

EHB 3135

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THE STATE SENATE  
Monday, April 7, 2008

ENGROSSED

House Bill No. 3135

ENGROSSED HOUSE BILL NO. 3135 - By: Piatt of the House and Schulz 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:

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

Section 1020.16 A. All persons engaged in the commercial drilling or commercial plugging of groundwater wells, monitoring wells, observation wells, wells utilized for heat exchange purposes, 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 pumps in this state shall make application for and become licensed with the Board. After July 1, 1990, persons required to be licensed pursuant to this section shall pay an annual fee as required by the

1 Board. Such fees shall be deposited and expended as provided in  
2 subsection B of this section+.

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

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

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

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

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

1 obtain a license or certification, or minimum construction or  
2 installation standards. Each day a violation continues shall  
3 constitute a separate violation. Such administrative penalties  
4 shall be deposited in the Well Drillers and Pump Installers Remedial  
5 Action Indemnity Fund except as otherwise provided in subsection C  
6 of this section.

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

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

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

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

1           b.    inspections, licensing, enforcement and education by  
2                    the Board.

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

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

8   COMMITTEE REPORT BY: COMMITTEE ON ENERGY AND ENVIRONMENT, dated  
9   4-3-08 - DO PASS.