

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 CONFERENCE COMMITTEE
4 SUBSTITUTE
5 FOR ENGROSSED
6 HOUSE BILL NO. 3135

By: Piatt of the House

and

Schulz of the Senate

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9 CONFERENCE COMMITTEE SUBSTITUTE

10 An Act relating to waters and water rights; amending
11 82 O.S. 2001, Section 1020.16, which relates to
12 commercial drilling or plugging license; modifying
13 amount maintained in the Well Drillers and Pump
14 Installers Remedial Action Indemnity Fund; modifying
15 maximum amount expended for a well, borehole or pump;
16 increasing administrative penalty; expanding
17 application and grounds for an administrative
18 penalty; creating the Oklahoma Water Conservation
19 Grant Program Act; directing the Oklahoma Water
20 Resources Board to solicit and make water
21 conservation project grants; stating goals and
22 objectives of the grant program; defining certain
23 term; specifying amounts of grants; making grants
24 contingent upon funding; requiring projects to be
models; giving certain examples; directing the Board
to develop grant criteria and consideration process;
directing the Board to promulgate rules; providing
for codification; providing an effective date; and
declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 82 O.S. 2001, Section 1020.16, is
amended to read as follows:

1 Section 1020.16 A. All persons engaged in the commercial
2 drilling or commercial plugging of groundwater wells, monitoring
3 wells, observation wells, wells utilized for heat exchange purposes,
4 including but not limited to heat pump wells and geothermal wells,
5 and in the commercial drilling or plugging of geotechnical borings
6 and all persons engaged in the commercial installation of water well
7 pumps in this state shall make application for and become licensed
8 with the Board. After July 1, 1990, persons required to be licensed
9 pursuant to this section shall pay an annual fee as required by the
10 Board. Such fees shall be deposited and expended as provided in
11 subsection B of this section+.

12 B. 1. There is hereby created within the Oklahoma Water
13 Resources Board the Well Drillers and Pump Installers Remedial
14 Action Indemnity Fund. The Indemnity Fund shall be administered by
15 the Board.

16 2. The Indemnity Fund shall be excluded from budget and
17 expenditure limitations. Except as otherwise provided by subsection
18 C of this section, the monies deposited in the Indemnity Fund shall
19 at no time become part of the general budget of the Oklahoma Water
20 Resources Board or any other state agency. Except as otherwise
21 provided by subsection C of this section, no monies from the
22 Indemnity Fund shall be transferred for any purpose to any other
23 state agency or any account of the Board or be used for the purpose
24 of contracting with any other state agency or reimbursing any other

1 state agency for any expenses. Monies in the Indemnity Fund shall
2 only be expended for remedial actions necessary, without notice and
3 hearing, to protect groundwater from pollution or potential
4 pollution from wells, or boreholes under the jurisdiction of the
5 Board that do not meet minimum standards for construction or that
6 have been abandoned or as may be recommended by the Well Drillers
7 and Pump Installers Advisory Council.

8 3. The fees collected pursuant to subsection A of this section
9 shall be first credited to the "Well Drillers and Pump Installers
10 Remedial Action Indemnity Fund". The Indemnity Fund shall be
11 maintained at Fifty Thousand Dollars (\$50,000.00).

12 4. Expenditures from the Indemnity Fund required pursuant to
13 the provisions of this section shall be made pursuant to the
14 provisions of The Oklahoma Central Purchasing Act upon terms and
15 conditions established by the Department of Central Services and
16 shall not exceed ~~Five Thousand Dollars (\$5,000.00)~~ Fifteen Thousand
17 Dollars (\$15,000.00) for each well, borehole or pump for which
18 action is taken.

19 5. Except in situations where the Governor has declared an
20 emergency and a claim by the owner of the well or borehole for costs
21 of remedial action is not paid by private insurance or other relief,
22 the Board shall seek reimbursement as recommended by the Well
23 Drillers and Pump Installers Advisory Council for any remedial
24 action taken or required by the Board. Any monies received as

1 reimbursement shall be deposited in the Well Drillers and Pump
2 Installers Remedial Action Indemnity Fund except as otherwise
3 provided in subsection C of this section.

4 C. When the Well Drillers and Pump Installers Remedial Action
5 Indemnity Fund reaches Fifty Thousand Dollars (\$50,000.00), the
6 fees, monies received as reimbursement, and administrative penalties
7 recovered under subsection E of this section shall be deposited in a
8 separate account in the Water Resources Board Revolving Fund
9 designated as the Well Drillers and Pump Installers Regulation
10 Account, which shall be a continuing account not subject to fiscal
11 year limitations. Monies in said account shall be used by the Board
12 for inspections, licensing, enforcement and education, reimbursing
13 per diem and travel costs for members of the Well Drillers and Pump
14 Installers Advisory Council pursuant to the State Travel
15 Reimbursement Act, and as otherwise determined to be necessary to
16 implement the provisions of this section.

17 D. Before any person or firm licensed pursuant to this section
18 shall commence the commercial drilling or plugging of any well or
19 borehole or commence installation of any pump, such person or firm
20 shall file with the Board such data or information as the Board may
21 by rule require. After completion, the driller or installer shall
22 file a completion report showing such data as the Board may require
23 together with a log of the well and pumping test data if applicable.

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1 E. The Board may, after notice and hearing, impose on any
2 person administrative penalties of up to ~~Five Hundred Dollars~~
3 ~~(\$500.00)~~ Five Thousand Dollars (\$5,000.00) and may revoke, suspend
4 or deny renewal of ~~the~~ any license or operator certification for
5 each violation of the ~~Board's~~ rules and regulations of the Board
6 regarding license or certification requirements, the requirement to
7 obtain a license or certification, or minimum construction or
8 installation standards. Each day a violation continues shall
9 constitute a separate violation. Such administrative penalties
10 shall be deposited in the Well Drillers and Pump Installers Remedial
11 Action Indemnity Fund except as otherwise provided in subsection C
12 of this section.

13 F. The Board is authorized to create a Well Drillers and Pump
14 Installers Advisory Council. The Board shall establish rules
15 stating the qualifications for membership and organization of the
16 Council. Meetings of the Council shall be held at the call of the
17 Executive Director of the Board. The Council shall have the
18 following duties:

19 1. To recommend rules to the Board, provided such written
20 recommendations have been concurred upon by a majority of the
21 membership of the Council; and

22 2. To review and recommend approval or denial of use of monies
23 in the Well Drillers and Pump Installers Remedial Action Indemnity
24 Fund for:

- 1 a. remedial actions to protect groundwater from pollution
2 or potential pollution from wells, or boreholes under
3 the jurisdiction of the Board which do not meet
4 minimum standards for construction or that have been
5 abandoned, and
6 b. inspections, licensing, enforcement and education by
7 the Board.

8 SECTION 2. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 1088.1 of Title 82, unless there
10 is created a duplication in numbering, reads as follows:

11 A. This section shall be known and may be cited as the
12 "Oklahoma Water Conservation Grant Program Act".

13 B. The Oklahoma Water Resources Board shall solicit proposals
14 for and make grants for the establishment of pilot programs which
15 will implement water conservation projects or plans in communities
16 in the state.

17 C. The goals and objectives of the grant program are to:

18 1. Increase the awareness of the public through education
19 programs or public information campaigns regarding the value of our
20 water resources and how water can be used more efficiently;

21 2. Provide assistance to communities or entities initiating
22 water conservation plans, programs, and activities and to research
23 and document the potential for improving water use efficiency
24 through demonstration projects and other activities; and

1 3. Assist in the development of policies which will encourage
2 the implementation of water conservation measures.

3 D. For purposes of this section, communities may include entire
4 cities or towns, combined cities or towns, parts of cities or towns,
5 or schools, groups or entities located within a community.

6 E. Contingent upon the availability of funding, the Board may
7 award grants each year in an amount not to exceed Twenty-five
8 Thousand Dollars (\$25,000.00) for each grant. The total amount of
9 grants awarded each year shall not exceed Fifty Thousand Dollars
10 (\$50,000.00).

11 F. The pilot projects shall be innovative programs that will
12 serve as models for other communities in the state. Pilot projects
13 may include, but are not limited to, community conservation
14 demonstration projects, water use accounting programs, retrofit
15 projects, school education projects, Xeriscape demonstration
16 gardens, and information campaigns on capturing and using harvested
17 rainwater and graywater.

18 G. The Board shall determine pilot project criteria and
19 establish a process for the consideration of proposals. The
20 proposals for pilot projects shall be considered on a statewide
21 competitive basis. The Board shall promulgate rules for the
22 operation of the projects.

23 SECTION 3. This act shall become effective July 1, 2008.
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1 SECTION 4. It being immediately necessary for the preservation
2 of the public peace, health and safety, an emergency is hereby
3 declared to exist, by reason whereof this act shall take effect and
4 be in full force from and after its passage and approval.

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