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INL bills advance

By BRYAN CLARK

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BOISE — A pair of bills meant to aid the proposed small modular reactor project in eastern Idaho easily won the recommendation of the House Revenue and Taxation Committee on Monday.

Each of the bills would provide benefit to a proposed fleet of 12 small modular reactors to be located on Department of Energy land west of Idaho Falls. One of the bills clarifies Idaho's sales tax exemption for federal research projects to make clear that two of the 12 reactors, which Idaho National Laboratory plans to use for research, are exempt from sales tax. The other 10 will be subject to sales tax.

A second bill allows a property tax exemption originally written for a planned fuel processing facility to be repurposed for the SMR project.

While the bills were introduced late in the session, there are indications they are in for smooth sailing.

Importantly, House Majority Leader Mike Moyle, R-Star, lent his support to the bills. A key piece of legislation for INL last year, one which used state bonding authority to finance the construction of two new buildings near University Place, was in doubt until near the end of the 2017 session because it was held as a bargaining chip for a set of income tax cuts Moyle backed. This year, Moyle will carry one of the two small modular reactor bills on the House floor, talking other lawmakers into voting for it.

One bill passed the committee unanimously, and the other had only a single dissenting vote: Rep. John Gannon, D-Boise. He voted against the property tax bill, saying he was worried in general about the extension of property tax exemptions statewide.

“It makes total sense (in Butte County) ... but it's a statewide bill,” Gannon said.

Lobbyist Ken McClure said the bills won't mean counties lose out entirely. While some of the SMR project would be exempt, it's estimated to require a total investment of about \$3 billion, meaning a “windfall” of tax funds for rural Butte County.

The bills move next to the House floor.

Dana Kirkham, Science, Technology and Research director of Regional Economic Development of Eastern Idaho, welcomed the news, saying it would be a boon for economic development throughout the region.

“This is the first step toward really securing this first of a kind technology in eastern Idaho. We don’t even fully understand all the impacts that it will have down the line,” Kirkham said. “This is a good day for eastern Idaho.”

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