

THE HOUSE OF REPRESENTATIVES
Monday, March 3, 2008

Committee Substitute for
House Bill No. 3135

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 3135 - By: PIATT of the House
and _____ of the Senate.

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

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

1 SECTION 1. AMENDATORY 82 O.S. 2001, Section 1020.16, is amended to
2 read as follows:
3 Section 1020.16 A. All persons engaged in the commercial drilling or commercial
4 plugging of groundwater wells, monitoring wells, observation wells, wells utilized for
5 heat exchange purposes, including but not limited to heat pump wells and geothermal
6 wells, and in the commercial drilling or plugging of geotechnical borings and all persons
7 engaged in the commercial installation of water well pumps in this state shall make
8 application for and become licensed with the Board. After July 1, 1990, persons required
9 to be licensed pursuant to this section shall pay an annual fee as required by the Board.
10 Such fees shall be deposited and expended as provided in subsection B of this section.

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

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

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

20 4. Expenditures from the Indemnity Fund required pursuant to the provisions of
21 this section shall be made pursuant to the provisions of the Oklahoma Central
22 Purchasing Act upon terms and conditions established by the Department of Central

1 Services and shall not exceed ~~Five Thousand Dollars (\$5,000.00)~~ Fifteen Thousand
2 Dollars (\$15,000.00) for each well, borehole or pump for which action is taken.

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

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

21 D. Before any person or firm licensed pursuant to this section shall commence the
22 commercial drilling or plugging of any well or borehole or commence installation of any

1 pump, such person or firm shall file with the Board such data or information as the
2 Board may by rule require. After completion, the driller or installer shall file a
3 completion report showing such data as the Board may require together with a log of the
4 well and pumping test data if applicable.

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

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

- 18 1. To recommend rules to the Board, provided such written recommendations have
19 been concurred upon by a majority of the membership of the Council; and
- 20 2. To review and recommend approval or denial of use of monies in the Well Drillers
21 and Pump Installers Remedial Action Indemnity Fund for:

UNDERLINED language denotes Amendments to present Statutes.
BOLD FACE CAPITALIZED language denotes Committee Amendments.
~~Strike thru~~ language denotes deletion from present Statutes.

