

A-Engrossed
House Bill 2145

Ordered by the House April 7
Including House Amendments dated April 7

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor Kate Brown 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.

[Limits time for Water Resources Commission to enforce standards related to wells against well constructor.]

Establishes Water Well Abandonment, Repair and Replacement Fund. Continuously appropriates moneys in fund to Water Resources Department for purpose of providing financial assistance to persons and certain institutions to carry out well abandonment, repair or replacement.

Creates additional qualification required for receipt of water well constructor's license. Creates exception for existing licensees.

Creates condition for renewal of water well constructor's license. *[Allows department to waive condition.]*

Changes requirements for submission of information to commission prior to commencing work on well. Requires commission rulemaking. Requires that submission of information after July 1, 2024, be in electronic form.

Changes composition of Well Constructors Continuing Education Committee. *[Changes fee provision for continuing education sponsored by department.]* Extends sunset for provisions regarding well constructor continuing education.

A BILL FOR AN ACT

1
2 Relating to the performance of work on wells; creating new provisions; and amending ORS 536.090,
3 536.750, 536.900, 537.545, 537.747, 537.753, 537.762, 537.763, 537.765, 537.780, 537.789 and 537.791
4 and sections 2 and 7, chapter 496, Oregon Laws 2001.

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

6 **SECTION 1. Sections 2 and 3 of this 2021 Act are added to and made a part of ORS 537.747**
7 **to 537.795.**

8 **SECTION 2. The Water Well Abandonment, Repair and Replacement Fund is established**
9 **in the State Treasury, separate and distinct from the General Fund. Interest earned by the**
10 **Water Well Abandonment, Repair and Replacement Fund shall be credited to the fund.**
11 **Moneys in the fund are continuously appropriated to the Water Resources Department for**
12 **the purpose of carrying out the program purposes described in section 3 of this 2021 Act. The**
13 **fund shall consist of any moneys designated for deposit in the fund or for carrying out the**
14 **program purposes, including but not limited to appropriations or other provisions of moneys**
15 **by the Legislative Assembly and public or private moneys from gifts, grants or donations.**

16 **SECTION 3. (1) As used in this section, "repair" may include, but is not limited to, a well**
17 **deepening.**

18 **(2) Moneys in the Water Well Abandonment, Repair and Replacement Fund may be dis-**
19 **burged under authority of the Water Resources Director for the purposes described in this**
20 **section. The Water Resources Department may disburse moneys from the fund to provide**

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 **financial assistance:**

2 (a) To a person, as defined in ORS 536.007, or member of a federally recognized Indian
3 tribe in Oregon to permanently abandon a water well or to repair or replace a water well that
4 is used for household purposes;

5 (b) To nonprofit, governmental or other institutions that meet qualifications established
6 by Water Resources Commission rules, for programs to permanently abandon water wells
7 and to repair or replace water wells used for household purposes;

8 (c) As cost-sharing with other programs to permanently abandon water wells and to re-
9 pair or replace water wells used for household purposes; or

10 (d) To pay the cost of direct services of a water well constructor licensed under ORS
11 537.747 to purchase necessary materials and perform the work needed for abandoning, re-
12 pairing or replacing water wells that are eligible under this section.

13 (3) Except as provided in subsection (4) of this section, financial assistance provided un-
14 der subsection (2) of this section may not exceed:

15 (a) 75 percent of the cost to permanently abandon a water well;

16 (b) 75 percent of the cost to repair or to replace a water well used for household pur-
17 poses; or

18 (c) 50 percent of the cost of developing a program to permanently abandon, repair or
19 replace water wells, when paid to an institution described in subsection (2)(b) of this section.

20 (4) Notwithstanding subsection (3) of this section, financial assistance provided under
21 subsection (2) of this section to an individual with lower income, as defined by the depart-
22 ment, may cover the full cost of the materials or work described in subsection (2) of this
23 section.

24 (5) An expenditure from the fund is subject to at least one of the following purposes:

25 (a) The permanent abandonment, repair or replacement of water wells in which defi-
26 ciencies in the well construction might:

27 (A) Result in waste, loss of artesian pressure or ground water declines;

28 (B) Serve as a conduit for contamination; or

29 (C) Otherwise be a detriment to public health or safety.

30 (b) The repair or replacement of water wells used for household purposes by persons of
31 lower or moderate income.

32 (c) The replacement of water wells used for household purposes in areas of declining
33 ground water levels where other sources of water for household purposes are not feasible.

34 (d) The abandonment, repair or replacement of water wells consistent with water re-
35 sources management purposes specified by rule by the commission.

36 (e) The abandonment, repair or replacement of water wells damaged due to natural dis-
37 asters.

38 (6) If the department provides funding to an institution under subsection (2)(b) of this
39 section, the department shall require that the institution:

40 (a) Use accounting, auditing and fiscal procedures that conform with generally accepted
41 government accounting standards;

42 (b) Give preference to persons of lower or moderate income and to small businesses that
43 do not qualify for other financing;

44 (c) Demonstrate past success in offering, underwriting, servicing and managing loans or
45 grants to:

1 (A) Persons of lower or moderate income; or

2 (B) Persons representing a wide range of qualifications for credit; and

3 (d) Have a plan for engaging other stakeholders in outreach and marketing efforts for a
4 loan or grant program.

5 (7) The department may enter into contracts, intergovernmental agreements or other
6 arrangements with public or private entities for any purposes consistent with this section.

7 (8) The commission may adopt rules to implement this section, including rules that:

8 (a) Prioritize the issuance of the funding for a purpose described in subsection (5) of this
9 section.

10 (b) Establish a preference for providing the funding to individuals of moderate or lower
11 income.

12 (c) Establish that the funding may only be provided to individuals of moderate or lower
13 income.

14 **SECTION 4.** ORS 536.090 is amended to read:

15 536.090. (1) In carrying out the duties, functions and powers prescribed by law, the Water Re-
16 sources Commission shall appoint a ground water advisory committee to:

17 (a) Advise the commission on all matters relating to:

18 (A) Rules for the development, securing, use and protection of ground water; and

19 (B) Licensing of well constructors, including the examination of such persons for license.

20 (b) Review the proposed expenditure of all revenues generated under ORS 537.762 [(5)]. At least
21 once each year, and before the expenditure of such funds on new program activities, the Water Re-
22 sources Department and the ground water advisory committee shall develop jointly a proposed ex-
23 penditure plan for concurrence by the Water Resources Commission. The plan may be modified, if
24 necessary, upon the joint recommendation of the department and the ground water advisory com-
25 mittee with concurrence by the commission.

26 (2) The committee shall consist of nine members who represent a range of interests or expertise.
27 At least three of the members shall be individuals actively engaged in some aspect of the water
28 supply or monitoring well drilling industry. Members shall serve for such terms as the commission
29 may specify. The committee shall meet at least once every three months and at other times and
30 places as the commission may specify.

31 (3) A member of the committee shall not receive compensation, but at the discretion of the
32 commission may be reimbursed for travel expenses incurred, subject to ORS 292.495.

33 **SECTION 5.** ORS 536.750 is amended to read:

34 536.750. (1) Notwithstanding any provision of ORS chapters 536 to 543A, after a declaration that
35 a severe, continuing drought exists, the Water Resources Commission may:

36 (a) Issue without first conducting a hearing under ORS 537.170, a temporary permit for an
37 emergency use of water;

38 (b) Allow a temporary change in use, place of use or point of diversion of water without com-
39 plying with the notice and waiting requirements under ORS 540.520;

40 (c) Notwithstanding the priority of water rights, grant preference of use to rights for human
41 consumption or stock watering use;

42 (d) Waive the notice requirements under ORS 537.753 and the [report] **start card** required under
43 ORS 537.762;

44 (e) Allow a temporary exchange of water without giving notice as required under ORS 540.535;
45 and

1 (f) Utilize an expedited notice and waiting requirement established by rule for the substitution
2 of a supplemental ground water right for a primary water right under drought conditions in place
3 of the notice and waiting requirement provided in ORS 540.524.

4 (2) The commission by rule may establish procedures for carrying out the provisions of this
5 section and a schedule of fees that must accompany a request under subsection (1) of this section.

6 **SECTION 6.** 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**
25 **a community college, received a professional welding certification, passed a welding profi-**
26 **ciency test or otherwise completed professional welding training.**

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

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

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

39 (a) An examination fee of \$20.

40 (b) A license fee of \$150.

41 (c) A renewal fee of \$150, **if the license is renewed on or before the expiration date.**

42 (d) Unless a person requalifies for a water well constructor's license in accordance with sub-
43 section (3) of this section, a water well constructor shall pay a renewal fee of \$250 if *[the]* **an ex-**
44 **pired** license is renewed *[within]* **on or before** 12 months after **the** expiration date.

45 (e) If a person requalifies for a water well constructor's license under subsection (3) of this

1 section, the person shall pay the renewal fee established under paragraph (c) of this subsection.

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

10 (8) The *[provisions of]* **requirement in** subsection (3)(d) of this section *[requiring one year or*
11 *more experience in the operation of well drilling machinery do]* **does** not apply to any person who,
12 on July 1, 1981, holds the license required by this section and who continues thereafter to maintain
13 the license in good standing.

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

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

21 [(9)] (11) The fees collected under subsection (6) of this section shall be paid into the Water
22 Resources Department Water Right Operating Fund. Such moneys are continuously appropriated to
23 the Water Resources Department to pay the department's expenses in administering and enforcing
24 the water well constructor's licensing program.

25 **SECTION 7.** ORS 537.753 is amended to read:

26 537.753. (1) Any person who contracts or offers services to contract to construct, alter, abandon
27 or convert wells shall have in effect a surety bond or an irrevocable letter of credit issued by an
28 insured institution, as defined in ORS 706.008, running to the State of Oregon in the sum of \$20,000,
29 ensuring that in the construction, alteration, abandonment or conversion of wells, the principal shall
30 comply with all the provisions of ORS 537.505 to 537.795 and 537.992 that are applicable to such
31 construction, alteration, abandonment or conversion and to the rules and standards of well con-
32 struction, alteration, abandonment and conversion that have been prescribed by the Water Re-
33 sources Commission. The bond or letter of credit shall be filed with the Water Resources
34 Commission.

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

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

43 (4) If a well is to be constructed, altered, abandoned or converted by a person that is not li-
44 censed under ORS 537.747 on property owned by that person, the person shall obtain a permit from
45 the commission before beginning work. Application for the permit shall be in the form prescribed

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

14 **SECTION 8.** ORS 537.762 is amended to read:

15 537.762. (1) Each person required to possess a license under ORS 537.747 who has entered into
 16 a contract to construct, alter, abandon or convert a well or cause a well to be constructed, altered,
 17 abandoned or converted shall, before beginning work on the well, make a report to the Water Re-
 18 sources Commission containing:

19 (a) The name and post-office address of the owner of the well.

20 (b) The approximate location of the well.

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

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

23 (2) The commission shall furnish a convenient means for submitting the reports referred to in
 24 subsection (1) of this section to each person who possesses a license under ORS 537.747.

25 (3) A separate report shall be furnished under subsection (1) of this section for each well that
 26 is constructed, altered, abandoned or converted.

27 (4) The report furnished under subsection (1) of this section shall be confidential and maintained
 28 as such for one year or until the well log required under ORS 537.765 is received by the commission,
 29 whichever is earlier. Nothing in this subsection prohibits the commission from using the report for
 30 enforcement actions during the period the report is considered confidential.

31 (5) Each report form submitted under subsection (1) of this section for the construction of a new
 32 well, deepening of an existing well, or conversion of a well shall be accompanied by a fee of [~~\$225~~]
 33 **\$350**. Notwithstanding the fee established pursuant to this subsection, the commission may adopt by
 34 rule a reduced fee for persons submitting materials to the Water Resources Department in a digital
 35 format approved by the department.

36 (6) The moneys paid to the commission under subsection (5) of this section shall be paid into the
 37 Water Resources Department Operating Fund. All interest, if any, from moneys received under
 38 subsection (5) of this section shall inure to the benefit of the Water Resources Department. Such
 39 moneys and interest earned on such moneys are continuously appropriated to the department to be
 40 used to pay the costs of the department to employ personnel to inspect wells and well construction.

41 **SECTION 9.** ORS 537.762, as amended by section 8 of this 2021 Act, is amended to read:

42 537.762. (1) **As used in this section:**

43 (a) **“Licensed or permitted person” means a person licensed under ORS 537.747 or per-**
 44 **mitted under ORS 537.753 (4).**

45 (b) **“Start card” means a form containing all information required by the Water Re-**

1 **sources Department as a notification that a licensed or permitted person will commence**
2 **work on a well.**

3 [(1)] (2) Each [person required to possess a license under ORS 537.747] **licensed or permitted**
4 **person** who has entered into a contract to construct, alter, abandon or convert a well or cause a
5 well to be constructed, altered, abandoned or converted shall, **not earlier than 60 days and not**
6 **later than 72 hours** before beginning work on the well, [make a report] **submit a start card** to the
7 [Water Resources Commission] **department** containing:

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

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

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

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

14 [(c)] (e) The proposed depth and diameter of the well.

15 [(d)] (f) The proposed purpose or use of the ground water from the **proposed** well.

16 (g) **The time frame proposed for beginning and completing the construction, alteration,**
17 **abandonment or conversion.**

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

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

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

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

22 (L) **The type of work proposed.**

23 (m) **Notification of any need for special standards.**

24 (n) **The signature and license number, if applicable, of the bonded and licensed or per-**
25 **mitted person who would undertake the work.**

26 (o) **For an existing well, the current purpose or use of the well and the existing depth**
27 **and diameter of the well.**

28 [(2) The commission shall furnish a convenient means for submitting the reports referred to in
29 subsection (1) of this section to each person who possesses a license under ORS 537.747.]

30 (3) **The department shall furnish a convenient means for licensed or permitted persons**
31 **to submit start card information under this section.**

32 [(3)] (4) A separate [report shall be furnished under subsection (1) of this section] **start card is**
33 **required** for each well that is constructed, altered, abandoned or converted.

34 [(4)] (5) [The report furnished under subsection (1) of] **A start card submitted under** this section
35 shall be confidential and maintained as such for one year or until the well log required under ORS
36 537.765 is received by the [commission] **department**, whichever is earlier. Nothing in this subsection
37 prohibits the [commission] **department** from using [the report] **a start card** for enforcement actions
38 during the period the [report] **start card** is [considered] confidential.

39 (6) **On the date that work on the well commences, the licensed or permitted person shall,**
40 **before commencing work, notify the department that the work is about to commence. If the**
41 **proposed date of seal placement is not the date proposed on the start card required by this**
42 **section, the licensed or permitted person shall notify the department of the change at least**
43 **four hours before placing the seal.**

44 (7) **The Water Resources Commission may adopt rules establishing precision require-**
45 **ments and standards for global positioning system equipment used to obtain information**

1 submitted under subsection (2) of this section.

2 (8) Unless the licensed or permitted person submitting a start card under this section
3 has requested and received an extension, a start card expires if construction, alteration,
4 abandonment or conversion of a well does not begin on or before 60 days after submission
5 of the start card. If a start card expires, a new start card and fee must be submitted in
6 compliance with this section before construction, alteration, abandonment or conversion of
7 the well may occur. If a start card is withdrawn before expiring, the licensed or permitted
8 person that submitted the start card may request that the fee paid for the withdrawn start
9 card be transferred to a new start card.

10 (9) The commission may establish by rule an exception to any time frame established in
11 this section for areas requiring special standards and for any other purpose identified by the
12 commission.

13 (10) The requirement in subsection (2) of this section that a licensed or permitted person
14 must submit a start card not later than 72 hours before beginning work on a well does not
15 apply:

16 (a) To a second or additional water well drilled on the same or a contiguous tax lot for
17 the same landowner and for which a valid unexpired start card has been submitted pursuant
18 to this section, if a start card for the second or additional water well is filed not later than
19 the day the work on the water well begins.

20 (b) During water emergencies or casing height adjustments, if a start card is submitted
21 before work begins.

22 (11) The Water Resources Director may, for good cause in exigent circumstances, waive
23 any time frame established by this section.

24 [(5)] (12) Each [report form] start card submitted under [subsection (1) of] this section for the
25 construction of a new well, deepening of an existing well or conversion of a well shall be accom-
26 panied by a fee of \$350. [Notwithstanding the fee established pursuant to this subsection, the commis-
27 sion may adopt by rule a reduced fee for persons submitting materials to the Water Resources
28 Department in a digital format approved by the department.]

29 [(6)] (13) The moneys paid to the [commission] department under subsection [(5)] (12) of this
30 section shall be paid into the Water Resources Department Operating Fund. All interest, if any, from
31 moneys received under subsection [(5)] (12) of this section shall inure to the benefit of the [Water
32 Resources] department. Such moneys and interest earned on such moneys are continuously appro-
33 priated to the department to be used to pay the costs of the department to employ personnel to in-
34 spect wells and well construction.

35 **SECTION 10.** ORS 537.762, as amended by sections 8 and 9 of this 2021 Act, is amended to read:
36 537.762. (1) As used in this section:

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

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

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

45 (a) The name, telephone number, electronic mail address and post-office address of the owner

1 of the well.

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

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

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

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

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

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

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

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

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

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

14 (L) The type of work proposed.

15 (m) Notification of any need for special standards.

16 (n) The signature and license number, if applicable, of the bonded and licensed or permitted
17 person who would undertake the work.

18 (o) For an existing well, the current purpose or use of the well and the existing depth and di-
19 ameter of the well.

20 (3) The department shall furnish a convenient means for licensed or permitted persons to submit
21 start card information under this section.

22 (4) A separate start card is required for each well that is constructed, altered, abandoned or
23 converted.

24 (5) A start card submitted under this section shall be confidential and maintained as such for
25 one year or until the well log required under ORS 537.765 is received by the department, whichever
26 is earlier. Nothing in this subsection prohibits the department from using a start card for enforce-
27 ment actions during the period the start card is confidential.

28 (6) On the date that work on the well commences, the licensed or permitted person shall, before
29 commencing work, notify the department that the work is about to commence. If the proposed date
30 of seal placement is not the date proposed on the start card required by this section, the licensed
31 or permitted person shall notify the department of the change at least four hours before placing the
32 seal.

33 (7) The Water Resources Commission may adopt rules establishing precision requirements and
34 standards for global positioning system equipment used to obtain information submitted under sub-
35 section (2) of this section.

36 (8) Unless the licensed or permitted person submitting a start card under this section has re-
37 quested and received an extension, a start card expires if construction, alteration, abandonment or
38 conversion of a well does not begin on or before 60 days after submission of the start card. If a start
39 card expires, a new start card and fee must be submitted in compliance with this section before
40 construction, alteration, abandonment or conversion of the well may occur. If a start card is with-
41 drawn before expiring, the licensed or permitted person that submitted the start card may request
42 that the fee paid for the withdrawn start card be transferred to a new start card.

43 (9) The commission may establish by rule an exception to any time frame established in this
44 section for areas requiring special standards and for any other purpose identified by the commission.

45 (10) The requirement in subsection (2) of this section that a licensed or permitted person must

1 submit a start card not earlier than 60 days and not later than 72 hours before beginning work on
2 a well does not apply:

3 (a) To a second or additional water well drilled on the same or a contiguous tax lot for the same
4 landowner and for which a valid unexpired start card has been submitted pursuant to this section,
5 if a start card for the second or additional water well is filed not later than the day the work on
6 the water well begins.

7 (b) During water emergencies or casing height adjustments, if a start card is submitted before
8 work begins.

9 (11) The Water Resources Director may, for good cause in exigent circumstances, waive any
10 time frame established by this section.

11 (12) Each start card submitted under this section for the construction of a new well, deepening
12 of an existing well or conversion of a well shall be accompanied by a fee of \$350. **A start card shall**
13 **be submitted to the department by electronic means, unless the department authorizes a**
14 **different means of submission.**

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

20 **SECTION 11.** ORS 537.765 is amended to read:

21 537.765. (1) The business or activity of constructing new wells or altering, abandoning or con-
22 verting existing wells is declared to be a business or activity affecting the public welfare, health and
23 safety. In order to enable the state to protect the welfare, health and safety of its citizens, any
24 person licensed under ORS 537.747, or any person or public agency constructing, altering, aban-
25 doning or converting a well, shall keep a log of each well constructed, altered, abandoned or con-
26 verted and shall furnish a certified copy of the log to the Water Resources Commission within 30
27 days after the completion of the construction, alteration, abandonment or conversion.

28 (2) The commission shall provide acknowledgment to the constructor of receipt of a well log
29 submitted under subsection (1) of this section within 120 days of receipt.

30 (3) Each log required under subsection (1) of this section shall be in a form prescribed by the
31 commission and shall show:

32 (a) The name and post-office address of the owner of the well and the person or public agency
33 performing or causing the performance of the work of constructing, altering, abandoning or con-
34 verting the well.

35 (b) The location of the well by county tax lot number, township, range and section, and to the
36 nearest quarter-quarter section or latitude and longitude as established by a global positioning sys-
37 tem, or with reference to government survey corners or monuments or corners of recorded plats.

38 (c) The dates of commencement and completion of the work of constructing, altering, abandoning
39 or converting the well.

40 (d) The depth, diameter and type of the well.

41 (e) The kind and amount of the casing and where placed in the well, including the number and
42 location of perforations or screens.

43 (f) The flow in cubic feet per second or gallons per minute of a flowing well, and the shut-in
44 pressure in pounds per square inch.

45 (g) The static water level with reference to the land surface, and the drawdown with respect to

1 the amount of water pumped per minute, when a pump test is made.

2 (h) The kind and nature of the material in each stratum penetrated, with at least one entry for
3 each change of formation, and the thickness of aquifers.

4 (i) The temperature of the ground water encountered and other characteristics of the ground
5 water in detail as required by the commission.

6 (4) If required by the commission, the person, public agency or licensee referred to in subsection
7 (1) of this section shall furnish to the commission samples of the ground water and of each change
8 of formation in containers furnished and transportation expense paid by the commission.

9 **(5) Not later than 120 days after a well log is submitted pursuant to this section, the**
10 **Water Resources Department shall:**

11 **(a) Review the well log to identify any deficiencies and assess compliance with the stan-**
12 **dards that were in effect when the well that is the subject of the well log was constructed,**
13 **altered, abandoned or converted.**

14 **(b) Notify the person licensed under ORS 537.747 or permitted under ORS 537.753 (4) who**
15 **submitted the well log that the review has been completed.**

16 **SECTION 12.** ORS 537.765, as amended by section 11 of this 2021 Act, is amended to read:

17 537.765. (1) **As used in this section, “licensed or permitted person” means a person li-**
18 **censed under ORS 537.747 or permitted under ORS 537.753 (4).**

19 [(1)] (2) The business or activity of constructing new wells or altering, abandoning or converting
20 existing wells is declared to be a business or activity affecting the public welfare, health and safety.
21 In order to enable the state to protect the welfare, health and safety of its [citizens,] **residents,** any
22 [person licensed under ORS 537.747, or any person or public agency constructing, altering, abandoning
23 or converting a well,] **licensed or permitted person** shall keep a log of each well constructed, al-
24 tered, abandoned or converted and shall [furnish] **file** a certified copy of the log [to] **with** the Water
25 Resources [Commission] **Department** within 30 days after the completion of the construction, al-
26 teration, abandonment or conversion.

27 [(2)] (3) The [commission] **department** shall provide **to a licensed or permitted person** ac-
28 knowledgment [to the constructor] of receipt of a well log submitted under [subsection (1) of] this
29 section within 120 days of receipt.

30 [(3)] (4) Each log [required under subsection (1) of] **that a licensed or permitted person files**
31 **under** this section shall be in a form prescribed by the [commission] **department** and shall show:

32 (a) The name and post-office address of the owner of the well.

33 **(b) The name and license number, if applicable, of [and] the licensed or permitted person**
34 **[or public agency] performing [or causing the performance of] the work [of constructing, altering,**
35 **abandoning or converting the well].**

36 **(c) The name and license number, if applicable, of the licensed or permitted person re-**
37 **sponsible for the work.**

38 **(d) The name of any person that assisted with the work.**

39 [(b)] (e) The location of the well by county tax lot number, township, range and section, and to
40 the nearest quarter-quarter section, [or] **and by the** latitude and longitude as established by a global
41 positioning system[, or with reference to government survey corners or monuments or corners of re-
42 corded plats].

43 [(c)] (f) The dates of commencement and completion of the work of constructing, altering,
44 abandoning or converting the well.

45 [(d)] (g) The depth, diameter and type of the well.

1 [(e)] **(h)** The kind and amount of the casing and where placed in the well, including the number
2 and location of perforations or screens.

3 [(f)] **(i)** The flow in cubic feet per second or gallons per minute of a flowing well, and the shut-in
4 pressure in pounds per square inch.

5 [(g)] **(j)** The static water level with reference to the land surface, and the drawdown with respect
6 to the amount of water pumped per minute, when a pump test is made.

7 [(h)] **(k)** The kind and nature of the material in each stratum penetrated, with at least one entry
8 for each change of formation, and the thickness of aquifers.

9 [(i)] **(L)** The temperature of the ground water encountered and other characteristics of the
10 ground water in detail as required by the [commission] **department**.

11 [(4)] **(5)** If required by the [commission] **department**, the [person, public agency or licensee re-
12 ferred to in subsection (1) of this section] **licensed or permitted person** shall furnish to the [com-
13 mission] **department** samples of the ground water and of each change of formation in containers
14 furnished and transportation expense paid by the [commission] **department**.

15 [(5)] **(6)** Not later than 120 days after a well log is submitted pursuant to this section, the [Water
16 Resources] department shall:

17 (a) Review the well log to identify any deficiencies and assess compliance with the standards
18 that were in effect when the well that is the subject of the well log was constructed, altered,
19 abandoned or converted.

20 (b) Notify the [person licensed under ORS 537.747 or permitted under ORS 537.753 (4)] **licensed**
21 **or permitted person** who submitted the well log that the review has been completed.

22 **(7) The Water Resources Commission may adopt rules establishing precision require-**
23 **ments and standards for global positioning system equipment used to obtain information**
24 **submitted under subsection (4)(e) of this section.**

25 **SECTION 13.** ORS 537.765, as amended by sections 11 and 12 of this 2021 Act, is amended to
26 read:

27 537.765. (1) As used in this section, "licensed or permitted person" means a person licensed un-
28 der ORS 537.747 or permitted under ORS 537.753 (4).

29 (2) The business or activity of constructing new wells or altering, abandoning or converting
30 existing wells is declared to be a business or activity affecting the public welfare, health and safety.
31 In order to enable the state to protect the welfare, health and safety of its residents, any licensed
32 or permitted person shall keep a log of each well constructed, altered, abandoned or converted and
33 shall **electronically** file a certified copy of the log with the Water Resources Department within 30
34 days after the completion of the construction, alteration, abandonment or conversion.

35 (3) The department shall provide to a licensed or permitted person acknowledgment of receipt
36 of a well log submitted under this section within 120 days of receipt.

37 (4) Each log that a licensed or permitted person files under this section shall be in a form pre-
38 scribed by the department and shall show:

39 (a) The name and post-office address of the owner of the well.

40 (b) The name and license number, if applicable, of the licensed or permitted person performing
41 the work.

42 (c) The name and license number, if applicable, of the licensed or permitted person responsible
43 for the work.

44 (d) The name of any person that assisted with the work.

45 (e) The location of the well by county tax lot number, township, range and section, and to the

1 nearest quarter-quarter section, and by the latitude and longitude as established by a global posi-
2 tioning system.

3 (f) The dates of commencement and completion of the work of constructing, altering, abandoning
4 or converting the well.

5 (g) The depth, diameter and type of the well.

6 (h) The kind and amount of the casing and where placed in the well, including the number and
7 location of perforations or screens.

8 (i) The flow in cubic feet per second or gallons per minute of a flowing well, and the shut-in
9 pressure in pounds per square inch.

10 (j) The static water level with reference to the land surface, and the drawdown with respect to
11 the amount of water pumped per minute, when a pump test is made.

12 (k) The kind and nature of the material in each stratum penetrated, with at least one entry for
13 each change of formation, and the thickness of aquifers.

14 (L) The temperature of the ground water encountered and other characteristics of the ground
15 water in detail as required by the department.

16 (5) If required by the department, the licensed or permitted person shall furnish to the depart-
17 ment samples of the ground water and of each change of formation in containers furnished and
18 transportation expense paid by the department.

19 (6) Not later than 120 days after a well log is submitted pursuant to this section, the department
20 shall:

21 (a) Review the well log to identify any deficiencies and assess compliance with the standards
22 that were in effect when the well that is the subject of the well log was constructed, altered,
23 abandoned or converted.

24 (b) Notify the licensed or permitted person who submitted the well log that the review has been
25 completed.

26 (7) The Water Resources Commission may adopt rules establishing precision requirements and
27 standards for global positioning system equipment used to obtain information submitted under sub-
28 section (4)(e) of this section.

29 **(8) The commission may adopt rules that waive the electronic submittal requirement.**

30 **SECTION 14.** ORS 537.780 is amended to read:

31 537.780. (1) In the administration of ORS 537.505 to 537.795 and 537.992, the Water Resources
32 Commission may:

33 (a) Require that all flowing wells be capped or equipped with valves so that the flow of ground
34 water may be completely stopped when the ground water is not actually being applied to a beneficial
35 use.

36 (b) Enforce:

37 (A) General standards for the construction [*and*], **alteration, abandonment, conversion or**
38 maintenance of wells and their casings, fittings, valves, pumps and back-siphoning prevention de-
39 vices; and

40 (B) Special standards for the construction [*and*], **alteration, abandonment, conversion or**
41 maintenance of particular wells and their casings, fittings, valves and pumps.

42 (c)(A) Adopt by rule and enforce when necessary to protect the ground water resource, stan-
43 dards for the construction, maintenance, abandonment or use of any hole through which ground
44 water may be contaminated; or

45 (B) Enter into an agreement with, or advise, other state agencies that are responsible for holes

1 other than wells through which ground water may be contaminated in order to protect the ground
2 water resource from contamination.

3 (d) Enforce uniform standards for the scientific measurement of water levels and of ground wa-
4 ter flowing or withdrawn from wells.

5 (e) Enter upon any lands for the purpose of inspecting wells, including wells exempt under ORS
6 537.545, casings, fittings, valves, pipes, pumps, measuring devices and back-siphoning prevention de-
7 vices.

8 (f) Prosecute actions and suits to enjoin violations of ORS 537.505 to 537.795 and 537.992, and
9 appear and become a party to any action, suit or proceeding in any court or before any adminis-
10 trative body when it appears to the satisfaction of the commission that the determination of the
11 action, suit or proceeding might be in conflict with the public policy expressed in ORS 537.525.

12 (g) Call upon and receive advice and assistance from the Environmental Quality Commission or
13 any other public agency or any person, and enter into cooperative agreements with a public agency
14 or person.

15 (h) Adopt and enforce rules necessary to carry out the provisions of ORS 537.505 to 537.795 and
16 537.992 including but not limited to rules governing:

17 (A) The form and content of registration statements, certificates of registration, applications for
18 permits, permits, certificates of completion, ground water right certificates, notices, proofs, maps,
19 drawings, logs and licenses;

20 (B) Procedure in hearings held by the commission; and

21 (C) The circumstances under which the helpers of persons operating well drilling machinery may
22 be exempt from the requirement of direct supervision by a licensed water well constructor.

23 (i) In accordance with applicable law regarding search and seizure, apply to any court of com-
24 petent jurisdiction for a warrant to seize any well drilling machine used in violation of ORS 537.747
25 or 537.753.

26 (2) Notwithstanding any provision of subsection (1) of this section, in administering the pro-
27 visions of ORS 537.505 to 537.795 and 537.992, the commission may not:

28 (a) Adopt any rule restricting ground water use in an area unless the rule is based on substan-
29 tial evidence in the record of the Water Resources Department to justify the imposition of re-
30 strictions.

31 (b) Make any determination that a ground water use will impair, substantially interfere or un-
32 duly interfere with a surface water source unless the determination is based on substantial evidence.
33 Such evidence may include reports or studies prepared with relation to the specific use or may be
34 based on the application of generally accepted hydrogeological principles to the specific use.

35 (3) At least once every three years, the commission shall review any rule adopted under sub-
36 section (2) of this section that restricts ground water use in an area. The review process shall in-
37 clude public notice and an opportunity to comment on the rule.

38 **SECTION 15.** ORS 537.789 is amended to read:

39 537.789. [(1) *The well identification number provided by the Water Resources Department when the*
40 *reporting requirement of ORS 537.762 is satisfied shall be recorded on the well by a person licensed*
41 *under ORS 537.747 within 30 days after the associated well work is completed.*]

42 (1) **As used in this section, “licensed or permitted person” means a person licensed under**
43 **ORS 537.747 or permitted under ORS 537.753 (4).**

44 (2) **A licensed or permitted person who files a well log under ORS 537.765 shall include**
45 **on the well log the identification number provided by the Water Resources Department. The**

1 **licensed or permitted person shall affix the identification number to the well no later than**
2 **30 days after completing work on the well.**

3 [(2)] (3) If a well does not have an identification number [*recorded on*] **affixed to** it at the time
4 the property upon which the well is located is transferred, the owner of the property shall [*record*
5 *on*] **affix to** the well the identification number obtained from the [*Water Resources*] department un-
6 der ORS 537.791 within 30 days.

7 [(3)] (4) The identification number [*on*] **affixed to** the well shall be clearly visible to a person
8 looking for the number and shall meet minimum standards as recommended by the ground water
9 advisory committee appointed under ORS 536.090 and adopted by the Water Resources Commission.

10 **SECTION 16.** ORS 537.791 is amended to read:

11 537.791. (1) A landowner may apply to the Water Resources Department for a number to identify
12 a well on the landowner's property.

13 [(2) *The Water Resources Department shall issue a number to identify a well that has not received*
14 *a number through the reporting process required for wells under ORS 537.762 within 10 days after*
15 *receipt of the application.*]

16 **(2) If the department has not previously assigned an identification number to the well,**
17 **no later than 10 days after receiving an application under this section, the department shall**
18 **assign an identification number to the well.**

19 **SECTION 17.** Section 2, chapter 496, Oregon Laws 2001, is amended to read:

20 **Sec. 2.** (1) There is established a Well Constructors Continuing Education Committee consisting
21 of [*four*] **six** members appointed by the Water Resources Director as follows:

22 **(a) One person representing the Water Resources Department;**

23 [*(a)*] **(b) Three persons from the well drilling industry licensed pursuant to ORS 537.747; [*and*]**

24 [*(b) One person from the regulatory community.*]

25 **(c) One person having expertise in ground water quality or public health; and**

26 **(d) One person having expertise in employee safety.**

27 (2) The term of office of each member is three years, but a member serves at the pleasure of the
28 director. Before the expiration of the term of a member, the director shall appoint a successor whose
29 term begins on July 1 next following. A member is eligible for reappointment. If there is a vacancy
30 for any cause, the director shall make an appointment to become effective immediately for the un-
31 expired term.

32 (3) A member of the committee is entitled to travel expenses as provided in ORS 292.495.

33 (4) Members of the committee must be residents of this state who are knowledgeable about the
34 principles of well construction.

35 (5) The committee shall select one of its members as chairperson and another as vice chair-
36 person, for such terms and with the duties and powers necessary for the performance of the func-
37 tions of such offices as the committee determines.

38 (6) [*Three*] **Four** members of the committee constitute a quorum for the transaction of business.
39 At least [*three*] **four** members of the committee must approve all official actions or decisions of the
40 committee.

41 **SECTION 18.** Section 7, chapter 496, Oregon Laws 2001, as amended by section 3, chapter 221,
42 Oregon Laws 2007, and section 1, chapter 57, Oregon Laws 2014, is amended to read:

43 **Sec. 7.** Sections 2 and 4, chapter 496, Oregon Laws 2001, are repealed January 2, [2022] **2030.**

44 **SECTION 19. If the Water Resources Department has information that a person has**
45 **engaged, or is about to engage, in any activity that is or will be a violation of ORS 537.747,**

1 **537.753, 537.762 or 537.765 or the standards described in ORS 537.780 (1)(b) or (c), in addition**
2 **to any other available remedies, the department may apply to the circuit court for Marion**
3 **County, or to the circuit court for any county in which the activity has occurred or will oc-**
4 **cur, for a temporary or permanent injunction requiring the person to:**

5 (1) **Refrain from the activity; and**

6 (2) **Take any actions necessary to remedy any threat to groundwater supplies, public**
7 **health or public safety.**

8 **SECTION 20.** ORS 537.545 is amended to read:

9 537.545. (1) No registration, certificate of registration, application for a permit, permit, certif-
10 icate of completion or ground water right certificate under ORS 537.505 to 537.795 and 537.992 is
11 required for the use of ground water for:

12 (a) Stockwatering purposes;

13 (b) Watering any lawn or noncommercial garden not exceeding one-half acre in area;

14 (c) Watering the lawns, grounds and fields not exceeding 10 acres in area of schools located
15 within a critical ground water area established pursuant to ORS 537.730 to 537.740;

16 (d) Single or group domestic purposes in an amount not exceeding 15,000 gallons a day;

17 (e) Down-hole heat exchange purposes;

18 (f) Any single industrial or commercial purpose in an amount not exceeding 5,000 gallons a day;

19 or

20 (g) Land application, so long as the ground water:

21 (A) Has first been appropriated and used under a permit or certificate issued under ORS 537.625
22 or 537.630 for a water right issued for industrial purposes or a water right authorizing use of water
23 for confined animal feeding purposes;

24 (B) Is reused for irrigation purposes and the period of irrigation is a period during which the
25 reused water has never been discharged to the waters of the state; and

26 (C) Is applied pursuant to a permit issued by the Department of Environmental Quality or the
27 State Department of Agriculture under either ORS 468B.050 to construct and operate a disposal
28 system or ORS 468B.215 to operate a confined animal feeding operation.

29 (2) A ground water use for a purpose that is exempt under subsection (1) of this section, to the
30 extent that the use is beneficial, constitutes a right to appropriate ground water equal to that es-
31 tablished by a ground water right certificate issued under ORS 537.700.

32 (3) Except for the use of water under subsection (1)(g) of this section, the Water Resources
33 Commission by rule may require any person or public agency using ground water for any such
34 purpose to furnish information with regard to such ground water and the use thereof. For a use of
35 water described in subsection (1)(g) of this section, the Department of Environmental Quality or the
36 State Department of Agriculture shall provide to the Water Resources Department a copy of the
37 permit issued under ORS 468B.050 or 468B.215 authorizing the land application of ground water for
38 reuse. The permit shall provide the information regarding the place of use of such water and the
39 nature of the beneficial reuse.

40 (4) If it is necessary for the Water Resources Department to regulate the use or distribution of
41 ground water, including uses for purposes that are exempt under subsection (1) of this section, the
42 department shall use as a priority date for the exempt uses the date indicated in the log for the well
43 filed with the department under ORS 537.765 or other documentation provided by the well owner
44 showing when water use began.

45 (5) The [owner of land on which a well is drilled] **person licensed under ORS 537.747 or per-**

1 **mitted under ORS 537.753 (4) that constructs a well** to allow ground water use for a purpose that
 2 is exempt under subsection (1) of this section shall provide the Water Resources Department with
 3 a map showing the exact location of the well on the tax lot. The *[landowner]* **person licensed under**
 4 **ORS 537.747 or permitted under ORS 537.753 (4) that constructs a well** shall provide a map
 5 required by this subsection to the department, **along with the well log required by ORS 537.765,**
 6 no later than 30 days after the well is completed. The map must be prepared in accordance with
 7 standards established by the department. **The map and well log must be accompanied by the fee**
 8 **described in subsection (6) of this section to record the exempt ground water use.**

9 *[(6) The owner of land on which a well described in subsection (5) of this section is located shall*
 10 *file the exempt ground water use with the Water Resources Department for recording. The filing must*
 11 *be accompanied by the fee described in subsection (7) of this section. The filing must be received by the*
 12 *department no later than 30 days after the well is completed.]*

13 *[(7)]* **(6)** The Water Resources Department shall collect a fee of \$300 for recording an exempt
 14 ground water use under subsection *[(6)]* **(5)** of this section. Moneys from fees collected under this
 15 subsection shall be deposited to the credit of the Water Resources Department Water Right Oper-
 16 ating Fund. Notwithstanding ORS 536.009, moneys deposited to the fund under this subsection shall
 17 be used for the purposes of evaluating ground water supplies, conducting ground water studies,
 18 carrying out ground water monitoring, processing ground water data and the administration and
 19 enforcement of this subsection and subsections (3), (5), *(6)* and *[(8)]* **(7)** of this section.

20 *[(8)]* **(7)** The Water Resources Commission shall adopt rules to implement, administer and en-
 21 force subsections (5) *[to (7)]* **and (6)** of this section.

22 **SECTION 20a.** ORS 536.900 is amended to read:

23 536.900. (1) In addition to any other liability or penalty provided by law, the Water Resources
 24 Commission may impose a civil penalty on a person for any of the following:

25 (a) Violation of any of the terms or conditions of a permit, certificate or license issued under
 26 ORS chapters 536 to 543A.

27 (b) Violation of ORS 537.130 or 537.535.

28 (c) Violation of ORS 537.545 (5) *[or (6)]* or of a rule described in ORS 537.545 *[(8)]* **(7)**.

29 (d) Violation of any rule or order of the Water Resources Commission that pertains to well
 30 maintenance.

31 (e) Violation of ORS 540.045, 540.145, 540.210, 540.310, 540.320, 540.330, 540.340, 540.435, 540.440,
 32 540.570 (5), 540.710, 540.720 and 540.730 or rules adopted under ORS 540.145.

33 (2) A civil penalty may be imposed under this section for each day of violation of ORS 537.130,
 34 537.535, 540.045, 540.310, 540.330, 540.570 (5), 540.710, 540.720 or 540.730.

35 (3) In the event the petitioner knowingly misrepresents the map and petition required in ORS
 36 541.329, the commission may assess a penalty of up to \$1,000 based upon guidelines to be established
 37 by the commission. In addition, the petition and map shall be amended to correct the error at the
 38 petitioner's cost. Affected users shall be given notice as provided in ORS 541.329 (5).

39 (4) A civil penalty may not be imposed until the commission prescribes a reasonable time to
 40 eliminate the violation. The commission shall notify the violator of the time allowed to correct a
 41 violation within five days after the commission first becomes aware of the violation.

42 (5) Notwithstanding any term or condition of a permit, certificate or license, the rotation of the
 43 use of water under ORS 540.150 may not be considered a violation under subsection (1) of this sec-
 44 tion.

45 **SECTION 21.** ORS 537.763 is amended to read:

1 537.763. (1) There is established in the State Treasury the Water Resources Department Oper-
2 ating Fund to provide for the payment of the administrative expenses of the Water Resources Com-
3 mission in carrying out the provisions of ORS 537.762.

4 (2) The Water Resources Department Operating Fund shall consist of:

5 (a) Fees received pursuant to ORS 537.762.

6 (b) All moneys received on behalf of the fund by gift, grant or appropriation, from whatever
7 source.

8 (3) The Water Resources Department Operating Fund shall be separate and distinct from the
9 General Fund. All interest **earned by the Water Resources Department Operating Fund**, if any,
10 shall inure to the benefit of the [*Water Resources Department Operating Fund*] **fund**.

11 (4) In expending moneys in the [*Water Resources Department Operating Fund*] **fund** received
12 from fees pursuant to ORS 537.762, the biennial limitations on expenditures of the Water Resources
13 Department shall be:

14 (a) No more than five percent for well inspection administrative support;

15 (b) No more than 20 percent for well inspection technical and information services; and

16 (c) No less than 75 percent for well inspection field investigation, [*and*] enforcement **and review**
17 **of well logs**.

18 **SECTION 22. On or before January 31, 2023, and on or before January 31, 2025, the Water**
19 **Resources Department shall report to a committee or interim committee of the Legislative**
20 **Assembly related to water, in the manner prescribed in ORS 192.245, on the department's**
21 **review of well logs and inspection of wells. The reports shall describe, but need not be limited**
22 **to:**

23 (1) **The number of well logs the department has identified as having deficiencies and the**
24 **nature of the deficiencies.**

25 (2) **The number of inspected wells that had deficiencies and whether the nature of the**
26 **deficiencies was observed on the well logs for the wells.**

27 (3) **The department's workload associated with reviewing well logs and inspecting wells.**

28 **SECTION 23. Sections 2 and 3 of this 2021 Act become operative on January 1, 2022.**

29 **SECTION 24. The amendments to ORS 537.765 by section 11 of this 2021 Act:**

30 (1) **Become operative on July 1, 2022.**

31 (2) **Apply to wells logs submitted on or after July 1, 2022.**

32 **SECTION 25. The amendments to ORS 537.747 by section 6 of this 2021 Act apply to li-**
33 **cence issuance, requalification or renewal for which an application is received by the Water**
34 **Resources Department on or after July 1, 2023.**

35 **SECTION 26. The amendments to ORS 537.762 by section 9 of this 2021 Act apply to in-**
36 **formation submitted to the Water Resources Department on or after July 1, 2023, relating**
37 **to the proposed construction, alteration, abandonment or conversion of a well.**

38 **SECTION 27. Section 19 of this 2021 Act and the amendments to ORS 536.090, 536.750,**
39 **537.747, 537.753, 537.762, 537.765, 537.780, 537.789 and 537.791 by sections 4 to 7, 9, 12 and 14 to**
40 **16 of this 2021 Act become operative on July 1, 2023.**

41 **SECTION 28. The amendments to ORS 537.762 and 537.765 by sections 10 and 13 of this**
42 **2021 Act become operative on July 1, 2024.**

43 **SECTION 29. The amendments to section 2, chapter 496, Oregon Laws 2001, by section**
44 **17 of this 2021 Act do not alter the term of office of a member serving on the Well**
45 **Constructors Continuing Education Committee immediately prior to the effective date of this**

1 **2021 Act.**

2
