

An Act

ENROLLED 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; creating the Oklahoma Water Conservation Grant Program Act; directing the Oklahoma Water Resources Board to solicit and make water conservation project grants; stating goals and objectives of the grant program; defining certain term; specifying amounts of grants; making grants contingent upon funding; requiring projects to be models; giving certain examples; directing the Board to develop grant criteria and consideration process; directing the Board to promulgate rules; providing for codification; 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 Board. Such fees shall be deposited and expended as provided in subsection B of this section+.

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

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

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

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

5. Except in situations where the Governor has declared an emergency and a claim by the owner of the well or borehole for costs

of remedial action is not paid by private insurance or other relief, the Board shall seek reimbursement as recommended by the Well Drillers and Pump Installers Advisory Council for any remedial action taken or required by the Board. Any monies received as reimbursement shall be deposited in the Well Drillers and Pump Installers Remedial Action Indemnity Fund except as otherwise provided in subsection C of this section.

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

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

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

F. The Board is authorized to create a Well Drillers and Pump Installers Advisory Council. The Board shall establish rules

stating the qualifications for membership and organization of the Council. Meetings of the Council shall be held at the call of the Executive Director of the Board. The Council shall have the following duties:

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

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

- a. remedial actions to protect groundwater from pollution or potential pollution from wells, or boreholes under the jurisdiction of the Board which do not meet minimum standards for construction or that have been abandoned, and
- b. inspections, licensing, enforcement and education by the Board.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1088.1 of Title 82, unless there is created a duplication in numbering, reads as follows:

A. This section shall be known and may be cited as the "Oklahoma Water Conservation Grant Program Act".

B. The Oklahoma Water Resources Board shall solicit proposals for and make grants for the establishment of pilot programs which will implement water conservation projects or plans in communities in the state.

C. The goals and objectives of the grant program are to:

1. Increase the awareness of the public through education programs or public information campaigns regarding the value of our water resources and how water can be used more efficiently;

2. Provide assistance to communities or entities initiating water conservation plans, programs, and activities and to research and document the potential for improving water use efficiency through demonstration projects and other activities; and

3. Assist in the development of policies which will encourage the implementation of water conservation measures.

D. For purposes of this section, communities may include entire cities or towns, combined cities or towns, parts of cities or towns, or schools, groups or entities located within a community.

E. Contingent upon the availability of funding, the Board may award grants each year in an amount not to exceed Twenty-five Thousand Dollars (\$25,000.00) for each grant. The total amount of grants awarded each year shall not exceed Fifty Thousand Dollars (\$50,000.00).

F. The pilot projects shall be innovative programs that will serve as models for other communities in the state. Pilot projects may include, but are not limited to, community conservation demonstration projects, water use accounting programs, retrofit projects, school education projects, Xeriscape demonstration gardens, and information campaigns on capturing and using harvested rainwater and graywater.

G. The Board shall determine pilot project criteria and establish a process for the consideration of proposals. The proposals for pilot projects shall be considered on a statewide competitive basis. The Board shall promulgate rules for the operation of the projects.

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

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

Passed the House of Representatives the 19th day of May, 2008.

David Derby

Presiding Officer of the House of Representatives

Passed the Senate the 21st day of May, 2008.

Randy Brogdon

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Governor this 22nd
day of May, 2008,
at 3:55 o'clock P M.

By: *[Signature]*

Approved by the Governor of the State of Oklahoma the 2nd day of
June, 2008, at 3:34 o'clock P M.

Brad Cherry
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Secretary of State this _____
4th day of June, 2008,
at 1:40 o'clock P M.

By: *M. Susan Love*