An Act

ENROLLED SENATE BILL NO. 1456

By: Treat of the Senate

and

Kannady of the House

An Act relating to the Workers' Compensation Court of Existing Claims; amending 20 O.S. 2021, Section 30.14, which relates to divisions of the Court of Civil Appeals; establishing Court of Existing Claims (CEC) Division of the Court of Civil Appeals; clarifying certain jurisdiction; amending 85A O.S. 2021, Section 122, as amended by Section 1, Chapter 19, 1st Extraordinary Session, O.S.L. 2023 (85A O.S. Supp. 2023, Section 122), which relates to costs of administering act; conforming language; amending 85A O.S. 2021, Sections 400, 401, and 401.1, which relate to the Workers' Compensation Court, the Workers' Compensation Court of Existing Claims Revolving Fund, and the Workers' Compensation Administrative Fund; providing judge to serve on certain Division as additional duty; terminating appointment of Administrator of the Court of Existing Claims; transferring certain duties to the Oklahoma Workers' Compensation Commission; modifying certain contract authority; requiring Division to operate by certain rules; modifying designation as court of record; specifying allowable locations for certain hearings; providing procedures for appeal of certain decisions; preserving certain rights and penalties; requiring electronic submission of certain report by the Administrator of the Commission; requiring inclusion of certain information in report; modifying certain employment authority; modifying names of certain funds; modifying requirements for administration of certain funds; updating statutory references; updating statutory language; providing an effective date; and declaring an emergency.

SUBJECT: Workers' Compensation Court of Existing Claims

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 20 O.S. 2021, Section 30.14, is amended to read as follows:

Section 30.14. A. 1. In addition to the provisions of Sections 30.1 through 30.12 30.19 of Title 20 of the Oklahoma Statutes this title, and in addition to the four permanent divisions established by Section 30.2 of Title 20 of the Oklahoma Statutes this title, the Court of Civil Appeals shall consist of as many additional divisions as the Supreme Court may deem advisable to convene for prompt disposition of its docket. Each division shall consist of three Judges, at least two of whom shall concur in any decision. In the exercise of its powers granted by Article VII, Section 6 of the Oklahoma Constitution, the Supreme Court shall make temporary assignments of judicial officers, active or retired, and lawyers, having prior to their assignment the qualifications of a district judge, to sit on a division of the Court of Civil Appeals convened under the authority of this act section. Each division of the Court of Civil Appeals shall select its presiding Judge. The Supreme Court may prescribe by rule where the division shall sit and how that Court shall conduct its business and practice before it.

- 2. The Court of Civil Appeals shall establish a division to be referred to as the Court of Existing Claims (CEC) Division of the Court of Civil Appeals which shall replace the three-judge en banc panel of the Workers' Compensation Court of Existing Claims. The CEC Division of the Court of Civil Appeals shall be vested with jurisdiction over all appeals in the same manner as appeals to the three-judge en banc panel filed pursuant to the Workers' Compensation Code or previous statute in effect on the date of an injury that occurred before February 1, 2014. In no event does the CEC Division of the Court of Civil Appeals, as successor to the three-judge en banc panel, have jurisdiction over any claim arising on or after the effective date of this act.
- B. Each division of the Court of Civil Appeals convened under the authority of this act section shall have jurisdiction to

determine or otherwise dispose of any case assigned to it by the Supreme Court, and its decisions, when final, shall be neither appealable to the Supreme Court nor be subject to reexamination by another division of the Court of Civil Appeals or by the Judges of that Court sitting en banc. The Supreme Court may recall a case from the Court of Civil Appeals; it may review a decision of the Court of Civil Appeals when a majority of its Justices direct that certiorari be granted. In any case assigned to it by the Supreme Court, the Court of Civil Appeals shall have the power to issue writs of habeas corpus, mandamus, quo warranto, certiorari, and prohibition.

- C. The opinions of the Court of Civil Appeals shall be written in the form prescribed by the Supreme Court. No opinion of the Court of Civil Appeals shall be binding or cited as a precedent unless it has been approved by the Supreme Court for publication in the official reporter. The Supreme Court shall prescribe by rule which opinion or decision, if any, of the Court of Civil Appeals shall be published in the unofficial reporter.
- D. The jurisdiction, powers, duties and procedures of the Court of Civil Appeals shall be as provided by rules of the Supreme Court unless otherwise provided by statute.
- E. No judicial officer, except as otherwise authorized by law, temporarily assigned to sit on the Court of Civil Appeals shall be entitled to additional compensation for judicial service on that Court. Expenses of judicial officers and lawyers assigned to the Court of Civil Appeals incurred in performing their duties shall be reimbursed pursuant to the State Travel Reimbursement Act, Section 500.1 et seq. of Title 74 of the Oklahoma Statutes.
- F. The Supreme Court shall prescribe by rule the scope of review it will afford when a petition for certiorari to the Court of Civil Appeals is filed.
- SECTION 2. AMENDATORY 85A O.S. 2021, Section 122, as amended by Section 1, Chapter 19, 1st Extraordinary Session, O.S.L. 2023 (85A O.S. Supp. 2023, Section 122), is amended to read as follows:

- Section 122. \underline{A} . The Workers' Compensation Commission Revolving Fund established by Section 28.1 of this title shall be used for the costs of administering the Administrative Workers' Compensation Act and for other purposes as authorized by law.
- B. For the purpose of providing funds for the Workers' Compensation Commission Revolving Fund, for the Workers' Compensation Court of Existing Claims Administrative Fund (CECAF) created in Section 401.1 of this title, for the Multiple Injury Trust Fund created in Section 28 of this title, and to fund other provisions within this title, the following tax rates shall apply:
- 1. Each mutual or interinsurance association, stock company, CompSource Mutual Insurance Company or other insurance carrier writing workers' compensation insurance in this state shall pay to the Oklahoma Tax Commission an assessment at a rate of one percent (1%) of all gross direct premiums written during each quarter of the calendar year for workers' compensation insurance on risks located in this state after deducting from such gross direct premiums, return premiums, unabsorbed portions of any deposit premiums, policy dividends, safety refunds, savings and other similar returns paid or credited to policyholders. Such payments to the Oklahoma Tax Commission shall be made not later than the fifteenth day of the month following the close of each quarter of the calendar year in which such gross direct premium is collected or collectible. Contributions made by insurance carriers and CompSource Mutual Insurance Company, under the provisions of this section, shall be considered for the purpose of computing workers' compensation rates; and
- Workers' Compensation Commission shall so notify the Oklahoma Tax Commission, giving and give the effective date of such authorization. The Oklahoma Tax Commission shall then assess and collect from the employers carrying their own risk an assessment at the rate of two percent (2%) of the total compensation for permanent total disability awards, permanent partial disability awards and death benefits paid out during each quarter of the calendar year by the employers. Such assessment shall be payable by the employers and collected by the Oklahoma Tax Commission according to the provisions of this section regarding payment and collection of the assessment created in paragraph 1 of this subsection.

- C. It shall be the duty of the Oklahoma Tax Commission to collect the payments provided for in this title. The Oklahoma Tax Commission is hereby authorized to bring an action for the recovery of any delinquent or unpaid payments required in this section. The Oklahoma Tax Commission may also enforce payments by proceeding in accordance with the provisions of Section 98 of this title.
- D. The Oklahoma Tax Commission shall pay monthly to the State Treasurer to the credit of the Multiple Injury Trust Fund all monies collected under the provisions of this section, less the annual amounts which shall be apportioned by the Oklahoma Tax Commission, first to the Workers' Compensation Commission Revolving Fund, as follows; provided, however, if the fund in any one month is insufficient to make the required payments, the unpaid portion shall be paid as soon as funds become available:
- 1. Five Million Five Hundred Thousand Dollars (\$5,500,000.00) shall be payable each fiscal year in equal monthly installments to the credit of the Workers' Compensation Commission Revolving Fund established in Section 28.1 of this title to be used to implement the provisions of this title; and
- 2. One Million Seven Hundred Fifty Thousand Dollars (\$1,750,000.00) shall be payable in equal monthly installments to the credit of the Workers' Compensation Administrative Fund established in Section 401.1 of this title for the fiscal year ending June 30, 2023, and Two Hundred Fifty Thousand Dollars (\$250,000.00) shall be payable in equal monthly installments to such the credit of the Workers' Compensation Court of Existing Claims Administrative Fund (CECAF) for the fiscal year beginning July 1, 2023, and each subsequent fiscal year.

Monies As of July 1, 2024, the balance of monies in the CEC Revolving Fund and monies deposited in the Workers' Compensation Court of Existing Claims Administrative Fund (CECAF) shall be used by the Administrative Director of the Courts to fund all expenses associated with the Workers' Compensation Court of Existing Claims trial judge and all three-judge en banc panel appeals adjudicated by the CEC Division of the Court of Civil Appeals to implement provisions provided for in this title. All unencumbered funds remaining in the Workers' Compensation Administration Fund on July

1, 2027, shall be transferred to the State Treasurer to be returned to the Multiple Injury Trust Fund.

E. The refund provisions of Sections 227 through 229 of Title 68 of the Oklahoma Statutes shall be applicable to any payments made pursuant to this section.

SECTION 3. AMENDATORY 85A O.S. 2021, Section 400, is amended to read as follows:

Section 400. A. The Workers' Compensation Court shall be renamed the Workers' Compensation Court of Existing Claims for the purpose of hearing (CEC) shall have exclusive jurisdiction over all disputes relating to claims that arise before February 1, 2014. The Court shall consist of the existing judges for the remainder of his or her term. Each judge of the Court shall continue to serve as the appointment to a designated position on the Court. The terms of the judges by position number shall expire on the following dates:

Position 4 shall expire 7-1-20.

Position 5 shall expire 7-1-20.

Position 8 shall expire 7-1-20.

Position 9 shall expire 7-1-20.

B. Effective July 1, 2020 2024, the Workers' Compensation Court of Existing Claims shall consist of one judge to be appointed by the Governor, with confirmation by the Senate. The judge shall be appointed for a term to expire on July 1, 2022. The Governor shall select the judge from a list of three applicants submitted to the Governor by the Judicial Nominating Commission. If the list is not acceptable to the Governor, the Governor may request from the Judicial Nominating Commission a list of names of three additional applicants. Any present judge of the Court of Existing Claims may apply to the Judicial Nominating Commission for appointment to fill any position authorized by this section Chief Justice of the Supreme Court from a list of retired judges on a rotational basis. An active retired judge appointed to serve as a CEC trial judge may receive per diem and travel reimbursement as authorized by subsection F of Section 1104B of Title 20 of the Oklahoma Statutes.

- A judge serving on the CEC Division of the Court of Civil Appeals shall receive no additional compensation other than the compensation provided by law.
- C. A judge may be removed for cause by the Court on the Judiciary prior to the expiration of his or her term.
- D. Each judge shall receive a salary equal to that paid to a district judge of this state, and shall devote full time to his or her duties and shall not engage in the private practice of law during the term in office.
- E. If a vacancy occurs on the Court of Existing Claims, the Governor shall appoint a judge to serve the remainder of the term from a list of three applicants submitted to the Governor by the Judicial Nominating Commission, with confirmation of the State Senate. If the list is not acceptable to the Governor, the Governor may request from the Judicial Nominating Commission a list of the names of three additional applicants.
- F. 1. Effective January 1, 2020, the Governor shall appoint an July 1, 2024, the position of the Administrator of the Court of Existing Claims, who shall serve at the pleasure of the Governor. The Administrator shall be appointed by the Governor with the advice and consent of the Senate. The compensation for the Administrator shall be set at ninety percent (90%) of the compensation of a district court judge shall terminate. All administrative duties of the CEC shall be transferred to the Oklahoma Workers' Compensation Commission including docketing, filing, preparation of appellate records, preparation of orders, and all other duties previously performed by the Administrator and the court clerk of the CEC. The Commission shall provide the use of a courtroom to the CEC judge to conduct hearings on claims for compensation and other proceedings.
- 2. All judicial functions of the CEC shall remain under the authority of the Supreme Court. The Administrator shall employ and supervise the work of employees of the Court and shall have the authority to expend funds and contract on behalf of the Court Administrative Director of the Courts shall assist the Commission with the transfer of any duties determined to be judicial functions. The Administrator may Director shall contract with the Workers' Compensation Commission to provide support services or personnel

needs necessary to carry out the purposes of the <u>Court CEC</u> and shall supervise the work of any such personnel as necessary to maintain the <u>Court CEC</u> as a <u>Court court</u> of <u>Record record. The Director shall assist the CEC trial judge and the CEC Division of the Court of Civil Appeals as needed and may expend funds for personnel, contracts for court reporting, and other support services.</u>

- C. D. The Court of Existing Claims shall contract with the Workers' Compensation Commission to integrate its shall maintain the case management and records Information Technology System into information technology system of the CEC as part of the system of the Workers' Compensation Commission with such integration to be completed on or before July 1, 2022 and such system shall be utilized by the CEC trial judge. The Court Commission shall be entitled to any fees generated for the retrieval of such data. The Director shall enter into an agreement with the Commission for the CEC to share in the cost for annual maintenance attributed to case management, docketing, and recordkeeping on behalf of the CEC.
- E. The non-CEC case management system, docketing, appellate records, and other records maintained in the normal course of business of the Court of Civil Appeals shall remain with the Oklahoma Court Information System (OCIS) of the Supreme Court. The Director may contract and expend funds as needed to modify the OCIS to support the CEC trial judge and the CEC Division of the Court of Civil Appeals.
- $\frac{\text{H. F.}}{\text{Court}}$ The $\frac{\text{CEC}}{\text{Court}}$ shall operate by the rules adopted by the Workers' Compensation Court prior to February 1, 2014. $\frac{\text{The CEC}}{\text{Division}}$ Division of the Court of Civil Appeals shall adopt rules of practice and procedure for appeals to the CEC Division.
- I. G. The Court is hereby designated and confirmed CEC shall continue as a court of record, with respect to any matter within the limits of its jurisdiction, and within such limits the judges thereof shall possess the powers and prerogatives of the judges of the other courts of record of this state including the power to punish for contempt those persons who disobey a subpoena, or refuse to be sworn or to answer as a witness, when lawfully ordered to do so. Any party to a hearing on a claim for compensation before the CEC trial judge or the CEC Division shall be entitled to the services of a court reporter. The cost of transcripts shall be

borne by the requesting party unless otherwise determined by order of the CEC trial judge.

- J. H. The principal office of the Court shall be situated in the City of Oklahoma City in quarters assigned by the Office of Management and Enterprise Services Director shall contract with the Commission for office and courtroom space for the CEC trial judge. The Court CEC trial judge may hold hearings and other proceedings in any city of this state facilities provided by the Director or the Commission.
- K. All county commissioners and presiding district judges of this state shall make quarters available for the conducting of hearings by a judge of the Court upon request by the Court.
- L. Judges of the Workers' Compensation Court of Existing Claims may punish for direct contempt pursuant to Sections 565, 565.1 and 566 of Title 21 of the Oklahoma Statutes.
- M. I. 1. The Court CEC trial judge shall be vested with jurisdiction over all claims filed pursuant to the Workers' Compensation Code or previous statute in effect on the date of an injury that occurred before February 1, 2014. All claims so filed shall be heard by the judge sitting without a jury. The Court CEC trial judge shall have full power and authority to determine all questions in relation to payment of claims for compensation under the provisions of the Workers' Compensation Code or previous statute in effect on the date of an injury that occurred before February 1, 2014.
- 2. The Court, upon application of either party, shall order a hearing. Upon a hearing, either Commission shall coordinate with the Director to schedule a docket for hearings on claims for compensation and other proceedings requested by either party, including all cases pending on the effective date of this act. Hearings on claims for compensation and other proceedings may be conducted in person or remotely at the discretion of the CEC trial judge. The CEC trial judge may conduct other proceedings on preliminary or supplemental matters as needed. If any claim or proceeding is assigned to the Commission by the CEC trial judge for a preliminary review, the chair of the Commission may assign the matter to any Commission administrative law judge (ALJ), or other

hearing officer. Any party may present evidence and be represented by counsel before the CEC trial judge, the ALJ, or other hearing officer.

- 3. Upon receipt of the recommendation of the ALJ or other hearing officer, any party may request a de novo rehearing with the CEC trial judge or may waive the rehearing. If both parties waive the rehearing, any recommendation by the ALJ or other hearing officer shall not become a final determination until approved by order of the CEC trial judge. Only the final order based upon the decision of the CEC trial judge shall be appealable.
- 4. The decision of the Court CEC trial judge shall be final as to all questions of fact and law; provided, the decision of the Court CEC trial judge may be appealed to the CEC Division of the Court en banc of Civil Appeals within ten (10) days or the Supreme Court as provided by the Workers' Compensation Code or previous statute in effect on the date of an injury that occurred before February 1, 2014. In the event that an insufficient number of active judges are available to comprise the three-judge en banc panel, retired or former judges of the district court, Workers' Compensation Court or Workers' Compensation Court of Existing Claims may be designated by the Presiding Judge of the Court of Existing Claims as eligible to serve on such panel. The Governor shall provide to the Court of Existing Claims a list of designated judges eligible for service on the Court en banc The Commission shall coordinate with the Director to schedule a docket for hearings on appeals to the CEC Division of the Court of Civil Appeals, including all cases pending on the effective date of this act. The parties may appeal a decision of the CEC Division to the Supreme Court as provided by the Supreme Court rules in the same manner as from the three-judge en banc panel. The decision of the Court CEC trial judge shall be issued within thirty (30) days following the submission of the case by the parties. The power and jurisdiction of the Court CEC trial judge over each case shall be continuing and it he or she may, from time to time, make such modifications or changes with respect to former findings or orders relating thereto if, in its his or her opinion, it may be justified.
- N. J. For an injury occurring before February 1, 2014, all benefits and procedures to obtain benefits shall be determined by

the workers' compensation law of this state in effect on the date of the injury.

O. K. All accrued rights and penalties incurred pursuant to a final order of the Workers' Compensation Court CEC trial judge shall be preserved. No accrued right, penalty incurred, or proceeding begun by virtue of a statute repealed by this act shall be abrogated by the terms of this act.

P. Annually, on

- L. 1. On or before the first day of July 1 of each year, commencing with July 2019, the Administrator of the Commission shall prepare and electronically submit a report for the prior calendar year to the Governor, the Chief Justice of the Supreme Court, the President Pro Tempore of the Senate and the Speaker of the House of Representatives which shall include a statement of the number of awards made and the causes of the accidents leading to the injuries for which the awards were made, total work load data of the Court, a detailed report of the work load of the judges of the Court CEC trial judge, a detailed statement of the expenses of the office of the Administrator of Workers' Compensation Court of Existing Claims Commission for all administrative duties performed on behalf of the CEC, together with any other matter which the Administrator Commission deems proper to report to the Governor including any recommendations he or she may desire to make.
- 2. On or before July 1 of each year, the Director shall electronically submit to the officials listed in paragraph 1 of this subsection a report for the prior calendar year which shall include the total workload of the CEC Division of the Court of Civil Appeals and a detailed statement of expenses incurred because of three-judge en banc panel appeals.
- Q. M. Subject to the availability of funds, the Judge of the Court of Existing Claims Director may enter into a contract to employ one at-will full—or part-time special workers' compensation judge with jurisdiction to hear cases as set forth in subsection M of this section and as may be assigned by the Judge. The special workers' compensation judge shall receive compensation for such services in accordance with the provisions of Section 92.1A of Title 20 of the Oklahoma Statutes attorney to assist parties without

representation with duties and assignments to be determined by the CEC trial judge and Director.

SECTION 4. AMENDATORY 85A O.S. 2021, Section 401, is amended to read as follows:

Section 401. There is hereby created in the State Treasury a revolving fund for the Workers' Compensation Court of Existing Claims to be designated the "Workers' Compensation Court of Existing Claims Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all All monies received by the Workers' Compensation Court of Existing Claims (CEC) from all filing fees, fees related to the preparation of appeals from the CEC, records search fees, and penalties and fines imposed by the Workers' Compensation Court of Existing Claims or its CEC trial judge and collected by the Administrator of the Workers' Compensation Commission shall be deposited in the Workers' Compensation Commission Revolving Fund. All monies accruing to the credit of said the fund are hereby appropriated and may be budgeted and expended by the Workers' Compensation Court of Existing Claims Commission for the purpose of defraying necessary expenses of the Commission in performing administrative duties on behalf of the Workers' Compensation Court of Existing Claims in performance of its duties including filing new claims, docketing, maintaining records, preparing records for appeal, and preparation of orders. Expenditures from said the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

SECTION 5. AMENDATORY 85A O.S. 2021, Section 401.1, is amended to read as follows:

Section 401.1. There is hereby created in the State Treasury a revolving fund for the Workers' Compensation Court of Existing Claims (CEC) to be designated the "Workers' Compensation Court of Existing Claims Administrative Fund (CECAF)". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Workers' Compensation Court of Existing Claims (CEC) from revenues apportioned pursuant to Section 122 of Title 85A of the Oklahoma Statutes this title prior to the effective date of this act. All monies accruing to the credit of

said the fund are hereby appropriated and may be budgeted and expended by the Workers' Compensation Court of Existing Claims for the purpose of funding Administrative Director of the Courts to fund the operations of the Court, for administering and all expenses associated with the CEC trial judge and all three-judge en banc panel appeals adjudicated by the CEC Division of the Court of Civil Appeals and to administer the provisions of Titles 85 and 85A of the Oklahoma Statutes, and for any other purpose related to the Administrative Workers' Compensation Act that the Court deems appropriate. Expenditures from said the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

SECTION 6. This act shall become effective July 1, 2024.

SECTION 7. It being immediately necessary for the preservation of the public peace, health or safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

	Passed the Senate the 2nd day of May, 2024.
	Presiding Officer of the Senate
	Passed the House of Representatives the 25th day of April, 2024.
	Presiding Officer of the House of Representatives
	OFFICE OF THE GOVERNOR
	Received by the Office of the Governor this
day	of, 20, at o'clock M.
Ву:	Approved by the Governor of the State of Oklahoma this
day	of, 20, at o'clock M.
	Governor of the State of Oklahoma
	OFFICE OF THE SECRETARY OF STATE
	Received by the Office of the Secretary of State this
day	of, 20, at o'clock M.
B17 •	