economy of the mining industry. His organization represents about half of the 4,500 people directly engaged in mining in Idaho. Those companies include Hecla, Monsanto, Simplot Minerals and Chemicals, Couer d'Alene Mines, Thompson Creek Mining and Sterling Mining Company.

Phosphate represents a \$440 million industry in Idaho. Molybdenum and silver together represent \$1.4 billion; sand and gravel about \$418 million; and other minerals about \$446 million. Processing increases those figures about 4 to 6 percent.

The trucks and other equipment and supplies purchased in Idaho represent an additional economic impact.

Taxes are assessed on the net profits for mining companies and can have a tremendous impact. In 2006, with the value of molybdenum increasing to record levels, the impact of the property taxes paid by Thompson Creek Mining caused the property taxes of the residents in Custer County to fall by as much as 50%.

Economist John Church's study on the economics of mining in Idaho showed \$185 million in direct payroll in 2006, \$168 million in direct purchases, and more than \$300 million in secondary extracting and processing industries.

The bulk of this activity takes place in Southeast Idaho.

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House Agricultural Affairs Committee, 2-4-08

The House Agricultural Affairs Committee heard from Professor Russell Qualls, Idaho State Climatologist, about the impacts of climate change on water resources in South Idaho. To determine the impacts of changing climate, Qualls looked at six scenarios drawn from the recent report by the U.N. Intergovernmental Panel on Climate Change. They picked a mid-range model between wet and dry scenarios and looked at a climate scenario with a balanced emphasis on all energy sources, especially after 2050.

The variability of precipitation makes it the hardest element to predict which is why they chose a mid-range one. The historical baseline is 1982 through 2006. All the models show a temperature increase but there does not seem to be a link with precipitation.

The water distribution modeling included information on water rights laws, infrastructure and existing and forecasted water demand.

In summary, four scenarios exceed the current climate supply. A large supply increase produces a minimal allocation increase. Insufficient storage minimizes the benefit of increased water supply.

Two scenarios deliver less than current climate average. In that case, insufficient storage exacerbates supply reduction.

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House Energy, Environment and Technology Committee, 2-6-08

Rep. Mark Snodgrass presented RS17838C1, which contained the recommendations from the Treasure Valley Air Quality Council to provide authority to the Department of

Environmental Quality to establish a vehicle emission testing and maintenance program to control air pollution emissions from vehicles in air sheds that are approaching non-attainment with applicable air quality standards and rules.

In presenting the RS for print, Rep. Snodgrass noted that motor vehicle emissions were one of the top two contributors to air quality problems. The bill would give DEQ the ability to establish a program for Ada and Canyon Counties as well other counties in the state, which are facing imminent non-attainment status from the Federal government. It would have a five-year review clause and would allow cities and counties to establish rules that are more stringent.

There were several questions including a question about the impact of out-of-state vehicles or vehicles from outside a particular airshed. The bill does not exempt them from the inspection program.

In the end, the vote was ten to two to print the bill. It is bill number HO 482 and will be heard by the House Environment, Energy & Technology Committee.

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Senate Resources and Environment, 2-6-08

The Senate committee spent Wednesday and Friday hearing from folks about adjudication of water rights in North Idaho.

The meeting room was filled both days and most of those testifying opposed basin-wide adjudication, which was passed by the Legislature last year.

There are no fewer than five Senate bills concerning this issue so far, which have been assigned to the committee.

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From the Idaho Council on Industry & the Environment (ICIE), *a private, nonprofit organization whose mission is to facilitate the use of sound science and facts in shaping public policy on environmental issues.*

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