

1 ENGROSSED HOUSE
2 BILL NO. 3135

By: Piatt of the House

and

Schulz of the Senate

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

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

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

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

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

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

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

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

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

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

21 C. When the Well Drillers and Pump Installers Remedial Action
22 Indemnity Fund reaches Fifty Thousand Dollars (\$50,000.00), the
23 fees, monies received as reimbursement, and administrative penalties
24 recovered under subsection E of this section shall be deposited in a

1 separate account in the Water Resources Board Revolving Fund
2 designated as the Well Drillers and Pump Installers Regulation
3 Account, which shall be a continuing account not subject to fiscal
4 year limitations. Monies in said account shall be used by the Board
5 for inspections, licensing, enforcement and education, reimbursing
6 per diem and travel costs for members of the Well Drillers and Pump
7 Installers Advisory Council pursuant to the State Travel
8 Reimbursement Act, and as otherwise determined to be necessary to
9 implement the provisions of this section.

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

17 E. The Board may, after notice and hearing, impose on any
18 person administrative penalties of up to ~~Five Hundred Dollars~~
19 ~~(\$500.00)~~ Five Thousand Dollars (\$5,000.00) and may revoke, suspend
20 or deny renewal of ~~the~~ any license or operator certification for
21 each violation of the ~~Board's rules and regulations~~ of the Board
22 regarding license or certification requirements, the requirement to
23 obtain a license or certification, or minimum construction or
24 installation standards. Each day a violation continues shall

1 constitute a separate violation. Such administrative penalties
2 shall be deposited in the Well Drillers and Pump Installers Remedial
3 Action Indemnity Fund except as otherwise provided in subsection C
4 of this section.

5 F. The Board is authorized to create a Well Drillers and Pump
6 Installers Advisory Council. The Board shall establish rules
7 stating the qualifications for membership and organization of the
8 Council. Meetings of the Council shall be held at the call of the
9 Executive Director of the Board. The Council shall have the
10 following duties:

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

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

17 a. remedial actions to protect groundwater from pollution
18 or potential pollution from wells, or boreholes under
19 the jurisdiction of the Board which do not meet
20 minimum standards for construction or that have been
21 abandoned, and

22 b. inspections, licensing, enforcement and education by
23 the Board.

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

1 SECTION 3. 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.

5 Passed the House of Representatives the 12th day of March, 2008.

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8 Presiding Officer of the House of
9 Representatives

10 Passed the Senate the ____ day of _____, 2008.

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13 Presiding Officer of the Senate

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