

**NOTICE OF PROPOSED RULEMAKING FILING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT**

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Oregon Water Resources Department/Technical Services Division			690
Agency and Division Name		Administrative Rules Chapter Number	
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FILING CAPTION

Amend Divisions 205 and 240 to clarify the requirement to provide evidence of welding proficiency to obtain a well constructors license.

Last Date and Time for Public Comment: January 11, 2024

January 4, 2024	2:00-3:00 PM	NMOB 124, 725 Summer St. NE, Salem, OR 97301	Kelly Mainz
Hearing Date	Time	Address	Hearings Officer

RULEMAKING ACTION

List each rule number separately (000-000-0000) below. Attach proposed, tracked changed text for each rule at the end of the filing.

ADOPT:

AMEND:

690-205-0020; 690-240-0065

REPEAL:

N/A

RULE SUMMARY:

Include a summary for each rule included in this filing.

AMEND: OAR 690-205-0020

Rule Summary: Amends rule requirement regarding water supply well constructor licensing to clarify that applicants for a water supply well constructors license must provide evidence of welding proficiency regardless of whether or not they hold a monitoring well constructors license.

AMEND: OAR 690-240-0065

Rule Summary: Amends rule requirement regarding monitoring well constructor licensing to clarify that applicants for a monitoring well constructors license do not need to provide evidence of welding proficiency to obtain a license.

See attached for full rule text.

STATEMENT OF NEED AND FISCAL IMPACT.

Need for Rule(s):

With the passage of HB 3343 (2023), and the associated amendment to Oregon Revised Statute (ORS) 537.747, the Oregon Water Resources Department (OWRD) has determined rulemaking is required to align current Oregon Administrative Rules (OARs) with Oregon statute.

The rule divisions requiring amendment are the following: OAR 690-205 relating to Water Supply Well Construction (Standards; Licensing); and OAR 690-240 relating to Construction, Maintenance, Alteration, Conversion and Abandonment of Monitoring Wells, Geotechnical Holes and Other Holes in Oregon.

The proposed amendments to the rules modify the well construction licensing requirements to clarify that applicants for a water supply well constructor license must provide evidence of welding proficiency regardless of whether or not they hold a monitoring well constructors license. The proposed amendments also modify the monitoring well licensing requirements by removing the requirement to provide evidence of welding proficiency to obtain a monitoring well constructors license.

This rulemaking will ensure that OWRD's rules are consistent with existing law. This rulemaking will also ensure that the application of the law is consistent with drilling industry practices.

Documents Relied Upon, and where they are available:

[ORS 537.747](#)
[HB 3343 \(2023\)](#)

Statement Identifying How Adoption of Rule(s) Will Affect Racial Equity in this state:

OWRD does not anticipate a negative impact to racial equity throughout the State. The rulemaking will clarify the licensing requirements for water supply and monitoring well constructor licenses. These changes provide certainty as it relates to the welding proficiency requirements for licensure.

Fiscal and Economic Impact:

As discussed below, the economic and fiscal impacts associated with this rulemaking stem from implementation of HB 3343 (2023), and are not a result of the rulemaking in itself.

Licensing Proficiency Requirements: The changes to ORS 537.747 brought about by the passage of HB 3343 (2023) provide the Department with the discretion to determine which types of wells require license applicants to provide evidence of welding proficiency. With the changes proposed in this rulemaking, applicants for a monitoring well constructors license will no longer be required to provide evidence of welding proficiency to obtain their license, which will save the applicants the cost of suitable welding training. Applicants for a water supply well constructors license must still provide OWRD with evidence of welding proficiency to obtain their license, even if they already hold a monitoring well constructors license. Welding proficiency may be demonstrated by completing an arc welding training course from a community college, receiving a professional welding certification, passing a welding proficiency test, or otherwise completing professional welding training. In determining the cost of compliance, OWRD conferred with Klamath Community College, Baker Technical Institute, Central Oregon Community College, and High Desert Education Service District. Based on these discussions, OWRD has determined that the cost of compliance with the welding proficiency requirement may be between \$400-\$1,000. These discussions also revealed that the total cost of achieving welding proficiency is highly variable and is based on the cost of the certifier, educator, or inspector performing the welding proficiency training. Additional costs for employers may arise if the license applicant’s employer is paying for the applicant’s time while obtaining welding proficiency. In such cases, the total costs of achieving proficiency may reach as high as \$5,000.

Statement of Cost of Compliance:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s).

The rules are likely to economically affect applicants applying for a water supply well constructors license when they already hold a monitoring well constructors license. There is no anticipated economic effect on OWRD, other state agencies, or units of local government.

(2)(a) Estimate the number and type of small businesses subject to the rule(s).

OWRD estimates there are approximately 127 well construction businesses in Oregon who may be subject to the rules if they send a license applicant to apply for a well constructors license. Since the department licenses individuals and not businesses, the real number of businesses subject to the rules may vary.

(2)(b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s).

The additional administrative costs associated with preparing and submitting evidence of welding proficiency for water supply well constructor license applicants who already hold a monitoring well constructor license is expected to be minimal. There will be no additional costs for monitoring well constructor license applicants.

(c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

The rules do not require small businesses to obtain professional services, equipment, supplies, labor, or other administrative abilities to comply with the welding proficiency requirement.

Describe how small businesses were involved in the development of these rule(s)?

The Rules Advisory Committee included members representing small businesses most likely to be affected by this rulemaking, including drillers, pump installers, farmers, and consultants.

Was an Administrative Rule Advisory Committee consulted? Yes or No? Yes

DRAFT