

1 ENGROSSED SENATE  
2 BILL NO. 1314

By: Jech of the Senate

3 and

4 Newton of the House

5  
6 An Act relating to groundwater use; amending 82 O.S.  
7 2021, Section 1020.16, which relates to commercial  
8 drilling or plugging license; increasing cap of  
9 certain fund; increasing amount of allowable  
10 expenditures from certain fund; increasing amount by  
11 which certain funds must be transferred; updating  
12 statutory language; updating statutory reference; and  
13 providing an effective date.

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

15 SECTION 1. AMENDATORY 82 O.S. 2021, Section 1020.16, is  
16 amended to read as follows:

17 Section 1020.16. A. All persons engaged in the commercial  
18 drilling or commercial plugging of groundwater wells, monitoring  
19 wells, observation wells, wells utilized for heat exchange purposes,  
20 including, but not limited to, heat pump wells and geothermal wells,  
21 and in the commercial drilling or plugging of geotechnical borings  
22 and all persons engaged in the commercial installation of water well  
23 pumps in this state shall make application for and become licensed  
24 with the Oklahoma Water Resources Board. Persons required to be  
licensed pursuant to this section shall pay an annual fee as

1 required by the Board. The fees shall be deposited and expended as  
2 provided in subsection D of this section.

3 B. The Board may prepare examinations and establish other  
4 requirements for applicants to obtain, maintain, and renew licenses  
5 and operator certifications. The examinations shall test the  
6 knowledge and skills of:

7 1. Water well drillers in the construction, alteration, and  
8 repair of wells and boreholes, including proper sealing and  
9 abandonment of wells and boreholes, and the rules promulgated by the  
10 Board regarding water well and borehole drilling and plugging; and

11 2. Pump installers in the planning, installation, operation,  
12 and repair of pumping equipment and water wells including sealing  
13 and abandonment, pumping efficiency, and the rules promulgated by  
14 the Board regarding pump installation.

15 C. The Board may inspect any water well, monitoring well,  
16 boring, water well pump, or abandoned well and borehole. Upon  
17 consent of the owner of the land on which the well or borehole is  
18 located or as allowed by district court order, authorized  
19 representatives of the Board may enter upon and shall be given  
20 access to the premises for the purpose of inspection. If the Board  
21 finds noncompliance with applicable laws or rules or that a health  
22 hazard exists, the Board may disapprove use of the well and shall  
23 provide notice to the owner of the land on which the well is located  
24 and to the well driller, if known, of the disapproval. If a well

1 has been disapproved, it shall not be used until brought into  
2 compliance and any health hazard is eliminated. Any person  
3 aggrieved by the disapproval of a well may request a hearing before  
4 the Board.

5 D. 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 E 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 E 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)~~ One Hundred  
5 Thousand Dollars (\$100,000.00).

6           4. Expenditures from the Indemnity Fund required pursuant to  
7 the provisions of this section shall be made pursuant to the  
8 provisions of ~~The~~ the Oklahoma Central Purchasing Act upon terms and  
9 conditions established by the Office of Management and Enterprise  
10 Services and shall not exceed ~~Ten Thousand Dollars (\$10,000.00)~~  
11 Twenty-five Thousand Dollars (\$25,000.00) for each well, borehole,  
12 or pump for which action is taken.

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

23           E. When the Well Drillers and Pump Installers Remedial Action  
24 Indemnity Fund reaches ~~Fifty Thousand Dollars (\$50,000.00)~~ One

1 Hundred Thousand Dollars (\$100,000.00), the fees, monies received as  
2 reimbursement, and administrative penalties recovered under  
3 paragraph 1 of subsection G of this section shall be deposited in a  
4 separate account in ~~the Water Resources Board Revolving Fund~~ a  
5 revolving fund designated as the Well Drillers and Pump Installers  
6 Regulation Account, which shall be a continuing account not subject  
7 to fiscal year limitations. Monies in ~~said~~ such account shall be  
8 used by the Board for inspections, licensing, enforcement and  
9 education, reimbursing per diem and travel costs for members of the  
10 Well Drillers and Pump Installers Advisory Council pursuant to the  
11 State Travel Reimbursement Act, and as otherwise determined to be  
12 necessary to implement the provisions of this section.

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

21 G. 1. The Board may, after notice and hearing, impose on any  
22 person administrative penalties of up to Five Thousand Dollars  
23 (\$5,000.00) and may revoke, suspend, or deny renewal of any license  
24 or operator certification for each violation of the rules of the

1 Board regarding license or certification requirements, the  
2 requirement to obtain a license or certification, or minimum  
3 construction or installation standards. The administrative  
4 penalties shall be deposited in the Well Drillers and Pump  
5 Installers Remedial Action Indemnity Fund except as otherwise  
6 provided in subsection E of this section.

7       2. In addition to imposing administrative penalties, the Board  
8 may issue orders prohibiting actions by holders of valid licenses  
9 and operator certifications and by persons who are required to  
10 become licensed under the provisions of this section that constitute  
11 violations of rules promulgated pursuant to this section and  
12 requiring actions to remedy violations or other noncompliance with  
13 minimum standards rules for the construction of wells and borings,  
14 the plugging of wells and borings, and the commercial installation  
15 of water well pumps.

16       H. If a respondent fails, refuses, or neglects to comply with  
17 an order of the Board to pay an administrative penalty or to take  
18 certain action, the Board may present the matter to the Attorney  
19 General who is empowered to take action to collect the  
20 administrative penalty or to compel compliance with the order of the  
21 Board. One-half (1/2) of all penalties collected by the Attorney  
22 General shall be deposited in the Well Drillers and Pump Installers  
23 Regulation Account established pursuant to subsection E of this  
24 section and one-half (1/2) shall be deposited in the Attorney

1 General's Revolving Fund created in Section 20 of Title 74 of the  
2 Oklahoma Statutes.

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

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

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

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

20 b. inspections, licensing, the pursuit of enforcement  
21 action with the proper authorities and education by  
22 the Board.

23 SECTION 2. This act shall become effective November 1, 2026.

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