

HOUSE BILL NO. 373

INTRODUCED BY MARKS, SWIFT,  
HOLLIDAY, SAUNDERS, DOVER

BY REQUEST OF THE BOARD OF WATER WELL CONTRACTORS

IN THE HOUSE

January 19, 1983	Introduced and referred to Committee on Natural Resources.
February 16, 1983	Committee recommend bill do pass as amended. Report adopted.
February 18, 1983	Bill printed and placed on members' desks.
February 19, 1983	Second reading, do pass.
February 21, 1983	Considered correctly engrossed.
February 22, 1983	Third reading, passed. Transmitted to Senate.

IN THE SENATE

March 1, 1983	Introduced and referred to Committee on Natural Resources.
March 15, 1983	Committee recommend bill be concurred in. Report adopted.
March 17, 1983	Statement of Intent attached. Second reading, concurred in.
March 19, 1983	Third reading, concurred in. Ayes, 49; Noes, 1.

IN THE HOUSE

March 19, 1983	Returned to House with Statement of Intent.
March 31, 1983	Second reading, Statement of Intent concurred in.
April 1, 1983	Third reading, Statement of Intent concurred in.  Sent to enrolling.  Reported correctly enrolled.
April 5, 1983	On motion, rules suspended to allow House to reconsider action.  On motion, previous action reconsidered.  On motion taken from enrolling and referred to second reading.
April 6, 1983	Second reading, Statement of Intent not concurred in.  On motion, Free Conference Committee requested and appointed.
April 12, 1983	Free Conference Committee reported.
April 13, 1983	Second reading, report adopted.
April 14, 1983	Third reading, report adopted.
April 16, 1983	Free Conference Committee report adopted by Senate.  Sent to enrolling.  Reported correctly enrolled.

1 HOUSE BILL NO. 373  
2 INTRODUCED BY Mark Joseph Holliday Saunders  
3 BY REQUEST OF THE BOARD OF WATER WELL CONTRACTORS Dave

4  
5 A BILL FOR AN ACT ENTITLED: "AN ACT TO REESTABLISH THE  
6 BOARD OF WATER WELL CONTRACTORS; TO ALLOW THE BOARD TO  
7 ESTABLISH RULES ON THE DISCLOSURE OF WATER WELL CONSTRUCTION  
8 AND PAYMENT THEREFOR; TO DELETE SPECIFIC FEES AND PROVIDE  
9 THAT THE BOARD ESTABLISH FEES; TO DECREASE THE TIME FOR  
10 LICENSE REAPPLICATION AFTER THE FAILURE TO PASS AN  
11 EXAMINATION; TO INCREASE THE BOND REQUIREMENT; TO ELIMINATE  
12 THE REQUIREMENT THAT A COMPLAINANT MUST APPEAR PERSONALLY  
13 BEFORE THE BOARD; TO ALLOW LICENSURE BASED UPON RECIPROCITY;  
14 AMENDING SECTIONS 2-8-103, 37-43-303, 37-43-305 THROUGH  
15 37-43-307, AND 37-43-311, MCA; AND PROVIDING AN EFFECTIVE  
16 DATE."

17  
18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

19 NEW SECTION. Section 1. Reestablishment. The board of  
20 water well contractors is reestablished for 6 years pursuant  
21 to 2-8-122, with its existing statutory authority and rules.

22 Section 2. Section 2-8-103, MCA, is amended to read:

23 "2-8-103. Agencies to terminate. (1) The following  
24 agencies shall terminate on July 1, 1979:

25 (a) board of abstracters, department of professional

1 and occupational licensing, created by 2-15-1643;

2 (b) board of real estate, department of professional  
3 and occupational licensing, created by 2-15-1642;

4 (c) state board of warm air heating, ventilation, and  
5 air conditioning, department of professional and  
6 occupational licensing, created by 2-15-1656;

7 (d) board of institutions, department of institutions,  
8 created by 2-15-2303.

9 (2) The following agencies shall terminate on July 1,  
10 1981:

11 (a) board of athletics, department of professional and  
12 occupational licensing, created by 2-15-1661;

13 (b) board of massage therapists, department of  
14 professional and occupational licensing, created by  
15 2-15-1627;

16 (c) board of osteopathic physicians, department of  
17 professional and occupational licensing, created by  
18 2-15-1607;

19 (d) board of podiatry examiners, department of  
20 professional and occupational licensing, created by  
21 2-15-1608+.

22 (3) The following units of state government shall  
23 terminate on July 1, 1983:

24 (a) board of aeronautics, department of commerce,  
25 created by 2-15-1812;

INTRODUCED BILL

1 (b) state board of hail insurance, department of  
2 agriculture, created by 2-15-3003;

3 (c) board of horseracing, department of commerce,  
4 created by 2-15-1881;

5 (d) board of livestock, department of livestock,  
6 created by 2-15-3102;

7 (e) board of milk control, department of commerce,  
8 created by 2-15-1802;

9 (f) board of oil and gas conservation, department of  
10 natural resources and conservation, created by 2-15-3303;

11 (g) Montana outfitters' council, department of fish,  
12 wildlife, and parks, created by 2-15-3403;

13 (h) public service commission, department of public  
14 service regulation, created by 69-1-102;

15 (i) board of water and wastewater operators,  
16 department of health and environmental sciences, created by  
17 2-15-2105~~2~~;

18 ~~(j) --board--of--water--well--contractors--department-of~~  
19 ~~commerce--created-by-2-15-1862~~;

20 (4) The following agencies terminate on July 1, 1985:

21 (a) the board of public accountants, department of  
22 commerce, created by 2-15-1866;

23 (b) the board of architects, department of commerce,  
24 created by 2-15-1871;

25 (c) state banking board, department of commerce,

1 created by 2-15-1803;

2 (d) the state electrical board, department of  
3 commerce, created by 2-15-1874;

4 (e) the board of professional engineers and land  
5 surveyors, department of commerce, created by 2-15-1873;

6 (f) office of commissioner of insurance and the  
7 insurance department, state auditor's office, created by  
8 2-15-1902 and 2-15-1903;

9 (g) office of the securities commissioner, state  
10 auditor's office, created by 2-15-1901;

11 (h) the board of landscape architects, department of  
12 commerce, created by 2-15-1872;

13 (i) the board of county printing, department of  
14 commerce, created by 2-15-1811;

15 (j) the board of plumbers, department of commerce,  
16 created by 2-15-1875;

17 (k) board of physical therapy examiners, department of  
18 commerce, created by 2-15-1858.

19 (5) The following agencies terminate on July 1, 1987:

20 (a) commission for human rights, department of labor  
21 and industry, created by 2-15-1706;

22 (b) Montana state board of medical examiners,  
23 department of commerce, created by 2-15-1841;

24 (c) board of dentistry, department of commerce,  
25 created by 2-15-1842;

1 (d) board of pharmacists, department of commerce,  
 2 created by 2-15-1843;  
 3 (e) board of nursing, department of commerce, created  
 4 by 2-15-1844;  
 5 (f) board of nursing home administrators, department  
 6 of commerce, created by 2-15-1845;  
 7 (g) board of optometrists, department of commerce,  
 8 created by 2-15-1846;  
 9 (h) board of chiropractors, department of commerce,  
 10 created by 2-15-1847;  
 11 (i) board of radiologic technologists, department of  
 12 commerce, created by 2-15-1848;  
 13 (j) board of speech pathologists and audiologists,  
 14 department of commerce, created by 2-15-1849;  
 15 (k) board of hearing aid dispensers, department of  
 16 commerce, created by 2-15-1850;  
 17 (l) board of psychologists, department of commerce,  
 18 created by 2-15-1851;  
 19 (m) board of veterinarians, department of commerce,  
 20 created by 2-15-1852;  
 21 (n) board of morticians, department of commerce,  
 22 created by 2-15-1853;  
 23 (o) board of barbers, department of commerce, created  
 24 by 2-15-1856;  
 25 (p) board of cosmetologists, department of commerce,

1 created by 2-15-1857;  
 2 (q) board of sanitarians, department of commerce,  
 3 created by 2-15-1861;  
 4 (r) board of veterans' affairs, department of social  
 5 and rehabilitation services, created by 2-15-2202.  
 6 (6) The following agency terminates on July 1, 1989:  
 7 board of water well contractors, department of commerce,  
 8 created by 2-15-1862."  
 9 Section 3. Section 37-43-303, MCA, is amended to read:  
 10 "37-43-303. Application -- fee. (1) A person desiring  
 11 to engage in the drilling, making, or construction of one or  
 12 more wells for underground water in this state shall first  
 13 file an application with the department for a contractor's  
 14 license, setting out his qualifications, the equipment  
 15 proposed to be used in the contracting, and other matters  
 16 required by the board on forms adopted by the board.  
 17 (2) The department shall charge a fee ~~of ---\$100~~  
 18 prescribed by the board for filing the application of a  
 19 person. The application shall not be acted on until the fee  
 20 has been paid. Fees collected under this section shall be  
 21 deposited in the earmarked revenue fund for the use of the  
 22 board, subject to 37-1-101(6).  
 23 (3) A license to construct water wells shall be issued  
 24 to an applicant if, in the opinion of the board, the  
 25 applicant is qualified to conduct water well construction

1 operations. In the granting of licenses, the board shall  
2 have due regard for the interest of this state in the  
3 protection of its underground waters."

4 Section 4. Section 37-43-305, MCA, is amended to read:

5 "37-43-305. Examination and qualifications. (1) Under  
6 rules pertaining to the business of drilling and contracting  
7 for drilling of water wells which the board adopts, the  
8 department shall, subject to 37-1-101(4), inquire by  
9 examination or otherwise into the qualifications of  
10 applicants for licenses to drill or make wells for the  
11 production of underground waters in this state.  
12 Examinations may be oral, written, or both. The  
13 qualifications required by the board are:

14 (a) familiar knowledge of groundwater laws of this  
15 state and sanitary standards for water well drilling and  
16 construction of water wells;

17 (b) knowledge of types of water well construction;

18 (c) knowledge of types of drilling tools and their  
19 uses;

20 (d) knowledge of underground geology in its relation  
21 to well construction;

22 (e) possession of adequate equipment by the applicant  
23 to complete satisfactory water wells under the standards of  
24 the board;

25 (f) financial responsibility of the applicant;

1 (g) successful completion of an examination given by  
2 the department; and

3 (h) the applicant must have completed a minimum of 1  
4 year apprenticeship under the direct supervision of a  
5 licensed water well contractor.

6 (2) The department shall give examinations at times  
7 and places the board determines. Failure of an applicant to  
8 successfully complete the examination disqualifies him from  
9 making further application for a period of 6 3 months. The  
10 board shall act within a reasonable time on applications for  
11 licenses. An application shall be accompanied by the initial  
12 fee, and failure to successfully meet the requirements of  
13 the board does not entitle the applicant to a refund of the  
14 fee."

15 Section 5. Section 37-43-306, MCA, is amended to read:

16 "37-43-306. Bond to be required. The department, on  
17 issuance of a license under this chapter, shall require,  
18 before the person commences operations in this state, a good  
19 and sufficient surety bond or in lieu thereof its equivalent  
20 in a certificate of deposit, cashier's check, bank draft, or  
21 certified check, to be approved by the board, in the penal  
22 sum of ~~\$1,000~~ \$4,000, conditioned that the licensee will  
23 comply with the rules of the board and reasonable  
24 requirements made by the board in connection with the  
25 drilling of an individual well."

Section 6. Section 37-43-307, MCA, is amended to read:

"37-43-307. Annual renewal -- fee -- revocation for nonrenewal. (1) The term for licenses issued under this chapter is from July 1 of each year through the following June 30. After the payment of the initial fee under 37-43-303, a licensee shall pay, before the first day of each license year, a renewal fee of \$25 as prescribed by the board.

(2) If a licensee does not apply for renewal of his license before the first day of a license year and remit to the department the renewal fee, he shall have his license suspended by the board. If the license remains suspended for a period of more than 30 days after the first day of a license year, it shall be revoked by the board. However, the department, prior to this revocation, shall notify the licensee of the board's intention to revoke at least 10 days prior to the time set for action to be taken by the board on the license, by mailing notice to the licensee at the address appearing for the licensee in the records and files of the department. A license once revoked may not be reinstated unless it appears that an injustice has occurred indicating to the board that the licensee was not guilty of negligence or laches. If a person whose license has been revoked through his own fault desires to engage in the business of water well drilling in this state or contracting

therefor, he must apply under 37-43-303 and 37-43-304. Notice of suspension shall be given a licensee when the suspension occurs."

Section 7. Section 37-43-311, MCA, is amended to read:

"37-43-311. Suspension and revocation of license -- grounds -- procedure. (1) A license issued under this chapter may be suspended or revoked by the board in cases other than failure of a licensee to renew the license after notice and hearing:

(a) in the event the licensee has violated a condition of the bond maintained by him as a prerequisite to issuance of the license;

(b) for the practice of fraud or deceit in obtaining a license;

(c) for gross negligence;

(d) for incompetence;

(e) for conviction of a felony; or

(f) for violating the requirements of this chapter.

(2) Any person may make complaint against a licensee. Complaints shall be in writing, signed by the complainant, and must specify the charges against the licensee. The board on its own motion or on receipt of a complaint shall hold a hearing on charges.

(3) A person bringing the complaint has the burden of proof and must may, at the discretion of the board, be

1 required to appear in person. A unanimous vote of the board  
2 is required in order to revoke or suspend a license. If a  
3 suspension is directed by the board, it may not be for a  
4 period in excess of 1 year."

5 NEW SECTION. Section 8. Reciprocity. If a person  
6 holding a license entitling him to drill water wells in  
7 another state applies for a Montana water well contractor's  
8 license, the board may waive the apprenticeship requirements  
9 and examination requirements if it finds that the standards  
10 and requirements of the state in which the applicant is  
11 licensed are equal to or exceed those of Montana. However,  
12 the board may require the applicant to successfully complete  
13 an examination based on Montana statutes and rules relating  
14 to the drilling of water wells in this state.

15 NEW SECTION. Section 9. Codification instruction.  
16 Section 8 is intended to be codified as an integral part of  
17 Title 37, chapter 43, and the provisions of Title 37,  
18 chapter 43, apply to section 8.

19 NEW SECTION. Section 10. Effective date. This act is  
20 effective June 30, 1983.

-End-



STATE OF MONTANA

REQUEST NO. 203-83

FISCAL NOTE

Form BD-15

In compliance with a written request received January 21, 19 83, there is hereby submitted a Fiscal Note for House Bill 373 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 373 reestablishes the Board of Water Well Contractors; allows the board to establish rules on the disclosure of water well construction and payment therefor; deletes specific fees and provides that the board establish fees; decreases the time for license reapplication after the failure to pass an examination; increases the bond requirement; eliminates the requirement that a complainant must appear personally before the board; allows licensure based upon reciprocity; amends Sections 2-8-103, 37-43-303, 37-43-305 through 37-43-307, and 37-43-311, MCA; and provides an effective date.

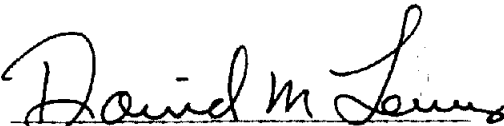
ASSUMPTION:

Revenue and expenditures will remain the same.

FISCAL IMPACT:

Continue operating at current level for FY 84 and FY 85. The costs incurred for 1982 were \$19,001 and the appropriated amount for 1983 is \$20,797.

FISCAL NOTE 7:N/1



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-26-83

Approved by Committee  
on Natural Resources

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3                   HOLLIDAY, SAUNDERS, DOVER  
4                   BY REQUEST OF THE BOARD OF WATER WELL CONTRACTORS  
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6       A BILL FOR AN ACT ENTITLED: "AN ACT TO REESTABLISH THE  
7       BOARD OF WATER WELL CONTRACTORS; ~~TO--ALLOW-THE-BOARD-TO~~  
8       ~~ESTABLISH-RULES-ON-THE-DISCLOSURE-OF-WATER-WELL-CONSTRUCTION~~  
9       ~~AND-PAYMENT-THEREFOR;~~ TO DELETE SPECIFIC FEES AND PROVIDE  
10      THAT THE BOARD ESTABLISH FEES; TO DECREASE THE TIME FOR  
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12      EXAMINATION; TO INCREASE THE BOND REQUIREMENT; TO ELIMINATE  
13      THE REQUIREMENT THAT A COMPLAINANT MUST APPEAR PERSONALLY  
14      BEFORE THE BOARD; TO ALLOW LICENSURE BASED UPON RECIPROCITY;  
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16      37-43-307, AND 37-43-311, MCA; AND PROVIDING AN EFFECTIVE  
17      DATE."  
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21      water well contractors is reestablished for 6 years pursuant  
22      to 2-8-122, with its existing statutory authority and rules.  
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 11 natural resources and conservation, created by 2-15-3303;  
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 6 surveyors, department of commerce, created by 2-15-1873;  
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 8 insurance department, state auditor's office, created by  
 9 2-15-1902 and 2-15-1903;  
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 20 (5) The following agencies terminate on July 1, 1987:  
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 13 commerce, created by 2-15-1848;  
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 15 department of commerce, created by 2-15-1849;  
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 12 to engage in the drilling, making, or construction of one or  
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5 Section 4. Section 37-43-305, MCA, is amended to read:

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7 rules pertaining to the business of drilling and contracting  
8 for drilling of water wells which the board adopts, the  
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12 production of underground waters in this state.  
13 Examinations may be oral, written, or both. The  
14 qualifications required by the board are:

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16 state and sanitary standards for water well drilling and  
17 construction of water wells;

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19 (c) knowledge of types of drilling tools and their  
20 uses;

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22 to well construction;

23 (e) possession of adequate equipment by the applicant  
24 to complete satisfactory water wells under the standards of  
25 the board;

1 (f) financial responsibility of the applicant;

2 (g) successful completion of an examination given by  
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14 the board does not entitle the applicant to a refund of the  
15 fee."

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20 and sufficient surety bond or in lieu thereof its equivalent  
21 in a certificate of deposit, cashier's check, bank draft, or  
22 certified check, to be approved by the board, in the penal  
23 sum of ~~\$17,000~~ \$4,000, conditioned that the licensee will  
24 comply with the rules of the board and reasonable  
25 requirements made by the board in connection with the

drilling of an individual well."

Section 6. Section 37-43-307, MCA, is amended to read:

"37-43-307. Annual renewal -- fee -- revocation for nonrenewal. (1) The term for licenses issued under this chapter is from July 1 of each year through the following June 30. After the payment of the initial fee under 37-43-303, a licensee shall pay, before the first day of each license year, a renewal fee of ~~\$25 as prescribed by the board~~.

(2) If a licensee does not apply for renewal of his license before the first day of a license year and remit to the department the renewal fee, he shall have his license suspended by the board. If the license remains suspended for a period of more than 30 days after the first day of a license year, it shall be revoked by the board. However, the department, prior to this revocation, shall notify the licensee of the board's intention to revoke at least 10 days prior to the time set for action to be taken by the board on the license, by mailing notice to the licensee at the address appearing for the licensee in the records and files of the department. A license once revoked may not be reinstated unless it appears that an injustice has occurred indicating to the board that the licensee was not guilty of negligence or laches. If a person whose license has been revoked through his own fault desires to engage in the

business of water well drilling in this state or contracting therefor, he must apply under 37-43-303 and 37-43-304. Notice of suspension shall be given a licensee when the suspension occurs."

Section 7. Section 37-43-311, MCA, is amended to read:

"37-43-311. Suspension and revocation of license -- grounds -- procedure. (1) A license issued under this chapter may be suspended or revoked by the board in cases other than failure of a licensee to renew the license after notice and hearing:

(a) in the event the licensee has violated a condition of the bond maintained by him as a prerequisite to issuance of the license;

(b) for the practice of fraud or deceit in obtaining a license;

(c) for gross negligence;

(d) for incompetence;

(e) for conviction of a felony; or

(f) for violating the requirements of this chapter.

(2) Any person may make complaint against a licensee. Complaints shall be in writing, signed by the complainant, and must specify the charges against the licensee. The board on its own motion or on receipt of a complaint shall hold a hearing on charges.

(3) A person bringing the complaint has the burden of

1 proof and ~~must~~ may, ~~at the discretion of the board, be~~  
2 ~~required to~~ appear in person. A unanimous vote of the board  
3 is required in order to revoke or suspend a license. If a  
4 suspension is directed by the board, it may not be for a  
5 period in excess of 1 year."

6 NEW SECTION. Section 8. Reciprocity. If a person  
7 holding a license entitling him to drill water wells in  
8 another state applies for a Montana water well contractor's  
9 license, the board may waive the apprenticeship requirements  
10 and examination requirements if it finds that the standards  
11 and requirements of the state in which the applicant is  
12 licensed are equal to or exceed those of Montana. However,  
13 the board may require the applicant to successfully complete  
14 an examination based on Montana statutes and rules relating  
15 to the drilling of water wells in this state.

16 NEW SECTION. Section 9. Codification instruction.  
17 Section 8 is intended to be codified as an integral part of  
18 Title 37, chapter 43, and the provisions of Title 37,  
19 chapter 43, apply to section 8.

20 NEW SECTION. Section 10. Effective date. This act is  
21 effective June 30, 1983.

-End-

## HOUSE BILL NO. 373

INTRODUCED BY MARKS, SWIFT,

MULLIOY, SAUNDERS, DOVER

BY REQUEST OF THE BOARD OF WATER WELL CONTRACTORS

A BILL FOR AN ACT ENTITLED: "AN ACT TO REESTABLISH THE BOARD OF WATER WELL CONTRACTORS; ~~TO ALLOW THE BOARD TO ESTABLISH RULES ON THE DISCLOSURE OF WATER WELL CONSTRUCTION AND PAYMENT THEREFOR;~~ TO DELETE SPECIFIC FEES AND PROVIDE THAT THE BOARD ESTABLISH FEES; TO DECREASE THE TIME FOR LICENSE REAPPLICATION AFTER THE FAILURE TO PASS AN EXAMINATION; TO INCREASE THE BOND REQUIREMENT; TO ELIMINATE THE REQUIREMENT THAT A COMPLAINANT MUST APPEAR PERSONALLY BEFORE THE BOARD; TO ALLOW LICENSURE BASED UPON RECIPROCITY; AMENDING SECTIONS 2-8-103, 37-43-303, 37-43-305 THROUGH 37-43-307, AND 37-43-311, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

NEW SECTION. Section 1. Reestablishment. The board of water well contractors is reestablished for 6 years pursuant to 2-8-122, with its existing statutory authority and rules.

Section 2. Section 2-8-103, MCA, is amended to read:

"2-8-103. Agencies to terminate. (1) The following agencies shall terminate on July 1, 1979:

(a) board of abstracters, department of professional and occupational licensing, created by 2-15-1643;

(b) board of real estate, department of professional and occupational licensing, created by 2-15-1642;

(c) state board of warm air heating, ventilation, and air conditioning, department of professional and occupational licensing, created by 2-15-1656;

(d) board of institutions, department of institutions, created by 2-15-2303.

(2) The following agencies shall terminate on July 1, 1981:

(a) board of athletics, department of professional and occupational licensing, created by 2-15-1661;

(b) board of massage therapists, department of professional and occupational licensing, created by 2-15-1627;

(c) board of osteopathic physicians, department of professional and occupational licensing, created by 2-15-1607;

(d) board of podiatry examiners, department of professional and occupational licensing, created by 2-15-1608;

(3) The following units of state government shall terminate on July 1, 1983:

(a) board of aeronautics, department of commerce,



1 created by 2-15-1812;  
 2 (b) state board of hail insurance, department of  
 3 agriculture, created by 2-15-3003;  
 4 (c) board of horseracing, department of commerce,  
 5 created by 2-15-1881;  
 6 (d) board of livestock, department of livestock,  
 7 created by 2-15-3102;  
 8 (e) board of milk control, department of commerce,  
 9 created by 2-15-1802;  
 10 (f) board of oil and gas conservation, department of  
 11 natural resources and conservation, created by 2-15-3303;  
 12 (g) Montana outfitters' council, department of fish,  
 13 wildlife, and parks, created by 2-15-3403;  
 14 (h) public service commission, department of public  
 15 service regulation, created by 69-1-102;  
 16 (i) board of water and wastewater operators,  
 17 department of health and environmental sciences, created by  
 18 2-15-2105+<sub>1</sub>;  
 19 ~~{j}--board--of--water--well--contractors--department-of~~  
 20 ~~commerce--created-by-2-15-1862~~;  
 21 (4) The following agencies terminate on July 1, 1985:  
 22 (a) the board of public accountants, department of  
 23 commerce, created by 2-15-1866;  
 24 (b) the board of architects, department of commerce,  
 25 created by 2-15-1871;

1 (c) state banking board, department of commerce,  
 2 created by 2-15-1803;  
 3 (d) the state electrical board, department of  
 4 commerce, created by 2-15-1874;  
 5 (e) the board of professional engineers and land  
 6 surveyors, department of commerce, created by 2-15-1873;  
 7 (f) office of commissioner of insurance and the  
 8 insurance department, state auditor's office, created by  
 9 2-15-1902 and 2-15-1903;  
 10 (g) office of the securities commissioner, state  
 11 auditor's office, created by 2-15-1901;  
 12 (h) the board of landscape architects, department of  
 13 commerce, created by 2-15-1872;  
 14 (i) the board of county printing, department of  
 15 commerce, created by 2-15-1811;  
 16 (j) the board of plumbers, department of commerce,  
 17 created by 2-15-1875;  
 18 (k) board of physical therapy examiners, department of  
 19 commerce, created by 2-15-1858.  
 20 (5) The following agencies terminate on July 1, 1987:  
 21 (a) commission for human rights, department of labor  
 22 and industry, created by 2-15-1706;  
 23 (b) Montana state board of medical examiners,  
 24 department of commerce, created by 2-15-1841;  
 25 (c) board of dentistry, department of commerce,

1 created by 2-15-1842;  
 2 (d) board of pharmacists, department of commerce,  
 3 created by 2-15-1843;  
 4 (e) board of nursing, department of commerce, created  
 5 by 2-15-1844;  
 6 (f) board of nursing home administrators, department  
 7 of commerce, created by 2-15-1845;  
 8 (g) board of optometrists, department of commerce,  
 9 created by 2-15-1846;  
 10 (h) board of chiropractors, department of commerce,  
 11 created by 2-15-1847;  
 12 (i) board of radiologic technologists, department of  
 13 commerce, created by 2-15-1848;  
 14 (j) board of speech pathologists and audiologists,  
 15 department of commerce, created by 2-15-1849;  
 16 (k) board of hearing aid dispensers, department of  
 17 commerce, created by 2-15-1850;  
 18 (l) board of psychologists, department of commerce,  
 19 created by 2-15-1851;  
 20 (m) board of veterinarians, department of commerce,  
 21 created by 2-15-1852;  
 22 (n) board of morticians, department of commerce,  
 23 created by 2-15-1853;  
 24 (o) board of barbers, department of commerce, created  
 25 by 2-15-1856;

1 (p) board of cosmetologists, department of commerce,  
 2 created by 2-15-1857;  
 3 (q) board of sanitarians, department of commerce,  
 4 created by 2-15-1861;  
 5 (r) board of veterans' affairs, department of social  
 6 and rehabilitation services, created by 2-15-2202.  
 7 (6) The following agency terminates on July 1, 1989:  
 8 board of water well contractors, department of commerce,  
 9 created by 2-15-1862."

10 Section 3. Section 37-43-303, MCA, is amended to read:  
 11 "37-43-303. Application -- fee. (1) A person desiring  
 12 to engage in the drilling, making, or construction of one or  
 13 more wells for underground water in this state shall first  
 14 file an application with the department for a contractor's  
 15 license, setting out his qualifications, the equipment  
 16 proposed to be used in the contracting, and other matters  
 17 required by the board on forms adopted by the board.

18 (2) The department shall charge a fee of---\$100  
 19 prescribed by the board for filing the application of a  
 20 person. The application shall not be acted on until the fee  
 21 has been paid. Fees collected under this section shall be  
 22 deposited in the earmarked revenue fund for the use of the  
 23 board, subject to 37-1-101(6).

24 (3) A license to construct water wells shall be issued  
 25 to an applicant if, in the opinion of the board, the

1 applicant is qualified to conduct water well construction  
2 operations. In the granting of licenses, the board shall  
3 have due regard for the interest of this state in the  
4 protection of its underground waters."

5 Section 4. Section 37-43-305, MCA, is amended to read:

6 "37-43-305. Examination and qualifications. (1) Under  
7 rules pertaining to the business of drilling and contracting  
8 for drilling of water wells which the board adopts, the  
9 department shall, subject to 37-1-101(4), inquire by  
10 examination or otherwise into the qualifications of  
11 applicants for licenses to drill or make wells for the  
12 production of underground waters in this state.  
13 Examinations may be oral, written, or both. The  
14 qualifications required by the board are:

15 (a) familiar knowledge of groundwater laws of this  
16 state and sanitary standards for water well drilling and  
17 construction of water wells;

18 (b) knowledge of types of water well construction;

19 (c) knowledge of types of drilling tools and their  
20 uses;

21 (d) knowledge of underground geology in its relation  
22 to well construction;

23 (e) possession of adequate equipment by the applicant  
24 to complete satisfactory water wells under the standards of  
25 the board;

1 (f) financial responsibility of the applicant;

2 (g) successful completion of an examination given by  
3 the department; and

4 (h) the applicant must have completed a minimum of 1  
5 year apprenticeship under the direct supervision of a  
6 licensed water well contractor.

7 (2) The department shall give examinations at times  
8 and places the board determines. Failure of an applicant to  
9 successfully complete the examination disqualifies him from  
10 making further application for a period of 6 3 months. The  
11 board shall act within a reasonable time on applications for  
12 licenses. An application shall be accompanied by the initial  
13 fee, and failure to successfully meet the requirements of  
14 the board does not entitle the applicant to a refund of the  
15 fee."

16 Section 5. Section 37-43-306, MCA, is amended to read:

17 "37-43-306. Bond to be required. The department, on  
18 issuance of a license under this chapter, shall require,  
19 before the person commences operations in this state, a good  
20 and sufficient surety bond or in lieu thereof its equivalent  
21 in a certificate of deposit, cashier's check, bank draft, or  
22 certified check, to be approved by the board, in the penal  
23 sum of ~~\$17,000~~ \$4,000, conditioned that the licensee will  
24 comply with the rules of the board and reasonable  
25 requirements made by the board in connection with the

1 drilling of an individual well."

2 Section 6. Section 37-43-307, MCA, is amended to read:

3 "37-43-307. Annual renewal -- fee -- revocation for  
4 nonrenewal. (1) The term for licenses issued under this  
5 chapter is from July 1 of each year through the following  
6 June 30. After the payment of the initial fee under  
7 37-43-303, a licensee shall pay, before the first day of  
8 each license year, a renewal fee of ~~\$25 as prescribed by the~~  
9 ~~board.~~

10 (2) If a licensee does not apply for renewal of his  
11 license before the first day of a license year and remit to  
12 the department the renewal fee, he shall have his license  
13 suspended by the board. If the license remains suspended for  
14 a period of more than 30 days after the first day of a  
15 license year, it shall be revoked by the board. However, the  
16 department, prior to this revocation, shall notify the  
17 licensee of the board's intention to revoke at least 10 days  
18 prior to the time set for action to be taken by the board on  
19 the license, by mailing notice to the licensee at the  
20 address appearing for the licensee in the records and files  
21 of the department. A license once revoked may not be  
22 reinstated unless it appears that an injustice has occurred  
23 indicating to the board that the licensee was not guilty of  
24 negligence or laches. If a person whose license has been  
25 revoked through his own fault desires to engage in the

1 business of water well drilling in this state or contracting  
2 therefor, he must apply under 37-43-303 and 37-43-304.  
3 Notice of suspension shall be given a licensee when the  
4 suspension occurs."

5 Section 7. Section 37-43-311, MCA, is amended to read:

6 "37-43-311. Suspension and revocation of license --  
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8 chapter may be suspended or revoked by the board in cases  
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12 of the bond maintained by him as a prerequisite to issuance  
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15 license;

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20 (2) Any person may make complaint against a licensee.  
21 Complaints shall be in writing, signed by the complainant,  
22 and must specify the charges against the licensee. The board  
23 on its own motion or on receipt of a complaint shall hold a  
24 hearing on charges.

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13 the board may require the applicant to successfully complete  
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15 to the drilling of water wells in this state.

16 NEW SECTION. Section 9. Codification instruction.  
17 Section 8 is intended to be codified as an integral part of  
18 Title 37, chapter 43, and the provisions of Title 37,  
19 chapter 43, apply to section 8.

20 NEW SECTION. Section 10. Effective date. This act is  
21 effective June 30, 1983.

-End-

March 17, 1983

SENATE COMMITTEE OF THE WHOLE AMENDMENT

That House Bill No. 373 have Statement of Intent added:

A statement of intent is required for House Bill No. 373 because section 4 grants rulemaking or licensing authority to the Board of Water Well Contractors.

The purpose of the Board is to assure that only quality contractors are licensed. The bill provides for bonding at \$4,000 to enforce the compliance with the rules adopted by the Board.

1                   STATEMENT OF INTENT

2                   HOUSE BILL 373

3

4           A statement of intent is required for House Bill No.  
5   373 because section 4 grants rulemaking or licensing  
6   authority to the Board of Water Well Contractors.

7           The purpose of the Board is to assure that only quality  
8   contractors are licensed. The bill provides for bonding at  
9   \$4,000 to enforce the compliance with the rules adopted by  
10   the Board.

REFERENCE BILL

HB 373

## HOUSE BILL NO. 373

INTRODUCED BY MARKS, SWIFT,

HOLLIDAY, SAUNDERS, DOVER

BY REQUEST OF THE BOARD OF WATER WELL CONTRACTORS

A BILL FOR AN ACT ENTITLED: "AN ACT TO REESTABLISH THE BOARD OF WATER WELL CONTRACTORS; ~~TO ALLOW THE BOARD TO ESTABLISH RULES ON THE DISCLOSURE OF WATER WELL CONSTRUCTION AND PAYMENT THEREFOR~~ TO DELETE SPECIFIC FEES AND PROVIDE THAT THE BOARD ESTABLISH FEES; TO DECREASE THE TIME FOR LICENSE REAPPLICATION AFTER THE FAILURE TO PASS AN EXAMINATION; TO INCREASE THE BOND REQUIREMENT; TO ELIMINATE THE REQUIREMENT THAT A COMPLAINANT MUST APPEAR PERSONALLY BEFORE THE BOARD; TO ALLOW LICENSURE BASED UPON RECIPROCITY; AMENDING SECTIONS 2-8-103, 37-43-303, 37-43-305 THROUGH 37-43-307, AND 37-43-311, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

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(d) board of institutions, department of institutions, created by 2-15-2303.

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(c) board of osteopathic physicians, department of professional and occupational licensing, created by 2-15-1607;

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(3) The following units of state government shall terminate on July 1, 1983:

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4 (c) board of horseracing, department of commerce,

5 created by 2-15-1881;

6 (d) board of livestock, department of livestock,

7 created by 2-15-3102;

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10 (f) board of oil and gas conservation, department of

11 natural resources and conservation, created by 2-15-3303;

12 (g) Montana outfitters' council, department of fish,

13 wildlife, and parks, created by 2-15-3403;

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15 service regulation, created by 69-1-102;

16 (i) board of water and wastewater operators,

17 department of health and environmental sciences, created by

18 2-15-2105~~g~~;

19 ~~(j) board of water well contractors, department of~~

20 ~~commerce, created by 2-15-1862.~~

21 (4) The following agencies terminate on July 1, 1985:

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23 commerce, created by 2-15-1866;

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25 created by 2-15-1871;

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2 created by 2-15-1803;

3 (d) the state electrical board, department of

4 commerce, created by 2-15-1874;

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6 surveyors, department of commerce, created by 2-15-1873;

7 (f) office of commissioner of insurance and the

8 insurance department, state auditor's office, created by

9 2-15-1902 and 2-15-1903;

10 (g) office of the securities commissioner, state

11 auditor's office, created by 2-15-1901;

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14 (i) the board of county printing, department of

15 commerce, created by 2-15-1811;

16 (j) the board of plumbers, department of commerce,

17 created by 2-15-1875;

18 (k) board of physical therapy examiners, department of

19 commerce, created by 2-15-1858.

20 (5) The following agencies terminate on July 1, 1987:

21 (a) commission for human rights, department of labor

22 and industry, created by 2-15-1706;

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15 department of commerce, created by 2-15-1849;  
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15 license, setting out his qualifications, the equipment

16 proposed to be used in the contracting, and other matters

17 required by the board on forms adopted by the board.

18           (2) The department shall charge a fee of ~~---\$100~~  
19     ~~prescribed by the board~~ for filing the application of a  
20     person. The application shall not be acted on until the fee  
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23     board, subject to 37-1-101(6).

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20 uses;

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22 to well construction;

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24 to complete satisfactory water wells under the standards of  
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22 certified check, to be approved by the board, in the penal  
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8 each license year, a renewal fee of ~~\$25 as prescribed by the~~  
9 ~~board~~.

10 (2) If a licensee does not apply for renewal of his  
11 license before the first day of a license year and remit to  
12 the department the renewal fee, he shall have his license  
13 suspended by the board. If the license remains suspended for  
14 a period of more than 30 days after the first day of a  
15 license year, it shall be revoked by the board. However, the  
16 department, prior to this revocation, shall notify the  
17 licensee of the board's intention to revoke at least 10 days  
18 prior to the time set for action to be taken by the board on  
19 the license, by mailing notice to the licensee at the  
20 address appearing for the licensee in the records and files  
21 of the department. A license once revoked may not be  
22 reinstated unless it appears that an injustice has occurred  
23 indicating to the board that the licensee was not guilty of  
24 negligence or laches. If a person whose license has been  
25 revoked through his own fault desires to engage in the

1 business of water well drilling in this state or contracting  
2 therefor, he must apply under 37-43-303 and 37-43-304.  
3 Notice of suspension shall be given a licensee when the  
4 suspension occurs."

5 Section 7. Section 37-43-311, MCA, is amended to read:

6 "37-43-311. Suspension and revocation of license --  
7 grounds -- procedure. (1) A license issued under this  
8 chapter may be suspended or revoked by the board in cases  
9 other than failure of a licensee to renew the license after  
10 notice and hearing:

11 (a) in the event the licensee has violated a condition  
12 of the bond maintained by him as a prerequisite to issuance  
13 of the license;

14 (b) for the practice of fraud or deceit in obtaining a  
15 license;

16 (c) for gross negligence;

17 (d) for incompetence;

18 (e) for conviction of a felony; or

19 (f) for violating the requirements of this chapter.

20 (2) Any person may make complaint against a licensee.  
21 Complaints shall be in writing, signed by the complainant,  
22 and must specify the charges against the licensee. The board  
23 on its own motion or on receipt of a complaint shall hold a  
24 hearing on charges.

25 (3) A person bringing the complaint has the burden of

1 proof and ~~must~~ ~~may~~ ~~at the discretion of the board~~ ~~be~~  
2 ~~required to~~ appear in person. A unanimous vote of the board  
3 is required in order to revoke or suspend a license. If a  
4 suspension is directed by the board, it may not be for a  
5 period in excess of 1 year."

6 **NEW SECTION.** Section 8. Reciprocity. If a person  
7 holding a license entitling him to drill water wells in  
8 another state applies for a Montana water well contractor's  
9 license, the board may waive the apprenticeship requirements  
10 and examination requirements if it finds that the standards  
11 and requirements of the state in which the applicant is  
12 licensed are equal to or exceed those of Montana. However,  
13 the board may require the applicant to successfully complete  
14 an examination based on Montana statutes and rules relating  
15 to the drilling of water wells in this state.

16 **NEW SECTION.** Section 9. Codification instruction.  
17 Section 8 is intended to be codified as an integral part of  
18 Title 37, chapter 43, and the provisions of Title 37,  
19 chapter 43, apply to section 8.

20 **NEW SECTION.** Section 10. Effective date. This act is  
21 effective June 30, 1983.

-End-

April 11 1983

FREE JOINT CONFERENCE COMMITTEE  
ON HOUSE BILL NO. 373

(Report No. 1, April 11, 1983)

MR. PRESIDENT AND SPEAKER OF THE HOUSE:

We, your Free Joint Conference Committee on House Bill No. 373, met April 11, 1983, and considered:

Senate Committee of the Whole Amendment to the third reading copy, dated March 17, 1983; and recommend as follows:

That the House accede to the Committee of the Whole Amendment dated March 17, 1983;

That House Bill No. 373 be further amended as indicated in CLERICAL INSTRUCTION number 1 & 2;

That the reference copy of House Bill No. 373 read as specified in the CLERICAL INSTRUCTIONS;

And, that the Free Conference Committee Report to House Bill No. 373 be adopted.

CLERICAL INSTRUCTIONS:

1. Title, line 16.

Following: "AN"

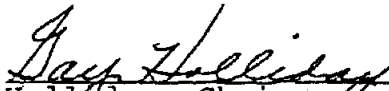
Insert: "IMMEDIATE"


2. Page 11, line 21.

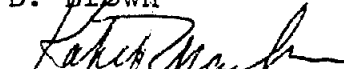
Strike: "June 30, 1983"

Insert: "upon passage and approval"

FOR THE HOUSE:

  
Holliday, Chairman


  
D. Brown

  
Marks

FOR THE SENATE:

  
Dover, Chairman

  
Himsel

  
Blaylock

STATEMENT OF INTENT

HOUSE BILL 373

A statement of intent is required for House Bill No. 373 because section 4 grants rulemaking or licensing authority to the Board of Water Well Contractors.

The purpose of the Board is to assure that only quality contractors are licensed. The bill provides for bonding at \$4,000 to enforce the compliance with the rules adopted by the Board.

## HOUSE BILL NO. 373

INTRODUCED BY MARKS, SWIFT,

HOLLIDAY, SAUNDERS, DOVER

BY REQUEST OF THE BOARD OF WATER WELL CONTRACTORS

A BILL FOR AN ACT ENTITLED: "AN ACT TO REESTABLISH THE BOARD OF WATER WELL CONTRACTORS; ~~TO ALLOW THE BOARD TO ESTABLISH RULES ON THE DISCLOSURE OF WATER WELL CONSTRUCTION AND PAYMENT THEREFOR~~ TO DELETE SPECIFIC FEES AND PROVIDE THAT THE BOARD ESTABLISH FEES; TO DECREASE THE TIME FOR LICENSE REAPPLICATION AFTER THE FAILURE TO PASS AN EXAMINATION; TO INCREASE THE BOND REQUIREMENT; TO ELIMINATE THE REQUIREMENT THAT A COMPLAINANT MUST APPEAR PERSONALLY BEFORE THE BOARD; TO ALLOW LICENSURE BASED UPON RECIPROCITY; AMENDING SECTIONS 2-8-103, 37-43-303, 37-43-305 THROUGH 37-43-307, AND 37-43-311, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

NEW SECTION. Section 1. Reestablishment. The board of water well contractors is reestablished for 6 years pursuant to 2-8-122, with its existing statutory authority and rules.

Section 2. Section 2-8-103, MCA, is amended to read:

"2-8-103. Agencies to terminate. (1) The following agencies shall terminate on July 1, 1979:

- (a) board of abstracters, department of professional and occupational licensing, created by 2-15-1643;
- (b) board of real estate, department of professional and occupational licensing, created by 2-15-1642;
- (c) state board of warm air heating, ventilation, and air conditioning, department of professional and occupational licensing, created by 2-15-1656;
- (d) board of institutions, department of institutions, created by 2-15-2303.

(2) The following agencies shall terminate on July 1, 1981:

- (a) board of athletics, department of professional and occupational licensing, created by 2-15-1661;
- (b) board of massage therapists, department of professional and occupational licensing, created by 2-15-1627;
- (c) board of osteopathic physicians, department of professional and occupational licensing, created by 2-15-1607;
- (d) board of podiatry examiners, department of professional and occupational licensing, created by 2-15-1608<sup>1</sup>.

(3) The following units of state government shall terminate on July 1, 1983:

- (a) board of aeronautics, department of commerce,



1 created by 2-15-1812;

2 (b) state board of hail insurance, department of

3 agriculture, created by 2-15-3003;

4 (c) board of horseracing, department of commerce,

5 created by 2-15-1881;

6 (d) board of livestock, department of livestock,

7 created by 2-15-3102;

8 (e) board of milk control, department of commerce,

9 created by 2-15-1802;

10 (f) board of oil and gas conservation, department of

11 natural resources and conservation, created by 2-15-3303;

12 (g) Montana outfitters' council, department of fish,

13 wildlife, and parks, created by 2-15-3403;

14 (h) public service commission, department of public

15 service regulation, created by 69-1-102;

16 (i) board of water and wastewater operators,

17 department of health and environmental sciences, created by

18 2-15-2105+.

19 ~~{j}--board--of--water--well--contractors--department--of~~

20 ~~commerce--created--by--2-15-1862.~~

21 (4) The following agencies terminate on July 1, 1985:

22 (a) the board of public accountants, department of

23 commerce, created by 2-15-1866;

24 (b) the board of architects, department of commerce,

25 created by 2-15-1871;

1 (c) state banking board, department of commerce,

2 created by 2-15-1803;

3 (d) the state electrical board, department of

4 commerce, created by 2-15-1874;

5 (e) the board of professional engineers and land

6 surveyors, department of commerce, created by 2-15-1873;

7 (f) office of commissioner of insurance and the

8 insurance department, state auditor's office, created by

9 2-15-1902 and 2-15-1903;

10 (g) office of the securities commissioner, state

11 auditor's office, created by 2-15-1901;

12 (h) the board of landscape architects, department of

13 commerce, created by 2-15-1872;

14 (i) the board of county printing, department of

15 commerce, created by 2-15-1811;

16 (j) the board of plumbers, department of commerce,

17 created by 2-15-1875;

18 (k) board of physical therapy examiners, department of

19 commerce, created by 2-15-1858.

20 (5) The following agencies terminate on July 1, 1987:

21 (a) commission for human rights, department of labor

22 and industry, created by 2-15-1706;

23 (b) Montana state board of medical examiners,

24 department of commerce, created by 2-15-1841;

25 (c) board of dentistry, department of commerce,

1 created by 2-15-1842;  
 2 (d) board of pharmacists, department of commerce,  
 3 created by 2-15-1843;  
 4 (e) board of nursing, department of commerce, created  
 5 by 2-15-1844;  
 6 (f) board of nursing home administrators, department  
 7 of commerce, created by 2-15-1845;  
 8 (g) board of optometrists, department of commerce,  
 9 created by 2-15-1846;  
 10 (h) board of chiropractors, department of commerce,  
 11 created by 2-15-1847;  
 12 (i) board of radiologic technologists, department of  
 13 commerce, created by 2-15-1848;  
 14 (j) board of speech pathologists and audiologists,  
 15 department of commerce, created by 2-15-1849;  
 16 (k) board of hearing aid dispensers, department of  
 17 commerce, created by 2-15-1850;  
 18 (l) board of psychologists, department of commerce,  
 19 created by 2-15-1851;  
 20 (m) board of veterinarians, department of commerce,  
 21 created by 2-15-1852;  
 22 (n) board of morticians, department of commerce,  
 23 created by 2-15-1853;  
 24 (o) board of barbers, department of commerce, created  
 25 by 2-15-1856;

1 (p) board of cosmetologists, department of commerce,  
 2 created by 2-15-1857;  
 3 (q) board of sanitarians, department of commerce,  
 4 created by 2-15-1861;  
 5 (r) board of veterans' affairs, department of social  
 6 and rehabilitation services, created by 2-15-2202.  
 7 ~~(6) The following agency terminates on July 1, 1989:~~  
 8 ~~board of water well contractors, department of commerce,~~  
 9 ~~created by 2-15-1862."~~

10 Section 3. Section 37-43-303, MCA, is amended to read:  
 11 "37-43-303. Application -- fee. (1) A person desiring  
 12 to engage in the drilling, making, or construction of one or  
 13 more wells for underground water in this state shall first  
 14 file an application with the department for a contractor's  
 15 license, setting out his qualifications, the equipment  
 16 proposed to be used in the contracting, and other matters  
 17 required by the board on forms adopted by the board.

18 (2) The department shall charge a fee of---\$100  
 19 prescribed by the board for filing the application of a  
 20 person. The application shall not be acted on until the fee  
 21 has been paid. Fees collected under this section shall be  
 22 deposited in the earmarked revenue fund for the use of the  
 23 board, subject to 37-1-101(6).

24 (3) A license to construct water wells shall be issued  
 25 to an applicant if, in the opinion of the board, the

1 applicant is qualified to conduct water well construction  
2 operations. In the granting of licenses, the board shall  
3 have due regard for the interest of this state in the  
4 protection of its underground waters."

5 Section 4. Section 37-43-305, MCA, is amended to read:

6 "37-43-305. Examination and qualifications. (1) Under  
7 rules pertaining to the business of drilling and contracting  
8 for drilling of water wells which the board adopts, the  
9 department shall, subject to 37-1-101(4), inquire by  
10 examination or otherwise into the qualifications of  
11 applicants for licenses to drill or make wells for the  
12 production of underground waters in this state.  
13 Examinations may be oral, written, or both. The  
14 qualifications required by the board are:

15 (a) familiar knowledge of groundwater laws of this  
16 state and sanitary standards for water well drilling and  
17 construction of water wells;

18 (b) knowledge of types of water well construction;

19 (c) knowledge of types of drilling tools and their  
20 uses;

21 (d) knowledge of underground geology in its relation  
22 to well construction;

23 (e) possession of adequate equipment by the applicant  
24 to complete satisfactory water wells under the standards of  
25 the board;

1 (f) financial responsibility of the applicant;

2 (g) successful completion of an examination given by  
3 the department; and

4 (h) the applicant must have completed a minimum of 1  
5 year apprenticeship under the direct supervision of a  
6 licensed water well contractor.

7 (2) The department shall give examinations at times  
8 and places the board determines. Failure of an applicant to  
9 successfully complete the examination disqualifies him from  
10 making further application for a period of 6 1/2 months. The  
11 board shall act within a reasonable time on applications for  
12 licenses. An application shall be accompanied by the initial  
13 fee, and failure to successfully meet the requirements of  
14 the board does not entitle the applicant to a refund of the  
15 fee."

16 Section 5. Section 37-43-306, MCA, is amended to read:

17 "37-43-306. Bond to be required. The department, on  
18 issuance of a license under this chapter, shall require,  
19 before the person commences operations in this state, a good  
20 and sufficient surety bond or in lieu thereof its equivalent  
21 in a certificate of deposit, cashier's check, bank draft, or  
22 certified check, to be approved by the board, in the penal  
23 sum of ~~\$1,000~~ \$4,000, conditioned that the licensee will  
24 comply with the rules of the board and reasonable  
25 requirements made by the board in connection with the

drilling of an individual well."

Section 6. Section 37-43-307, MCA, is amended to read:

"37-43-307. Annual renewal -- fee -- revocation for nonrenewal. (1) The term for licenses issued under this chapter is from July 1 of each year through the following June 30. After the payment of the initial fee under 37-43-303, a licensee shall pay, before the first day of each license year, a renewal fee of ~~\$25~~ as prescribed by the board.

(2) If a licensee does not apply for renewal of his license before the first day of a license year and remit to the department the renewal fee, he shall have his license suspended by the board. If the license remains suspended for a period of more than 30 days after the first day of a license year, it shall be revoked by the board. However, the department, prior to this revocation, shall notify the licensee of the board's intention to revoke at least 10 days prior to the time set for action to be taken by the board on the license, by mailing notice to the licensee at the address appearing for the licensee in the records and files of the department. A license once revoked may not be reinstated unless it appears that an injustice has occurred indicating to the board that the licensee was not guilty of negligence or laches. If a person whose license has been revoked through his own fault desires to engage in the

business of water well drilling in this state or contracting therefor, he must apply under 37-43-303 and 37-43-304. Notice of suspension shall be given a licensee when the suspension occurs."

Section 7. Section 37-43-311, MCA, is amended to read:

"37-43-311. Suspension and revocation of license -- grounds -- procedure. (1) A license issued under this chapter may be suspended or revoked by the board in cases other than failure of a licensee to renew the license after notice and hearing:

(a) in the event the licensee has violated a condition of the bond maintained by him as a prerequisite to issuance of the license;

(b) for the practice of fraud or deceit in obtaining a license;

(c) for gross negligence;

(d) for incompetence;

(e) for conviction of a felony; or

(f) for violating the requirements of this chapter.

(2) Any person may make complaint against a licensee. Complaints shall be in writing, signed by the complainant, and must specify the charges against the licensee. The board on its own motion or on receipt of a complaint shall hold a hearing on charges.

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17 Section 8 is intended to be codified as an integral part of  
18 Title 37, chapter 43, and the provisions of Title 37,  
19 chapter 43, apply to section 8.

20 NEW SECTION. Section 10. Effective date. This act is  
21 effective June-30,-1983 ON PASSAGE AND APPROVAL.

-End-