

House Bill 2808

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor Tina Kotek for Water Resources Department)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act increases fees related to wells. The Act takes effect when the Governor signs it. (Flesch Readability Score: 77.1).

Increases certain fees related to wells.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to fees concerning wells; creating new provisions; amending ORS 537.747, 537.753 and
3 537.762 and section 4, chapter 496, Oregon Laws 2001; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 537.762 is amended to read:

6 537.762. (1) As used in this section:

7 (a) "Licensed or permitted person" means a person licensed under ORS 537.747 or permitted
8 under ORS 537.753 (4).

9 (b) "Start card" means a form containing all information required by the Water Resources De-
10 partment as a notification that a licensed or permitted person will commence work on a well.

11 (2) Each licensed or permitted person who has entered into a contract to construct, alter,
12 abandon or convert a well or cause a well to be constructed, altered, abandoned or converted shall,
13 not earlier than 60 days and not later than 72 hours before beginning work on the well, submit a
14 start card to the department containing:

15 (a) The name, telephone number, electronic mail address and post-office address of the owner
16 of the well.

17 (b) The approximate location of the well by county tax lot number, township, range, section and
18 nearest quarter-quarter section.

19 (c) The street address nearest to the proposed well.

20 (d) The latitude and longitude of the well as established by a global positioning system.

21 (e) The proposed depth and diameter of the well.

22 (f) The proposed purpose or use of the ground water from the proposed well.

23 (g) The time frame proposed for beginning and completing the construction, alteration, aban-
24 donment or conversion.

25 (h) The time frame proposed for annular seal placement.

26 (i) The well identification label number, if assigned.

27 (j) The water right application, permit or certificate number, if applicable.

28 (k) The original well log number, if applicable.

29 (L) The type of work proposed.

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

- 1 (m) Notification of any need for special standards.
- 2 (n) The signature and license number, if applicable, of the bonded and licensed or permitted
- 3 person who would undertake the work.
- 4 (o) For an existing well, the current purpose or use of the well and the existing depth and di-
- 5 ameter of the well.
- 6 (3) The department shall furnish a convenient means for licensed or permitted persons to submit
- 7 start card information under this section.
- 8 (4) A separate start card is required for each well that is constructed, altered, abandoned or
- 9 converted.
- 10 (5) A start card submitted under this section shall be confidential and maintained as such for
- 11 one year or until the well log required under ORS 537.765 is received by the department, whichever
- 12 is earlier. Nothing in this subsection prohibits the department from using a start card for enforce-
- 13 ment actions during the period the start card is confidential.
- 14 (6) On the date that work on the well commences, the licensed or permitted person shall, before
- 15 commencing work, notify the department that the work is about to commence. If the proposed date
- 16 of seal placement is not the date proposed on the start card required by this section, the licensed
- 17 or permitted person shall notify the department of the change at least four hours before placing the
- 18 seal.
- 19 (7) The Water Resources Commission may adopt rules establishing precision requirements and
- 20 standards for global positioning system equipment used to obtain information submitted under sub-
- 21 section (2) of this section.
- 22 (8) Unless the licensed or permitted person submitting a start card under this section has re-
- 23 quested and received an extension, a start card expires if construction, alteration, abandonment or
- 24 conversion of a well does not begin on or before 60 days after submission of the start card. If a start
- 25 card expires, a new start card and fee must be submitted in compliance with this section before
- 26 construction, alteration, abandonment or conversion of the well may occur. If a start card is with-
- 27 drawn before expiring, the licensed or permitted person that submitted the start card may request
- 28 that the fee paid for the withdrawn start card be transferred to a new start card.
- 29 (9) The commission may establish by rule an exception to any time frame established in this
- 30 section for areas requiring special standards and for any other purpose identified by the commission.
- 31 (10) The requirement in subsection (2) of this section that a licensed or permitted person must
- 32 submit a start card not earlier than 60 days and not later than 72 hours before beginning work on
- 33 a well does not apply:
 - 34 (a) To a second or additional water well drilled on the same or a contiguous tax lot for the same
 - 35 landowner and for which a valid unexpired start card has been submitted pursuant to this section,
 - 36 if a start card for the second or additional water well is filed not later than the day the work on
 - 37 the water well begins.
 - 38 (b) During water emergencies or casing height adjustments, if a start card is submitted before
 - 39 work begins.
- 40 (11) The Water Resources Director may, for good cause in exigent circumstances, waive any
- 41 time frame established by this section.
- 42 (12) Each start card submitted under this section for the construction of a new well, deepening
- 43 of an existing well or conversion of a well shall be accompanied by a fee of [~~\$350~~] **\$490**. A start
- 44 card shall be submitted to the department by electronic means, unless the department authorizes a
- 45 different means of submission.

1 (13) The moneys paid to the department under subsection (12) of this section shall be paid into
 2 the Water Resources Department Operating Fund. All interest, if any, from moneys received under
 3 subsection (12) of this section shall inure to the benefit of the department. Such moneys and interest
 4 earned on such moneys are continuously appropriated to the department to be used to pay the costs
 5 of the department to employ personnel to inspect wells and well construction.

6 **SECTION 2.** ORS 537.747 is amended to read:

7 537.747. (1) No person shall advertise services to construct, alter, abandon or convert wells, of-
 8 fer to enter or enter into a contract with another person or public agency to construct, alter,
 9 abandon or convert a well for such other person, cause any well construction, alteration, abandon-
 10 ment or conversion to be performed under such a contract or operate well drilling machinery with-
 11 out possessing a water well constructor's license therefor in good standing issued by the Water
 12 Resources Department. The department shall adopt a single water well constructor's license that
 13 may specify the type of well, type of well alteration or construction or type of well drilling machine
 14 operation for which the water well constructor is qualified.

15 (2) Notwithstanding subsection (1) of this section, a person may operate a well drilling machine
 16 without a water well constructor's license if supervised by one who possesses such a license.

17 (3) A person shall be qualified to receive a water well constructor's license if the person:

18 (a) Is at least 18 years of age.

19 (b) Has passed a written examination conducted by the department to determine fitness to op-
 20 erate as a water well constructor.

21 (c) Has paid a license fee and an examination fee according to the fee schedule set forth under
 22 subsection (6) of this section.

23 (d) Has one year or more experience in the operation of well drilling machinery.

24 (e) Provides evidence that the person has completed an arc welding training course from a
 25 community college, received a professional welding certification, passed a welding proficiency test
 26 or otherwise completed professional welding training, if the evidence is required under rules adopted
 27 by the Water Resources Commission that are based on the type of well for which the water well
 28 constructor is qualified.

29 (4) Upon fulfillment of all the requirements set out in subsection (3) of this section, the depart-
 30 ment shall issue the applicant a water well constructor's license in a form prescribed by the de-
 31 partment. The license may be issued for a period of two years.

32 (5) A water well constructor's license shall expire on June 30 or on such date as may be speci-
 33 fied by department rule. A person may renew a license by submitting an application and the appro-
 34 priate fees any time before the license expires but not later than one year after the license expires.
 35 A person who renews a license within the 12 months after the license expires may either pay a
 36 penalty fee set forth under subsection (6)(d) of this section or requalify for a water well
 37 constructor's license in accordance with subsection (3) of this section. If a person fails to renew a
 38 license within 12 months after expiration, the person must comply with the requirements of sub-
 39 section (3) of this section for a new water well constructor's license.

40 (6) The department shall collect in advance the following fees:

41 (a) An examination fee of [~~\$20~~] **\$25**.

42 (b) A license fee of [~~\$150~~] **\$165**.

43 (c) A renewal fee of [~~\$150~~] **\$165**, if the license is renewed on or before the expiration date.

44 (d) Unless a person requalifies for a water well constructor's license in accordance with sub-
 45 section (3) of this section, a water well constructor shall pay a renewal fee of [~~\$250~~] **\$275** if an ex-

1 pired license is renewed on or before 12 months after the expiration date.

2 (e) If a person requalifies for a water well constructor’s license under subsection (3) of this
 3 section, the person shall pay the renewal fee established under paragraph (c) of this subsection.

4 (7) The department may revoke, suspend or refuse to renew any water well constructor’s license
 5 when it appears to the satisfaction of the department, after notice and opportunity to be heard by
 6 the licensee, that the licensee has failed to comply with the provisions of ORS 537.505 to 537.795
 7 and 537.992 applicable to such licensee or any order or rule adopted thereunder applicable to such
 8 licensee, or has made a material misrepresentation or material misstatement of fact on an applica-
 9 tion for a license or well log or established a pattern of conduct that willfully or negligently violates
 10 any provision of ORS 537.505 to 537.795 and 537.992, or any rule adopted pursuant thereto, applica-
 11 ble to such licensee.

12 (8) The requirement in subsection (3)(d) of this section does not apply to any person who, on
 13 July 1, 1981, holds the license required by this section and who continues thereafter to maintain the
 14 license in good standing.

15 (9) The requirement in subsection (3)(e) of this section does not apply to any person who, on July
 16 1, 2023, holds the license required by this section and who continues thereafter to maintain the li-
 17 cense in good standing.

18 (10) If the department observes a welding deficiency on a well, the department may order the
 19 licensee who welded the well to, within a reasonable time, complete an arc welding training course
 20 from a community college, acquire a professional welding certification, pass a welding proficiency
 21 test or otherwise complete professional welding training.

22 (11) The fees collected under subsection (6) of this section shall be paid into the Water Re-
 23 sources Department Water Right Operating Fund. Such moneys are continuously appropriated to the
 24 Water Resources Department to pay the department’s expenses in administering and enforcing the
 25 water well constructor’s licensing program.

26 **SECTION 3.** ORS 537.753 is amended to read:

27 537.753. (1) Any person who contracts or offers services to contract to construct, alter, abandon
 28 or convert wells shall have in effect a surety bond or an irrevocable letter of credit issued by an
 29 insured institution, as defined in ORS 706.008, running to the State of Oregon in the sum of \$20,000,
 30 ensuring that in the construction, alteration, abandonment or conversion of wells, the principal shall
 31 comply with all the provisions of ORS 537.505 to 537.795 and 537.992 that are applicable to such
 32 construction, alteration, abandonment or conversion and to the rules and standards of well con-
 33 struction, alteration, abandonment and conversion that have been prescribed by the Water Re-
 34 sources Commission. The bond or letter of credit shall be filed with the Water Resources
 35 Commission.

36 (2) The Water Resources Commission or any person injured by failure of a water well
 37 constructor to comply with the provisions of the bond or letter of credit has a right of action on the
 38 bond or letter of credit in the name of the injured person. However, the aggregate liability of the
 39 surety or letter of credit issuer to all such persons may not exceed the sum of the bond or letter
 40 of credit.

41 (3) A proceeding against the bond or letter of credit under subsection (2) of this section may
 42 not be commenced unless the commission notifies the water well constructor of the alleged violation
 43 within three years after the date the water well report is filed with the commission.

44 (4) If a well is to be constructed, altered, abandoned or converted by a person that is not li-
 45 censed under ORS 537.747 on property owned by that person, the person shall obtain a permit from

1 the commission before beginning work. Application for the permit shall be in the form prescribed
 2 by the commission and must be accompanied by a fee of [~~\$500~~] **\$550**. At the time of filing the permit,
 3 the applicant also shall submit to the commission a bond or an irrevocable letter of credit issued
 4 by an insured institution as defined in ORS 706.008 running to the State of Oregon in the sum of
 5 \$10,000, ensuring that in the construction, alteration, abandonment or conversion of the well the
 6 landowner shall comply with all the provisions of ORS 537.505 to 537.795 and 537.992 that are ap-
 7 plicable to the construction, alteration, abandonment or conversion of wells and to the rules and
 8 standards of well construction, alteration, abandonment and conversion that have been prescribed
 9 by the commission. Before the person who constructs, alters, abandons or converts a well referred
 10 to in this subsection seals the well, the person must give 10 days' written notice to the Water Re-
 11 sources Department so department personnel can be present to observe the work. After expiration
 12 of the notice period, the well may be sealed even if the department has not caused the well to be
 13 inspected.

14 **SECTION 4.** Section 4, chapter 496, Oregon Laws 2001, as amended by section 2, chapter 221,
 15 Oregon Laws 2007, is amended to read:

16 **Sec. 4.** (1) The Well Constructors Continuing Education Committee shall recommend to the
 17 Water Resources Commission a process for reviewing and approving continuing education require-
 18 ments for licensed water well constructors established by rule pursuant to subsection (2) of this
 19 section.

20 (2) The commission shall adopt rules necessary for the administration of a continuing education
 21 program for licensed water well constructors consistent with the recommendations of the committee.

22 (3) The rules adopted by the commission under this section for the continuing education program
 23 shall:

24 (a) Authorize the committee to review and approve continuing education courses and to assign
 25 continuing education credits.

26 (b) At a minimum require, for renewal of a license issued under ORS 537.747, that an applicant:

27 (A) Through clinics, schools, professional organizations or seminars, lectures or other courses
 28 of study that relate to the practice of well construction and that are approved by the committee,
 29 obtain continuing education credits during each licensing period in an amount designated by the
 30 commission, but not to exceed 14 credits; and

31 (B) Furnish proof on a form approved by the committee that the applicant has complied with the
 32 continuing education requirements during the preceding licensing period unless the applicant is ex-
 33 empt under subsection (4) of this section.

34 (4) The commission may waive the continuing education requirements established by rule pur-
 35 suant to subsection (2) of this section for a licensed water well constructor if the constructor sub-
 36 mits satisfactory evidence of inability to attend continuing education courses because of health,
 37 military duty or other circumstances beyond the control of the constructor.

38 (5) For courses sponsored by the Water Resources Department, the fee for one continuing edu-
 39 cation credit is [~~\$40~~] **\$45**, and the total fees per day may not exceed [~~\$250~~] **\$275**.

40 (6) The fees collected under this section for continuing education courses sponsored by the de-
 41 partment shall be paid into the Water Resources Department Water Right Operating Fund.
 42 Notwithstanding ORS 536.009, such moneys shall be used to pay the department's expenses associ-
 43 ated with conducting continuing education courses.

44 (7) At the time of application to renew a water well constructor's license pursuant to ORS
 45 537.747 (5), a person shall provide the department with evidence of compliance with the continuing

1 education requirements established pursuant to this section.

2 **SECTION 5.** If this 2025 Act becomes law after July 1, 2025, the Legislative Assembly
3 intends that this 2025 Act shall apply retroactively to July 1, 2025. Fees charged by the Water
4 Resources Commission or the Water Resources Department consistent with the amendments
5 to ORS 537.747, 537.753 and 537.762 and section 4, chapter 496, Oregon Laws 2001, by sections
6 1 to 4 of this 2025 Act, for services provided on or after July 1, 2025, and prior to the effective
7 date of this 2025 Act are ratified and declared valid.

8 **SECTION 6.** This 2025 Act being necessary for the immediate preservation of the public
9 peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect
10 on its passage.

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