

## **BILL ANALYSIS**

Senate Research Center  
83R10735 SLB-F

S.B. 1387  
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Natural Resources  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Under Chapters 1901 (Water Well Drillers) and 1902 (Water Well Pump Installers), Occupations Code, the Texas Department of Licensing and Regulation (TDLR) is charged with licensing well drillers and pump installers and must ensure that well drillers and pump installers are qualified to conduct their work in accordance with established standards that protect the integrity of the state's water supply.

The work of well drillers and pump installers is complex and diverse, as they work with the following types of wells and pumps: water wells, injection wells, dewatering wells, monitoring wells, closed-loop geothermal wells, windmills, hand pumps, pump jacks, single-phase and three-phase pumps, and line-shaft turbine pumps. As the law currently stands, there is no recognition of the diversity of this work, allowing for only one well driller license and one pump installer license. Furthermore, because there are no apprentice or journeyman licensing programs for well drillers and pump installers, these occupations are struggling to cultivate experience amongst a new generation of professionals. Lastly, due to limited resources within TDLR, well drillers and pump installers are concerned that the state's enforcement abilities are inadequate.

S.B. 1387 creates the following new licenses, with examination, experience, or other requirements to be developed by the Texas Commission of Licensing and Regulation: master driller, driller license with specialty endorsement, journeyman driller, apprentice driller, master pump installer, pump installer license with specialty endorsement, and apprentice pump installer. In addition, S.B. 1387 creates a Driller and Pump Installer Training and Enforcement Account in the general revenue fund and instructs TDLR to use the account's funds for promoting consumer awareness and supporting educational and training opportunities that are designed to increase TDLR's ability to administer its responsibilities. S.B. 1387 also instructs TDLR to establish a regional well inspection program using qualified state employees who can act as third-party inspectors and help TDLR enforce the statute. Each of these changes are designed to ensure that only those individuals who are qualified to conduct well drilling and pump installation are doing so in a manner that protects the state's water supply.

As proposed, S.B. 1387 amends current law relating to water well drillers and pump installers, and authorizes fees.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Commission of Licensing and Regulation in SECTION 3 (Section 1901.056, Occupations Code), SECTION 6 (Sections 1901.153, 1901.1531, 1901.1532, and 1901.1533, Occupations Code), SECTION 8 (Section 1901.251, Occupations Code), SECTION 10 (Section 1901.405, Occupations Code), SECTION 11 (Section 1902.0531, Occupations Code) and SECTION 13 (Section 1902.1532, Occupations Code), and SECTION 16 of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 1901.001, Occupations Code, by adding Subdivision (13-a) to define "third-party inspector" and amending Subdivision (16) to redefine "well."

SECTION 2. Amends Subchapter B, Chapter 1901, Occupations Code, by adding Section 1901.0531, as follows:

Sec. 1901.0531. DRILLER AND PUMP INSTALLER TRAINING AND ENFORCEMENT ACCOUNT. (a) Provides that the driller and pump installer training and enforcement account is an account in the general revenue fund. Requires that administrative penalties collected under Subchapter F (Administrative Penalty), Chapter 51, for a violation of this chapter or a rule adopted under this chapter be deposited to the credit of the account.

(b) Authorizes that funds in the account be appropriated only to the Texas Department of Licensing and Regulation (TDLR) for promoting consumer awareness of this chapter and Chapter 1902 and rules adopted under this chapter and Chapter 1902; and supporting educational seminars, training activities, or other projects designed to benefit TDLR's ability to administer this chapter and Chapter 1902.

(b) Authorizes TDLR to solicit and accept gifts, grants, and other donations from any source for deposit into the account.

(c) Exempts the account from the application of Section 403.095 (Use of Dedicated Revenue), Government Code.

SECTION 3. Amends Subchapter B, Chapter 1901, Occupations Code, by adding Section 1901.056, as follows:

Sec. 1901.056. REGIONAL WELL INSPECTION PROGRAM. (a) Requires TDLR by rule to establish a regional well inspection program using third-party inspectors.

(b) Requires that rules adopted under Subsection (a) establish:

(1) training requirements for a third-party inspector;

(2) registration procedures for a third-party inspector; and

(3) policies governing the acts of a third-party inspector in conducting an inspection or investigation.

SECTION 4. Amends Section 1901.151, Occupations Code, to prohibit a person from acting or offering to act as a driller unless the person holds the appropriate license issued by the executive director under this chapter and rules adopted under this chapter.

SECTION 5. Amends Section 1901.152, Occupations Code, as follows:

Sec. 1901.152. LICENSE APPLICATION. Requires an applicant for a license to submit to TDLR:

(1) an application that includes the applicant's name, the applicant's permanent mailing address, and any other relevant information required by TDLR; and

(2) an application fee.

Deletes existing text requiring an applicant to pay to TDLR an examination fee at the time the application is submitted. Deletes existing Subsections (a) and (b) designations and makes conforming and nonsubstantive changes.

SECTION 6. Amends Subchapter D, Chapter 1901, Occupations Code, by adding Sections 1901.153, 1901.1531, 1901.1532, and 1901.1533, as follows:

Sec. 1901.153. MASTER DRILLER. Requires an applicant for a master driller license to:

(1) pass an examination covering water wells, injection wells, dewatering wells, monitoring wells; and closed-loop geothermal wells; and

(2) complete other requirements, including an experience requirement, as determined by TCLR rule.

Sec. 1901.1531. LICENSE WITH SPECIALTY ENDORSEMENT. (a) Requires an applicant for a license other than a master driller license to apply for a license with one or more specialty endorsements described by Subsection (b); pass an examination for each endorsement for which the applicant has applied; and satisfy other requirements as determined by TCLR rule.

(b) Requires TCLR to establish specialty endorsements for water wells; injection wells; dewatering wells; monitoring wells; and closed-loop geothermal wells.

Sec. 1901.1532. JOURNEYMAN DRILLER. Requires an applicant for a journeyman driller license to pass an examination and satisfy other requirements as determined by TCLR.

Sec. 1901.1533. APPRENTICE DRILLER. Requires TCLR by rule to set the fee for, establish the qualifications for, and provide for the issuance of an apprentice driller license.

SECTION 7. Amends Section 1901.201(a), Occupations Code, to require TDLR to offer examinations for each license and endorsement at least once each year.

SECTION 8. Amends Section 1901.251(a), Occupations Code, as follows:

(a) Requires each driller who drills, deepens, or otherwise alters a well, rather than water well, in this state to make and keep a legible and accurate well log in accordance with rules adopted by TCLR and on forms prescribed by the executive director of TDLR (executive director). Requires that the well log be recorded at the time of drilling, deepening, or otherwise altering the well and must contain the depth, thickness, and character of the strata penetrated; the location of water-bearing strata; the depth, size, and character of casing installed; and any other information required by rules adopted by TCLR.

SECTION 9. Amends Section 1901.255(d), Occupations Code, to require a driller, licensed pump installer, or well owner who plugs an abandoned or deteriorated well, not later than the 60th day after, rather than the 30th day after, the date the well is plugged, to submit a plugging report to the board of directors of the groundwater conservation district in which the well is located, if the well is located in the boundaries of a groundwater conservation district, and to the executive director.

SECTION 10. Amends Subchapter I, Chapter 1901, Occupations Code, by adding Section 1901.405, as follows:

Sec. 1901.405. THIRD-PARTY INSPECTORS; ENFORCEMENT. Authorizes TDLR to contract with a third-party inspector to assist in the enforcement of this chapter or a rule adopted under this chapter, including rules governing the performance of inspections and the conduct of investigations.

SECTION 11. Amends Subchapter B, Chapter 1902, Occupations Code, by adding Section 1902.0531, as follows:

Sec. 1902.0531. DEPOSIT OF ADMINISTRATIVE PENALTIES IN DRILLER AND PUMP INSTALLER TRAINING AND ENFORCEMENT ACCOUNT. Requires that administrative penalties collected under Subchapter F, Chapter 51, for a violation of this

chapter or a rule adopted under this chapter be deposited to the credit of the driller and pump installer training and enforcement account under Section 1901.0531.

SECTION 12. Amends Section 1902.152, Occupations Code, as follows:

Sec. 1902.152. New heading: LICENSE APPLICATION. Requires an applicant for a license to submit to TDLR:

- (1) an application that includes the applicant's name, the applicant's business address, the applicant's permanent mailing address, and any other information required by TDLR; and
- (2) an application fee.

Deletes existing text requiring an applicant to pay to TDLR an examination fee at the time the application is submitted. Deletes existing Subsections (a) and (b) designations and makes conforming and nonsubstantive changes.

SECTION 13. Amends Subchapter D, Chapter 1902, Occupations Code, by adding Sections 1902.153, 1902.1531, and 1902.1532, as follows:

Sec. 1902.153. MASTER PUMP INSTALLER. Requires an applicant for a master pump installer license to:

- (1) pass an examination covering windmills, hand pumps, and pump jacks; and single-phase and three-phase pumps and line-shaft turbine pumps; and
- (2) complete other requirements, including an experience requirement, as determined by TDLR rule.

Sec. 1902.1531. LICENSE WITH SPECIALTY ENDORSEMENTS. (a) Requires an applicant for a license other than a master pump installer license to apply for a license with one or more specialty endorsements described by Subsection (b); pass an examination for each endorsement for which the applicant has applied; and satisfy other requirements as determined by TDLR rule.

- (b) Requires TDLR to establish specialty endorsements for windmills, hand pumps, and pump jacks; single-phase pumps; three-phase pumps; and line-shaft turbine pumps.

Sec. 1902.1532. APPRENTICE PUMP INSTALLER. Requires TDLR by rule to set the fee for, establish the qualifications for, and provide for the issuance of an apprentice pump installer license.

SECTION 14. Amends Section 1902.201(a), Occupations Code, to require TDLR to offer examinations for each license and endorsement at least once each year, rather than at least once each month.

SECTION 15. Repealers: Sections 1901.201(b) (relating to requiring TDLR to offer examinations more frequently if more than 10 persons petition for an additional examination), and 1902.201(b) (relating to requiring TDLR to offer examinations more frequently if more than 10 persons petition for an additional examination), Occupations Code.

SECTION 16. (a) Requires TDLR, not later than December 1, 2013, to adopt rules to implement the changes in law made by this Act to Chapters 1901 and 1902, Occupations Code.

- (b) Provides that a person is not required to hold a license or license specialty endorsement as a master driller, journeyman driller, apprentice driller, master pump installer, or apprentice pump installer issued under Chapter 1901 or 1902, Occupations Code, before June 1, 2014.

SECTION 17. Effective date: September 1, 2013.