## **BILL SUMMARY**

2<sup>nd</sup> Session of the 59<sup>th</sup> Legislature

 Bill No.:
 SB1341

 Version:
 CS

 Request Number:
 10927

 Author:
 Rep. Newton

 Date:
 4/11/2024

 Impact:
 One-Time: \$1,000,000.00 - \$2,000,000.00

**Operational: \$1,450,000.00** 

## **Research Analysis**

The committee substitute for SB 1341 modifies processes related to groundwater metering. The measure:

- Requires all groundwater permit holders to equip all water wells with a flow meter or an alternative measuring system that has verifiable records;
- Requires the Oklahoma Water Resources Board to establish a phase-in schedule for requiring all permit holders to have a meter within 8 years. The schedule must be submitted to the legislature for rulemaking by February 1, 2025;
- Requires the OWRB to implement policies for reviewing groundwater reports in a timely manner, modernizing data collection systems, and investigating claims of waste;
- Authorizes the OWRB to impose fines and penalties for overuse and to perform audits and spot checks on permit holders;
- Specifies when a groundwater permit holder must submit their usage reports and requires them to include data from a water meter. Willful failure to report usage will result in penalties or fines;
- Allows a five-year allocation of the maximum annual yield to be approved for a regular permit;
- Clarifies that any permit holder using less water than their permit allows will not have their allowance reduced;
- Creates a new process for filing complaints about groundwater waste; and
- Requires the OWRB to promulgate rules for auditing groundwater use reports, modernizing its data collection, investigating claims of waste, and imposing fines for over use

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## **Fiscal Analysis**

According to the Oklahoma Water Resources Board (OWRB), the agency will need between \$1,000,000.00 and \$2,000,000.00 in one-time funds for real-time data entry needs related to the measure. Additionally, OWRB will need 7 additional FTEs for the division overseeing these permits and 1 additional Legal FTE for a total of \$1,200,000.00 in operational costs. It will need an additional \$250,000.00 in operation costs for the travel of 3 field agents. This brings the operational costs to \$1,450,000.00. Therefore, there will be a fiscal impact to the state budget between \$2,450,000.00 and \$3,450,000.00 for fiscal year 2025, and a fiscal impact to the state budget for fiscal year 2026 and beyond of \$1,450,000.00.