

HOUSE BILL NO. 59

INTRODUCED BY M. VINTON

BY REQUEST OF THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING LAWS RELATED TO WATER WELL CONTRACTORS;  
REVISING WHO MAY CONTRACT ON BEHALF OF A LICENSED WATER WELL CONTRACTOR;  
CLARIFYING LICENSURE REQUIREMENTS FOR THE ABANDONMENT OR DECOMMISSIONING OF  
WELLS; INCREASING THE BOND AMOUNT REQUIRED FOR WATER WELL CONTRACTOR LICENSURE;  
PROVIDING FOR REVIEW OF DRILLER WELL LOGS; REVISING COMPLAINT ~~AND~~ INVESTIGATION  
PROCEDURES; AND AMENDING SECTIONS 37-43-301, 37-43-302, 37-43-306, ~~AND~~ 37-43-309, 37-43-313,  
AND 85-2-516, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 37-43-301, MCA, is amended to read:

**"37-43-301. Licensed person to supervise all construction.** (1) Any firm, corporation, or  
partnership may engage in the business of constructing water wells provided a licensed water well contractor is  
placed in charge of all water well construction.

~~(2) The licensed water well contractor must be the individual who contracts on behalf of the firm,  
corporation, or partnership.~~

~~(3)~~(2) A licensed water well driller, pursuant to 37-43-305, must be employed by a licensed water well  
contractor."

**Section 2.** Section 37-43-302, MCA, is amended to read:

**"37-43-302. License required.** (1) The drilling, making, or construction of water wells and monitoring  
wells is declared to be a business and activity affecting the public interest and requiring reasonable standards  
of competence. Except as provided in subsection (2), it is unlawful for any water well contractor, water well  
driller, or monitoring well constructor to construct, drill, alter, abandon, decommission, or rehabilitate a water

1 in this state, a good and sufficient surety bond or its equivalent in a certificate of deposit, cashier's check, bank  
2 draft, or certified check, to be approved by the board, in the sum of ~~\$4,000~~ \$25,000, conditioned that the  
3 licensee will comply with the rules of the board.

4 (2) A person who is licensed in more than one category need supply only one surety bond or its  
5 equivalent in a certificate of deposit, cashier's check, bank draft, or certified check, to be approved by the  
6 board, for ~~\$4,000~~ \$25,000.

7 (3) A state or federal employee who is bonded by the state or federal government is not required  
8 to supply a bond during the course of employment with the state or federal government. A bond is required if  
9 the person ceases government employment.

10 (4) In lieu of the requirements of subsections (1) through (3), a firm, corporation, or partnership  
11 having more than two licensed water well contractors or monitoring well constructors may submit one bond in  
12 the amount of ~~\$10,000~~ \$25,000 for the entire firm, corporation, or partnership."

14 **Section 4.** Section 37-43-309, MCA, is amended to read:

15 **"37-43-309. Complaints and investigations.** The board may investigate complaints against  
16 licensees to determine compliance with the laws and rules of this chapter. ~~Licensees must be given an~~  
17 ~~opportunity to respond to complaints and demonstrate or achieve legal compliance prior to disciplinary action.~~  
18 LICENSEES MUST BE GIVEN AN OPPORTUNITY TO RESPOND TO A COMPLAINT, AFTER WHICH THE BOARD MAY BEGIN  
19 DISCIPLINARY ACTION UNDER 37-43-310. The board may require complainants and licensees to appear before the  
20 board to discuss complaints and to attempt to settle differences."

22 **Section 5.** Section 37-43-313, MCA, is amended to read:

23 **"37-43-313. Disciplinary authority.** (1) If the board finds grounds for disciplinary action, as provided  
24 in subsection (2), the board may by order:

25 (a) require a licensee to repair or reconstruct substandard wells at the licensee's expense to meet  
26 board standards;

27 (b) require a licensee to take further training or education;

28 (c) place probationary terms and conditions on a license;

- (d) suspend a license for a period not to exceed 1 year; or
- (e) revoke a license, specifying that the licensee may not reapply for licensure for a period of 3 years from the date of revocation.
- (2) Grounds for disciplinary action include:
- (a) violating the rules, construction standards, or laws established by the board and this chapter;
- (b) disobeying an order from the board to repair or reconstruct a substandard well;
- (c) violating probationary terms of or conditions on a license;
- (d) failing to submit a well log report pursuant to 85-2-516 in a complete or timely manner;
- ~~(d)(e)~~ misrepresenting facts on well log reports, license or renewal applications, or apprenticeship records or in response to board inquiries; or
- ~~(e)(f)~~ failing to maintain qualifications for licensure as specified in 37-43-305.
- (3) This section may not be interpreted to conflict with the provisions of 37-1-138."

**Section 6.** Section 85-2-516, MCA, is amended to read:

**"85-2-516. Well logs.** (1) Within 60 days after any well is completed, the driller shall file with the bureau a well log report. The bureau shall notify the board of water well contractors established in 2-15-3307 if a submitted well log report was not filed within 60 days of well completion.

(2) Except as provided in subsection (3), the well log report must be filed on a form specified by the department in consultation with the board of water well contractors ~~provided for in 2-15-3307~~ and the bureau. The driller shall provide a location for the well using at least two methods as specified on the form.

(3) The bureau may allow submission of the well log report in an electronic format that is in accordance with the form specified as provided in subsection (2).

(4) (a) The bureau may return the report to the driller for refileing within 30 days of submission if it is incomplete or incorrect.

(b) Within 30 days after being notified of the deficiency, the driller shall correct and return the well log to the bureau.

(c) The bureau shall notify the board of water well contractors if a well log report remains incomplete or incorrect after the refileing or if the driller has not corrected and returned the report within 30 days

**Amendment - 2nd Reading-yellow - Requested by: Wylie Galt - (S) Committee of the Whole**

- 2025

69th Legislature 2025

Drafter: Jason Mohr,

HB0059.002.001

1 pursuant to subsection (4)(b)."

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- END -

AMENDED