

1 STATE OF OKLAHOMA

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

3 COMMITTEE SUBSTITUTE

4 FOR

5 HOUSE BILL NO. 3135

6 By: Enns

7 COMMITTEE SUBSTITUTE

8 An Act relating to waters and water rights; amending
9 82 O.S. 2001, Section 1020.16, which relates to
10 commercial drilling or plugging license; modifying
11 amount maintained in the Well Drillers and Pump
12 Installers Remedial Action Indemnity Fund; modifying
13 maximum amount expended for a well, borehole or pump;
14 increasing administrative penalty; expanding
15 application and grounds for an administrative
16 penalty; providing an effective date; and declaring
17 an emergency.

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

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

21 Section 1020.16 A. All persons engaged in the commercial
22 drilling or commercial plugging of groundwater wells, monitoring
23 wells, observation wells, wells utilized for heat exchange purposes,
24 including but not limited to heat pump wells and geothermal wells,
and in the commercial drilling or plugging of geotechnical borings
and all persons engaged in the commercial installation of water well

1 pumps in this state shall make application for and become licensed
2 with the Board. After July 1, 1990, persons required to be licensed
3 pursuant to this section shall pay an annual fee as required by the
4 Board. Such fees shall be deposited and expended as provided in
5 subsection B of this section+.

6 B. 1. There is hereby created within the Oklahoma Water
7 Resources Board the Well Drillers and Pump Installers Remedial
8 Action Indemnity Fund. The Indemnity Fund shall be administered by
9 the Board.

10 2. The Indemnity Fund shall be excluded from budget and
11 expenditure limitations. Except as otherwise provided by subsection
12 C of this section, the monies deposited in the Indemnity Fund shall
13 at no time become part of the general budget of the Oklahoma Water
14 Resources Board or any other state agency. Except as otherwise
15 provided by subsection C of this section, no monies from the
16 Indemnity Fund shall be transferred for any purpose to any other
17 state agency or any account of the Board or be used for the purpose
18 of contracting with any other state agency or reimbursing any other
19 state agency for any expenses. Monies in the Indemnity Fund shall
20 only be expended for remedial actions necessary, without notice and
21 hearing, to protect groundwater from pollution or potential
22 pollution from wells, or boreholes under the jurisdiction of the
23 Board that do not meet minimum standards for construction or that

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1 have been abandoned or as may be recommended by the Well Drillers
2 and Pump Installers Advisory Council.

3 3. The fees collected pursuant to subsection A of this section
4 shall be first credited to the "Well Drillers and Pump Installers
5 Remedial Action Indemnity Fund". The Indemnity Fund shall be
6 maintained at ~~Fifty Thousand Dollars (\$50,000.00)~~ Seventy-five
7 Thousand Dollars (\$75,000.00).

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

15 5. Except in situations where the Governor has declared an
16 emergency and a claim by the owner of the well or borehole for costs
17 of remedial action is not paid by private insurance or other relief,
18 the Board shall seek reimbursement as recommended by the Well
19 Drillers and Pump Installers Advisory Council for any remedial
20 action taken or required by the Board. Any monies received as
21 reimbursement shall be deposited in the Well Drillers and Pump
22 Installers Remedial Action Indemnity Fund except as otherwise
23 provided in subsection C of this section.

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1 C. When the Well Drillers and Pump Installers Remedial Action
2 Indemnity Fund reaches ~~Fifty Thousand Dollars (\$50,000.00)~~ Seventy-
3 five Thousand Dollars (\$75,000.00), the fees, monies received as
4 reimbursement, and administrative penalties recovered under
5 subsection E of this section shall be deposited in a separate
6 account in the Water Resources Board Revolving Fund designated as
7 the Well Drillers and Pump Installers Regulation Account, which
8 shall be a continuing account not subject to fiscal year
9 limitations. Monies in said account shall be used by the Board for
10 inspections, licensing, enforcement and education, reimbursing per
11 diem and travel costs for members of the Well Drillers and Pump
12 Installers Advisory Council pursuant to the State Travel
13 Reimbursement Act, and as otherwise determined to be necessary to
14 implement the provisions of this section.

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

22 E. The Board may, after notice and hearing, impose on any
23 person administrative penalties of up to ~~Five Hundred Dollars~~
24 ~~(\$500.00)~~ Five Thousand Dollars (\$5,000.00) and may revoke, suspend

1 or deny renewal of ~~the~~ any license or operator certification for
2 each violation of the ~~Board's~~ rules and regulations of the Board
3 regarding license or certification requirements, the requirement to
4 obtain a license or certification, or minimum construction or
5 installation standards. Each day a violation continues shall
6 constitute a separate violation. Such administrative penalties
7 shall be deposited in the Well Drillers and Pump Installers Remedial
8 Action Indemnity Fund except as otherwise provided in subsection C
9 of this section.

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

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

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

22 a. remedial actions to protect groundwater from pollution
23 or potential pollution from wells, or boreholes under
24 the jurisdiction of the Board which do not meet

1 minimum standards for construction or that have been
2 abandoned, and

3 b. inspections, licensing, enforcement and education by
4 the Board.

5 SECTION 2. This act shall become effective July 1, 2008.

6 SECTION 3. It being immediately necessary for the preservation
7 of the public peace, health and safety, an emergency is hereby
8 declared to exist, by reason whereof this act shall take effect and
9 be in full force from and after its passage and approval.

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11 51-2-10421 KB 02/28/08
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