

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 359*

Short Title: Well Construction Amendments.

(Public)

Sponsors: Representatives Holt; Gist and Bowen.

Referred to: Basic Resources.

February 23, 1989

A BILL TO BE ENTITLED

AN ACT TO REQUIRE ADDITIONAL REPORTING TO LANDOWNERS
CONCERNING WELL CONSTRUCTION AND TO AUTHORIZE A PROGRAM
FOR THE CLOSURE OF ABANDONED WELLS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-355(g) reads as rewritten:

"(g) Reports of Each Well Required.— Every person, firm or corporation engaged in the business of drilling, boring, coring, or constructing wells with power machinery within the State of North Carolina shall, within 30 days of the completion of each well, report to the Department of Natural Resources and Community Development on forms furnished by the Department the location, size, depth, number of feet of casing used, method of finishing, and formation log information of each such well. In addition such person, firm or corporation shall report any tests made of each such well including the method of testing, length of test, draw-down in feet and yield in gallons per minute. The person, firm or corporation making such report to the Department of Natural Resources and Community Development shall at the time such report is made also furnish a copy ~~thereof~~ of the report, a copy of the applicable State regulations and local ordinances governing well construction, and a well construction diagram to the owner of the property on which the well was constructed."

Sec. 2. G.S. 143-355(i) reads as rewritten:

"(i) Penalty for Violation. — Any person violating the provisions of subsections ~~(e), (e) or (f) and (g)~~ of G.S. 143-355 shall be guilty of a misdemeanor and, upon conviction, shall be punished by a fine of fifty dollars (\$50.00). Any person violating the provisions of subsection (g) of G.S. 143-355 shall be guilty of a misdemeanor and,

1 upon conviction, shall be punished by a fine of one hundred fifty dollars (\$150.00).
2 Each violation shall constitute a separate offense."

3 Sec. 3. Chapter 87 of the General Statutes is amended by adding a new
4 Article to read as follows:

5 **"ARTICLE 7A.**

6 **"ABANDONED WELL CLOSURE PROGRAM.**

7 **"§ 87-97.1. Findings; purpose.**

8 The General Assembly finds that abandoned wells that have not been properly
9 closed are a threat to the safety of children and animals and serve as direct channels for
10 the entrance of contaminants into our groundwater. The purpose of this Article is to
11 establish a program for the closure of abandoned wells and to provide matching grants
12 to local governments that adopt and implement the program in accordance with the
13 provisions of this Article.

14 **"§ 87-97.2. Definitions.**

15 Unless the context requires otherwise, the following terms as used in this Article are
16 defined as follows:

- 17 (1) The term 'abandoned well' means a well whose use has been
18 permanently discontinued, or which is in such a state of disrepair that
19 continued use for obtaining groundwater or other useful purpose is
20 impracticable.
- 21 (2) The term 'Commission' means the Environmental Management
22 Commission.
- 23 (3) The term 'Department' means the Department of Natural Resources
24 and Community Development.
- 25 (4) The term 'water well contractor' means any person, firm, or
26 corporation engaged in the business of constructing wells.
- 27 (5) The term 'well' means any excavation that is cored, bored, drilled,
28 jettied, dug or otherwise constructed for the purpose of locating,
29 testing, or withdrawing groundwater or for evaluating, testing,
30 developing, draining, or recharging any groundwater reservoirs or
31 aquifer, or that may control, divert, or otherwise cause the movement
32 of water from or into any aquifer. Provided, however, this shall not
33 include a well constructed by an individual on land which is owned or
34 leased by him, appurtenant to a single-family dwelling, and intended
35 for domestic use (including household purposes, farm livestock, or
36 gardens).

37 **"§ 87-97.3. Abandoned Well Closure Grant Fund.**

38 There is hereby created the Abandoned Well Closure Grant Fund, to consist of
39 groundwater resources fees levied pursuant to G.S. 87-97.4, funds appropriated by the
40 General Assembly, and all other monies made available to the Grant Fund from
41 whatever source for the purpose of designing, implementing, or operating abandoned
42 well closure programs.

43 **"§ 87-97.4. Groundwater Resources Fee.**

1 (a) Amount.— A fee of twenty dollars (\$20.00) is hereby levied against a
2 landowner for each well constructed on the landowner's property on or after October 1,
3 1989.

4 (b) Exemption for Prior Contracts.— No fee shall be levied against a landowner
5 who executed a written contract prior to October 1, 1989, for the construction of a well
6 if the well is completed prior to November 15, 1989.

7 (c) Collection of Fees.— The fee levied pursuant to this section shall be collected
8 by the water well contractor.

9 (d) Submission of Monies.— The water well contractor shall remit the fees
10 collected pursuant to this section to the Department on a quarterly basis.

11 **"§ 87-97.5. Use of Funds.**

12 (a) Local Match Required.— A county or municipality may apply for a matching
13 grant from the Abandoned Well Closure Grant Fund to implement an abandoned well
14 closure program within its jurisdiction. The county or municipality must pledge to
15 provide at least fifty percent (50%) of the costs of the proposed program. The time and
16 services of a county or municipal employee expended in locating abandoned wells may
17 count towards up to sixty-seven percent (67%) of the local share requirements of the
18 program.

19 (b) Administrative Costs.— A county or municipality may use up to ten percent
20 (10%) of the total State and local funds pledged for its program for administrative costs
21 associated with operating the program.

22 (c) Program Components.— A county or municipality shall use the remaining
23 funds after administrative expenses to publicize the program and the danger of
24 abandoned wells to humans, animals, and the environment; to locate abandoned wells;
25 and to provide financial incentives, in accordance with the provisions of subsection (d)
26 of this section, for the closure of abandoned wells by landowners.

27 (d) Financial Incentives.— A county or municipality shall provide financial
28 incentives to landowners to properly plug abandoned wells. A county or municipality
29 may provide grants to landowners for no less than twenty-five percent (25%) and no
30 more than fifty percent (50%) of the costs of plugging an abandoned well, up to a
31 maximum of one hundred dollars (\$100.00) per well.

32 **"§ 87-97.6. Review of Grant Applications.**

33 (a) The Commission shall review the applications for grants from counties and
34 municipalities and shall approve, approve in part, or disapprove such applications. The
35 Commission shall establish priorities for the receipt of funds by applicants based on the
36 following factors and other factors the Commission considers relevant:

37 (1) The susceptibility of the groundwater to contamination through
38 improperly plugged wells;

39 (2) The quantity and types of agricultural chemicals used in the area; and

40 (3) The number of abandoned wells estimated for the area.

41 **"§ 87-97.7. Technical Review Committee.**

42 Prior to the implementation of the program by the Commission, the Technical
43 Review Committee shall convene to discuss the implementation plans and to
44 recommend to the Commission needed changes in the proposed plan. The Technical

1 Review Committee shall consist of the Master of the State Grange, the President of the
2 North Carolina Farm Bureau Federation, the North Carolina Commissioner of
3 Agriculture, a representative of the North Carolina County Commissioners' Association,
4 a representative of the North Carolina League of Municipalities, a representative of the
5 Groundwater Section of the Environmental Management Division of the Department of
6 Natural Resources and Community Development appointed by the Chairman of the
7 Environmental Management Commission, a representative of the Water Resources
8 Research Institute of The University of North Carolina at Chapel Hill appointed by the
9 Director of the Institute, a representative of the North Carolina Groundwater
10 Association, a representative of the North Carolina Society of Engineers, and a public
11 member appointed by the Governor. The Technical Review Committee shall meet
12 twice a year to discuss suggested changes to the abandoned well closure program.

13 **"§ 87-97.8. Reports required.**

14 The Department shall report to the Joint Legislative Commission on Governmental
15 Operations by March 31st of each year or more frequently as requested by the Joint
16 Legislative Commission on Governmental Operations on the number of grants applied
17 for, the number approved, the counties and municipalities receiving grants and the
18 amounts they received, the number of abandoned wells closed and in the process of
19 being closed, and the average amount of funds per well per local government being
20 spent on administrative costs, abandoned well location, and financial incentive grants to
21 landowners. The Technical Review Committee shall report to the Environmental
22 Review Commission upon request on suggested changes in the design, implementation,
23 or funding of the program and the program requirements."

24 Sec. 4. Sections 1 and 2 of this act shall become effective October 1, 1989.
25 Section 3 of this act shall become effective July 1, 1990, except that the provisions of
26 G.S. 87-97.4 authorizing the assessment and collection of a groundwater resources fee
27 for the construction of a new well and the provisions of G.S. 87-97.3 creating the
28 Abandoned Well Closure Grant Fund shall become effective October 1, 1989.