

1 **SENATE FLOOR VERSION**

2 February 5, 2026

3 SENATE BILL NO. 1314

By: Jech of the Senate

4 and

5 Newton of the House

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

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

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

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

1 licensed pursuant to this section shall pay an annual fee as
2 required by the Board. The fees shall be deposited and expended as
3 provided in subsection D of this section.

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

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

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

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

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

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

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~~ the Oklahoma Central Purchasing Act upon terms and
11 conditions established by the Office of Management and Enterprise
12 Services and shall not exceed ~~Ten Thousand Dollars (\$10,000.00)~~
13 Twenty-five Thousand Dollars (\$25,000.00) for each well, borehole,
14 or pump for which action is taken.

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

1 E. When the Well Drillers and Pump Installers Remedial Action
2 Indemnity Fund reaches ~~Fifty Thousand Dollars (\$50,000.00)~~ One
3 Hundred Thousand Dollars (\$100,000.00), the fees, monies received as
4 reimbursement, and administrative penalties recovered under
5 paragraph 1 of subsection G of this section shall be deposited in a
6 separate account in ~~the Water Resources Board Revolving Fund~~ a
7 revolving fund designated as the Well Drillers and Pump Installers
8 Regulation Account, which shall be a continuing account not subject
9 to fiscal year limitations. Monies in ~~said~~ such account shall be
10 used by the Board for inspections, licensing, enforcement and
11 education, reimbursing per diem and travel costs for members of the
12 Well Drillers and Pump Installers Advisory Council pursuant to the
13 State Travel Reimbursement Act, and as otherwise determined to be
14 necessary to implement the provisions of this section.

15 F. 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 commercial installation of any pump, the person
18 or firm shall file with the Board all data or information as the
19 Board may by rule require to assure the protection of the
20 groundwater in the well or borehole. After completion, the driller
21 shall file a completion report showing all such data together with a
22 log of the well and pumping test data if applicable.

23 G. 1. The Board may, after notice and hearing, impose on any
24 person administrative penalties of up to Five Thousand Dollars

1 (\$5,000.00) and may revoke, suspend, or deny renewal of any license
2 or operator certification for each violation of the rules of the
3 Board regarding license or certification requirements, the
4 requirement to obtain a license or certification, or minimum
5 construction or installation standards. The administrative
6 penalties shall be deposited in the Well Drillers and Pump
7 Installers Remedial Action Indemnity Fund except as otherwise
8 provided in subsection E of this section.

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

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

1 Regulation Account established pursuant to subsection E of this
2 section and one-half (1/2) shall be deposited in the Attorney
3 General's Revolving Fund created in Section 20 of Title 74 of the
4 Oklahoma Statutes.

5 I. 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, the pursuit of enforcement
23 action with the proper authorities and education by
24 the Board.

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

2 COMMITTEE REPORT BY: COMMITTEE ON ENERGY
3 February 5, 2026 - DO PASS
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