

HB 2145 A STAFF MEASURE SUMMARY**House Committee On Water****Action Date:** 04/01/21**Action:** Do pass with amendments and be referred to Ways and Means by prior reference.
(Printed A-Eng.)**Vote:** 8-0-0-0**Yeas:** 8 - Breese-Iverson, Helm, Leif, Owens, Reardon, Reynolds, Wilde, Witt**Fiscal:** Fiscal impact issued**Revenue:** No revenue impact**Prepared By:** Allison Daniel, LPRO Analyst**Meeting Dates:** 2/18, 3/23, 4/1**WHAT THE MEASURE DOES:**

Establishes Water Well Abandonment, Repair, and Replacement Fund (Fund) with an operative date of January 1, 2022. Establishes that well “repair” may include well deepening. Continuously appropriates moneys in Fund to the Water Resources Department (WRD) to carry out program provisions including, but not limited to, providing financial assistance for the following: a person or member of a federally recognized Indian tribe in Oregon to permanently abandon, repair, or replace a well used for household purposes; nonprofit, governmental, or other institution meeting qualifications to permanently abandon, repair, or replace well used for household purposes; as cost-sharing with other programs to permanently abandon, repair, or replace well used for household purposes; or to pay the cost of direct services by licensed well constructor to abandon, repair, or replace well. Requires institution, if receiving funding from WRD, to use accounting, auditing, and fiscal procedures that conform with government accounting standards; give preference to persons of lower or moderate income and to small businesses that do not qualify for other financing; demonstrate past success in offering and managing loans or grants to persons of lower income or persons representing a wide range of qualifications for credit; and have a plan for engaging stakeholders in outreach and marketing efforts for loan or grant program. Prohibits financial assistance from exceeding 75 percent of cost to permanently abandon a well; 75 percent of cost to repair or replace a well used for household purposes; or 50 percent of cost to develop program to permanently abandon, repair, or replace a well when paid to specified institutions. Allows financial assistance provided to individual with lower income to cover full cost of materials and work needed to abandon, repair, or replace a well used for household purposes. Subjects fund expenditures to at least one of the following purposes: permanent abandonment, repair, or replacement of wells in which deficiencies in well construction might result in water waste or ground water decline, serve as a conduit for contamination, or otherwise be detrimental to public health or safety; repair or replacement of wells used for household purposes by persons of lower or moderate income; replacement of wells used for household purposes in areas of declining ground water where other water sources are not feasible; abandonment, repair, or replacement of wells consistent with water resources management practices approved by the Water Resources Commission (Commission); or abandonment, repair, or replacement of water wells damaged from natural disasters. Adds requirement that, prior to receiving well constructor license, person provides evidence of completing arc welding training course, holding professional welding certification, or passing welding proficiency test or other training unless, as of July 1, 2023, person holds license and continues to maintain license in good standing. Authorizes WRD, if welding deficiency is observed, to require licensee to complete arc welding training course, acquire professional welding certification, pass welding proficiency test, or otherwise complete professional welding training. Provisions apply to license issuance, requalification, or renewal for which application is received by WRD on or after July 1, 2023. Changes amount of fee to be submitted with well report from \$225 to \$350. Defines “start card” as a form containing all information required by WRD as notification that well constructor will commence work on a well. Specifies requirement to electronically submit

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start card to WRD not earlier than 60 days and not later than 72 hours before beginning work on a well, unless work is being done on an additional water well drilled on the same or a contiguous tax lot for the same landowner for which a start card has been submitted, or during water emergencies or casing height adjustments if a start card is submitted before work begins. Establishes that start card expires if time requirements are not met; allows Commission to establish an exception to any established time frame for areas requiring special standards. Adds requirement that start card include the following: street address nearest to the proposed well; latitude and longitude of well as established by a global positioning system; proposed time frame for beginning and ending construction, alteration, abandonment, or conversion; proposed time frame for annular seal placement; well identification number; water right application, permit, or certificate number; type of work proposed and notification of any need for special standards; signature and license number of person undertaking the work; and, for an existing well, the current purpose or use, depth, and diameter of the well. Provisions apply to information submitted to WRD on or after July 1, 2023, relating to proposed construction, alteration, abandonment, or conversion of a well. Directs WRD to, no more than 120 days after a well log is submitted, review well log to identify any deficiencies and assess compliance with standards in effect when well was constructed, altered, abandoned, or converted, and notify the person who submitted the well log that the review has been completed. Provisions of well log review become operative on July 1, 2022 and apply to well logs submitted on or after operative date. Directs WRD, having not already done so, to assign identification number to a well not more than 10 days after receiving application for identification number. Directs licensed person filing a log to include in the log the identification number provided by WRD and affix the identification number to the well not more than 30 days following well completion. Changes membership of Well Constructors Continuing Education Committee as follows: removes representative of the regulatory community, adds one person representing WRD, adds one person with expertise in ground water quality or public health, and adds one person with expertise in employee safety. Directs WRD to, on or before January 31, 2023 and on or before January 31, 2025, report to a legislative committee on water on WRD's review of well logs and inspection of wells, including the following: the number of well logs WRD has identified as having deficiencies and the nature of those deficiencies; the number of inspected wells having deficiencies that were recorded on well logs; and WRD's workload associated with reviewing well logs and inspecting wells.

ISSUES DISCUSSED:

- Start card fee and process
- Landowner liability of well inspection
- Ability of well constructors to conduct self-inspection
- Use of funds for existing wells in need of repair
- Staff capacity for statewide well log reviews

EFFECT OF AMENDMENT:

Replaces the measure.

BACKGROUND:

According to the Water Resources Department (WRD), Oregon currently has over 250,000 known wells, and several thousand new wells are built each year. Well uses range from providing drinking water and water for irrigation and industry to informing ground water levels throughout the state. To monitor ground water, WRD has a network of approximately 1,100 observation wells that provide information on current ground water availability and long-term trends.

The Water Resources Commission is responsible for adopting and enforcing general rules and standards relating to the construction and maintenance of wells. A start card submitted to WRD serves as notice of intent to construct a well. A well log is a document that contains information about the well and the ground surrounding it, including a history of pump installation, ground water level and quality, and general maintenance. Well contractors file logs with the state upon completion of a new well and when maintenance or alterations to a well

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have occurred.

House Bill 2145 A would establish the Water Well Abandonment, Repair, and Replacement Fund and continuously appropriate moneys in the fund to WRD to provide financial assistance for well abandonment, repair, or replacement; create additional qualification required for receipt of well constructor's license and create condition for license renewal; change the composition of the Well Constructors Continuing Education Committee; and require WRD to report to a legislative committee on well log reviews and well inspection.