

STATE OF OKLAHOMA

1st Session of the 54th Legislature (2013)

SENATE BILL 485

By: Allen

AS INTRODUCED

An Act relating to workers' compensation; creating the Workers' Compensation Law; defining terms; providing scope of Workers' Compensation Law; providing for tolling of time limitations in certain circumstance; providing for exclusive remedies; providing exception to exclusive remedies; providing penalty for certain conduct; providing for Workers' Compensation Fraud Investigation Unit; providing for director; providing for compensation of director; providing duties of unit; providing for certain personnel; providing penalty for certain conduct; requiring report by certain persons of certain wrongful actions and conduct; providing for immunity for reporting certain conduct; providing for prosecution of certain conduct; providing authority for establishment of rules and regulations; prohibiting discrimination in certain circumstances for certain reasons; providing penalty; providing for recovery of costs and certain fees; stating purpose; requiring certain workers' compensation coverage; providing for certain exclusions; prohibiting payment of certain premiums by certain persons; providing penalty; prohibiting certain legal processes; providing exception to prohibition of certain legal processes; providing for disposition of compensation of deceased individual to certain persons; providing for certain information to be provided for enforcement of certain obligations; providing limitations for withheld compensation; defining term; providing for compensation to certain nonresidents; limiting compensation to certain persons; providing for designation and treatment of certain compensation; limiting certain types of injuries as compensable injuries; requiring disclosure of certain support obligations upon making an application for workers' compensation; requiring Insurance Commissioner to provide certain funding information

1 to Workers' Compensation Commission; providing
2 requirements of information to be reported; providing
3 for certification of available funds by Workers'
4 Compensation Commission; providing maximum amount of
5 funds transferred; providing for Workers'
6 Compensation Commission to enact certain guidelines
7 for certain medical condition; prohibiting certain
8 health care entities from attempting to bill or
9 collect fees for work-related injuries; prohibiting
10 certain health care entities from reporting certain
11 information to credit reporting agencies; providing
12 notice requirements of employee; providing exception
13 for collection of fee from employee; providing for
14 tolling of statute of limitations; providing for stay
15 of proceedings in certain circumstances; providing
16 for membership of the Workers' Compensation
17 Commission; providing for appointment and
18 confirmation; providing term limits; providing
19 requirements of membership; providing for salaries;
20 providing for vacancies; requiring bond; allowing
21 removal of members of Workers' Compensation
22 Commission under certain circumstances; providing for
23 notice of removal; providing for hearing; requiring
24 oath of members of the Workers' Compensation
Commission; providing for quorum; providing office
requirements; providing for locations of hearings or
sessions; requiring seal; authorizing certain
activities of the Workers' Compensation Commission;
requiring notice of certain activities; providing
notice requirements; providing for reasonable comment
period for interested persons; providing time for
rules to take effect; providing requirements for
expenditures; providing for appointment of certain
persons; providing for salaries; providing duties of
certain persons; providing for reimbursement of
certain travel expenses; providing duties; providing
for imposition of certain fees; requiring certain
report to Legislature; providing for time of report;
requiring publication of certain information;
authorizing funding for certain trust fund; providing
for adoption of rules and regulations for
administration of certain fund; creating Workers'
Compensation Fund, Second Injury Trust Fund, and
Death and Permanent Total Disability Trust Fund;
providing for administration of funds; providing for
suspension of certain fund if balance of fund is
insufficient; providing for transfer of balance of

1 certain funds at certain point in time; requiring
2 carriers of workers' compensation insurance to pay
3 certain monies to Insurance Commissioner; requiring
4 payment of certain taxes by carriers of workers'
5 compensation insurance; defining term; providing for
6 assessment and collection of certain taxes; providing
7 for form of tax payment; providing for
8 decertification of certain employers upon failure to
9 pay certain taxes; providing for annual determination
10 of surplus for certain funds; providing for
11 determination of rates of taxation for certain funds;
12 requiring notification to certain insurance carriers
13 of rates of taxation; authorizing promulgation of
14 necessary rules regarding assessment and collection
15 of tax; requiring report of tax collections to
16 Insurance Commissioner; requiring certification of
17 certain costs to Chief Fiscal Officer; providing time
18 for certification of certain costs; requiring
19 transfer of certain funds; requiring employers to
20 secure and provide compensation for work-related
21 injuries or death; providing exception; providing for
22 liability of prime contractor when subcontractor
23 fails to secure compensation; providing exception;
24 providing for lien of prime contractor in certain
circumstances; providing penalty against prime
contractor under certain circumstances of wrongful
conduct; providing for validity of certification of
noncoverage for certain amount of time; providing for
assessment of fee for applications or renewals of
certification of noncoverage; providing requirements
of certification of noncoverage; authorizing Workers'
Compensation Commission to prescribe certain forms
and procedures for certification of noncoverage;
requiring notice by certain employers if exempted or
excepted from compensation requirements and
compliance; requiring employers to secure payment of
workers' compensation; providing requirements
applicable to securing payment of worker's
compensation; requiring employers to furnish proof of
financial ability to pay compensation; providing
requirements; providing for self-insurers; providing
requirements of certain self-insurers; providing
penalty for filing false or fraudulent financial
statements; providing for jurisdiction for
enforcement of provisions under the Workers'
Compensation Law; providing for suspension or
revocation of authorization of certain self-insurers;

1 providing for discharge of liability by the employer;
2 providing penalty for failure to secure the payment
3 of compensation; providing for proposed order and
4 hearing if employer fails to secure compensation;
5 providing for penalty; requiring notices of
6 compliance with compensation requirements to be
7 posted in workplace; providing requirements of
8 notice; providing requirements of policies or
9 contracts of insurance issued for workers'
10 compensation; providing for cancellation of workers'
11 compensation coverage; requiring notice of
12 cancellation; creating the Workers' Health and Safety
13 Division; stating duties of the Workers' Health and
14 Safety Division; providing for an advisory committee;
15 providing for membership on advisory committee;
16 establishing a job safety information system;
17 providing requirements of a job safety information
18 system; establishing an extra-hazardous employer
19 program; defining term; providing requirements of an
20 extra-hazardous employer program; providing for
21 prerequisites of casualty insurers desiring to write
22 workers' compensation insurance; requiring certain
23 accident prevention services; requiring notice of
24 accident prevention services; providing requirements
of notice; requiring inspections of accident
prevention services; providing immunity from
liability regarding lack of accident prevention
services; providing for legal actions against third
parties outside of claims for compensation against
employers or insurance carriers; providing for
certain liens in certain legal actions; providing for
application of any award; providing for subrogation;
stating purpose of subrogation; requiring court
approval for settlement of certain claims; providing
for indemnification payments to be placed in certain
account; stating purpose of certain account;
providing for dollar-for-dollar payable benefits
under benefit plan; requiring disclosure of entity
paying benefits; requiring release of subrogation
claims; providing for determination of potential
subrogation claims; requiring insurance carrier to
hold certain sums in reserve for specific time
period; directing insurance carrier to tender certain
sums to certain funds after specific time period in
certain circumstances; providing time periods for
compensation after injury; providing percentage of
weekly benefit payments for certain disabilities;

1 providing certain time limits for payment of certain
2 disabilities; providing for payment of certain
3 disabilities from certain funds; providing conditions
4 for designation as an extra-hazardous employer;
5 providing for doubled benefits if employee is a
6 minor; providing exception to doubled benefits;
7 providing for payment of difference if employer
8 refuses to return employee to work; providing certain
9 time period for payment of difference; providing for
10 employee to return to work; providing for voluntary
11 vocational rehabilitation; providing limitation in
12 benefits payment if employee chooses not to attend
13 vocational rehabilitation; providing for mandatory
14 vocational rehabilitation assessments if employee
15 elects to attend vocational rehabilitation;
16 prohibiting employee from receiving disability
17 payments and unemployment benefits during the same
18 time period; providing exception to receiving
19 disability and unemployment benefits during the same
20 time period; providing for allocation of funding for
21 certain projects; requiring employer to provide
22 certain necessary medical care or services; providing
23 for necessary care at expense of employer in certain
24 circumstances; authorizing Workers' Compensation
Commission to establish certain system of care;
authorizing Workers' Compensation Commission to
develop certain rules, regulations and policies;
providing time periods and amounts payable for
certain injuries; providing exception to liability
for payment; requiring employee to submit to certain
examinations; providing for reasonable place of
examination; providing for participation by certain
physicians selected by certain entities; providing
for stay of proceedings when Workers' Compensation
Commission directs medical examination; providing
penalty when employee fails to comply with order of
examination; authorizing Workers' Compensation
Commission to consider certain inactions of employee
when determining award; providing for submission of
incurred charges for certain services; providing
exception to submission of charges; providing for
selection of physician; providing for change of
physician; requiring certain service providers to
furnish certain information to certain entities;
providing for payment of copying costs; authorizing
Workers' Compensation Commission to establish certain
rules regarding costs of specified medical services;

1 providing for computation of compensation; providing
2 for notice requirement of certain disability;
3 providing requirements of notice; defining term;
4 authorizing Workers' Compensation Commission to adopt
5 certain impairment ratings; providing schedule for
6 certain compensation benefits for certain injuries;
7 providing for compensation for certain claims;
8 stating purpose of certain fund; providing for
9 determination by certain persons of compensation
10 liability for subsequent injuries; providing source
11 of payment for subsequent injuries; prohibiting
12 compensation during certain periods of refusal of
13 employment; providing for payment of funeral expenses
14 in certain circumstances; providing for payment of
15 compensation to beneficiaries in certain
16 circumstances; providing schedule of payment to
17 certain beneficiaries; providing for termination of
18 compensation under certain circumstances; providing
19 for apportionment of benefits to class; providing for
20 determination of beneficiaries within a class;
21 providing for determination of dependency; requiring
22 employer to keep certain employment records;
23 requiring employer to provide certain report to
24 Workers' Compensation Commission; providing
requirements of report; providing penalty for failure
to provide report; providing for contest by employer
for failure to provide report; providing for
compensation for certain occupational diseases;
providing limitations; defining terms; providing for
reporting of injuries to employer under certain
circumstances within certain time period; providing
time for filing certain claims for compensation;
providing time for filing for additional
compensation; providing limitations for additional
compensation; providing exceptions for failure to
file a claim; authorizing Workers' Compensation
Commission to promulgate rules for certain
preliminary conference procedures; providing for
notice to certain persons upon filing of a claim for
compensation; providing for hearing on a claim for
compensation; providing for notice of hearing;
stating venue for hearing; providing for review of
record; providing for introduction and presentation
of evidence; providing for conduct of hearing and
certain court proceedings; stating prima facie
presumptions; providing for appeal of compensation
order; providing requirements of appeal; providing

1 for judgment lien upon failure to pay award;
2 providing for review of compensation order by
3 Workers' Compensation Commission; providing for
4 assessment of costs for certain court proceedings;
5 providing for assessment and payment of certain fees;
6 providing certain requirements for submission of
7 claim; providing requirements for payments of
8 compensation; providing requirements for
9 controversion of compensation; providing for lump-sum
10 settlements; providing table for calculating the
11 present value of lump-sum settlements; providing for
12 petition for final settlement to Workers'
13 Compensation Commission; directing certain payments
14 be made by certain insurance carriers or employers;
15 providing for reimbursement of advanced compensation
16 payments; providing for bond or deposit to secure
17 payment of compensation; providing for interest on
18 compensation; providing for notice to certain
19 entities of final payment of compensation;
20 authorizing Workers' Compensation Commission to
21 investigate claim under certain circumstances;
22 providing for award of compensation to certain
23 persons if person receiving award is incarcerated;
24 providing for various deductibles to policyholders of
workers' compensation insurance; providing for
payment of deductible; providing exception to
deductible requirements; authorizing Workers'
Compensation Commission to recognize certain guaranty
funds; stating purpose of guaranty funds; defining
term; authorizing Workers' Compensation Commission to
promulgate certain regulations concerning guaranty
funds; providing for contributions to guaranty funds;
providing for report of payment of potential claims
to funds; requiring annual audit of guaranty funds;
providing for investment and use of monies in
guaranty funds; providing for subrogation by guaranty
fund; authorizing guaranty fund to bring actions at
law or in equity in certain instances; providing for
award of costs and fees if guaranty fund brings
actions at law or in equity; providing requirements
for membership in guaranty fund; providing for
liability of self-insurer if certain status is
terminated; stating legislative intent; amending 74
O.S. 2011, Sections 18m-1, 18m-2 and 19.2, which
relate to the Office of the Attorney General;
transferring the Workers' Compensation Fraud Unit
from the Office of the Attorney General to the

1 Insurance Department; transferring the duties of the
2 Workers' Compensation Fraud Unit to the Insurance
3 Department; transferring certain personnel, funds,
4 records, encumbrances, equipment, and other items to
5 the Insurance Department; providing requirements
6 pertaining to transfer of employees; modifying grant
7 of powers as a district attorney to reflect transfer
8 of administration and enforcement from the Office of
9 the Attorney General to the Insurance Department;
10 modifying confidentiality of records, documents,
11 reports and evidence to reflect transfer of
12 administration and enforcement from the Office of the
13 Attorney General to the Insurance Department;
14 modifying and renaming certain revolving fund to
15 reflect transfer of administration and enforcement
16 from the Office of the Attorney General to the
17 Insurance Department; repealing 85 O.S. 2011,
18 Sections 301, 302, 303, as amended by Section 1074,
19 Chapter 304, O.S.L. 2012, 304, 305, 306, 307, 308,
20 309, 310, 311, 312, 313, 314, 315, 316, 317, 318,
21 319, 320, 321, 322, 323, 324, 325, 326, 327, 328,
22 329, 330, 331, 332, 333, 334, 335, 336, 337, 338,
23 339, 340, 341, 342, 343, 344, 345, 346, 347, 348,
24 349, 350, 351, 352, 353, 354, 355, 356, 357, 358,
359, 360, 361, as amended by Section 1075, Chapter
304, O.S.L. 2012, 362, 363, 364, 365, as amended by
Section 1076, Chapter 304, O.S.L. 2012, 366, 367,
368, 369, 370, as amended by Section 1077, Chapter
304, O.S.L. 2012, 371, 372, 373, 374, 375, 376, as
amended by Section 1078, Chapter 304, O.S.L. 2012,
377, 378, 379, 380, 381, 382, 383, 384, as amended by
Section 1079, Chapter 304, O.S.L. 2012, 385, 386,
387, as amended by Section 1080, Chapter 304, O.S.L.
2012, 388, 389, as amended by Section 1081, Chapter
304, O.S.L. 2012, 390, 391, 392, 393, 394, 395, 396,
397, 398, 399, 400, 401, 402, 403, as amended by
Section 1082, Chapter 304, O.S.L. 2012, 404, 405,
406, 407, 408, 409, 410, as last amended by Section
1, Chapter 254, O.S.L. 2012, 411, 412, as amended by
Section 1083, Chapter 304, O.S.L. 2012, and 413 (85
O.S. Supp. 2012, Sections 303, 361, 365, 370, 376,
384, 387, 389, 403, 410 and 412), which relate to the
Workers' Compensation Code; providing for
codification; providing for recodification; and
providing effective dates.

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

2 SECTION 1. NEW LAW A new section of law to be codified
3 in the Oklahoma Statutes as Section 501 of Title 85, unless there is
4 created a duplication in numbering, reads as follows:

5 This act shall be known and may be cited as the "Workers'
6 Compensation Law".

7 SECTION 2. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 502 of Title 85, unless there is
9 created a duplication in numbering, reads as follows:

10 As used in the Workers' Compensation Law:

11 1. "Carrier" means any stock company, mutual company, or
12 reciprocal or interinsurance exchange authorized to write or carry
13 on the business of workers' compensation insurance in this state.
14 Whenever required by the context, the term "carrier" shall be deemed
15 to include duly qualified self-insureds or self-insured groups;

16 2. "Child" means a natural child, a posthumous child, a child
17 legally adopted prior to injury of the employee, a stepchild, an
18 acknowledged illegitimate child of the deceased or of the spouse of
19 the deceased, and a foster child;

20 3. "Commission" means the Workers' Compensation Commission;

21 4. a. "Compensable injury" means:

22 (1) an accidental injury causing internal or external
23 physical harm to the body or accidental injury to
24 prosthetic appliances, including, but not limited

1 to, eyeglasses, contact lenses, or hearing aids,
2 arising out of and in the course of employment
3 and which requires medical services or results in
4 disability or death. An injury is "accidental"
5 only if it is caused by a specific incident and
6 is identifiable by time and place of occurrence,
7 or

8 (2) an injury causing internal or external physical
9 harm to the body and arising out of and in the
10 course of employment if it is not caused by a
11 specific incident or is not identifiable by time
12 and place of occurrence, if the injury is:

13 (a) caused by rapid repetitive motion. Carpal
14 tunnel syndrome is specifically categorized
15 as a compensable injury falling within this
16 definition,

17 (b) a back or neck injury which is not caused by
18 a specific incident or which is not
19 identifiable by time and place of
20 occurrence, or

21 (c) hearing loss which is not caused by a
22 specific incident or which is not
23 identifiable by time and place of
24 occurrence.

1 b. "Compensable injury" includes, but is not limited to:

2 (1) "mental illness", which means an illness as
3 provided for in Section 15 of this act,

4 (2) "heart" or "cardiovascular injury", "accident",
5 or "disease", which means an injury, accident, or
6 disease as provided for in Section 16 of this
7 act,

8 (3) a "hernia", which means an injury as provided for
9 in Section 66 of this act, or

10 (4) an "adverse reaction", which means a reaction
11 experienced by any employee of the Department of
12 Health and Human Services or any employee of a
13 hospital licensed by the Department related to
14 vaccination with Vaccinia vaccines for smallpox,
15 including, but not limited to, the Dryvax
16 vaccine, regardless of whether the adverse
17 reaction is the result of voluntary action by the
18 injured employee.

19 c. "Compensable injury" does not include:

20 (1) injury to any active participant in assaults or
21 combats which, although they may occur in the
22 workplace, are the result of non-employment-
23 related hostility or animus of one, both, or all
24 of the combatants and which assault or combat

1 amounts to a deviation from customary duties;
2 furthermore, except for innocent victims,
3 injuries caused by horseplay shall not be
4 considered to be compensable injuries,

5 (2) injury incurred while engaging in or performing,
6 or as the result of engaging in or performing,
7 any recreational or social activities for the
8 personal pleasure of the employee,

9 (3) injury which was inflicted upon the employee at a
10 time when employment services were not being
11 performed or before the employee was hired or
12 after the employment relationship was terminated,
13 or

14 (4) injury where the accident was substantially
15 occasioned by the use of alcohol, illegal drugs,
16 or prescription drugs used in contravention of
17 the orders of a physician.

18 (a) The presence of alcohol, illegal drugs, or
19 prescription drugs used in contravention of
20 orders of a physician shall create a
21 rebuttable presumption that the injury or
22 accident was substantially occasioned by the
23 use of alcohol, illegal drugs, or
24

1 prescription drugs used in contravention of
2 orders of a physician.

3 (b) Every employee is deemed by his or her
4 performance of services to have impliedly
5 consented to reasonable and responsible
6 testing by properly trained medical or law
7 enforcement personnel for the presence of
8 any of the aforementioned substances in the
9 body of the employee.

10 (c) An employee shall not be entitled to
11 compensation unless it is proved by a
12 preponderance of the evidence that the
13 alcohol, illegal drugs, or prescription
14 drugs utilized in contravention of the
15 orders of the physician did not
16 substantially occasion the injury or
17 accident.

18 d. The definition of "compensable injury" as set forth in
19 this paragraph shall not be deemed to limit or
20 abrogate the right to recover for mental injuries as
21 set forth in Section 15 of this act or occupational
22 diseases as set forth in Sections 74 through 76 of
23 this act.
24

1 e. A compensable injury must be established by medical
2 evidence supported by objective findings as defined in
3 paragraph 16 of this section.

4 f. BURDEN OF PROOF. The burden of proof of a compensable
5 injury shall be on the employee and shall be as
6 follows:

7 (1) for injuries falling within the definition of
8 compensable injury under division (1) of
9 subparagraph a of this paragraph, the burden of
10 proof shall be a preponderance of the evidence,
11 or

12 (2) for injuries falling within the definition of
13 compensable injury under division (2) of
14 subparagraph a of this paragraph, the burden of
15 proof shall be by a preponderance of the
16 evidence, and the resultant condition is
17 compensable only if the alleged compensable
18 injury is the major cause of the disability or
19 need for treatment.

20 g. BENEFITS.

21 (1) When an employee is determined to have a
22 compensable injury, the employee is entitled to
23 medical and temporary disability as provided by
24 this section.

- 1 (2) (a) Permanent benefits shall be awarded only
2 upon a determination that the compensable
3 injury was the major cause of the disability
4 or impairment.
- 5 (b) If any compensable injury combines with a
6 preexisting disease or condition or the
7 natural process of aging to cause or prolong
8 disability or a need for treatment,
9 permanent benefits shall be payable for the
10 resultant condition only if the compensable
11 injury is the major cause of the permanent
12 disability or need for treatment.
- 13 (3) Under this subparagraph, benefits shall not be
14 payable for a condition which results from a non-
15 work-related independent intervening cause
16 following a compensable injury which causes or
17 prolongs disability or a need for treatment. A
18 non-work-related independent intervening cause
19 does not require negligence or recklessness on
20 the part of a claimant.
- 21 (4) Nothing in this subparagraph shall limit the
22 payment of rehabilitation benefits or benefits
23 for disfigurement as set forth in this section;
24

1 5. "Compensation" means the monetary award payable to the
2 employee or to his or her dependents in the form of a temporary
3 total or permanent partial disability award that shall be placed in
4 a designated escrow account which shall be used for future medical
5 care or for any fees and costs associated with the vocational
6 rehabilitation and includes the allowances provided for in Section
7 53 of this act and funeral expenses;

8 6. "Death" means only death resulting from compensable injury
9 as defined in paragraph 4 of this section;

10 7. "Department" means the Oklahoma Insurance Department;

11 8. "Disability" means incapacity, because of a compensable
12 injury, to earn, in the same or any other employment, the wages
13 which the employee was receiving at the time of the compensable
14 injury;

15 9. a. "Employee" means any person, including a minor,
16 whether lawfully or unlawfully employed in the service
17 of an employer under any contract of hire or
18 apprenticeship, written or oral, expressed or implied,
19 but excluding one whose employment is casual and not
20 in the course of the trade, business, profession, or
21 occupation of his or her employer and excluding one
22 who is required to perform work for a municipality or
23 county or the state or federal government upon having
24

1 been convicted of a criminal offense or while
2 incarcerated.

3 b. The term "employee" shall not include any individual
4 who is both a licensee as defined in Section 858-102
5 of Title 59 of the Oklahoma Statutes and a qualified
6 real estate agent as that term is defined in Section
7 3508(b)(1) of the Internal Revenue Code of 1986,
8 including all regulations under the Internal Revenue
9 Code of 1986.

10 c. Any individual holding from the Commission a current
11 certification of noncoverage under this act shall be
12 conclusively presumed not to be an employee for
13 purposes of this act or otherwise during the term of
14 his or her certification or any renewals thereof or
15 until he or she elects otherwise, whichever time
16 period is shorter.

17 d. Any reference to an employee who has been injured,
18 when that employee is dead, shall also include his or
19 her legal representative, dependents, and other
20 persons to whom compensation may be payable;

21 10. "Employer" means any individual, partnership, limited
22 liability company, association, or corporation carrying on any
23 employment, the receiver or trustee of the same, or the legal
24 representative of a deceased employer;

1 11. "Employment" means:

2 a. every employment in the state in which three or more
3 employees are regularly employed by the same employer
4 in the course of business except:

5 (1) an employee employed as a domestic servant in or
6 about a private home,

7 (2) an employee employed to do gardening,
8 maintenance, repair, remodeling, or similar work
9 in or about the private home or residence of the
10 person employing the employee,

11 (3) agricultural farm labor,

12 (4) a person for whom a rule of liability for injury
13 or death arising out of and in the course of
14 employment is provided by the laws of the United
15 States,

16 (5) a person performing services for any nonprofit
17 religious, charitable, or relief organization,

18 (6) any person engaged in the vending, selling,
19 offering for sale, or delivery directly to the
20 general public of any newspapers, magazines, or
21 periodicals, or any person acting as a sales
22 agent or distributor as an independent contractor
23 of or for any newspaper, magazine, or periodical,
24 and

(7) any individual who is both a licensee as defined in Section 858-102 of Title 59 of the Oklahoma Statutes and a qualified real estate agent as that term is defined in Section 3508(b)(1) of the Internal Revenue Code of 1986, including all regulations under the Internal Revenue Code of 1986,

b. every employment in which two or more employees are employed by any person engaged in building or building repair work,

c. every employment in which one or more employees are employed by a contractor who subcontracts any part of his or her contract, and

d. every employment in which one or more employees are employed by a subcontractor;

12. "Healing period" means that period for healing of an injury resulting from an accident;

13. "Insurance Commissioner" means the Insurance Commissioner of the State of Oklahoma;

14. a. "Major cause" means more than fifty percent (50%) of the cause.

b. A finding of major cause shall be established according to the preponderance of the evidence;

1 15. "Medical services" means those services specified in
2 Section 56 of this act;

3 16. a. (1) "Objective findings" are those findings which
4 cannot come under the voluntary control of the
5 patient.

6 (2) (a) When determining physical or anatomical
7 impairment, neither a physician, any other
8 medical provider, an administrative law
9 judge, the Workers' Compensation Commission,
10 nor the courts may consider complaints of
11 pain.

12 (b) For the purpose of making physical or
13 anatomical impairment ratings to the spine,
14 straight-leg-raising tests or range-of-
15 motion tests shall not be considered
16 objective findings.

17 (3) (a) Objective evidence necessary to prove
18 physical or anatomical impairment in
19 occupational hearing loss cases may be
20 established by medically recognized and
21 accepted clinical diagnostic methodologies,
22 including, but not limited to, audiological
23 tests that measure air and bone conduction
24

1 thresholds and speech discrimination
2 ability.

3 (b) Any difference in the baseline hearing
4 levels must be confirmed with a subsequent
5 test within four (4) weeks following the
6 initial test or tests performed pursuant to
7 subdivision (a) of division (3) of
8 subparagraph a of this paragraph but not
9 before five (5) days and being adjusted for
10 presbycusis.

11 b. Medical opinions addressing compensability and
12 permanent impairment must be stated within a
13 reasonable degree of medical certainty;

14 17. a. "State average weekly wage" means the state average
15 weekly wage determined annually by the Department of
16 Labor in the preceding calendar year pursuant to
17 Section 2-104 of Title 40 of the Oklahoma Statutes.

18 b. If, for any reason, the determination is not
19 available, the Workers' Compensation Commission shall
20 determine the wage annually after reasonable
21 investigation and public hearing;

22 18. "Time of accident" or "date of accident" means the time or
23 date of the occurrence of the accidental incident from which
24 compensable injury, disability, or death results;

1 19. "Wages" means the money rate at which the service rendered
2 is recompensed under the contract of hiring in force at the time of
3 the accident, including the reasonable value of board, rent,
4 housing, lodging, or similar advantage received from the employer
5 and includes the amount of tips required to be reported by the
6 employer pursuant to Section 6053 of the Internal Revenue Code of
7 1954 and the regulations promulgated pursuant thereto or the amount
8 of actual tips reported, whichever amount is greater; and

9 20. a. "Widow" shall include only the legal wife of the
10 decedent, living with or dependent for support upon
11 him at the time of his death.

12 b. "Widower" shall include only the legal husband of the
13 decedent, living with or dependent for support upon
14 her at the time of her death.

15 SECTION 3. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 503 of Title 85, unless there is
17 created a duplication in numbering, reads as follows:

18 A. Every employer and every employee, unless otherwise
19 specifically provided in this act, shall be subject to the
20 provisions of this act and shall be bound by its provisions.
21 However, nothing in this act shall be construed to conflict with any
22 valid act of Congress governing the liability of employers for
23 injuries received by their employees.

1 B. This act shall apply only to claims for injuries and death
2 based upon accidents which occur on or after November 1, 2013.

3 C. The Workers' Compensation Act in effect prior to November 1,
4 2013, shall govern all rights in respect to claims for injuries and
5 death based upon accidents occurring prior to November 1, 2013.

6 SECTION 4. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 504 of Title 85, unless there is
8 created a duplication in numbering, reads as follows:

9 If any part of this act is adjudged unconstitutional by the
10 courts and the adjudication has the effect of invalidating any
11 payment of compensation under this act, the period intervening
12 between the time the injury was sustained and the time of the
13 adjudication shall not be computed as part of the time prescribed by
14 law for the commencement of any action against the employer in
15 respect of the injury, but the amount of any compensation paid under
16 this act on account of the injury shall be deducted from the amount
17 of damages awarded in the action in respect to the injury.

18 SECTION 5. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 505 of Title 85, unless there is
20 created a duplication in numbering, reads as follows:

21 A. The rights and remedies granted to an employee subject to
22 the provisions of this act, on account of injury or death, shall be
23 exclusive of all other rights and remedies of the employee, the
24 legal representative of the employee, dependents, next of kin, or

1 anyone otherwise entitled to recover damages from the employer, or
2 any principal, officer, director, stockholder, or partner acting in
3 the capacity as an employer, or prime contractor of the employer, on
4 account of the injury or death, and the negligent acts of a
5 coemployee shall not be imputed to the employer. No role, capacity,
6 or persona of any employer, principal, officer, director, or
7 stockholder other than that existing in the role of employer of the
8 employee shall be relevant for consideration for purposes of this
9 act, and the remedies and rights provided by this act shall in fact
10 be exclusive regardless of the multiple roles, capacities, or
11 personas the employer may be deemed to have.

12 B. 1. However, if an employer fails to secure the payment of
13 compensation as required by this act, an injured employee, or the
14 legal representative of the injured employee in case death results
15 from the injury, may, at the option of the injured employee, elect
16 to claim compensation under this act or to maintain a legal action
17 in court for damages on account of the injury or death.

18 2. In a legal action, it shall not be necessary to plead or
19 prove freedom from contributory negligence, nor may the defendant-
20 employer plead as a defense that the injury was caused by the
21 negligence of a fellow servant, that the employee assumed the risk
22 of employment, or that the injury was due to the contributory
23 negligence of the employee.

24

1 SECTION 6. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 506 of Title 85, unless there is
3 created a duplication in numbering, reads as follows:

4 A. 1. a. Any person or entity who willfully and knowingly makes
5 any material false statement or representation, who
6 willfully and knowingly omits or conceals any material
7 information, or who willfully and knowingly employs
8 any device, scheme, or artifice for the purpose of:

9 (1) obtaining any benefit or payment,

10 (2) defeating or wrongfully increasing or wrongfully
11 decreasing any claim for benefit or payment, or

12 (3) obtaining or avoiding workers' compensation
13 coverage or avoiding payment of the proper

14 insurance premium, or who aids and abets for any
15 of said purposes, under this act,

16 shall be guilty of a felony and shall be punished by a
17 fine of not less than Five Hundred Dollars (\$500.00),
18 nor more than Two Thousand Dollars (\$2,000.00), or by
19 imprisonment in the county jail for a term of not less
20 than one (1) year, or by both fine and imprisonment.

21 b. Fifty percent (50%) of any criminal fine imposed and
22 collected under this paragraph or paragraph 2 of this
23 subsection shall be paid and allocated in accordance
24 with applicable law to the Death and Permanent Total

1 Disability Trust Fund administered by the Workers'
2 Compensation Commission.

3 2. Any person or entity with whom any person identified in
4 paragraph 1 of this subsection has conspired to achieve the
5 proscribed ends shall, by reason of such conspiracy, be guilty as a
6 principal of a felony and shall be punished by a fine of not less
7 than Five Hundred Dollars (\$500.00), nor more than Two Thousand
8 Dollars (\$2,000.00), or by imprisonment in the county jail for a
9 term of not less than one (1) year, or by both fine and
10 imprisonment.

11 B. A copy of paragraph 1 of subsection A of this section shall
12 be placed on all forms prescribed by the Commission for the use of
13 injured employees claiming benefits and for the use of employers in
14 responding to such employees' claims under this act.

15 C. Where the Workers' Compensation Commission or the Insurance
16 Commissioner finds that false statements or representations were
17 made willfully and knowingly, that material information was
18 willfully and knowingly omitted or concealed, or that any device,
19 scheme, or artifice was willfully and knowingly employed for the
20 purpose of:

- 21 1. Obtaining benefits or payments;
22 2. Obtaining, wrongfully increasing, wrongfully decreasing, or
23 defeating any claim for benefit or payment; or
24

1 3. Obtaining or avoiding workers' compensation coverage or
2 avoiding payment of the proper insurance premium under this act or
3 that any other related criminal violations were committed,
4 the chair of the Workers' Compensation Commission or the Insurance
5 Commissioner shall refer the matter for appropriate action to the
6 prosecuting attorney having criminal jurisdiction in the matter.

7 D. 1. a. There shall be established within the Oklahoma
8 Insurance Department a Workers' Compensation Fraud
9 Investigation Unit, funded by the Workers'
10 Compensation Commission, which will be headed and
11 supervised by a director who may also serve as the
12 director of any other designated insurance fraud
13 investigation division within the Department, in which
14 event the compensation of the director shall be paid
15 solely from the funds of such insurance fraud
16 investigation division.

17 b. (1) The Workers' Compensation Fraud Investigation
18 Unit will investigate workers' compensation
19 fraud, additional criminal violations that may be
20 related to workers' compensation fraud, and any
21 other insurance fraud matters as may be assigned
22 at the discretion of the director.

23 (2) The Insurance Commissioner shall designate the
24 personnel assigned to the Workers' Compensation

1 Fraud Investigation Unit, who shall have the
2 powers of specialized law enforcement officers of
3 the State of Oklahoma for the purpose of
4 conducting investigations under this
5 subparagraph. Personnel hired as specialized law
6 enforcement officers shall have a minimum of
7 three (3) years of certified law enforcement
8 experience or its equivalent in national or
9 military law enforcement experience as approved
10 by the Council on Law Enforcement Education and
11 Training.

12 2. The Insurance Commissioner and the deputies and assistants
13 of the Insurance Commissioner and the fraud director and the
14 deputies and assistants of the fraud director shall be vested with
15 the power of enforcing this section and rendering more effective the
16 disclosure and apprehension of persons or entities who abuse the
17 workers' compensation system as established by the Legislature by
18 making false or misleading statements for the purpose of either
19 obtaining, wrongfully increasing, wrongfully decreasing or defeating
20 the payment of benefits, obtaining or avoiding workers' compensation
21 coverage, or avoiding payment of the proper insurance premium.

22 3. It shall be the duty of the Workers' Compensation Fraud
23 Investigation Unit to assist the Insurance Commissioner and the
24 Department in the performance of duties, and, further, to determine

1 the identity of carriers, employers, or employees who within the
2 State of Oklahoma have violated subsection A of this section and
3 report the violation to the Commission and to the Insurance
4 Commissioner, who shall, in turn, be responsible for reporting the
5 violation to the prosecuting attorney having criminal jurisdiction
6 in the matter.

7 4. a. With respect to the subject of any investigation being
8 conducted by the Workers' Compensation Fraud
9 Investigation Unit, the Insurance Commissioner and the
10 deputies and assistants of the Insurance Commissioner
11 and the fraud director and the deputies and assistants
12 of the fraud director shall have the power of subpoena
13 and may:

- 14 (1) subpoena witnesses,
15 (2) administer oaths or affirmations and examine any
16 individual under oath, and
17 (3) require and compel the production of records,
18 books, papers, contracts, and other documents.

19 b. Subpoenas of witnesses shall be served in the same
20 manner as if issued by a district court.

21 c. (1) If any individual fails to obey a subpoena issued
22 and served pursuant to this section with respect
23 to any matter concerning which the individual may
24 be lawfully interrogated, then upon application

1 of the Insurance Commissioner or fraud director,
2 the district court of the county where the
3 subpoena was served may issue an order requiring
4 the individual to comply with the subpoena and to
5 testify.

6 (2) Any failure to obey the order of the court may be
7 punished by the court as a contempt.

8 d. If any person has refused, in connection with an
9 investigation by the fraud director, to be examined
10 under oath concerning the affairs of that person, then
11 the fraud director is authorized to conduct and
12 enforce by all appropriate and available means any
13 examination under oath in any state or territory of
14 the United States in which any officer, director, or
15 manager may then presently be to the full extent
16 permitted by the laws of the state or territory.

17 e. Any person testifying falsely under oath or
18 affirmation in this state as to any matter material to
19 any investigation or hearing conducted pursuant to
20 subparagraph d of this paragraph, or any workers'
21 compensation hearing, shall upon conviction be guilty
22 of perjury and punished accordingly.

23 5. Fees and mileage of the officers serving the subpoenas and
24 of the witnesses in answer to subpoenas shall be as provided by law.

- 1 6. a. Every carrier or employer who has reason to suspect
2 that a violation of paragraph 1 of subsection A of
3 this section has occurred shall be required to report
4 all pertinent matters relating to the violation to the
5 unit.
- 6 b. No carrier shall be liable to any employer or employee
7 for any report, and no employer shall be liable to any
8 employee for a report unless it knowingly and
9 intentionally includes false information.
- 10 c. (1) Any carrier or employer who willfully and
11 knowingly fails to report any violation shall be
12 guilty of a misdemeanor and upon conviction shall
13 be punished by a fine not to exceed One Thousand
14 Dollars (\$1,000.00) or by imprisonment for a
15 period not to exceed one (1) year, or by both
16 fine and imprisonment.
- 17 (2) Fifty percent (50%) of any criminal fine imposed
18 and collected under this subparagraph shall be
19 paid and allocated in accordance with applicable
20 law to the fund administered by the Commission.
- 21 d. Although not mandated to report suspected violations
22 of paragraph 1 of subsection A of this section by an
23 employer or employee, any employee who does make such
24 a report shall not be liable to the employer or

1 employee whose suspected violations have been
2 reported.

3 e. In addition, any immunity from liability provisions of
4 the Oklahoma Insurance Code applicable to the
5 reporting of suspected fraudulent insurance acts shall
6 also be applicable to the reporting of information
7 under this paragraph.

8 E. 1. For the purpose of imposing criminal sanctions or a fine
9 for violation of the duties of this act, the prosecuting attorney
10 shall have the right and discretion to proceed against any person or
11 organization responsible for violations, both organizational and
12 individual liability being intended by this act.

13 2. The prosecuting attorney of the district to whom a suspected
14 violation of subsection A of this section, Sections 35 and 39 of
15 this act, or any other criminal violations that may be related to a
16 violation of this act, has been referred shall, for the purpose of
17 assisting the prosecuting attorney in the prosecutions, has the
18 authority to appoint as special deputy prosecuting attorneys,
19 licensed attorneys at law in the employment of the Workers'
20 Compensation Fraud Investigation Unit or any other designated
21 insurance fraud investigation division within the Department. The
22 special deputy prosecuting attorneys shall, for the purpose of the
23 prosecutions to which they are assigned, be responsible to and
24 report to the prosecuting attorney.

1 F. It is the specific intent of this section that active
2 investigatory files as maintained by the Department and by the
3 Workers' Compensation Fraud Investigation Unit be deemed
4 confidential and privileged and not be made open to the public until
5 the matter under investigation is closed by the fraud director with
6 the consent of the Insurance Commissioner, except that the active
7 investigatory files shall also be subject to any confidentiality
8 provisions of the Oklahoma Insurance Code that are applicable to the
9 investigation of fraudulent insurance acts.

10 G. The Insurance Commissioner, with the cooperation and
11 assistance of the Commission, is authorized to establish rules and
12 regulations as may be necessary to carry out the provisions of this
13 section.

14 H. Nothing in this section shall be deemed to create a civil
15 cause of action.

16 SECTION 7. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 507 of Title 85, unless there is
18 created a duplication in numbering, reads as follows:

19 A. 1. Any employer who willfully discriminates in regard to
20 the hiring or tenure of work or any term or condition of work of any
21 individual on account of the claim by the individual for benefits
22 under this act, or who in any manner obstructs or impedes the filing
23 of claims for benefits under this act, shall be subject to a fine of
24

1 up to Ten Thousand Dollars (\$10,000.00) as determined by the
2 Workers' Compensation Commission.

3 2. This fine shall be payable to the Second Injury Trust Fund
4 and paid by the employer and not by the carrier.

5 B. 1. In addition, the prevailing party shall be entitled to
6 recover costs and a reasonable attorney fee payable from the fine.

7 2. Provided, however, if the employee is the nonprevailing
8 party, the attorney fee and costs shall, at the election of the
9 employer, be paid by the employee or deducted from future workers'
10 compensation benefits.

11 C. The employer may also be guilty of a misdemeanor and shall
12 be punished by a fine not to exceed Five Hundred Dollars (\$500.00),
13 or by imprisonment in the county jail for a term not to exceed one
14 (1) year, or by both fine and imprisonment.

15 D. This section shall not be construed as establishing an
16 exception to the employment-at-will doctrine.

17 E. The purpose of this section is to preserve the exclusive
18 remedy doctrine and specifically annul any inconsistent case law.

19 SECTION 8. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 508 of Title 85, unless there is
21 created a duplication in numbering, reads as follows:

22 A. No agreement by an employee to waive the right to
23 compensation shall be valid, and no contract, regulation, or device
24 whatsoever shall operate to relieve the employer or carrier, in

1 whole or in part, from any liability created by this act, except as
2 specifically provided in this act.

3 B. 1. However, any officer of a corporation, sole proprietor,
4 partner of a partnership, member of a limited liability company,
5 member of a professional association, or self-employed employer who
6 is not a subcontractor and who owns and operates a business, may by
7 agreement or contract exclude themselves from coverage or waive
8 their right to coverage or compensation under this act.

9 2. If the exclusion from coverage of the officer of a
10 corporation, sole proprietor, partner of a partnership, member of a
11 limited liability company, member of a professional association, or
12 self-employed employer reduces the number of employees of the
13 business to fewer than three, the employer shall nevertheless
14 continue to provide workers' compensation coverage for the
15 employees.

16 SECTION 9. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 509 of Title 85, unless there is
18 created a duplication in numbering, reads as follows:

19 A. No agreement by an employee to pay any portion of the
20 premium paid by the employer to a carrier or to contribute to a
21 safety program as provided under Section 42 of this act or a benefit
22 fund or department maintained by the employer for the purpose of
23 providing compensation or medical services and supplies as required
24 by this act shall be valid.

1 B. Any employer who makes a deduction for the purposes provided
2 in subsection A of this section from the pay of any employee
3 entitled to the benefits of this act shall be guilty of a
4 misdemeanor and shall be punished by a fine not to exceed Five
5 Hundred Dollars (\$500.00), or by imprisonment in the county jail for
6 a term not to exceed one (1) year, or by both fine and imprisonment.

7 SECTION 10. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 510 of Title 85, unless there is
9 created a duplication in numbering, reads as follows:

10 A. The right to compensation shall not be assignable and shall
11 not be subject to garnishment, attachment, levy, execution, or any
12 other legal process, except for child support obligations and monies
13 retained by the Department of Corrections.

14 B. Money compensation to dependents of a deceased employee
15 shall not constitute assets of the estate of the deceased employee
16 and shall be payable to and for the benefit of the dependents alone.

17 C. 1. After November 1, 2013, the Workers' Compensation
18 Commission shall forward monthly a computer tape, compact disc, or
19 other memory data storage device listing the name, address, and
20 social security number, if available, on all persons for whom the
21 Commission has established a file during the preceding month to the
22 Child Support Enforcement Division. The computer tape, compact
23 disc, or other memory data storage device shall also include the
24

1 name of the workers' compensation carrier and the name of the
2 employer.

3 2. The same information shall be provided to individuals who
4 apply for the information with the Commission on an individual
5 employee to an individual certifying that they have an interest in
6 the child support obligations of the employee on whom the
7 information is requested.

8 D. 1. Amounts withheld from weekly compensation benefits for
9 child support obligations shall not exceed twenty-five percent (25%)
10 of the benefit amount.

11 2. Amounts withheld from a lump-sum settlement on a joint
12 petition for child support obligations shall not exceed fifty
13 percent (50%) of the settlement amount.

14 E. Any amount withheld under subsection D of this section shall
15 be paid through the appropriate court payable to the person or
16 agency to whom the obligation is payable.

17 F. Any amount withheld pursuant to the provisions of this
18 section shall for all purposes be treated as if it were paid to the
19 employee as workers' compensation and paid by the employee to the
20 person or agency to whom the obligation is payable.

21 G. For purposes of this section, "child support obligations" is
22 defined as only those support obligations which are contained in a
23 decree or order of the district court which provides for the payment
24 of money for the support and care of any child or children.

1 SECTION 11. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 511 of Title 85, unless there is
3 created a duplication in numbering, reads as follows:

4 A. Compensation to alien nonresidents of the United States or
5 Canada shall be the same in amount as provided for residents, except
6 that alien nonresident dependents in any foreign country shall be
7 limited to the surviving wife or children or, if there is no
8 surviving wife or children, to the surviving father or mother whom
9 the employee has supported, either wholly or in part, for the period
10 of one (1) year prior to the date of the injury.

11 B. Upon its own motion or upon application of an interested
12 party, the Workers' Compensation Commission may order the payment of
13 all future compensation to be paid in one lump sum, which shall be
14 equal to one-half (1/2) of the face value of all future installments
15 of compensation.

16 SECTION 12. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 512 of Title 85, unless there is
18 created a duplication in numbering, reads as follows:

19 Compensation due an injured employee or dependents of the
20 injured employee shall have the same preference as is allowed by law
21 to an employee for unpaid wages.

22 SECTION 13. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 513 of Title 85, unless there is
24 created a duplication in numbering, reads as follows:

1 A. 1. A mental injury or illness is not a compensable injury
2 unless it is caused by physical injury to the employee's body, and
3 shall not be considered an injury arising out of and in the course
4 of employment or compensable unless it is demonstrated by a
5 preponderance of the evidence; provided, however, that this physical
6 injury limitation shall not apply to any victim of a crime of
7 violence.

8 2. No mental injury or illness under this section shall be
9 compensable unless it is also diagnosed by a licensed psychiatrist
10 or psychologist and unless the diagnosis of the condition meets the
11 criteria established in the most current issue of the Diagnostic and
12 Statistical Manual of Mental Disorders.

13 B. 1. Where a claim is by reason of mental injury or illness,
14 the employee shall be limited to twenty-six (26) weeks of disability
15 benefits.

16 2. a. In case death results directly from the mental injury
17 or illness within a period of one (1) year,
18 compensation shall be paid to the dependents as
19 provided in other death cases under this act.

20 b. Death directly or indirectly related to the mental
21 injury or illness occurring one (1) year or more from
22 the incident resulting in the mental injury or illness
23 shall not be a compensable injury.
24

1 SECTION 14. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 514 of Title 85, unless there is
3 created a duplication in numbering, reads as follows:

4 A. A cardiovascular, coronary, pulmonary, respiratory, or
5 cerebrovascular accident or myocardial infarction causing injury,
6 illness, or death is a compensable injury only if, in relation to
7 other factors contributing to the physical harm, an accident is the
8 major cause of the physical harm.

9 B. 1. An injury or disease included in subsection A of this
10 section shall not be deemed to be a compensable injury unless it is
11 shown that the exertion of the work necessary to precipitate the
12 disability or death was extraordinary and unusual in comparison to
13 the usual work of the employee in the course of the regular
14 employment of the employee, or alternately, that some unusual and
15 unpredicted incident occurred which is found to have been the major
16 cause of the physical harm.

17 2. Stress, physical or mental, shall not be considered in
18 determining whether the employee or claimant has met the burden of
19 proof.

20 SECTION 15. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 515 of Title 85, unless there is
22 created a duplication in numbering, reads as follows:

23 A. 1. At any time an application is made for workers'
24 compensation, an employer shall require the applicant for

1 compensation to state whether or not the applicant has child support
2 obligations, if the obligations are current or past due, and to whom
3 the obligations are payable.

4 2. The application shall also include the name of the workers'
5 compensation carrier and the name of the employer.

6 B. The employer shall forward a copy of the application to the
7 Child Support Enforcement Division.

8 SECTION 16. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 516 of Title 85, unless there is
10 created a duplication in numbering, reads as follows:

11 A. 1. One (1) month before the beginning of any fiscal
12 quarter, the Insurance Commissioner shall provide to the Workers'
13 Compensation Commission the estimated funding need of the Workers'
14 Compensation Fraud Investigation Unit of the Oklahoma Insurance
15 Department for the ensuing quarter.

16 2. The provided certification shall itemize each position to be
17 utilized in the Workers' Compensation Fraud Investigation Unit and
18 funded by the Commission and make estimates of all other budgetary
19 line items necessary to provide support to the unit.

20 3. This certification must deduct unexpended and unencumbered
21 balances of the unit from the previous quarter, so that only the
22 current need, excluding unexpended and unencumbered funds, is
23 certified for fund transfer authorized in this section.

1 B. 1. On or before the first day of each fiscal quarter, the
2 Commission shall certify to the chief fiscal officer of the state
3 that funds are available for transfer. Upon the certification, the
4 chief fiscal officer of the state, the State Treasurer, and the
5 State Auditor and Inspector shall transfer those funds from the
6 Workers' Compensation Fund of the Commission to the fund account
7 used for the maintenance, operation, and support of the unit.

8 2. The sum of the four quarterly transfers in each fiscal year
9 ending June 30 cannot exceed One Hundred Fifty Thousand Dollars
10 (\$150,000.00).

11 SECTION 17. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 517 of Title 85, unless there is
13 created a duplication in numbering, reads as follows:

14 Pursuant to its rulemaking authority, the Workers' Compensation
15 Commission shall be empowered to enact medical diagnostic and
16 treatment guidelines regarding occupational carpal tunnel syndrome
17 upon the joint recommendation of the Oklahoma chapter of the
18 American Federation of Labor and Congress of Industrial
19 Organizations and the Oklahoma State Chamber of Commerce.

20 SECTION 18. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 518 of Title 85, unless there is
22 created a duplication in numbering, reads as follows:

23 A. No hospital, physician, or other health care provider shall
24 bill or attempt to collect any fee or any portion of a fee for

1 services rendered to an employee due to a work-related injury or
2 report to any credit reporting agency any failure of the employee to
3 make the payment, when a claim for compensation has been filed under
4 this act and the hospital, physician, or health care provider has
5 received actual notice given in writing by the employee or the
6 representative of the employee. Actual notice shall be deemed
7 received by the hospital, physician, or health care provider five
8 (5) days after mailing by certified mail by the employee or the
9 representative of the employee to the hospital, physician, or health
10 care provider.

11 B. The notice shall include:

- 12 1. The name of the employer;
- 13 2. The name of the insurer, if known;
- 14 3. The name of the employee receiving the services;
- 15 4. The general nature of the injury, if known; and
- 16 5. Where a claim has been filed and the claim number, if known.

17 C. When an injury or bill is found to be noncompensable under
18 this act, the hospital, physician, or other health care provider
19 shall be entitled to pursue the employee for any unpaid portion of
20 the fee or other charges for authorized services provided to the
21 employee. Any applicable statute of limitations for an action for
22 the fees or other charges shall be tolled from the time notice is
23 given to the hospital, physician, or other health care provider
24 until a determination of noncompensability in regard to the injury

1 that is the basis of the services is made, or in the event that
2 there is an appeal to the Workers' Compensation Commission, the
3 Court of Civil Appeals, or the Supreme Court, until a final
4 determination of noncompensability is rendered and all appeal
5 deadlines have passed.

6 D. This section shall not avoid, modify, or amend any other
7 section or subsection of this act, including, but not limited to,
8 the prohibition against balanced billing contained in Section 52 of
9 this act and any rules and regulations adopted pursuant to Section
10 52 of this act.

11 E. An order by the Commission pursuant to this section shall
12 stay all proceedings for collection.

13 SECTION 19. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 519 of Title 85, unless there is
15 created a duplication in numbering, reads as follows:

16 A. The Workers' Compensation Commission shall consist of three
17 (3) members appointed by the Governor and confirmed by the Senate
18 for terms of six (6) years who shall devote their entire time to the
19 duties of the Commission and shall administer the provisions of this
20 act.

21 One member shall be an attorney, who shall be chair of the
22 Commission and who shall have been engaged in active practice of law
23 in the State of Oklahoma for not less than five (5) years next
24 preceding the date of appointment and who shall have at least five

1 (5) years of experience in workers' compensation matters. Two
2 members shall be individuals who shall have at least five (5) years
3 of experience and expertise in the field of workers' compensation.
4 These two members shall not be required to be attorneys.

5 B. Each member shall receive a salary as may be established by
6 law for salaries of state employees. The salaries shall be paid
7 from the Workers' Compensation Fund and shall be paid in the manner
8 as are salaries of other state officials or employees.

9 C. 1. When any member of the Commission is disqualified for
10 any reason to hear and participate in the determination of any
11 matter pending before the Commission, the Governor shall appoint a
12 qualified person to hear and participate in the decision on the
13 particular matter. The special member so appointed shall have all
14 authority and responsibility with respect to the particular matter
15 before the Commission as if the person were a regular member of the
16 Commission but shall have no authority or responsibility with
17 respect to any other matter before the Commission.

18 2. A person appointed as a special member of the Commission
19 pursuant to the provisions of this section shall be entitled to
20 receive a per diem not to exceed One Hundred Dollars (\$100.00) for
21 each day spent in attending to duties as a special member of the
22 Commission. The compensation shall be paid from any funds of the
23 Commission which are available for or may legally be used for paying
24 such per diem.

1 SECTION 20. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 520 of Title 85, unless there is
3 created a duplication in numbering, reads as follows:

4 A. The members of the Workers' Compensation Commission shall
5 give bond in the sum of Ten Thousand Dollars (\$10,000.00) executed
6 by a surety company authorized to do business in the state for the
7 faithful performance of their duties.

8 B. The bond shall be approved by the Governor and kept on file
9 in the Office of the Secretary of State.

10 C. Any action on the bond for breach shall be instituted by the
11 Attorney General and shall be in the name of the State of Oklahoma.

12 D. The premium upon the bonds shall be paid out of the Workers'
13 Compensation Fund.

14 SECTION 21. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 521 of Title 85, unless there is
16 created a duplication in numbering, reads as follows:

17 A. The Governor may, at any time, remove any member of the
18 Workers' Compensation Commission for inefficiency, neglect of duty,
19 or misconduct in office, giving that member in advance a copy of the
20 charges preferred and an opportunity of being publicly heard, in
21 person or by counsel, upon not less than ten (10) days' notice.

22 B. A representative of the Office of the Attorney General shall
23 attend the proceedings and upon the request of the Governor shall
24 advise or assist in the proceedings.

1 C. Either party may procure the attendance of witnesses and
2 testimony by those witnesses as provided for in the Code of Civil
3 Procedure in ordinary actions.

4 D. If a member is removed, the Governor shall file in the
5 Office of the Secretary of State a complete statement of all charges
6 made against the member and findings, together with a complete
7 record of all proceedings and a transcript of testimony. It shall
8 constitute a public record of the state.

9 SECTION 22. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 522 of Title 85, unless there is
11 created a duplication in numbering, reads as follows:

12 A. Members of the Workers' Compensation Commission shall be
13 considered as officers and shall take the oath prescribed by the
14 Oklahoma Constitution and the laws of Oklahoma.

15 B. 1. A majority of the Commission shall constitute a quorum
16 for the transaction of business, and vacancies shall not impair the
17 right of the remaining members to exercise all the powers of the
18 full Commission, so long as a majority remains.

19 2. Any investigation, inquiry, or hearing which the Commission
20 is authorized to hold or undertake may be held or undertaken by or
21 before any one member of the Commission, or referee acting for the
22 member of the Commission, under authorization of the Commission.

23 C. 1. The Commission shall maintain and keep open, during
24 reasonable business hours, an office in Oklahoma City, for the

1 transaction of business, at which office its official records and
2 papers shall be kept.

3 2. The Commission or any member of the Commission shall hold
4 sessions and conduct hearings at any local career and technology
5 education center, also known as state-sponsored Career Tech, within
6 the state.

7 D. The Commission shall have a seal for authentication of its
8 orders, awards, and proceedings, which shall have inscribed the
9 words: "Workers' Compensation Commission, State of Oklahoma".

10 SECTION 23. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 523 of Title 85, unless there is
12 created a duplication in numbering, reads as follows:

13 A. 1. For the purpose of administering the provisions of this
14 act, the Workers' Compensation Commission is authorized:

15 a. to make such rules and regulations as may be found
16 necessary,

17 b. to appoint and fix the compensation of temporary
18 technical assistants and medical and legal advisers
19 and to appoint and to fix the compensation of clerical
20 assistants and other officers and employees, and

21 c. to make such expenditures, including those for
22 personal service, rent, books, periodicals, office
23 equipment, and supplies, and for printing and binding,
24 as may be necessary.

1 2. a. Prior to the adoption, prescription, amendment,
2 modification, or repeal of any rule, regulation, or
3 form, the Commission shall give at least forty-five
4 (45) days' notice of its intended action.

5 b. The notice shall include a statement of the terms or
6 substance of the intended action or description of the
7 subjects and issues involved, and the time, place, and
8 manner in which interested persons may present their
9 views thereon.

10 c. The notice shall be mailed to any person specified by
11 law or who shall have requested advance notice of
12 rulemaking proceedings.

13 3. The Commission shall afford all interested persons a
14 reasonable opportunity to submit written data, views, or arguments,
15 and, if the Commission in its discretion directs, oral testimony or
16 argument.

17 4. Each rule, regulation, or form adopted by the Commission
18 shall be effective twenty (20) days after adoption unless a later
19 date is specified by law or in the rule itself.

20 5. All expenditures of the Commission in the administration of
21 this act shall be allowed and paid from the Workers' Compensation
22 Fund upon the presentation of itemized vouchers approved by the
23 Commission.
24

1 B. 1. The Commission may appoint as many persons as may be
2 necessary to be administrative law judges and in addition may
3 appoint such examiners, rate experts, investigators, medical
4 examiners, clerks, and other employees as it deems necessary to
5 effectuate the provisions of this act, provided that the appointment
6 of all rate experts shall be made by the Insurance Commissioner,
7 whose duty it is to approve the rates charged.

8 2. Rate experts shall be considered employees of the Commission
9 and the Insurance Commissioner and shall be paid from the Workers'
10 Compensation Fund.

11 3. Employees appointed pursuant to this subsection shall
12 receive an annual salary to be fixed by the Commission within the
13 appropriation made for the Commission.

14 C. It shall be the duty of an administrative law judge, under
15 the rules adopted by the Commission, to hear and determine claims
16 for compensation and to conduct hearings and investigations and to
17 make such orders, decisions, and determinations as may be required
18 by any rule or order of the Commission.

19 SECTION 24. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 524 of Title 85, unless there is
21 created a duplication in numbering, reads as follows:

22 Any member or employee of the Workers' Compensation Commission
23 shall be entitled to receive necessary traveling expenses actually
24 incurred and for subsistence while traveling on official business

1 and away from the designated station of that member or employee.
2 The expenses shall be certified by the person who incurred them and
3 shall be allowed and paid upon presentation of vouchers approved by
4 the Commission.

5 SECTION 25. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 525 of Title 85, unless there is
7 created a duplication in numbering, reads as follows:

8 A. In addition to its other duties and powers, the Workers'
9 Compensation Commission is given and granted full power and
10 authority to:

11 1. Hear and determine all claims for compensation, including,
12 but not limited to, claims based upon injuries that occurred outside
13 the State of Oklahoma for which compensation is payable under this
14 act;

15 2. Require and order medical services for and examinations of
16 injured employees and to employ special medical examiners and
17 advisors who shall be paid a reasonable amount per day to be
18 determined by the Commission, plus reasonable traveling expenses;

19 3. Approve claims for medical services and attorney fees;

20 4. Excuse failure to give notice either of injury or death of
21 any employee;

22 5. Approve agreements, make, modify, or rescind awards, and
23 make and enter findings of fact and rulings of law;

24 6. Enter orders in appealed cases;

1 7. Determine the time for the payment of compensation and order
2 the reimbursement of employers for amounts advanced;

3 8. Assess penalties;

4 9. Prescribe rules and regulations governing the representation
5 of employees, employers, and carriers in respect to claims before
6 the Commission;

7 10. Issue subpoenas, administer oaths, and take testimony, by
8 deposition or otherwise;

9 11. Make surveys and determine the existence and prevalence of
10 occupational disease hazards within this state, to determine the
11 measures necessary to eliminate or reduce these hazards, and add to
12 the schedule of occupational diseases subject to appropriate
13 conditions and after public hearing;

14 12. Make available to the Commissioner of Labor all records in
15 connection with all cases of personal injury. The Commissioner of
16 Labor may propose rules for the prevention of injuries and transmit
17 the rules to the Commission. The Commission may recommend to the
18 Commissioner of Labor proposed rules for prevention of injuries;

19 13. Have and exercise all other powers and duties conferred or
20 imposed by this act; and

21 14. Transfer the excess of income over expenses from the
22 Commission's annual educational conference to any nonprofit
23 charitable organization designed to provide scholarships to children
24 of workers who have been killed or become permanently and totally

1 disabled from a compensable injury, including, but not limited to,
2 any accumulation from prior years' conferences.

3 B. 1. In addition to the other powers and duties granted to
4 the Commission in this section and otherwise provided by law, the
5 Commission is authorized to establish and impose reasonable fees to
6 recover the cost of preparation of various informative materials
7 distributed by the Commission.

8 2. The fees shall be established by regulation of the
9 Commission.

10 3. Funds derived from fees shall be deposited in the Workers'
11 Compensation Fund to be used to defray expenses incurred in
12 preparation and distribution of materials.

13 SECTION 26. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 526 of Title 85, unless there is
15 created a duplication in numbering, reads as follows:

16 On or before the first day of the regular session of the
17 Legislature, the Workers' Compensation Commission under the
18 authority of at least two of its members shall make to the Governor
19 and to the Legislature a report of the administration of this act
20 for the preceding annual period, together with such recommendations
21 as the Commission may deem advisable.

22 SECTION 27. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 527 of Title 85, unless there is
24 created a duplication in numbering, reads as follows:

1 A. The Workers' Compensation Commission shall publish annually,
2 on an aggregate basis, information pertaining to the distribution of
3 workers' compensation insurance premiums, losses, expenses, and net
4 income to be compiled from reports required to be filed with the
5 Insurance Commissioner, as amended, or any similar information
6 required to be filed by the Insurance Commissioner regarding
7 workers' compensation insurance.

8 B. The Commission shall also publish in that same annual report
9 information regarding aggregate workers' compensation benefit
10 distribution to claimants, medical providers, and attorneys if that
11 specific information or similar information becomes available from
12 revised or additional reporting requirements that may be required by
13 the Insurance Commissioner.

14 SECTION 28. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 528 of Title 85, unless there is
16 created a duplication in numbering, reads as follows:

17 A. 1. The Workers' Compensation Commission is hereby
18 authorized to fund financial obligations of the Death and Permanent
19 Total Disability Trust Fund through the purchase of structured
20 annuity contracts; provided, the Commission shall purchase such
21 annuity contracts only when the Commission determines that it is
22 financially advantageous to the trust fund involved.

23 2. Structured annuity contracts shall be purchased only from
24 insurance companies:

- a. licensed to do business in Oklahoma and authorized to write annuities as regulated by the Oklahoma Insurance Department,
- b. experienced in the business of writing and administering structured annuities,
- c. determined to be financially sound and having an A.M. Best rating of A+ and category size VIII or greater, or equivalent independent industry rating, and
- d. rated AA+ or better by Standard and Poor's, Moody's, or an equivalent rating by an equivalent rating service.

3. Structured annuity contracts purchased by the Commission shall:

- a. include a separate contract for each claimant or beneficiary covered,
- b. require that the payments to the claimant or beneficiary be sent to the Commission so that it can maintain administrative control over the payments, and the Commission will distribute the payments in full to the claimants or beneficiaries, and
- c. provide for return of principal to the appropriate fund in the event that the obligations of the Death and Permanent Total Disability Trust Fund to any

1 claimant or beneficiary cease prior to the end of the
2 period of certain guarantee in the contract.

3 B. The Commission shall adopt such appropriate rules and
4 regulations consistent with the provisions of this section as it
5 deems necessary to enable it to efficiently and effectively
6 administer the provisions of this section and any structured annuity
7 arrangement it may enter into pursuant to the authority granted in
8 this act.

9 SECTION 29. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 529 of Title 85, unless there is
11 created a duplication in numbering, reads as follows:

12 A. There are established on the books of the State Treasurer,
13 State Auditor and Inspector, and the chief fiscal officer of the
14 state, three separate funds:

- 15 1. The "Workers' Compensation Fund";
- 16 2. The "Second Injury Trust Fund"; and
- 17 3. The "Death and Permanent Total Disability Trust Fund".

18 B. Except for funds transferred into a General Revenue Fund
19 Account, no money shall be appropriated from these funds for any
20 purpose except for the use and benefit, or at the direction of, the
21 Workers' Compensation Commission.

22 C. All funds established pursuant to this section shall be
23 administered, disbursed, and invested under the direction of the
24 Commission.

1 D. All incomes derived through investment of the Workers'
2 Compensation Fund, the Second Injury Trust Fund, and the Death and
3 Permanent Total Disability Trust Fund shall be credited as
4 investment income to the fund which participated in the investment.
5 For the purpose of investment, Workers' Compensation Fund monies
6 shall be invested in accordance with the laws of the Oklahoma State
7 Treasury.

8 E. Except for monies transferred into a General Revenue Fund
9 Account, all monies deposited to the funds provided in subsection A
10 of this section shall not be subject to any deduction, tax, levy, or
11 any other type of assessment.

12 F. If the balance in the Second Injury Trust Fund becomes
13 insufficient to fully compensate those employees to whom it is
14 obligated, payment shall be suspended until such time as the Second
15 Injury Trust Fund is capable of meeting its obligations, paying all
16 arrearages, and restoring normal benefit payments. In no event
17 shall there be any reverter of responsibility to the employer or
18 carrier.

19 G. 1. Upon the effective maturity dates of each investment,
20 the investment shall be transferred to the State Treasurer for
21 deposit into the Death and Permanent Total Disability Trust Fund
22 created in this section.

1 2. The free balances of the Death and Permanent Total
2 Disability Bank Fund shall be transferred to the Death and Permanent
3 Total Disability Trust Fund.

4 SECTION 30. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 530 of Title 85, unless there is
6 created a duplication in numbering, reads as follows:

7 A. Each carrier writing compensation insurance in this state
8 shall pay to the Insurance Commissioner, in addition to the premium
9 taxes and fees now required under existing laws, at the time of
10 securing the first license to transact business in the state the sum
11 of Five Hundred Dollars (\$500.00) for the privilege of qualifying
12 with the Workers' Compensation Commission for the writing of
13 compensation insurance.

14 B. At the time of qualifying, each self-insurer or third-party
15 administrator shall pay to the Commission the sum of One Hundred
16 Dollars (\$100.00) for the privilege of qualifying as a self-insurer
17 or third-party administrator.

18 C. All carriers, self-insurers, or third-party administrators
19 qualifying under the provisions of this act shall be required to pay
20 this initial assessment before they shall be qualified.

21 D. These fees shall be deposited into the Workers' Compensation
22 Fund created in Section 31 of this act.

23 E. The Commission may assess a third-party administrator an
24 annual fee of One Hundred Dollars (\$100.00).

SECTION 31. NEW LAW

A new section of law to be codified in the Oklahoma Statutes as Section 531 of Title 85, unless there is created a duplication in numbering, reads as follows:

A. During the annual period beginning July 1, 2013, and thereafter, the Oklahoma Insurance Department shall certify to the chief fiscal officer of the state the cost of administering the Public Employee Claims Division.

B. The certification shall be made the month following each quarter of the fiscal year and shall include a report of the expenditures of the Division for workers' compensation claims paid on behalf of the cities, the counties, and the public schools, each of the three reported as a class of employers, and each state agency supported from Treasury funds or fund accounts.

C. After the certification has been received and approved by the chief fiscal officer of the state, the chief fiscal officer of the state shall transfer funds from the Public School Fund, the Municipal Aid Fund, the County Aid Fund, and from the various Treasury funds of state agencies to the State General Services Fund Account.

D. The transfers shall be made in the same proportion that payments were made in behalf of that entity for workers' compensation claims in the prior quarter as certified by the Department.

1 E. The amount transferred shall be the proportional cost
2 associated with the fund as certified to and approved by the chief
3 fiscal officer of the state.

4 F. Should a state agency be supported from more than one
5 Treasury fund, the fund transfers from that agency shall be in the
6 same proportion that appropriations were made to that agency for
7 regular salaries from the respective funds.

8 SECTION 32. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 532 of Title 85, unless there is
10 created a duplication in numbering, reads as follows:

11 A. 1. Every employer shall secure compensation to its
12 employees and pay or provide compensation for their disability or
13 death from compensable injury arising out of and in the course of
14 employment without regard to fault as a cause of the injury.

15 2. There shall be no liability for compensation under this act
16 where the injury or death was substantially occasioned by the
17 willful intention of the injured employee to bring about such
18 compensable injury or death.

19 B. The primary obligation to pay compensation is upon the
20 employer, and the procurement of a policy of insurance by an
21 employer to cover the obligation in respect to this act shall not
22 relieve the employer of the obligation.

23

24

SECTION 33. NEW LAW

A new section of law to be codified in the Oklahoma Statutes as Section 533 of Title 85, unless there is created a duplication in numbering, reads as follows:

A. Where a subcontractor fails to secure compensation required by this act, the prime contractor shall be liable for compensation to the employees of the subcontractor unless there is an intermediate subcontractor who has workers' compensation coverage.

B. 1. Any contractor or the contractor's insurance carrier who shall become liable for the payment of compensation on account of injury to or death of an employee of the subcontractor may recover from the subcontractor the amount of the compensation paid or for which liability is incurred.

2. The claim for the recovery shall constitute a lien against any monies due or to become due to the subcontractor from the prime contractor.

3. A claim for recovery, however, shall not affect the right of the injured employee or the dependents of the deceased employee to recover compensation due from the prime contractor or the insurance carrier of the prime contractor.

C. 1. a. When a sole proprietorship or partnership fails to elect to cover the sole proprietor or partners under this act, the prime contractor is not liable under this act for injuries sustained by the sole proprietor

1 or partners if the sole proprietor or partners are not
2 employees of the prime contractor.

3 b. (1) A sole proprietor or the partners of a
4 partnership who do not elect to be covered by
5 this act and be deemed employees under this act,
6 and who deliver to the prime contractor a current
7 certification of noncoverage issued by the
8 Workers' Compensation Commission shall be
9 conclusively presumed not to be covered by the
10 law or to be employees of the prime contractor
11 during the term of certification or any renewals
12 of the certification.

13 (2) A certificate of noncoverage may not be presented
14 to a subcontractor who does not have workers'
15 compensation coverage.

16 (3) This provision shall not affect the rights or
17 coverage of any employees of the sole proprietor
18 or of the partnership.

19 2. The insurance carrier of the prime contractor is not liable
20 for injuries to the sole proprietor or partners described in this
21 section who have provided a current certification of noncoverage,
22 and the carrier shall not include compensation paid by the prime
23 contractor to the sole proprietor or partners described above in
24 computing the insurance premium for the prime contractor.

- 1 3. a. Any prime contractor who, after being presented with a
2 current certification of noncoverage by a sole
3 proprietor or partnership, nonetheless compels the
4 sole proprietor or partnership to pay or contribute to
5 workers' compensation coverage of that sole proprietor
6 or partnership, shall be guilty of a misdemeanor and
7 shall be punished by a fine not to exceed Five Hundred
8 Dollars (\$500.00), or by imprisonment in the county
9 jail for a term not to exceed one (1) year, or by both
10 fine and imprisonment.
- 11 b. Any prime contractor who compels a sole proprietor or
12 partnership to obtain a certification of noncoverage
13 when the sole proprietor or partnership does not
14 desire to do so is guilty of a misdemeanor and shall
15 be punished by a fine not to exceed Five Hundred
16 Dollars (\$500.00), or by imprisonment in the county
17 jail for a term not to exceed one (1) year, or by both
18 fine and imprisonment.
- 19 c. Any applicant who makes a false statement when
20 applying for a certification of noncoverage or any
21 renewals of a certification shall be guilty of a
22 misdemeanor and shall be punished by a fine not to
23 exceed Five Hundred Dollars (\$500.00), or by
24

1 imprisonment in the county jail for a term not to
2 exceed one (1) year, or by both fine and imprisonment.

3 D. 1. A certification of noncoverage issued by the Commission
4 on or after July 1, 2013, shall be valid for two (2) years after the
5 effective date stated on the certification. Both the effective date
6 and the expiration date must be listed on the face of the
7 certification by the Commission. The certification must expire at
8 midnight two (2) years from its issue date, as noted on the face of
9 the certification.

10 2. The Commission may assess a fee not to exceed Fifty Dollars
11 (\$50.00) with each application for a certification of noncoverage or
12 any renewals of a certification.

13 3. Any certification of noncoverage issued by the Commission
14 shall contain the social security number and notarized signature of
15 the applicant. The notarization shall be in a form and manner
16 prescribed by the Commission.

17 4. The Commission may prescribe by rule forms and procedures
18 for issuing or renewing a certification of noncoverage.

19 SECTION 34. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 534 of Title 85, unless there is
21 created a duplication in numbering, reads as follows:

22 A. Any employer carrying on any exempted or excepted employment
23 may at any time waive the exemptions or exceptions as to any
24 employee or all employees engaged in the employment as the employer

1 may elect by giving notice of waiver of the exemptions or exceptions
2 as provided in subsection B of this section.

3 B. Notice of waiver of exemption or exception referred to in
4 subsection A of this section shall be given in accordance with the
5 following provisions:

6 1. Every employer who waives the exemption or exception shall
7 post, and keep posted, in and about the employer's place of
8 business, typewritten or printed notices to that effect in
9 accordance with a form to be prescribed by the Workers' Compensation
10 Commission, and the employer shall file a duplicate of the notice
11 with the Commission; and

12 2. The notice shall be given at least thirty (30) days prior to
13 any injury. However, if the injury occurs less than thirty (30)
14 days after the date of employment, the notice, if given at the time
15 of employment, shall be sufficient notice.

16 SECTION 35. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 535 of Title 85, unless there is
18 created a duplication in numbering, reads as follows:

19 A. Every employer shall secure the payment of compensation
20 under this act:

21 1. By insuring and keeping insured the payment of the
22 compensation with any carrier authorized to write workers'
23 compensation insurance; and
24

1 2. By furnishing satisfactory proof to the Workers'
2 Compensation Commission of the employer's financial ability to pay
3 compensation and receiving an authorization from the Commission to
4 pay compensation directly.

5 a. The Commission, as a condition to such authorization,
6 may require the employer, except municipalities,
7 counties, or the State of Oklahoma or its political
8 subdivisions, to deposit in a depository designated by
9 the Commission either an indemnity bond, irrevocable
10 letter of credit, or securities of any kind and in an
11 amount determined by the Commission, subject to
12 reasonable conditions as the Commission may prescribe.
13 The conditions shall include authorization to the
14 Commission, in case of default, to sell any securities
15 sufficient to pay compensation awards or to bring suit
16 on the bonds or the letter of credit to procure prompt
17 payment of compensation under this act.

18 b. Any employer securing compensation in accordance with
19 the provisions of this paragraph shall be known as a
20 self-insurer and shall be classed as a carrier of its
21 own insurance.

22 c. A self-insurer may have the privilege of securing
23 those portions of the payment of compensation under
24 this act as the self-insurer shall elect by insuring

1 the portions with a company approved by the
2 Commission. The liability of the company shall be
3 limited to those features and liabilities of this act
4 as are expressly stated, and none other.

5 B. 1. The Commission, under the rules and regulations as it
6 may prescribe, may permit two or more employers engaged in the same
7 type of business activity or pursuit to enter into agreements to
8 pool their liabilities under this section for the purpose of
9 qualifying as self-insurers, and each approved group shall be
10 classified as a homogeneous self-insurer.

11 2. a. The Commission, under the rules and regulations as it
12 may prescribe, may permit two or more employers who
13 are members of the same trade or professional
14 association to enter into agreements to pool their
15 liabilities under this section for the purpose of
16 qualifying as self-insurers, and each approved group
17 shall be classified as a common self-insurer.

18 b. The trade or professional association shall have been
19 in active existence for at least three (3) years; the
20 associations shall have a constitution or by-laws; and
21 all trustees shall be participants in the common self-
22 insurer program, shall have members that support the
23 association by regular payment of dues on an annual,
24 semiannual, quarterly, or monthly basis, and shall be

1 created in good faith for purposes other than that of
2 creating workers' compensation common self-insurer
3 pools.

4 c. No two trade or professional associations shall be
5 allowed to combine or join each other and qualify as a
6 common self-insurer.

7 3. In order to qualify as group self-insurers, these groups
8 shall furnish to or satisfy the Commission as to the following:

9 a. an application on a form prescribed by the Commission
10 by an elected board of trustees to establish a self-
11 insurance fund to be administered under the direction
12 of the trustees,

13 b. the application shall be accompanied by:

14 (1) an indemnity agreement in a form satisfactory to
15 the Commission jointly and severally binding the
16 groups and each member of the groups to comply
17 with the provisions of the Workers' Compensation
18 Law, as provided by this act, and

19 (2) an individual application by each member of the
20 groups applying for coverage in the fund,

21 c. a current, audited financial statement of each member
22 of the groups showing a combined net worth of all
23 members applying for coverage of not less than One
24 Million Dollars (\$1,000,000.00), a combined ratio of

1 current assets to current liabilities of not less than
2 one-to-one, and working capital of an amount
3 establishing financial ability and liquidity
4 sufficient to pay normal compensation claims promptly,

5 d. (1) that the groups deposit and maintain with the
6 Commission acceptable securities or have posted a
7 surety bond issued by a corporate surety
8 authorized to do business in the State of
9 Oklahoma, in an amount determined by the
10 Commission, but not less than Two Hundred
11 Thousand Dollars (\$200,000.00).

12 (2) However, this division shall not be applicable to
13 municipalities, counties, or the State of
14 Oklahoma and its political subdivisions,

15 e. that there exist ample facilities and competent
16 personnel of good character within the groups, or
17 through an approved service organization, for the
18 groups to service their own programs with respect to
19 underwriting matters, claims and adjusting, industrial
20 safety engineering, accounting, and financial
21 management,

22 f. (1) that the groups maintain excess insurance with an
23 insurance company authorized to do business in
24

1 this state in an amount acceptable to the
2 Commission.

3 (2) However, this division shall not be applicable to
4 municipalities, counties, or the State of
5 Oklahoma and its political subdivisions,

6 g. (1) that such financial statements, payroll records,
7 accident experience, compensation reports, and
8 other reports and statements are filed at the
9 time and in the manner as the Commission shall
10 require.

11 (2) However, any fund which fails or refuses to file
12 the reports within the time limits prescribed by
13 the Commission shall be subject to a civil
14 penalty in an amount as the Commission may
15 prescribe not to exceed One Hundred Dollars
16 (\$100.00) per infraction per day, and the failure
17 or refusal may be considered good cause for
18 revocation or suspension of self-insurance
19 privileges.

20 C. Each member of the groups shall file financial reports and
21 statements at the times and in the manner as the Commission may
22 require to satisfy itself as to the continued financial stability of
23 the member.

1 D. In order to continue to qualify as a homogeneous self-
2 insurer fund or common self-insurer fund, the groups shall continue
3 to meet the minimum requirements as set forth in subsection B of
4 this section or as prescribed by the Commission.

5 E. 1. Except for the initial qualification of the groups, a
6 certified audited financial statement shall not be required of any
7 member of a group either for initial membership or as a condition
8 for continued membership in the group.

9 2. However, each financial statement filed with the Commission
10 shall be duly certified by the president and treasurer of the
11 member, in the case of a corporation, and by the owner and general
12 partners, respectively, in the case of an individual proprietorship
13 or partnership, to the effect that the financial statement is true
14 and correct to the best of the knowledge and belief of the officer,
15 individual owner, or partner and truly reflects the financial
16 condition of the member.

17 F. Any person who knowingly files a false or fraudulent
18 financial statement under the provisions of this act shall, upon
19 conviction, be fined not more than Ten Thousand Dollars (\$10,000.00)
20 or imprisoned not more than five (5) years, or both.

21 G. Jurisdiction for the enforcement of the provisions of this
22 act or any appeal taken from the enforcement of the provisions of
23 this act shall be in the Oklahoma County district court. The
24

1 underlying purpose of this act is to assure the payment of benefits
2 due employees, and this act shall be strictly construed to that end.

3 H. 1. The Commission may suspend or revoke any authorization
4 to a self-insurer for a good cause shown after a hearing at which
5 the self-insurer shall be entitled to be heard in person or by
6 counsel and to present evidence.

7 2. No suspension or revocation shall affect the liability
8 already incurred of any self-insurer.

9 I. Authorization to write compensation insurance under this act
10 shall be given to a carrier only after the carrier has received a
11 certificate of authority from the Insurance Commissioner to transact
12 the business of workers' compensation insurance in Oklahoma and the
13 Commission has been notified in writing of the issuance of the
14 certificate of authority.

15 SECTION 36. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 536 of Title 85, unless there is
17 created a duplication in numbering, reads as follows:

18 A. In any case where the employer is not a self-insurer, in
19 order that the liability for compensation imposed by this act may be
20 most effectively discharged by the employer and in order that the
21 administration of this act with respect to that liability may be
22 facilitated, the Workers' Compensation Commission shall by
23 regulation provide for the discharge by the carrier, for the
24 employer, of the obligations and duties of the employer with respect

1 to the liability imposed by this act upon the employer as it
2 considers proper in order to effectuate the provisions of this act.

3 B. For such purpose:

4 1. Notice to or knowledge of an employer of the occurrence of
5 the injury shall be notice to or knowledge of the carrier;

6 2. Jurisdiction over the employer by the Commission or by any
7 court under this act shall be jurisdiction over the carrier; and

8 3. Any requirements by the Commission or any court under any
9 compensation order, finding, or decision shall be binding upon the
10 carrier in the same manner and to the same extent as upon the
11 employer.

12 SECTION 37. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 537 of Title 85, unless there is
14 created a duplication in numbering, reads as follows:

15 A. 1. Any employer required to secure the payment of
16 compensation under this act who fails to secure compensation shall
17 be subject to a fine of up to Ten Thousand Dollars (\$10,000.00) as
18 determined by the Workers' Compensation Commission payable to the
19 Death and Permanent Total Disability Trust Fund or be guilty of a
20 misdemeanor and shall be punished by a fine not to exceed Five
21 Hundred Dollars (\$500.00), or by imprisonment in the county jail for
22 a term not to exceed one (1) year, or by both fine and imprisonment.

23 2. This subsection shall not affect any other liability of the
24 employer under this act.

1 B. 1. Whenever the Commission has reason to believe that any
2 employer required to secure the payment of compensation under this
3 act has failed to do so, the Commission shall serve upon the
4 employer a proposed order declaring the employer to be in violation
5 of this act and containing the amount, if any, of the civil penalty
6 to be assessed against the employer pursuant to paragraph 5 of this
7 subsection.

8 2. a. An employer may contest a proposed order of the
9 Commission issued pursuant to paragraph 1 of this
10 subsection by filing with the Commission, within
11 twenty (20) days of receipt of the proposed order, a
12 written request for a hearing.

13 b. Such a request for a hearing need not be in any
14 particular form but shall specify the grounds upon
15 which the person contests the proposed order, the
16 proposed assessment, or both.

17 c. If a written request for hearing is not filed with the
18 Commission within this time, the proposed order, the
19 proposed penalty, or both, shall be a final order of
20 the Commission and shall not be subject to further
21 review by any court.

22 d. A proposed order by the Commission pursuant to this
23 section is prima facie correct, and the burden is upon
24

1 the employer to prove that the proposed order is
2 incorrect.

3 3. a. If the employer alleges that a carrier has contracted
4 to provide the employer workers' compensation
5 insurance coverage for the period in question, the
6 employer shall include the allegation in its request
7 for hearing and shall name the carrier.

8 b. The Commission shall promptly notify the carrier of
9 the allegation of the employer and of the date of
10 hearing.

11 c. The carrier shall promptly, and no later than five (5)
12 days prior to the hearing, respond in writing to the
13 allegation of the employer by providing evidence of
14 coverage for the period in question or by
15 affirmatively denying the allegation of the employer.

16 4. Hearings conducted under this section shall proceed as
17 provided in Sections 80 through 87 of this act.

18 5. The Commission may assess a fine against an employer who
19 fails to secure the payment of compensation in an amount up to One
20 Thousand Dollars (\$1,000.00) per day of violation payable to the
21 fund.

22 6. If an employer fails to secure the payment of compensation
23 or pay any civil penalty assessed against the employer after an
24 order issued pursuant to this section has become final by operation

1 of law or upon appeal, the Commission may petition the district
2 court of Oklahoma County or of the county where the principal place
3 of business of the employer is located for an order enjoining the
4 employer from engaging in further employment until the employer
5 secures the payment of compensation or makes full payment of all
6 civil penalties.

7 SECTION 38. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 538 of Title 85, unless there is
9 created a duplication in numbering, reads as follows:

10 A. Every employer who has secured compensation under the
11 provisions of this act shall keep posted in a conspicuous place in
12 and about the place of business of the employer, typewritten or
13 printed notices in accordance with a form prescribed by the Workers'
14 Compensation Commission. The notices shall state that the employer
15 has secured the payment of compensation in accordance with the
16 provisions of this act.

17 B. The notices shall contain the name and address of the
18 carrier, if any, with whom the employer has secured payment of
19 compensation and the date of the expiration of the policy.

20 SECTION 39. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 539 of Title 85, unless there is
22 created a duplication in numbering, reads as follows:

23

24

1 A. CONTENTS. Every policy or contract of insurance issued by a
2 carrier to an employer to secure the payment of compensation under
3 this act shall contain:

4 1. a. Provisions that identify the insured employer and
5 either identify each covered employee or describe
6 covered employees by class or type of labor performed
7 and the estimated number of employees of each such
8 class or type.

9 b. No single policy of workers' compensation insurance
10 may be issued to any group of employers who are
11 unaffiliated with one another in terms of ownership,
12 control, or right to participate in the profits of the
13 affiliated enterprises;

14 2. Provisions that insolvency or bankruptcy of the employer or
15 discharge in bankruptcy shall not relieve the carrier from payment
16 of compensation for compensable injuries sustained by an employee
17 during the term of the policy or contract;

18 3. a. The agreement of the carrier that it will promptly pay
19 to the person entitled to compensation every
20 installment of compensation that may be awarded or
21 agreed upon and that this obligation shall not be
22 affected by any default of the employer or by any
23 default in the giving of any notice required by the
24 policy or otherwise.

1 b. The agreement shall be construed to be a direct
2 obligation by the carrier to the person entitled to
3 compensation, enforceable in the name of that person;
4 and

5 4. Such other provisions as the Oklahoma Insurance Department
6 allows or requires carriers to include in workers' compensation
7 policies.

8 B. CANCELLATION.

9 1. An employer may cancel coverage with a carrier by giving the
10 carrier at least thirty (30) days' notice, unless a shorter period
11 is permitted under subparagraph b of this paragraph.

12 a. Cancellation of coverage is effective at 12:01 a.m.
13 thirty (30) days after the date the cancellation
14 notice is received by the carrier, unless a later date
15 is specified in the notice to the carrier.

16 b. (1) An employer may cancel coverage effective less
17 than thirty (30) days after written notice is
18 received by the carrier where the employer
19 obtains other coverage or becomes a self-insurer.

20 (2) A cancellation under this subparagraph is
21 effective immediately upon the effective date of
22 the other coverage or upon authorization as a
23 self-insurer.

1 2. a. A notice of cancellation from the carrier shall state
2 the hour and date that cancellation is effective.

3 b. A carrier shall not cancel coverage issued to an
4 employer under this act prior to the date specified
5 for expiration in the policy or contract or until at
6 least thirty (30) days have elapsed after a notice of
7 cancellation has been mailed to the Workers'
8 Compensation Commission and to the employer, or until
9 ten (10) days have elapsed after the notice has been
10 mailed to the employer and to the Commission if the
11 cancellation is for nonpayment of premium.

12 c. However, if the employer procures other insurance
13 within the notice period, the effective date of the
14 new policy shall be the cancellation date of the old
15 policy.

16 3. Cancellation of coverage by an employer or a carrier shall
17 in no way limit liability that was incurred under the policy or
18 contract prior to the effective date of cancellation.

19 C. COVERAGE.

20 1. No policy or contract of insurance shall be issued against
21 liability under this act unless the policy or contract covers the
22 entire liability of the employer. Split coverage, whereby some
23 employees of an employer are insured by one carrier and other
24 employees are insured by another carrier, or by the Oklahoma

1 Workers' Compensation Insurance Plan, or a plan of self-insurance is
2 expressly prohibited except for:

3 a. a policy issued whereby all employees performing
4 services for a client under a professional employer
5 organization are covered under the same policy,
6 contract, or plan, or

7 b. a policy issued covering the liability of an employer
8 or of multiple employers as to specific jobs,
9 ventures, contracts, or undertakings, but only if the
10 policy meets with the reasonable satisfaction and
11 approval of the Insurance Commissioner that the policy
12 is in the best interest of the employers and the
13 employees concerned and does not unduly or improperly
14 affect the continuity of workers' compensation
15 coverage by seriously and negatively affecting other
16 carriers and agents with outstanding policies issued
17 to any of the employers in issue.

18 2. As to any questions of liability between the employer and
19 the carrier, the terms of the policy or contract shall govern.

20 D. Under the rules and regulations as may be adopted by the
21 Insurance Commissioner, and notwithstanding other provisions of this
22 act, the Insurance Commissioner may certify five or more employers
23 as an insurance group which shall be considered an employer for the
24 purposes of this act.

1 SECTION 40. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 540 of Title 85, unless there is
3 created a duplication in numbering, reads as follows:

4 A. WORKERS' HEALTH AND SAFETY DIVISION.

5 1. The Workers' Compensation Commission shall establish a
6 Workers' Health and Safety Division, hereinafter referred to as the
7 "Division".

8 2. The Division shall collect and serve as a repository for
9 statistical information on workers' health and safety. As may be
10 deemed necessary by the Commission, and in cooperation with and with
11 the assistance of the Department of Labor, the Oklahoma Insurance
12 Department, the state-sponsored career and technology education
13 centers, also known as Career Tech, and the Department of
14 Rehabilitation Services, the Division shall analyze and use the
15 information to identify and assign priorities to safety needs and to
16 better coordinate the safety services provided by public or private
17 organizations, including insurance carriers. In cooperation with
18 and with the assistance of the Department of Labor and the Oklahoma
19 Insurance Department, the Division shall promote workers' health and
20 safety through educational programs and other innovative programs
21 developed by the Division.

22 3. In cooperation with and with the assistance of the
23 Department of Labor and the Oklahoma Insurance Department, the
24

1 Division shall coordinate or supervise the collection of information
2 relating to job safety.

3 4. The chair of the Workers' Compensation Commission, the
4 Commissioner of Labor, and the Insurance Commissioner shall function
5 as an advisory committee to resolve questions regarding duplication
6 of efforts, assignment of new programs and other matters that need
7 cooperation and coordination.

8 5. a. In cooperation with and with the assistance of the
9 Department of Labor and the Oklahoma Insurance
10 Department, the Division shall publish or procure and
11 issue educational books, pamphlets, brochures, films,
12 videotapes, and other informational and educational
13 material. Specific educational material shall be
14 directed to high-risk industries and jobs and shall
15 specifically address means and methods of avoiding
16 high-frequency but preventable workers' injuries.
17 Other educational material shall be directed to
18 business and industry generally, and shall
19 specifically address means and methods of avoiding
20 common workers' injuries.

21 b. Specific decisions as to what issues and problems
22 should be addressed by such information shall be made
23 by the Division in cooperation with and with the
24 assistance of the Department of Labor and the Oklahoma

1 Insurance Department and with Commission approval
2 after assigning appropriate priorities based on
3 frequency of injuries, degree of hazard, severity of
4 injuries, and similar considerations.

5 c. The educational materials shall include specific
6 references to the requirements of state and federal
7 laws and regulations, to recommendations and practices
8 of business, industry, and trade associations, and,
9 where needed, to recommended work practices based on
10 recommendations made by the Division, in cooperation
11 with and with the assistance of the Department of
12 Labor and the Oklahoma Insurance Department for the
13 prevention of injury.

14 6. In cooperation with and with the assistance of the
15 Department of Labor and the Oklahoma Insurance Department, the
16 Division shall cooperate with employers and employees to develop
17 means and methods of educating employees and employers with regard
18 to workplace safety.

19 7. In cooperation with and with the assistance of the
20 Department of Labor and the Oklahoma Insurance Department, the
21 Division shall encourage other entities to develop safety courses,
22 safety plans, and safety programs.

23 8. In cooperation with and with the assistance of the
24 Department of Labor and the Oklahoma Insurance Department, the

1 Division shall certify safe employers to provide peer review safety
2 programs.

3 9. In cooperation with and with the assistance of the
4 Department of Labor and the Oklahoma Insurance Department, the
5 Division shall advise insurance carrier loss-control service
6 organizations of hazard classifications, specific employers,
7 industries, occupations, or geographic regions to which loss-control
8 services should be directed, or of the identity and types of
9 injuries or occupational diseases for prevention of the same to
10 which loss-control services should be directed and shall advise
11 insurance carrier loss-control service organizations of safety needs
12 and priorities recommended by the Division in cooperation with and
13 with the assistance of the Department of Labor and the Oklahoma
14 Insurance Department.

15 B. JOB SAFETY INFORMATION SYSTEM.

16 1. In cooperation with and with the assistance of the
17 Department of Labor and the Oklahoma Insurance Department, the
18 Division shall establish and maintain a job safety information
19 system.

20 2. a. The job safety information system shall include a
21 comprehensive database that incorporates all pertinent
22 information relating to each reported injury.
23
24

1 b. The identity of the employee is confidential and may
2 not be disclosed as part of the job safety information
3 system.

4 3. Employers shall file with the Commission any reports as may
5 be necessary. The Commission shall promulgate rules and prescribe
6 the form and manner of the reports.

7 4. In cooperation with and with the assistance of the
8 Department of Labor and the Oklahoma Insurance Department, the
9 Division is authorized, empowered, and directed to obtain, from any
10 state agency, data and statistics, including those compiled for the
11 purpose of rate making.

12 5. The Division shall consult the Department of Labor and any
13 other affected state agencies in the design of data information and
14 retrieval systems that will accomplish the mutual purposes of those
15 agencies and of the Division.

16 C. EXTRA-HAZARDOUS EMPLOYER PROGRAM.

17 1. a. In cooperation with and with the assistance of the
18 Department of Labor and the Oklahoma Insurance
19 Department, the Division shall develop a program,
20 including injury frequency, to identify extra-
21 hazardous employers. The term "extra-hazardous
22 employer" includes an employer whose injury
23 frequencies substantially exceed those that may
24 reasonably be expected in the business or industry of

1 that employer, an employer whose experience modifier
2 is identified by the Commission as too high, and other
3 employers as may, following a public hearing, be
4 identified as extra-hazardous.

5 b. The Division shall notify each identified extra-
6 hazardous employer or the carrier for the employer
7 that the employer has been identified as an extra-
8 hazardous employer.

9 2. a. An employer who receives notification under
10 subparagraph b of paragraph 1 of this subsection must
11 obtain a safety consultation within thirty (30) days
12 from the Department of Labor, the insurance carrier of
13 the employer, or another professional source approved
14 by the Division for that purpose.

15 b. The safety consultant shall file a written report with
16 the Division and the employer setting out any
17 hazardous conditions or practices identified by the
18 safety consultation.

19 3. The employer and the consultant shall formulate a specific
20 accident prevention plan that addresses the hazards identified by
21 the consultant. The employer shall comply with the accident
22 prevention plan.

23 4. The Division may investigate accidents occurring at the work
24 sites of an employer for whom a plan has been formulated under

1 paragraph 3 of this subsection, and the Division may otherwise
2 monitor the implementation of the accident prevention plan as it
3 finds necessary.

4 5. a. Six (6) months after the formulation of an accident
5 prevention plan prescribed by paragraph 3 of this
6 subsection, the Division shall conduct a follow-up
7 inspection of the premises of the employer. The
8 Division may require the participation of the safety
9 consultant who performed the initial consultation and
10 formulated the safety plan.

11 b. If the Division determines that the employer has
12 complied with the terms of the accident prevention
13 plan or has implemented other acceptable corrective
14 measures, the Division shall so certify.

15 c. An employer who the Division determines has failed or
16 refused to implement the accident prevention plan or
17 other suitable hazard abatement measures is subject to
18 civil penalties as follows:

19 (1) the Commission may assess a civil penalty against
20 an employer who fails or refuses to implement the
21 accident prevention plan or other suitable hazard
22 abatement procedures in an amount up to One
23 Thousand Dollars (\$1,000.00) per day of violation
24

1 payable to the Death and Permanent Total
2 Disability Trust Fund, and

3 (2) the Commission may petition the Oklahoma County
4 district court, or the court of the county where
5 the business is located, for an order enjoining
6 the employer from engaging in further employment
7 until such time as the employer implements the
8 prevention plan or abatement measure described in
9 this subsection or makes payment of all civil
10 penalties.

11 6. If, at the time of the inspection required under
12 subparagraph a of paragraph 5 of this subsection, the employer
13 continues to exceed the injury frequencies that may reasonably be
14 expected in the business or industry of that employer, the Division
15 shall continue to monitor the safety conditions at the work site and
16 may formulate additional safety plans reasonably calculated to abate
17 hazards. The employer shall comply with the plans and may be
18 subject to additional penalties for failure to implement the plan or
19 plans.

20 7. An employer may request a hearing before the full Commission
21 to contest findings made by the Division under this section.

22 8. The identification as an extra-hazardous employer under this
23 section is not admissible in any judicial proceeding unless the
24 Commission has determined that the employer is not in compliance

1 with this section and unless that determination has not been
2 reversed or superseded at the time of the event giving rise to the
3 judicial proceeding.

4 D. ACCIDENT PREVENTION SERVICES.

5 1. Any insurance company licensed to provide casualty insurance
6 in the State of Oklahoma and desiring to write workers' compensation
7 insurance in Oklahoma shall maintain or provide accident prevention
8 services as a prerequisite to write workers' compensation insurance.
9 The services shall be adequate to furnish accident prevention
10 programs required by the nature of operations of the policyholder
11 and shall include surveys, recommendations, training programs,
12 consultations, analyses of accident causes, industrial hygiene, and
13 industrial health services to implement the program of accident
14 prevention services.

15 2. Notice that services are available to the policyholder from
16 the insurance company shall appear in no less than ten-point bold
17 type on the front of each workers' compensation insurance policy
18 delivered or issued for delivery in the state.

19 3. At least once each year, each insurance company writing
20 workers' compensation insurance in Oklahoma shall submit to the
21 Division detailed information on the type of accident prevention
22 services offered to the policyholders of that insurance company.
23 The information shall include any additional information required by
24 the Commission.

1 4. In cooperation with and with the assistance of the
2 Department of Labor and the Oklahoma Insurance Department, the
3 Division shall conduct inspections to determine the adequacy of the
4 accident prevention services required by paragraph 1 of this
5 subsection at least every two (2) years for each insurance company
6 writing workers' compensation insurance in Oklahoma.

7 5. If the insurance company does not maintain or provide the
8 accident prevention services required by this subsection, or if the
9 insurance company does not use the services in a reasonable manner
10 to prevent injury to employees of its policyholders, the insurance
11 company may be subjected to the same civil penalties as are
12 assessable and enforceable against employers as set forth in
13 subparagraph c of paragraph 5 of subsection C of this section and
14 shall be subject to suspension or revocation of license to do
15 business in this state by the Insurance Commissioner.

16 6. The Commission shall employ the qualified personnel
17 necessary to enforce this section.

18 E. IMMUNITY FROM CERTAIN LIABILITY.

19 1. Except as provided in paragraph 5 of subsection D of this
20 section, the insurance company, the agent, servant, or employee of
21 the insurance company or self-insured employer, or a safety
22 consultant who performs a safety consultation under this section
23 shall have no liability with respect to any accident based on the
24 allegation that the accident was caused or could have been prevented

1 by a program, inspection, or other activity or service undertaken by
2 the insurance company or self-insured employer for the prevention of
3 accidents in connection with operations of the employer.

4 2. Provided, however, this immunity shall not affect the
5 liability of the insurance carrier or self-insured employer for
6 compensation or as otherwise provided in this act.

7 F. EXCLUSIVE REMEDY. This section does not create an
8 independent cause of action at law or in equity.

9 SECTION 41. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 541 of Title 85, unless there is
11 created a duplication in numbering, reads as follows:

12 A. LIABILITY UNAFFECTED.

13 1. a. The making of a claim for compensation against any
14 employer or carrier for the injury or death of an
15 employee shall not affect the right of the employee,
16 or the dependents of the employee, to make a claim or
17 maintain an action in court against any third party
18 for the injury, but the employer or the insurance
19 carrier of the employer shall be entitled to
20 reasonable notice and opportunity to join in the
21 action.

22 b. If the employer or insurance carrier of the employer,
23 or both, join in the action, they shall be entitled to
24 a first lien upon two-thirds (2/3) of the net proceeds

1 recovered in the action that remain after the payment
2 of the reasonable costs of collection, for the payment
3 to them of the amount paid and to be paid by them as
4 compensation to the injured employee or the dependents
5 of the employee.

6 2. The commencement of an action by an employee, or the
7 dependents of the employee, against a third party for damages by
8 reason of an injury to which this act is applicable, or the
9 adjustment of any claim, shall not affect the rights of the injured
10 employee, or the dependents of the employee, to recover
11 compensation, but any amount recovered by the injured employee, or
12 the dependents of the employee, from a third party shall be applied
13 as follows:

- 14 a. reasonable costs of collection shall be deducted,
- 15 b. then, in every case, one-third (1/3) of the remainder
16 shall belong to the injured employee, or the
17 dependents of the employee, as the case may be,
- 18 c. the remainder, or so much as is necessary to discharge
19 the actual amount of the liability of the employer and
20 the carrier, shall belong to the employer or carrier,
21 and shall be distributed accordingly between those
22 entities, and
- 23 d. any excess shall belong to the injured employee or the
24 dependents of the employee.

1 B. SUBROGATION.

2 1. An employer or carrier liable for compensation under this
3 act for the injury or death of an employee shall have the right to
4 maintain an action in tort against any third party responsible for
5 the injury or death. However, the employer or the carrier must
6 notify the claimant in writing that the claimant has the right to
7 hire a private attorney to pursue any benefits to which the claimant
8 is entitled in addition to the subrogation interest against any
9 third party responsible for the injury or death.

10 2. After reasonable notice and opportunity to be represented in
11 the action have been given to the compensation beneficiary, the
12 liability of the third party to the compensation beneficiary shall
13 be determined in the action, as well as the liability of the third
14 party to the employer and carrier.

15 3. a. After recovery shall be had against the third party,
16 by legal action or otherwise, the compensation
17 beneficiary shall be entitled to any amount recovered
18 over and above the amount that the employer and
19 carrier have paid or are liable for in compensation,
20 after deducting reasonable costs of collection.

21 b. In no event shall the compensation beneficiary be
22 entitled to less than one-third (1/3) of the amount
23 recovered from the third party, after deducting the
24 reasonable cost of collection.

1 4. An employer or carrier who is liable for compensation under
2 this act on account of injury or death of an employee shall be
3 entitled to maintain a third-party action against the uninsured
4 motorist coverage or underinsured motorist coverage of the employer.

5 5. The purpose and intent of this subsection is to prevent
6 double payment to the employee.

7 C. SETTLEMENT OF CLAIMS.

8 1. Settlement of claims under subsections A and B of this
9 section must have the approval of the court or of the Commission,
10 except that the distribution of that portion of the settlement which
11 represents the compensation payable under this act must have the
12 approval of the Commission.

13 2. Where liability is admitted to the injured employee or the
14 dependents of the employee by the employer or carrier, the cost of
15 collection may be deducted from that portion of the settlement under
16 subsections A or B of this section representing compensation, upon
17 direction and approval of the Commission.

18 3. No party shall settle a claim under subsections A and B of
19 this section without first giving three (3) days' written notice to
20 all parties with an interest in the claim of the intent to settle.

21 4. Each party with an interest in a claim under subsections A
22 and B of this section shall cooperate with all other parties in
23 litigation or settlement of such claims.
24

1 D. INDEMNITY. Any permanent partial disability indemnity award
2 shall be placed in a designated escrow account which shall be used
3 for the purpose of future medical care of an injured worker or any
4 fees and costs associated with the vocational rehabilitation of the
5 injured worker.

6 SECTION 42. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 542 of Title 85, unless there is
8 created a duplication in numbering, reads as follows:

9 A. Any benefits payable to an injured worker under this act
10 shall be reduced in an amount equal to, dollar-for-dollar, the
11 amount of benefits the injured worker has previously received for
12 the same medical services or period of disability, whether those
13 benefits were paid under a group health care service plan, a group
14 disability policy, a group loss of income policy, a group accident,
15 health, or accident and health policy, a self-insured employee
16 health or welfare benefit plan, or a group hospital or medical
17 service contract.

18 B. The claimant shall be required to disclose in a manner to be
19 determined by the Workers' Compensation Commission the identity,
20 address, or phone number of any person or entity which has paid
21 benefits described in this section in connection with any claim
22 under this act.

23 C. 1. Prior to any final award or approval of a joint
24 petition, the claimant shall be required to furnish the respondent

1 with releases of all subrogation claims for the benefits described
2 in this section.

3 2. a. In the event that the claimant is unable to produce
4 releases required by this section, then the Commission
5 shall determine the amount of such potential
6 subrogation claims and shall direct the carrier or
7 self-insured employer to hold in reserve only the
8 specific sums determined by the Commission for a
9 period of five (5) years.

10 b. If, after the expiration of five (5) years, no release
11 or final court order is presented otherwise directing
12 the payment of the sums, then the carrier or self-
13 insured employer shall tender the sums to the Death
14 and Permanent Total Disability Trust Fund.

15 SECTION 43. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 543 of Title 85, unless there is
17 created a duplication in numbering, reads as follows:

18 A. 1. Compensation to the injured employee shall not be
19 allowed for the first seven (7) days of disability resulting from
20 injury, excluding the day of injury.

21 2. If a disability extends beyond that period, compensation
22 shall commence with the ninth day of disability.

1 3. If a disability extends for a period of two (2) weeks,
2 compensation shall be allowed beginning the first day of disability,
3 excluding the day of injury.

4 B. For compensation payable to an injured employee for
5 disability, other than permanent partial disability as specified in
6 subsection D of this section, and compensation payable to surviving
7 dependents of a deceased employee, the total disability rate shall
8 not exceed sixty-six and two-thirds percent (66 and 2/3%) of the
9 average weekly wage of the employee with a twenty-dollar-per-week
10 minimum, subject to the following maximums:

11 1. For a disability or death which results from an injury
12 occurring during a calendar year beginning on or after January 1,
13 2013, the maximum weekly benefit payable shall be seventy-five
14 percent (75%) of the state average weekly wage if, and only if, the
15 Insurance Commissioner certifies to the Workers' Compensation
16 Commission during December 2014, that the overall workers'
17 compensation insurance rates for Oklahoma have decreased by at least
18 ten percent (10%) subsequent to July 1, 2005; and

19 2. After January 1, 2013, the weekly benefit rate shall be
20 rounded to the nearest whole dollar. In explanation, if the actual
21 rate be a dollar amount plus forty-nine cents (\$0.49) or less, the
22 rate for compensation purposes shall be the next lower whole-dollar
23 amount, and, if the actual rate be a dollar amount plus fifty cents
24

1 (\$0.50) or more, then the rate for compensation purposes shall be
2 the next higher whole-dollar amount.

3 C. 1. Upon request of the respondent or carrier, the
4 Commission shall review the claim and determine the necessity for
5 additional temporary total benefits after twenty (20) weeks or after
6 any thirteen-week interval after twenty (20) weeks and may, if
7 warranted by the preponderance of the evidence on the basis of the
8 record as a whole, extend the period of payment for temporary total
9 disability.

10 2. Any weekly benefit payments made after the Commission has
11 terminated temporary total benefits shall be classified as warranted
12 by the facts in the case and as otherwise provided for in this act.

13 D. 1. The permanent partial disability rate for compensation
14 payable to an employee for permanent partial disability which
15 results from an injury occurring on or after July 1, 2010, shall not
16 exceed sixty-six and two-thirds percent (66 and 2/3%) of the average
17 weekly wage of the employee, with a twenty-dollar-per-week minimum,
18 subject to a maximum of One Hundred Fifty-four Dollars (\$154.00).
19 However, if the total disability rate of the employee for the injury
20 would be Two Hundred Five Dollars and thirty-five cents (\$205.35)
21 per week or greater, then the maximum permanent partial disability
22 rate shall be seventy-five percent (75%) of the total disability
23 rate of the employee.

1 2. a. The permanent partial disability rate provided in this
2 section shall also apply to scheduled permanent
3 injuries except those resulting in amputation or
4 permanent total loss of use of a member.

5 b. The permanent partial disability rate for amputation
6 or permanent total loss of use of a member shall be
7 the same as the total disability rate of the employee
8 as specified in subsection B of this section, subject
9 to a maximum of eighty-five percent (85%) of the state
10 average weekly wage.

11 3. The provisions of this subsection shall apply only to those
12 injuries which occur on or after January 1, 2010.

13 E. Compensation payable to the dependents of a deceased
14 employee shall be in addition to the funeral allowance and those
15 benefits which were paid or to which the injured employee was
16 entitled in the lifetime of the employee under Sections 52 through
17 59 of this act and Sections 62 through 69 of this act.

18 SECTION 44. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 544 of Title 85, unless there is
20 created a duplication in numbering, reads as follows:

21 A. The benefits shall be paid for a period not to exceed four
22 hundred fifty (450) weeks of disability, except that this limitation
23 shall not apply in cases of permanent total disability or death.
24

1 B. 1. For injuries occurring on or after November 1, 2013, the
2 employer or its insurance carrier shall pay weekly benefits for
3 death or permanent total disability not to exceed three hundred
4 twenty-five (325) times the maximum total disability rate
5 established for the date of the injury under this act.

6 2. a. An employee or a dependent of an employee who receives
7 a total of Seventy-five Thousand Dollars (\$75,000.00)
8 in weekly benefits for injuries sustained on or before
9 November 1, 2013, shall be eligible to continue to
10 draw benefits at the rates prescribed in this act, but
11 all benefits in excess of Seventy-five Thousand
12 Dollars (\$75,000.00) shall be payable from the Death
13 and Permanent Total Disability Trust Fund.

14 b. An employee or a dependent of an employee who receives
15 the maximum amount specified in paragraph 1 of this
16 subsection shall be eligible to continue to draw
17 benefits at the rates prescribed by this act payable
18 from the Trust Fund.

19 3. The Trust Fund shall consist of such funds as may be
20 prescribed by law and shall be administered, invested, and disbursed
21 by the Workers' Compensation Commission.

22 4. Each employer or the insurance carrier of the employer in
23 each case of death of an employee where there are no dependents
24

1 shall pay into the Trust Fund the sum of Five Hundred Dollars
2 (\$500.00).

3 SECTION 45. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 545 of Title 85, unless there is
5 created a duplication in numbering, reads as follows:

6 A. 1. Notwithstanding any other definition of "extra-hazardous
7 employer" as provided by Section 42 of this act, any employer who
8 fails to utilize the consultative safety services available through
9 the Department of Labor, its own insurance carrier, or a private
10 safety consultant shall be identified as an extra-hazardous employer
11 if it is established by a preponderance of the evidence that an
12 injury or death is caused in substantial part by the failure of the
13 employer to comply with any Oklahoma statute or official regulation
14 pertaining to the health or safety of employees or failure to follow
15 safety consultant recommendations.

16 2. When so notified, the employer shall comply with the
17 provisions provided by Section 42 of this act.

18 B. Provided, if it is established by a preponderance of the
19 evidence that the employee is injured as a result of the violation
20 by the employee of the safety rules or instructions of the employer,
21 the provisions of this section shall not apply.

22 SECTION 46. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 546 of Title 85, unless there is
24 created a duplication in numbering, reads as follows:

1 A. Where an injury or death is sustained by a minor employed in
2 violation of federal or state statutes pertaining to minimum ages
3 for employment of minors, compensation or death benefits provided
4 for by this act shall be doubled.

5 B. However, the penalty shall not apply when the minor
6 misrepresents the minor's age, in writing, to the employer.

7 SECTION 47. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 547 of Title 85, unless there is
9 created a duplication in numbering, reads as follows:

10 A. 1. Any employer who without reasonable cause refuses to
11 return an employee who is injured in the course of employment to
12 work, where suitable employment is available within the physical and
13 mental limitations of the employee, upon order of the Workers'
14 Compensation Commission, and in addition to other benefits, shall be
15 liable to pay to the employee the difference between benefits
16 received and the average weekly wages lost during the period of the
17 refusal, for a period not exceeding one (1) year.

18 2. In determining the availability of employment, the
19 continuance in business of the employer shall be considered, and any
20 written rules promulgated by the employer with respect to seniority
21 or the provisions of any collective bargaining agreement with
22 respect to seniority shall control.

23 B. 1. In addition to benefits otherwise provided for by this
24 act, an employee who is entitled to receive compensation benefits

1 for permanent disability and who has not been offered an opportunity
2 to return to work or reemployment assistance shall be paid
3 reasonable expenses of travel and maintenance and other necessary
4 costs of a program of vocational rehabilitation if the Commission
5 finds that the program is reasonable in relation to the disability
6 sustained by the employee.

7 2. The responsibility of the employer for additional payments
8 shall not exceed seventy-two (72) weeks, regardless of the length of
9 the program requested.

10 3. The employee shall not be required to enter any program of
11 vocational rehabilitation against the consent of the employee;
12 however, no employee who waives rehabilitation or refuses to
13 participate in or cooperate for reasonable cause with either an
14 offered program of rehabilitation or job placement assistance shall
15 be entitled to permanent partial disability benefits in excess of
16 the percentage of permanent physical impairment established by
17 objective physical findings. If the employee waives rehabilitation
18 or refuses to participate in or cooperate with an offered program or
19 job placement assistance, then payments of benefits or awards shall
20 be placed in a designated escrow account which shall be used for the
21 purpose of future medical care.

22 4. A request for the program, if elected by the claimant, shall
23 be filed with the Commission prior to a determination of the amount
24 of permanent disability benefits payable to the employee.

1 C. If a request for the program is elected by the claimant,
2 mandatory vocational rehabilitation assessments shall be conducted
3 within four (4) weeks from the date of injury and every four (4)
4 weeks thereafter, as needed, for any case brought before the
5 Commission or its designees in the form of an administrative
6 hearing. The program shall commence as soon as reasonably
7 practicable, but not less than thirty (30) days after the vocational
8 rehabilitation assessment is completed, except in cases of permanent
9 total disability.

10 D. Mandatory vocational rehabilitation evaluations shall
11 include consideration of any preliminary medical prognosis or
12 diagnosis. If it is unlikely that the claimant will be able to
13 return to the prior job or occupation previously held by the
14 claimant, then the respondent shall present to the claimant no less
15 than two proposed occupational recovery plans.

16 E. This section shall not be construed as creating an exception
17 to the common law regarding employment-at-will.

18 SECTION 48. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 548 of Title 85, unless there is
20 created a duplication in numbering, reads as follows:

21 A. No compensation in any amount for temporary total, temporary
22 partial, or permanent total disability shall be payable to an
23 injured employee with respect to any week for which the injured
24 employee receives unemployment insurance benefits under the

1 Employment Security Law of 1980, or the unemployment insurance law
2 of any other state.

3 B. Provided, however, if a claim for temporary total disability
4 is controverted and later determined to be compensable, temporary
5 total disability shall be payable to an injured employee with
6 respect to any week for which the injured employee receives
7 unemployment benefits but only to the extent that the temporary
8 total disability otherwise payable exceeds the unemployment
9 benefits.

10 SECTION 49. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 549 of Title 85, unless there is
12 created a duplication in numbering, reads as follows:

13 A. For the fiscal year beginning July 1, 2014, the Workers'
14 Compensation Commission shall allocate One Hundred Thousand Dollars
15 (\$100,000.00) to a special project for the following purposes:

16 1. Identification of industries or jobs having a high incidence
17 of injuries;

18 2. Determination of the causes of injuries of which there is a
19 high incidence; and

20 3. The provision of educational or advisory services to
21 employers and employees designed to reduce the incidence of such
22 injuries.

23 B. For succeeding fiscal years, the Commission shall determine
24 to what extent the project should be funded.

1 SECTION 50. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 550 of Title 85, unless there is
3 created a duplication in numbering, reads as follows:

4 A. The employer shall promptly provide for an injured employee
5 such medical, surgical, hospital, chiropractic, optometric,
6 podiatric, and nursing services and medicine, crutches, ambulatory
7 devices, artificial limbs, eyeglasses, contact lenses, hearing aids,
8 and other apparatus as may be reasonably necessary in connection
9 with the injury received by the employee.

10 B. If the employer fails to provide the medical services
11 provided in subsection A of this section within a reasonable time
12 after knowledge of the injury, the Workers' Compensation Commission
13 may direct that the injured employee obtain the medical service at
14 the expense of the employer, and any emergency treatment afforded
15 the injured employee shall be at the expense of the employer. In no
16 circumstance may an employee, the family or dependents of the
17 employee be billed or charged for any portion of the cost of
18 providing the benefits to which the employee is entitled under this
19 act.

20 C. If the Commission finds that the employer failed to provide
21 the medical services provided in subsection A of this section, the
22 Commission shall assess a fine against the employer, not to exceed
23 Five Thousand Dollars (\$5,000.00).
24

1 D. In order to help control the cost of medical benefits, the
2 Commission, on or before July 1, 2014, following a public hearing
3 and with the assistance and cooperation of the Oklahoma Insurance
4 Department, is authorized and directed to establish appropriate
5 rules and regulations to establish and implement a system of managed
6 health care for the State of Oklahoma.

7 E. For the purpose of establishing and implementing a system of
8 managed health care, the Commission is authorized to:

9 1. Develop rules and regulations for the certification of
10 managed care entities to provide managed care to injured workers;

11 2. Develop regulations for peer review, service utilization,
12 and resolution of medical disputes;

13 3. Prohibit "balance billing" from the employee, employer, or
14 carrier;

15 4. Establish fees for medical services. The Commission shall
16 make no distinction in approving fees from different classes of
17 medical service providers or health care providers for provision of
18 the same or essentially similar medical services or health care
19 services as defined in this act; and

20 5. a. Give the employer the right to choose the initial
21 treating physician, with the injured employee having
22 the right to petition the Commission for a one-time-
23 only change of physician to one who is associated with
24 a managed care entity certified by the Commission or

1 is the regular treating physician of the employee who
2 maintains the medical records of the employee and with
3 whom the employee has a bona fide doctor-patient
4 relationship demonstrated by a history of regular
5 treatment prior to the onset of the compensable
6 injury, but only if the primary care physician agrees
7 to refer the employee to a certified managed care
8 entity for any specialized treatment, including
9 physical therapy, and only if such primary care
10 physician agrees to comply with all the rules, terms,
11 and conditions regarding services performed by the
12 managed care entity initially chosen by the employer.

13 b. A petition for change of physician shall be expedited
14 by the Commission.

15 F. The injured employee shall have direct access to any
16 optometric or ophthalmologic medical service provider who agrees to
17 provide services under the rules, terms, and conditions regarding
18 services performed by the managed care entity initially chosen by
19 the employer for the treatment and management of eye injuries or
20 conditions. Such optometric or ophthalmologic medical service
21 provider shall be considered a certified provider by the Commission.

22 G. The Commission is authorized to promulgate any other rules
23 or regulations as may be necessary to carry out the provisions of
24

1 this section and its purpose of controlling medical costs through
2 the establishment of a managed care system.

3 SECTION 51. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 551 of Title 85, unless there is
5 created a duplication in numbering, reads as follows:

6 The amounts payable or time periods allowable for authorized
7 medical, hospital, and other services and treatment furnished under
8 Sections 52 through 59 of this act, unless waived by the employer-
9 respondent or approved by the Workers' Compensation Commission and
10 warranted by the preponderance of the evidence on the basis of the
11 record as a whole, are:

12 1. Six (6) months if the claimant lost no compensable time from
13 work as a result of his or her injury;

14 2. Six (6) months following the return to work by an injured
15 employee who has been receiving authorized medical, hospital, or
16 other services or treatment; and

17 3. Ten Thousand Dollars (\$10,000.00) aggregate for all
18 authorized medical, hospital, and other services and treatment,
19 including any amounts paid under subsections A and B of Section 56
20 of this act.

21 SECTION 52. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 552 of Title 85, unless there is
23 created a duplication in numbering, reads as follows:

1 The employer shall not be liable for any of the payments
2 provided for in Sections 52 through 59 of this act in the case of a
3 contest of liability where the Workers' Compensation Commission
4 shall decide that the injury does not come within the provisions of
5 this act.

6 SECTION 53. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 553 of Title 85, unless there is
8 created a duplication in numbering, reads as follows:

9 A. An injured employee claiming to be entitled to compensation
10 shall submit to such physical examination and treatment by another
11 qualified physician, designated or approved by the Workers'
12 Compensation Commission, as the Commission may require from time to
13 time if reasonable and necessary.

14 B. The places of examination and treatment shall be reasonably
15 convenient for the employee.

16 C. Such physician as the employee, employer, or insurance
17 carrier may select and pay for may participate in the examination if
18 the employee, employer, or insurance carrier so requests.

19 D. In cases where the Commission directs examination or
20 treatment, proceedings shall be suspended, and no compensation shall
21 be payable for any period during which the employee refuses to
22 submit to examination and treatment or otherwise obstructs the
23 examination or treatment.

24

1 E. Failure of the employee to obey the order of the Commission
2 in respect to examination or treatment for a period of one (1) year
3 from the date of suspension of compensation shall bar the right of
4 the claimant to further compensation in respect to the injury.

5 SECTION 54. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 554 of Title 85, unless there is
7 created a duplication in numbering, reads as follows:

8 Except in cases of hernia, which are specifically covered by
9 Section 66 of this act, where an injured person unreasonably refuses
10 to submit to a surgical operation which has been advised by at least
11 two qualified physicians and where the recommended operation does
12 not involve unreasonable risk of life or additional serious physical
13 impairment, the Workers' Compensation Commission, in fixing the
14 amount of compensation, may take into consideration such refusal to
15 submit to the advised operation.

16 SECTION 55. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 555 of Title 85, unless there is
18 created a duplication in numbering, reads as follows:

19 A. All persons who render services or provide things mentioned
20 in Sections 52 through 59 of this act shall submit the
21 reasonableness of the charges to the Workers' Compensation
22 Commission for its approval, and, when so approved, the charges
23 shall be enforceable by the Commission in the same manner as is
24 provided for the enforcement of compensation payments.

1 B. However, the provisions of this section relating to charges
2 shall not apply where a written contract exists between the employer
3 and the person who renders the service or furnishes the things.

4 SECTION 56. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 556 of Title 85, unless there is
6 created a duplication in numbering, reads as follows:

7 A. 1. If the employee selects a physician, the Workers'
8 Compensation Commission shall not authorize a change of physician
9 unless the employee first establishes to the satisfaction of the
10 Commission that there is a compelling reason or circumstance
11 justifying a change.

12 2. a. If the employer selects a physician, the claimant may
13 petition the Commission one time only for a change of
14 physician, and if the Commission approves the change
15 with or without a hearing, the Commission shall
16 determine the second physician and shall not be bound
17 by recommendations of claimant or respondent.

18 b. However, if the change desired by the claimant is to a
19 chiropractic physician, optometrist, or podiatrist,
20 the claimant may make the change by giving advance
21 written notification to the employer or carrier.

22 3. Following establishment of an Oklahoma managed care system
23 as provided in Section 52 of this act, paragraphs 1 and 2 of this
24 subsection shall become null and void, and thereafter:

- 1 a. (1) the employer shall have the right to select the
2 initial primary care physician from among those
3 associated with managed care entities certified
4 by the Commission as provided in Section 52 of
5 this act,
- 6 (2) if the employer has contracted with a managed
7 care organization certified by the Commission,
8 the claimant employee shall be allowed to change
9 physicians by petitioning the Commission one time
10 only for a change of physician to a physician who
11 must either be associated with the managed care
12 entity chosen by the employer or be the regular
13 treating physician of the employee who maintains
14 the medical records of the employee and with whom
15 the employee has a bona fide doctor-patient
16 relationship demonstrated by a history of regular
17 treatment prior to the onset of the compensable
18 injury but only if the primary care physician
19 agrees to refer the employee to the managed care
20 entity chosen by the employer for any specialized
21 treatment, including physical therapy, and only
22 if the primary care physician agrees to comply
23 with all the rules, terms, and conditions
24

1 regarding services performed by the managed care
2 entity chosen by the employer, and

- 3 (3) if the employer does not have a contract with a
4 managed care organization certified by the
5 Commission, the claimant employee shall be
6 allowed to change physicians by petitioning the
7 Commission one time only for a change of
8 physician, to a physician who must either be
9 associated with any managed care entity certified
10 by the Commission or be the regular treating
11 physician of the employee who maintains the
12 medical records of the employee and with whom the
13 employee has a bona fide doctor-patient
14 relationship demonstrated by a history of regular
15 treatment prior to the onset of the compensable
16 injury, but only if the primary care physician
17 agrees to refer the employee to a physician
18 associated with any managed care entity certified
19 by the Commission for any specialized treatment,
20 including physical therapy, and only if the
21 primary care physician agrees to comply with all
22 the rules, terms, and conditions regarding
23 services performed by any managed care entity
24 certified by the Commission.

1 b. A petition for change of physician shall be expedited
2 by the Commission.

3 B. Treatment or services furnished or prescribed by any
4 physician other than the ones selected according to the foregoing,
5 except emergency treatment, shall be at the expense of the claimant.

6 C. 1. After being notified of an injury, the employer or
7 insurance carrier shall deliver to the employee, in person or by
8 certified or registered mail, return receipt requested, a copy of a
9 notice, approved or prescribed by the Commission, which explains the
10 rights and responsibilities of the employee concerning change of
11 physician.

12 2. If, after notice of injury, the employee is not furnished a
13 copy of the notice, the change of physician rules do not apply.

14 3. Any unauthorized medical expense incurred after the employee
15 has received a copy of the notice shall not be the responsibility of
16 the employer.

17 D. A request for a hearing on a change of physician by either
18 the employer or the injured employee shall be given preference on
19 the docket of the Commission over all other matters.

20 E. Cooperation on the part of both the injured employee and the
21 employer in an effort to select another physician is encouraged.

22 F. When compensability is controverted, subsection B of this
23 section shall not apply if:
24

1 1. The employee requests medical assistance in writing prior to
2 seeking the same as a result of an alleged compensable injury;

3 2. The employer refuses to refer the employee to a medical
4 provider within forty-eight (48) hours after a written request as
5 provided above;

6 3. The alleged injury is later found to be a compensable
7 injury; and

8 4. The employer has not made a previous offer of medical
9 treatment.

10 G. The Commission shall by regulation require the inclusion of
11 the information set forth in subsection F of this section on all A-6
12 forms.

13 H. This section overrules Conaghan v. Riverfield Country Day
14 School, 2007 OK 60, 163 P.3d 557.

15 SECTION 57. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 557 of Title 85, unless there is
17 created a duplication in numbering, reads as follows:

18 A. 1. Every hospital or other person furnishing the injured
19 employee with medical services shall permit its records to be copied
20 by and shall furnish full written information to the Workers'
21 Compensation Commission, the Workers' Compensation Fraud
22 Investigation Unit, the employer, the carrier, and the employee or
23 the dependents of the employee.
24

1 2. The reasonable cost of copies shall be paid by the one
2 requesting them to the health care or medical service provider
3 furnishing them.

4 B. No person who in good faith pursuant to subsection A of this
5 section or pursuant to rules and regulations established by the
6 Commission reports medical information shall incur legal liability
7 for the disclosure of the information.

8 SECTION 58. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 558 of Title 85, unless there is
10 created a duplication in numbering, reads as follows:

11 The Workers' Compensation Commission is authorized to establish
12 rules and regulations, including schedules of maximum allowable fees
13 for specified medical services rendered with respect to compensable
14 injuries, for the purpose of controlling the cost of medical and
15 hospital services and supplies provided pursuant to Sections 52
16 through 59 of this act.

17 SECTION 59. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 559 of Title 85, unless there is
19 created a duplication in numbering, reads as follows:

20 A. 1. Compensation shall be computed on the average weekly
21 wage earned by the employee under the contract of hire in force at
22 the time of the accident and in no case shall be computed on less
23 than a full-time workweek in the employment.
24

1 2. Where the injured employee was working on a piece basis, the
2 average weekly wage shall be determined by dividing the earnings of
3 the employee by the number of hours required to earn the wages
4 during the period not to exceed fifty-two (52) weeks preceding the
5 week in which the accident occurred and by multiplying this hourly
6 wage by the number of hours in a full-time workweek in the
7 employment.

8 B. Overtime earnings are to be added to the regular weekly
9 wages and shall be computed by dividing the overtime earnings by the
10 number of weeks worked by the employee in the same employment under
11 the contract of hire in force at the time of the accident, not to
12 exceed a period of fifty-two (52) weeks preceding the accident.

13 C. If, because of exceptional circumstances, the average weekly
14 wage cannot be fairly and justly determined by the above formulas,
15 the Commission may determine the average weekly wage by a method
16 that is just and fair to all parties concerned.

17 SECTION 60. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 560 of Title 85, unless there is
19 created a duplication in numbering, reads as follows:

20 A. In case of total disability, there shall be paid to the
21 injured employee during the continuance of the total disability
22 sixty-six and two-thirds percent (66 and 2/3%) of the average weekly
23 wage of the employee.
24

1 B. In the absence of clear and convincing proof to the
2 contrary, the loss of both hands, both arms, or both eyes shall
3 constitute permanent total disability.

4 C. In all other cases, permanent total disability shall be
5 determined in accordance with the facts.

6 D. 1. No more often than annually, the carrier or self-insured
7 employer or the Death and Permanent Total Disability Trust Fund may
8 require an injured worker receiving permanent total disability
9 benefits to, as of the date thereof, certify on forms provided by
10 the Workers' Compensation Commission that the injured worker is
11 permanently and totally disabled and not gainfully employed.

12 2. Notice of the requirement shall be made by certified mail.

13 3. Failure of the employee to so certify within thirty (30)
14 days after receipt of the notice shall permit the discontinuance of
15 benefits without penalty until otherwise ordered by the Commission.

16 4. If the Commission finds that the claim of total disability
17 was made in bad faith by the employee, or if the employee made
18 misleading representations regarding disability benefits, the
19 Commission may assess a fine not to exceed Five Hundred Dollars
20 (\$500.00) against the employee. The assessed fine shall be deducted
21 from any final award to the employee.

22 E. 1. "Permanent total disability" means inability, because of
23 compensable injury or occupational disease, to earn any meaningful
24 wages in the same or other employment.

1 2. The burden of proof shall be on the employee to prove
2 inability to earn any meaningful wage in the same or other
3 employment.

4 F. In considering a claim for permanent disability, the
5 Commission and the courts shall not consider the odd-lot doctrine.

6 G. 1. a. The Commission, after a public hearing, shall adopt an
7 impairment rating guide to be used in the assessment
8 of anatomical impairment.

9 b. The guide shall not include pain as a basis for
10 impairment.

11 2. The impairment rating guide adopted by the Commission shall
12 be subject to review by the Legislature before April 1 of every odd-
13 numbered year beginning with the regular session of 2014.

14 SECTION 61. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 561 of Title 85, unless there is
16 created a duplication in numbering, reads as follows:

17 In case of temporary partial disability resulting in the
18 decrease of the average weekly wage of the injured employee, there
19 shall be paid to the employee sixty-six and two-thirds percent (66
20 and 2/3%) of the difference between the average weekly wage of the
21 employee prior to the accident and the wage-earning capacity of the
22 employee after the injury.

SECTION 62. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 562 of Title 85, unless there is created a duplication in numbering, reads as follows:

A. An employee who sustains a permanent compensable injury scheduled in this section shall receive, in addition to compensation for temporary total and temporary partial benefits during the healing period or until the employee returns to work, whichever occurs first, weekly benefits in the amount of the permanent partial disability rate attributable to the injury, for that period of time set out in the following schedule:

1. Arm amputated at the elbow, or between the elbow and shoulder, two hundred forty-four (244) weeks;

2. Arm amputated between the elbow and wrist, one hundred eighty-three (183) weeks;

3. Leg amputated at the knee, or between the knee and the hip, one hundred eighty-four (184) weeks;

4. Leg amputated between the knee and the ankle, one hundred thirty-one (131) weeks;

5. Hand amputated, one hundred eighty-three (183) weeks;

6. Thumb amputated, seventy-three (73) weeks;

7. First finger amputated, forty-three (43) weeks;

8. Second finger amputated, thirty-seven (37) weeks;

9. Third finger amputated, twenty-four (24) weeks;

10. Fourth finger amputated, nineteen (19) weeks;

- 1 11. Foot amputated, one hundred thirty-one (131) weeks;
2 12. Great toe amputated, thirty-two (32) weeks;
3 13. Toe other than great toe amputated, eleven (11) weeks;
4 14. Eye enucleated, in which there was useful vision, one
5 hundred five (105) weeks;
6 15. Loss of hearing of one ear, forty-two (42) weeks;
7 16. Loss of hearing of both ears, one hundred fifty-eight (158)
8 weeks;
9 17. Loss of one testicle, fifty-three (53) weeks; loss of both
10 testicles, one hundred fifty-eight (158) weeks; and
11 18. Soft tissue injury, eight (8) weeks, with one possible
12 extension, not to exceed sixteen (16) additional weeks. This
13 paragraph overrules *Curling v. City Chevrolet*, 2007 OK CIV APP 63,
14 164 P.3d 1141, *Gee v. All 4 Kids, Inc.*, 2006 OK CIV APP 155, 149
15 P.3d 1106, *Sysco Food Services of Oklahoma LLC v. Cunningham*, 2007
16 OK CIV APP 52, 162 P.3d 973, and *Urrutia v. Wendy's Old Fashioned*
17 *Hamburgers*, 2007 OK CIV APP 104, 171 P.3d 915.

18 B. 1. Compensation for amputation of the first phalange shall
19 be one-half (1/2) of the compensation for the amputation of the
20 entire digit.

21 2. Compensation for amputation of more than one phalange of a
22 digit shall be the same as for amputation of the entire digit.
23
24

1 C. 1. Compensation for the permanent loss of eighty percent
2 (80%) or more of the vision of an eye shall be the same as for the
3 loss of an eye.

4 2. In all cases of permanent loss of vision, the use of
5 corrective lenses may be taken into consideration in evaluating the
6 extent of loss of vision.

7 D. Compensation for amputation or loss of use of two or more
8 digits or one or more phalanges of two or more digits of a hand or a
9 foot may be proportioned to the total loss of use of the hand or the
10 foot occasioned thereby but shall not exceed the compensation for
11 total loss of a hand or a foot.

12 E. Compensation for permanent total loss of use of a member
13 shall be the same as for amputation of the member.

14 F. Compensation for permanent partial loss or loss of use of a
15 member shall be for the proportionate loss or loss of use of the
16 member.

17 G. Any employee suffering a scheduled injury shall not be
18 entitled to permanent partial disability benefits in excess of the
19 percentage of permanent physical impairment set forth above except
20 as otherwise provided in subsection B of Section 62 of this act.

21 H. 1. a. The Workers' Compensation Commission, after a public
22 hearing, shall adopt an impairment rating guide to be
23 used in the assessment of anatomical impairment.
24

1 b. The guide shall not include pain as a basis for
2 impairment.

3 2. The impairment rating guide adopted by the Commission shall
4 be subject to review by the Legislature before April 1 of every odd-
5 numbered year beginning with the regular session of 2014.

6 SECTION 63. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 563 of Title 85, unless there is
8 created a duplication in numbering, reads as follows:

9 A. A permanent partial disability not scheduled in Section 64
10 of this act shall be apportioned to the body as a whole, which shall
11 have a value of two hundred sixty (260) weeks, and there shall be
12 paid compensation to the injured employee for the proportionate loss
13 of use of the body as a whole resulting from the injury.

14 B. 1. In considering claims for permanent partial disability
15 benefits in excess of the percentage of permanent physical
16 impairment of the employee, the Workers' Compensation Commission may
17 take into account, in addition to the percentage of permanent
18 physical impairment, factors such as the age of the employee,
19 education, work experience, and other matters reasonably expected to
20 affect the future earning capacity of the employee.

21 2. However, so long as an employee, subsequent to the injury of
22 the employee, has returned to work, has obtained other employment,
23 or has a bona fide and reasonably obtainable offer to be employed at
24 wages equal to or greater than the average weekly wage of the

1 employee at the time of the accident, the employee shall not be
2 entitled to permanent partial disability benefits in excess of the
3 percentage of permanent physical impairment established by a
4 preponderance of the medical testimony and evidence.

5 C. The employer or the workers' compensation insurance carrier
6 of the employer shall have the burden of proving the employment of
7 the employee, or the receipt of a bona fide offer by the employee to
8 be employed, at wages equal to or greater than the average weekly
9 wage of the employee at the time of the accident.

10 D. In accordance with this section, the Commission may
11 reconsider the question of functional disability and change a
12 previously awarded disability rating based on facts occurring since
13 the original disability determination if any party makes application
14 for reconsideration within one (1) year after the occurrence of the
15 facts.

16 E. In considering a claim for permanent disability, the
17 Commission and the courts shall not consider the odd-lot doctrine.

18 F. Permanent total disability benefits shall be paid during the
19 period of permanent total disability until the employee reaches the
20 age of sixty-five (65); provided, with respect to permanent total
21 disabilities resulting from injuries which occur after age sixty
22 (60), regardless of the age of the employee, permanent total
23 disability benefits are payable for a period of two hundred sixty
24 (260) weeks.

1 G. 1. a. The Commission, after a public hearing, shall adopt an
2 impairment rating guide to be used in the assessment
3 of anatomical impairment.

4 b. The guide shall not include pain as a basis for
5 impairment.

6 2. The impairment rating guide adopted by the Commission shall
7 be subject to review by the Legislature before April 1 of every odd-
8 numbered year beginning with the regular session of 2011.

9 SECTION 64. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 564 of Title 85, unless there is
11 created a duplication in numbering, reads as follows:

12 A. In all cases of claims for hernia, it shall be shown to the
13 satisfaction of the Workers' Compensation Commission:

14 1. That the occurrence of the hernia immediately followed as
15 the result of sudden effort, severe strain, or the application of
16 force directly to the abdominal wall;

17 2. That there was severe pain in the hernial region;

18 3. That the pain caused the employee to cease work immediately;

19 4. That notice of the occurrence was given to the employer
20 within forty-eight (48) hours thereafter; and

21 5. That the physical distress following the occurrence of the
22 hernia was such as to require the attendance of a licensed physician
23 within seventy-two (72) hours after the occurrence.
24

1 B. 1. In every case of hernia, it shall be the duty of the
2 employer to provide the necessary and proper medical, surgical, and
3 hospital care and attention to effectuate a cure by radical
4 operation of the hernia, to pay all reasonable expenses in
5 connection with the care, and, in addition, to pay compensation not
6 exceeding a period of twenty-six (26) weeks.

7 2. If the employee refuses to permit the operation, it shall be
8 the duty of the employer to provide all necessary first aid, medical
9 and hospital care and service, to supply the proper and necessary
10 truss or other mechanical appliance to enable the employee to resume
11 work, to pay all reasonable expenses in connection with the care,
12 and, in addition, to pay compensation not exceeding a period of
13 thirteen (13) weeks.

14 C. In case death results within a period of one (1) year,
15 either from the hernia or from the radical operation thereof,
16 compensation shall be paid to the dependents of the employee as
17 provided in other death cases under this act.

18 D. Recurrence of the hernia following radical operation thereof
19 shall be considered a separate hernia, and the provisions and
20 limitations regarding the original hernia shall apply.

21 SECTION 65. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 565 of Title 85, unless there is
23 created a duplication in numbering, reads as follows:

1 A. The Workers' Compensation Commission shall award
2 compensation for serious and permanent facial or head disfigurement
3 in a sum not to exceed Three Thousand Five Hundred Dollars
4 (\$3,500.00) .

5 B. No award for disfigurement shall be entered until twelve
6 (12) months after the injury.

7 SECTION 66. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 566 of Title 85, unless there is
9 created a duplication in numbering, reads as follows:

10 A. 1. The Second Injury Trust Fund established in this act is
11 a special fund designed to ensure that an employer employing a
12 worker with a disability will not, in the event that the worker
13 suffers an injury on the job, be held liable for a greater
14 disability or impairment than actually occurred while the worker was
15 in employment.

16 2. The employee is to be fully protected in that the fund pays
17 the worker the difference between the liability of the employer and
18 the balance of the disability or impairment suffered by the employee
19 that results from all disabilities or impairments combined.

20 3. Latent conditions that are not known to the employee or
21 employer shall not be considered previous disabilities or
22 impairments which would give rise to a claim against the fund.
23
24

1 B. 1. Commencing November 1, 2013, all cases of permanent
2 disability or impairment in which there has been previous disability
3 or impairment shall be compensated as provided in this section.

4 2. Compensation shall be computed on the basis of the average
5 earnings at the time of the last injury.

6 3. If any employee who has a permanent partial disability or
7 impairment, whether from compensable injury or otherwise, receives a
8 subsequent compensable injury resulting in additional permanent
9 partial disability or impairment so that the degree or percentage of
10 disability or impairment caused by the combined disabilities or
11 impairments is greater than that which would have resulted from the
12 last injury, considered alone and of itself, and if the employee is
13 entitled to receive compensation on the basis of combined
14 disabilities or impairments, then the employer at the time of the
15 last injury shall be liable only for the degree or percentage of
16 disability or impairment that would have resulted from the last
17 injury had there been no preexisting disability or impairment.

18 4. After the compensation liability of the employer for the
19 last injury, considered alone, which shall be no greater than the
20 actual anatomical impairment resulting from the last injury, has
21 been determined by an administrative law judge or the Workers'
22 Compensation Commission, the degree or percentage of disability of
23 the employee that is attributable to all injuries or conditions
24 existing at the time the last injury was sustained shall then be

1 determined by the administrative law judge or the Commission, and
2 the degree or percentage of disability or impairment that existed
3 prior to the last injury plus the disability or impairment resulting
4 from the combined disability shall be determined, and compensation
5 for that balance, if any, shall be paid out of the Second Injury
6 Trust Fund provided for in Section 31 of this act.

7 5. If the previous disability or impairment, whether from
8 compensable injury or otherwise, and the last injury together result
9 in permanent total disability, the employer at the time of the last
10 injury shall be liable only for the actual anatomical impairment
11 resulting from the last injury considered alone and of itself.

12 However, if the compensation for which the employer at the time of
13 the last injury is liable is less than the compensation provided in
14 Sections 45 through 50 of this act for permanent total disability,
15 then, in addition to the compensation for which the employer is
16 liable and after the completion of payment of compensation by the
17 employer, the employee shall be paid the remainder of the
18 compensation that would be due for permanent total disability under
19 Sections 45 through 50 of this act out of the fund. The remainder
20 of the compensation paid to the employee shall be used for the
21 purpose of future medical care or for any fees and costs associated
22 with the vocational rehabilitation of the employee.

23 6. The State Treasurer shall be the custodian of the fund, and
24 any interest accruing shall be added to the fund.

1 7. The Commission shall direct the distribution of the funds
2 from the fund.

3 C. 1. In all cases in which a recovery against the fund is
4 sought for permanent partial disability or for permanent total
5 disability, the State Treasurer as custodian shall be named as a
6 party and shall be entitled to defend against the claim.

7 2. The State Treasurer, with the advice and consent of the
8 Attorney General, may enter into settlements as contemplated by
9 Sections 97 and 98 of this act.

10 3. All awards for permanent partial disability or for permanent
11 total disability affecting the fund shall be subject to the
12 provisions of this act which govern review and appeal.

13 D. 1. If more than one injury in the same employment causes
14 concurrent temporary disabilities, weekly benefits shall be payable
15 only for the longest and largest-paying disability.

16 2. If more than one injury in the same employment causes
17 concurrent and consecutive permanent partial disability, weekly
18 benefits for each subsequent disability shall not begin until the
19 end of the compensation period for the prior disability.

20 SECTION 67. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 567 of Title 85, unless there is
22 created a duplication in numbering, reads as follows:

23 If any injured employee refuses employment suitable to the
24 capacity of the employee, offered to or procured for the employee,

1 the employee shall not be entitled to any compensation during the
2 continuance of the refusal, unless in the opinion of the Workers'
3 Compensation Commission, the refusal is justifiable.

4 SECTION 68. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 568 of Title 85, unless there is
6 created a duplication in numbering, reads as follows:

7 A. FUNERAL EXPENSES. If death results from an injury occurring
8 on or after November 1, 2013, the employer shall pay the actual
9 funeral expenses, not exceeding the sum of Six Thousand Dollars
10 (\$6,000.00).

11 B. TIME OF DEATH. If death does not result within one (1) year
12 from the date of the accident or within the first three (3) years of
13 the period for compensation payments fixed by the compensation
14 order, a rebuttable presumption shall arise that the death did not
15 result from the injury.

16 C. BENEFICIARIES - AMOUNTS. Subject to the limitations as set
17 out in Sections 45 through 50 of this act, compensation for the
18 death of an employee shall be paid to those persons who were wholly
19 and actually dependent upon the deceased employee in the following
20 percentage of the average weekly wage of the employee and in the
21 following order of preference:

- 22 1. a. (1) To the widow if there is no child, thirty-five
23 percent (35%), and the compensation shall be paid
24 until her death or remarriage.

1 (2) However, the widow shall establish, in fact, some
2 dependency upon the deceased employee before she
3 will be entitled to benefits as provided in this
4 section, and

5 b. (1) To the widower if there is no child, thirty-five
6 percent (35%), and the compensation shall be paid
7 until his death or remarriage.

8 (2) However, the widower shall establish, in fact,
9 some dependency upon the deceased employee before
10 he will be entitled to benefits as provided in
11 this section;

12 2. To the widow or widower if there is a child, the
13 compensation payable under paragraph 1 of this subsection and
14 fifteen percent (15%) on account of each child;

15 3. a. To one child if there is no widow or widower, fifty
16 percent (50%), and

17 b. If more than one child, and there is no widow or
18 widower, fifteen percent (15%) for each child, and in
19 addition thereto, thirty-five percent (35%) to the
20 children as a class, to be divided equally among them;

21 4. To the parents, twenty-five percent (25%) each; and

22 5. To brothers, sisters, grandchildren, and grandparents,
23 fifteen percent (15%) each.

24 D. TERMINATIONS OF DEPENDENCE.

1 1. In the event the widow or widower remarries or cohabits with
2 a member of the opposite gender in a relationship resembling a
3 marriage before full and complete payment to the widow or widower of
4 the benefits provided in subsection C of this section, there shall
5 be paid a lump sum equal to compensation for fifty-two (52) weeks,
6 subject to the limitation set out in Sections 45 through 50 of this
7 act.

8 2. A physically or mentally incapacitated child, grandchild,
9 brother, or sister shall be entitled to compensation as a dependent
10 of the deceased employee without regard to age or marital status,
11 but if physically or mentally capacitated to earn a livelihood,
12 dependency shall terminate with the attainment of eighteen (18)
13 years of age or upon marriage. However, benefits to an otherwise
14 eligible child shall not terminate at the age of eighteen (18) years
15 provided the child is a full-time student who has not attained the
16 age of twenty-five (25) years.

17 E. APPORTIONMENT OF BENEFITS. Where, because of the limitation
18 in subsection C of this section, a person or class of persons cannot
19 receive the percentage of compensation specified as payable to or on
20 account of the person or class, there shall be available to the
21 person or class that proportion of the percentage which, when added
22 to the total percentage payable to all persons having priority or
23 preference, will not exceed a total of sixty-five percent (65%),
24 which proportion shall be paid:

1 1. To that person; or

2 2. To that class in equal shares unless the Workers'

3 Compensation Commission determines otherwise in accordance with the
4 provisions of subsection F of this section.

5 F. DETERMINATION OF BENEFICIARIES WITHIN CLASS. If the
6 Commission determines that payments in accordance with paragraph 2
7 of subsection E of this section would provide no substantial benefit
8 to any person of the class, it may provide for the payment of the
9 compensation to the persons within the class whom it considers will
10 be most benefited by the payment.

11 G. CESSATION OF COMPENSATION TO PART. Upon the cessation of
12 compensation under this section to or on account of any person, the
13 compensation of the remaining persons entitled to compensation for
14 the unexpired part of the period during which compensation is
15 payable shall be that which the persons would have received if they
16 had been the only persons entitled to compensation at the time of
17 the death of the decedent.

18 H. DETERMINATION OF DEPENDENCY. All questions of dependency
19 shall be determined as of the time of the injury.

20 I. PARTIAL DEPENDENCY.

21 1. If the employee leaves dependents that are only partially
22 dependent upon the earnings of the employee for support at the time
23 of injury, the compensation payable for partial dependency shall be
24

1 in the proportion that the partial dependency bears to total
2 dependency.

3 2. In any claim for partial dependency where the average weekly
4 contributions for support were not such as to entitle all dependents
5 to compensation in the aggregate sum of Seven Dollars (\$7.00) per
6 week, the dependents shall receive compensation for a period not to
7 exceed two hundred sixty (260) weeks in an amount not to exceed the
8 amount of average weekly contributions of the deceased employee for
9 the support of the dependents.

10 SECTION 69. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 569 of Title 85, unless there is
12 created a duplication in numbering, reads as follows:

13 A. Every employer shall keep a record with respect to any
14 injury to an employee.

15 B. The record shall contain such information of disability or
16 death with respect to the injury as the Workers' Compensation
17 Commission may by rule or regulation require.

18 C. The record shall be available for inspection by the
19 Commission or by any state authority at such time and under
20 conditions as the Commission may prescribe by rule.

21 SECTION 70. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 570 of Title 85, unless there is
23 created a duplication in numbering, reads as follows:

24

1 A. Within ten (10) days after the date of receipt of notice or
2 of knowledge of injury or death, the employer shall send to the
3 Workers' Compensation Commission a report setting forth:

4 1. The name, address, and business of the employer;

5 2. The name, address, and occupation of the employee;

6 3. The cause and nature of the injury or death;

7 4. The year, month, day, and hour when, and the particular
8 locality where, the injury or death occurred; and

9 5. Such other information as the Commission may require.

10 B. Additional reports with respect to the injury and of the
11 condition of the employee shall be sent by the employer to the
12 Commission at the time and in the manner as the Commission may
13 prescribe.

14 C. Any report provided for in subsection A or B of this section
15 shall not be evidence of any fact stated in the report in any
16 proceeding with respect to the injury or death on account of which
17 the report is made.

18 D. 1. The mailing of any report in a stamped envelope,
19 properly addressed, within the time prescribed in subsection A or B
20 of this section, shall be in compliance with this section.

21 2. The report required in subsection A or B of this section may
22 be submitted electronically within the time prescribed in subsection
23 A or B of this section in lieu of mailing the report.

1 E. 1. Any employer who after notice refuses to send any report
2 required of it by this section shall be subject to a civil penalty
3 in an amount up to Five Hundred Dollars (\$500.00) for each refusal.

4 2. Whenever the employer has failed or refused to comply as
5 provided in this section, the Commission may serve upon the employer
6 a proposed order declaring the employer to be in violation of this
7 act and containing the amount, if any, of the civil penalty to be
8 assessed against the employer pursuant to this section.

9 F. 1. An employer may contest a proposed order of the
10 Commission issued pursuant to subsection E of this section by filing
11 with the Commission, within twenty (20) days of receipt of the
12 proposed order, a written request for a hearing.

13 2. If a written request for hearing is not filed with the
14 Commission within this time, the proposed order, proposed penalty,
15 or both, shall be a final order of the Commission.

16 3. The request for a hearing need not be in any particular
17 form, but shall specify the grounds upon which the person contests
18 the proposed order, the proposed assessment, or both.

19 4. A proposed order by the Commission pursuant to this section
20 is prima facie correct, and the burden is upon the employer to prove
21 that the proposed order is incorrect.

22 G. Hearings conducted under this section shall proceed as
23 provided in Sections 80 through 88 of this act.
24

1 H. If an employer fails to pay any civil penalty assessed
2 against the employer after an order issued pursuant to this section
3 has become final by operation of law, the Commission may petition
4 the district court of the county where the principal place of
5 business of the employer is located for an order enjoining the
6 employer from engaging in further employment or conduct of business
7 or until the time the employer makes all required reports and pays
8 all civil penalties.

9 SECTION 71. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 571 of Title 85, unless there is
11 created a duplication in numbering, reads as follows:

12 Implementation of Workers' Compensation Commission rules
13 relating to managed care shall be voluntary for all employers.

14 SECTION 72. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 572 of Title 85, unless there is
16 created a duplication in numbering, reads as follows:

17 A. Where an employee suffers from an occupational disease as
18 defined in this section and Sections 75 and 76 of this act, and is
19 disabled or dies as a result of the disease and where the disease
20 was due to the nature of the occupation or process in which the
21 employee was employed within the period previous to disablement as
22 limited in subsection G of this section, then the employee, or, in
23 case of death, the dependents of the employee, shall be entitled to
24 compensation as if the disablement or death were caused by injury,

1 except as otherwise provided in this section and Sections 75 and 76
2 of this act.

3 B. No compensation shall be payable for an occupational disease
4 if the employee, at the time of entering into the employment of the
5 employer by whom the compensation would otherwise be payable,
6 falsely represented in writing as not having previously been
7 disabled, laid off, or compensated in damages or otherwise, because
8 of the disease.

9 C. Where an occupational disease is aggravated by any other
10 disease or infirmity, not itself compensable, or where disability or
11 death from any other cause, not itself compensable, is aggravated,
12 prolonged, accelerated, or in any way contributed to by an
13 occupational disease, the compensation payable shall be reduced and
14 limited to the proportion only of the compensation that would be
15 payable if the occupational disease were the sole cause of the
16 disability or death as the occupational disease, as a causative
17 factor, bears to all the causes of the disability or death.

18 D. No compensation for death from an occupational disease shall
19 be payable to any person whose relationship to the deceased which,
20 under the provisions of this act, would give right to compensation,
21 arose subsequent to the beginning of the first compensable
22 disability except to a child or children of a marriage born after
23 the death and existing at the beginning of the disability.

24

1 E. 1. a. "Occupational disease", as used in this act, unless
2 the context otherwise requires, means any disease that
3 results in disability or death and arises out of and
4 in the course of the occupation or employment of the
5 employee or naturally follows or unavoidably results
6 from an injury as that term is defined in this act.

7 b. However, a causal connection between the occupation or
8 employment and the occupational disease must be
9 established by a preponderance of the evidence.

10 2. No compensation shall be payable for any contagious or
11 infectious disease unless contracted in the course of employment in
12 or immediate connection with a hospital or sanatorium in which
13 persons suffering from that disease are cared for or treated.

14 3. No compensation shall be payable for any ordinary disease of
15 life to which the general public is exposed.

16 F. 1. Where compensation is payable for an occupational
17 disease, the employer in whose employment the employee was last
18 injuriously exposed to the hazards of the disease and the carrier,
19 if any, on the risk when the employee was last injuriously exposed
20 under the employer shall be liable.

21 2. The amount of the compensation shall be based upon the
22 average weekly wage of the employee when last injuriously exposed
23 under the employment, and the notice of injury and claim for
24

1 compensation, as required pursuant to this section and Sections 75
2 and 76 of this act, shall be given and made to the employer.

3 G. 1. An employer shall not be liable for any compensation for
4 an occupational disease unless:

5 a. the disease is due to the nature of an employment in
6 which the hazards of the disease actually exist and
7 are characteristic thereof and peculiar to the trade,
8 occupation, process, or employment and is actually
9 incurred in the employment of the employee. This
10 includes any disease due to or attributable to
11 exposure to or contact with any radioactive material
12 by an employee in the course of employment,

13 b. disablement or death results within three (3) years in
14 case of silicosis or asbestosis, or one (1) year in
15 case of any other occupational disease, except a
16 diseased condition caused by exposure to X-rays,
17 radioactive substances, or ionizing radiation, after
18 the last injurious exposure to the disease in the
19 employment, or

20 c. in case of death, death follows continuous disability
21 from the disease, commencing within the period above
22 limited, for which compensation has been paid or
23 awarded or timely claim made as provided in this
24

1 section and Sections 75 and 76 of this act and results
2 within seven (7) years after the last exposure.

3 2. However, in case of a diseased condition caused by exposure
4 to X-rays, radioactive substances, or ionizing radiation only, the
5 limitations expressed do not apply.

6 SECTION 73. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 573 of Title 85, unless there is
8 created a duplication in numbering, reads as follows:

9 A. As used in this section and Sections 74 and 76 of this act,
10 unless the context otherwise requires:

11 1. "Asbestosis" means the characteristic fibrotic condition of
12 the lungs caused by the inhalation of asbestos dust; and

13 2. "Silicosis" means the characteristic fibrotic condition of
14 the lungs caused by the inhalation of silica dust.

15 B. In the absence of conclusive evidence in favor of the claim,
16 disability or death from silicosis or asbestosis shall be presumed
17 not to be due to the nature of any occupation within the provision
18 of this section and Sections 74 and 76 of this act unless during the
19 ten (10) years immediately preceding the date of disablement the
20 employee has been exposed to the inhalation of silica dust or
21 asbestos dust over a period of not less than five (5) years, two (2)
22 years of which shall have been in this state, under a contract of
23 employment existing in this state. However, if the employee has
24 been employed by the same employer during the whole of the five-year

1 period, the right to compensation against the employer shall not be
2 affected by the fact that the employee had been employed during any
3 part of the period outside of this state.

4 C. Except as provided in this section and Sections 74 and 76 of
5 this act, compensation for disability from uncomplicated silicosis
6 or asbestosis shall be payable in accordance with the provisions of
7 Sections 62 through 69 of this act. However, no compensation shall
8 be payable for disability from silicosis or asbestosis of less than
9 thirty-three and one-third percent (33 and 1/3%) of the total
10 disability.

11 D. 1. In case of disability or death from silicosis or
12 asbestosis complicated with tuberculosis of the lungs, compensation
13 shall be payable as for uncomplicated silicosis or asbestosis,
14 provided that the silicosis or asbestosis was an essential factor in
15 the causing of disability or death.

16 2. In case of disability or death from silicosis or asbestosis
17 complicated with any other disease, or from any other disease
18 complicated with silicosis or asbestosis, the compensation shall be
19 reduced as provided in subsection C of Section 74 of this act.

20 E. 1. a. (1) Where an employee, though not actually disabled,
21 is found by the Workers' Compensation Commission
22 to be affected by silicosis or asbestosis to such
23 a degree as to make it unduly hazardous for the
24 employee to continue in an employment involving

1 exposure to the hazards of the disease, the
2 Commission may order that the employee be removed
3 from employment. In such a case, or in case the
4 employee has already been discharged from the
5 employment and is unemployed, the employee shall
6 be entitled to compensation until the employee
7 can obtain steady employment in some other
8 suitable occupation in which there are no hazards
9 of the disease.

10 (2) However, the compensation shall in no case be
11 payable for longer than twenty-six (26) weeks
12 immediately following the date of removal or
13 discharge and unless application for compensation
14 is made within the period.

15 b. In case the employee obtains other suitable employment
16 at reduced wages, the payments of compensation during
17 such part of the twenty-six-week period as the
18 employee is so employed shall be at the rate
19 prescribed in Section 63 of this act.

20 2. a. When in any case the forced change of employment
21 shall, in the opinion of the Commission, require that
22 the employee be given special training in order to fit
23 the employee for another occupation, the employer
24

1 liable for compensation shall pay for the training and
2 incidental traveling expenses.

3 b. The payment shall be made for the benefit of the
4 employee to the person as the Commission shall direct.

5 c. No payment, however, shall be made unless the employee
6 accepts the special training directed by the
7 Commission, nor shall payment be made for a longer
8 period than the employee submits to the training.

9 3. If an employee has been compensated, whether specially
10 trained or not, and thereafter engages in any occupation which
11 exposes the employee to hazards of silicosis or asbestosis without
12 first having obtained the written approval of the Commission,
13 neither the employee, the dependents of the employee, personal
14 representative of the employee, nor any other person shall be
15 entitled to compensation or damages for the disablement or death of
16 the employee from either of the diseases.

17 4. Neither a claim for nor receipt of compensation or benefits
18 under this subsection shall bar the employee from any right to
19 compensation for actual disability from silicosis or asbestosis if
20 the disability results not later and within the time limited in
21 subsection G of Section 74 of this act.

22 SECTION 74. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 574 of Title 85, unless there is
24 created a duplication in numbering, reads as follows:

1 A. 1. Except as otherwise provided in this section and
2 Sections 74 and 75 of this act, procedure with respect to notice of
3 disability or death and as to the filing of claims and determination
4 of claims shall be the same as in cases of accidental injury or
5 death.

6 2. a. Written notice shall be given to the employer of an
7 occupational disease by the employee, or someone in
8 behalf of the employee, within sixty (60) days after
9 the first distinct manifestation thereof.

10 b. In the case of death from an occupational disease,
11 written notice of death shall also be given to the
12 employer within sixty (60) days thereafter.

13 B. An award or denial of award of compensation for an
14 occupational disease may be reviewed and compensation increased,
15 reduced, or terminated where previously awarded, or awarded where
16 previously denied, only upon proof of fraud or undue influence or of
17 change of condition, and then only upon application by a party in
18 interest made not later than one (1) year after the denial of award
19 or, where compensation has been awarded, after the award or the date
20 when the last payment was made under the award, except in cases of
21 silicosis or asbestosis, where the time limit shall be two (2)
22 years.

1 SECTION 75. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 575 of Title 85, unless there is
3 created a duplication in numbering, reads as follows:

4 A. 1. Unless an injury either renders the employee physically
5 or mentally unable to do so, or is made known to the employer
6 immediately after it occurs, the employee shall report the injury to
7 the employer on a form prescribed or approved by the Workers'
8 Compensation Commission and to a person or at a place specified by
9 the employer, and the employer shall not be responsible for
10 disability, medical, or other benefits prior to receipt of the
11 report of injury by the employee.

12 2. All reporting procedures specified by the employer must be
13 reasonable and shall afford each employee reasonable notice of the
14 reporting requirements.

15 3. Paragraphs 1 and 2 of this subsection shall not apply when
16 an employee requires emergency medical treatment outside the normal
17 business hours of the employer; however, in that event, the employee
18 shall cause a report of the injury to be made to the employer on the
19 next regular business day of the employer.

20 B. 1. Failure to give the notice shall not bar any claim if
21 the:

22 a. employer had knowledge of the injury or death,
23
24

1 b. employee had no knowledge that the condition or
2 disease arose out of and in the course of the
3 employment, or

4 c. the Commission excuses the failure on the grounds that
5 for some satisfactory reason the notice could not be
6 given.

7 2. Objection to failure to give notice must be made at or
8 before the first hearing on the claim.

9 SECTION 76. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 576 of Title 85, unless there is
11 created a duplication in numbering, reads as follows:

12 A. TIME FOR FILING.

13 1. A claim for compensation for disability on account of an
14 injury, other than an occupational disease and occupational
15 infection, shall be barred unless filed with the Workers'
16 Compensation Commission within one (1) year from the date of the
17 compensable injury. If during the two-year period following the
18 filing of the claim the claimant receives no weekly benefit
19 compensation and receives no medical treatment resulting from the
20 alleged injury, the claim shall be barred. For purposes of this
21 section, the date of the compensable injury shall be defined as the
22 date an injury is caused by an accident as set forth in paragraph 4
23 of Section 4 of this act.

1 2. a. A claim for compensation for disability on account of
2 an injury which is either an occupational disease or
3 occupational infection shall be barred unless filed
4 with the Commission within one (1) year from the date
5 of the last injurious exposure to the hazards of the
6 disease or infection.

7 b. However, a claim for compensation for disability on
8 account of silicosis or asbestosis must be filed with
9 the Commission within one (1) year after the time of
10 disablement, and the disablement must occur within
11 three (3) years from the date of the last injurious
12 exposure to the hazard of silicosis or asbestosis.

13 c. Also, a claim for compensation for disability on
14 account of a disease condition caused by exposure to
15 X-rays, radioactive substances, or ionizing radiation
16 only must be filed with the Commission within one (1)
17 year from the date the condition is made known to an
18 employee following examination and diagnosis by a
19 medical doctor.

20 3. A claim for compensation on account of death shall be barred
21 unless filed with the Commission within one (1) year of the date of
22 the death.

23 4. If within six (6) months after the filing of a claim for
24 compensation no bona fide request for a hearing has been made with

1 respect to the claim, the claim may, upon motion and after hearing,
2 be dismissed with prejudice to the refiling of the claim within
3 limitation periods specified in subparagraphs 1 through 3 of this
4 subsection.

5 B. TIME FOR FILING ADDITIONAL COMPENSATION.

6 1. In cases in which any compensation, including disability or
7 medical, has been paid on account of injury, a claim for additional
8 compensation shall be barred unless filed with the Commission within
9 one (1) year from the date of the last payment of compensation or
10 one (1) year from the date of the injury.

11 2. The time limitations of this subsection shall not apply to
12 claims for the replacement of medicine, crutches, ambulatory
13 devices, artificial limbs, eyeglasses, contact lenses, hearing aids,
14 and other apparatus permanently or indefinitely required as the
15 result of a compensable injury, when the employer or carrier
16 previously furnished such medical supplies, but replacement of such
17 items shall not constitute payment of compensation so as to toll the
18 running of the statute of limitations.

19 C. A claim for additional compensation must specifically state
20 that it is a claim for additional compensation. Documents which do
21 not specifically request additional benefits shall not be considered
22 a claim for additional compensation.

23 D. If within six (6) months after the filing of a claim for
24 additional compensation no bona fide request for a hearing has been

1 made with respect to the claim, the claim may, upon motion and after
2 hearing, if necessary, be dismissed with prejudice to the refiling
3 of the claim within the limitation period specified in subsection B
4 of this section.

5 E. FAILURE TO FILE. Failure to file a claim within the period
6 prescribed in subsection A or B of this section shall be a bar to
7 all rights under this act regardless of whether any objection to the
8 timely filing of the claim is raised by the claimant.

9 F. PERSONS UNDER DISABILITY.

10 1. When it is established that failure to file a claim by an
11 injured employee or the dependents of the employee was induced by
12 fraud, the claim may be filed within one (1) year from the time of
13 the discovery of the fraud.

14 2. Subsection A or B of this section shall not apply to a
15 mental incompetent or minor so long as the person has no guardian or
16 similar legal representative. The limitations prescribed in
17 subsection A or B of this section shall apply to the mental
18 incompetent or minor from the date of the appointment of a guardian
19 or similar legal representative for that person, and when no
20 guardian or similar representative has been appointed, to a minor
21 upon obtainment of majority.

22 G. 1. A latent injury or condition shall not delay or toll the
23 limitation periods specified in this section.

24

1 2. However, this subsection shall not apply to the limitation
2 period for occupational diseases specified in paragraph 2 of
3 subsection A of this section.

4 H. 1. The purpose of this section is to provide for a timely
5 hearing on claims for benefits.

6 2. The purpose and intent of this section also includes the
7 annulment of any case law inconsistent with this section.

8 SECTION 77. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 577 of Title 85, unless there is
10 created a duplication in numbering, reads as follows:

11 The Workers' Compensation Commission is authorized and directed
12 to promulgate appropriate rules to establish and implement, for
13 claims with respect to injuries occurring on or after November 1,
14 2013, a preliminary conference procedure designed to accomplish the
15 following objectives:

16 1. To provide the claimant an opportunity to confer with a
17 legal advisor on the staff of the Commission to be advised of the
18 rights of the claimant under this act and to ensure that the rights
19 are protected. The conference shall be held at the Career Tech
20 center nearest to the accident or the residence of the claimant,
21 unless otherwise agreed to between the parties, or otherwise
22 directed by the Commission;

23 2. To provide an opportunity for, but not to compel, a binding
24 settlement of some or all the issues present at the time;

1 3. To facilitate the resolution of issues without the expense
2 of litigation or attorney fees for either party; and

3 4. a. (1) To authorize the legal advisor to approve
4 compromise settlements entered into at or as a
5 result of the preliminary conference and those
6 joint petition settlements entered into pursuant
7 to Section 98 of this act.

8 (2) Provided, however, the same legal advisors shall
9 not both advise the claimant and approve the
10 joint petition.

11 b. The purpose and intent of this section is to affirm
12 the duty of the Commission to provide legal
13 assistance, thereby reducing litigation and workers'
14 compensation costs.

15 SECTION 78. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 578 of Title 85, unless there is
17 created a duplication in numbering, reads as follows:

18 A. NOTICE. Within ten (10) days after a claim for compensation
19 has been filed, the Workers' Compensation Commission shall notify
20 the employer and any other interested person of the filing of the
21 claim.

22 B. INVESTIGATION - HEARING.

23 1. The Commission shall make or cause to be made such
24 investigation as it considers necessary in respect to the claim, and

1 upon application of any interested party, or on its own motion,
2 shall order a hearing.

3 2. An application for a hearing must set forth clearly the
4 specific issues of fact or law in controversy and the contentions of
5 the party applying for the hearing.

6 3. If any party is not represented by a lawyer, the
7 administrative law judge shall define the issues to be heard.

8 4. a. If a hearing on the claim is ordered, the Commission
9 shall give the claimant and other interested parties
10 ten (10) days' notice of the hearing served personally
11 upon the claimant and other parties, or by registered
12 mail and where appropriate, shall send an unofficial
13 notice to the claimant by electronic mail.

14 b. The hearing shall be held at the Career Tech center
15 nearest to the location of the accident or the
16 residence of the claimant, unless otherwise agreed to
17 between the parties, or otherwise directed by the
18 Commission. If the accident occurred outside the
19 State of Oklahoma, and is one for which compensation
20 is payable under this section and Sections 77 through
21 93 of this act, the hearing may be held in the county
22 of the residence or place of business of the employer,
23 or any other county in the State of Oklahoma which
24

1 will, in the discretion of the Commission, be most
2 convenient for the hearing.

3 5. The award, together with the statement of the findings of
4 fact and other matters pertinent to the issues, shall be filed with
5 the record of the proceedings, and a copy of the award shall
6 immediately be sent to the parties in dispute or to their attorneys.

7 6. a. If an application for review is filed in the office of
8 the Commission within thirty (30) days from the date
9 of the receipt of the award, the full Commission shall
10 review the evidence or, if deemed advisable, hear the
11 parties, their representatives, and witnesses, and
12 shall make awards, together with its rulings of law,
13 and file same in like manner as specified in the
14 foregoing.

15 b. A copy of the award made on review shall immediately
16 be sent to the parties in dispute, or to their
17 attorneys.

18 7. The full Commission may remand to a single member of the
19 Commission or administrative law judge any case before the full
20 Commission for the purpose of taking additional evidence. The
21 evidence shall be delivered to the full Commission and shall be
22 taken into consideration before rendering any decision or award in
23 the case.

24 C. EVIDENCE AND CONSTRUCTION.

1 1. a. (1) At the hearing the claimant and the employer may
2 each present evidence in respect of the claim and
3 may be represented by any person authorized in
4 writing for such purpose.

5 (2) The evidence may include verified medical reports
6 which shall be accorded such weight as may be
7 warranted from all the evidence of the case.

8 b. Any determination of the existence or extent of
9 physical impairment shall be supported by objective
10 and measurable physical or mental findings.

11 2. When deciding any issue, administrative law judges and the
12 Commission shall determine, on the basis of the record as a whole,
13 whether the party having the burden of proof on the issue has
14 established it by a preponderance of the evidence.

15 3. Administrative law judges, the Commission, and any reviewing
16 courts shall construe the provisions of this act strictly.

17 4. In determining whether a party has met the burden of proof
18 on an issue, administrative law judges and the Commission shall
19 weigh the evidence impartially and without giving the benefit of the
20 doubt to any party.

21 D. ORDER. The order denying the claim or making the award
22 shall be filed in the office of the Commission, and a copy shall be
23 sent by registered mail to the claimant and to the employer or to
24 their attorneys.

1 E. AWARD AFTER DEATH.

2 1. No compensation for disability of an injured employee shall
3 be payable for any period beyond the death of the employee.

4 2. An award of compensation for disability may be made after
5 the death of the injured employee for the period of disability
6 preceding death.

7 SECTION 79. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 579 of Title 85, unless there is
9 created a duplication in numbering, reads as follows:

10 A. CONDUCT OF HEARING OR INQUIRY.

11 1. In making an investigation or inquiry or conducting a
12 hearing, the Workers' Compensation Commission shall not be bound by
13 technical or statutory rules of evidence or by technical or formal
14 rules of procedure, except as provided by this act, but may make
15 such investigation or inquiry, or conduct the hearing, in a manner
16 as will best ascertain the rights of the parties.

17 2. Declarations of a deceased employee concerning the injury in
18 respect of which the investigation or inquiry is being made, or the
19 hearing conducted, may be received in evidence and may, if
20 corroborated by other evidence, be sufficient to establish the
21 injury.

22 3. When deciding any issue, administrative law judges and the
23 Commission shall determine, on the basis of the record as a whole,
24

1 whether the party having the burden of proof on the issue has
2 established it by a preponderance of evidence.

3 B. HEARINGS TO BE PUBLIC - RECORDS.

4 1. a. Hearings before the Commission shall be open to the
5 public and shall be stenographically reported or
6 recorded in any other accurate and practicable manner.
7 The Commission is authorized to contract for the
8 reporting of the hearings.

9 b. The Commission shall, by rule, provide for the
10 preparation of a record of all hearings and other
11 proceedings before it.

12 2. However, the Commission shall not be required to
13 stenographically report or prepare a record of joint petition
14 hearings. Instead, the administrative law judge or legal advisor
15 shall tape the hearing at no cost to the parties.

16 C. INTRODUCTION OF EVIDENCE.

17 1. a. All oral evidence or documentary evidence shall be
18 presented to the designated representative of the
19 Commission at the initial hearing on a controverted
20 claim, which evidence shall be stenographically
21 reported or recorded in any other accurate and
22 practicable manner.

23 b. Each party shall present all evidence at the initial
24 hearing.

1 c. (1) Further hearings for the purpose of introducing
2 additional evidence will be granted only at the
3 discretion of the hearing officer or Commission.

4 (2) A request for a hearing for the introduction of
5 additional evidence shall show the substance of
6 the evidence desired to be presented.

7 2. a. Any party proposing to introduce medical reports or
8 testimony of physicians at the hearing of a
9 controverted claim shall, as a condition precedent to
10 the right to do so, furnish to the opposing party and
11 to the Commission copies of the written reports of the
12 physicians of their findings and opinions at least ten
13 (10) days prior to the date of the hearing. However,
14 if no written reports are available to a party, then
15 the party shall, in lieu of furnishing the report,
16 notify in writing the opposing party and the
17 Commission of the name and address of the physicians
18 proposed to be used as witnesses at least ten (10)
19 days prior to the hearing and the substance of their
20 anticipated testimony.

21 b. If the opposing party desires to cross-examine the
22 physician, the opposing party should notify the party
23 who submits a medical report as soon as practicable,
24 in order that the party submitting a medical report

1 may make every effort to have the physician present
2 for the hearing.

3 3. A party failing to observe the requirements of this
4 subsection may not be allowed to introduce medical reports or
5 testimony of physicians at a hearing, except in the discretion of
6 the hearing officer or the Commission.

7 4. The time periods may be waived by the consent of the
8 parties.

9 D. Expert testimony shall not be allowed unless it satisfies
10 the requirements of Rule 702 of the Federal Rules of Evidence with
11 annotations and amendments, that is, Daubert v. Merrell-Dow
12 Pharmaceuticals, Inc., 509 U.S. 579 (1993) and Kumho Tire Co. v.
13 Carmichael, 526 U.S. 137 (1999).

14 SECTION 80. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 580 of Title 85, unless there is
16 created a duplication in numbering, reads as follows:

17 A. The Workers' Compensation Commission shall have the power to
18 preserve and enforce order during any proceeding held before it, to
19 issue subpoenas for, administer oaths to, and compel the attendance
20 and testimony of witnesses, and require the production of books,
21 papers, documents, and other evidence.

22 B. If any person or party in proceedings before the Commission
23 disobeys or resists any lawful order or process, or misbehaves
24 during a hearing, or so near the place of the hearing so as to

1 obstruct the hearing or neglects to produce, after having been
2 ordered to do so, any book, paper, or document, or refuses to appear
3 after having been subpoenaed, or upon appearing refuses to take oath
4 as a witness, or after having taken the oath refuses to be examined
5 according to law, or refuses to comply with any final order of an
6 administrative law judge or the Commission, or willfully refuses to
7 pay an uncontroverted medical or related expense within thirty (30)
8 days after the respondent has received the statement, then the
9 person or party, at the discretion of the administrative law judge
10 or the Commission, may be found to be in contempt of the Commission
11 and may be subject to a fine not to exceed Ten Thousand Dollars
12 (\$10,000.00).

13 SECTION 81. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 581 of Title 85, unless there is
15 created a duplication in numbering, reads as follows:

16 In any proceeding for the enforcement of a claim for
17 compensation, the following prima facie presumptions shall exist:

- 18 1. The Workers' Compensation Commission has jurisdiction;
- 19 2. Sufficient notice was given; and
- 20 3. The injury was not occasioned by the willful intention of
21 the injured employee to bring about the injury of the employee or
22 another.

23

24

1 SECTION 82. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 582 of Title 85, unless there is
3 created a duplication in numbering, reads as follows:

4 The Workers' Compensation Commission may cause depositions of
5 witnesses to be taken in such manner as it may direct.

6 SECTION 83. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 583 of Title 85, unless there is
8 created a duplication in numbering, reads as follows:

9 Each witness who appears in obedience to a subpoena shall be
10 entitled to the same fees as witnesses in a civil action in the
11 district court.

12 SECTION 84. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 584 of Title 85, unless there is
14 created a duplication in numbering, reads as follows:

15 A. Where the Workers' Compensation Commission is a party to or
16 is otherwise interested in a court proceeding under this act, it
17 shall request representation by the Office of the Attorney General
18 to appear in its behalf.

19 B. If requested by the Commission, it shall be the duty of the
20 Attorney General or the prosecuting attorneys of the different
21 districts to represent the Commission without extra compensation.

22 SECTION 85. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 585 of Title 85, unless there is
24 created a duplication in numbering, reads as follows:

1 A. AWARD OR ORDER OF ADMINISTRATIVE LAW JUDGE OR SINGLE
2 COMMISSIONER - REVIEW.

3 1. A compensation order or award of an administrative law judge
4 or a single commissioner shall become final unless a party to the
5 dispute shall, within thirty (30) days from the receipt of the order
6 or award, petition in writing for a review by the full Commission of
7 the order or award.

8 2. Any other party to the dispute may cross appeal by filing a
9 written petition for cross appeal within fifteen (15) days after the
10 notice of appeal is filed in the office of the Workers' Compensation
11 Commission, except that in no event shall a cross appellant have
12 less than thirty (30) days from the receipt of the order or award
13 within which to file a notice of cross appeal.

14 B. AWARD OR ORDER OF COMMISSION - APPEAL.

15 1. A compensation order or award of the Commission shall become
16 final unless a party to the dispute shall, within thirty (30) days
17 from receipt of the order or award, file notice of appeal to the
18 Court of Appeals, which is designated as the forum for judicial
19 review of those orders and awards.

20 a. The appeal to the court may be taken by filing in the
21 office of the Commission, within thirty (30) days from
22 the date of the receipt of the order or award of the
23 Commission, a notice of appeal, whereupon the
24 Commission under its certificate shall send to the

1 court all pertinent documents and papers, together
2 with a transcript of evidence and the findings and
3 orders, which shall become the record of the cause.

4 b. Any other party to the dispute may cross appeal by
5 filing in the office of the Commission a notice of
6 cross appeal to the court within fifteen (15) days
7 after the notice of appeal is filed, except that in no
8 event shall a cross appellant have less than thirty
9 (30) days from receipt of the order or award of the
10 Commission within which to file a notice of cross
11 appeal.

12 c. The Commission may assess and collect an appeal
13 processing fee not to exceed Fifteen Dollars (\$15.00)
14 from the appellant and, if cross appealed, the cross
15 appellant.

16 2. Appeals from the Commission to the court shall be allowed as
17 in other civil actions and shall take precedence over all other
18 civil cases appealed to the court.

19 3. a. Upon appeal to the court, no additional evidence shall
20 be heard.

21 b. In the absence of fraud, the findings of fact made by
22 the Commission within its power shall be conclusive
23 and binding upon the court and shall be given the same
24 force and effect as in cases decided by the Supreme

1 Court, except subject to review as in paragraph 4 of
2 this subsection.

3 4. The court shall review only questions of law and may modify,
4 reverse, remand for rehearing, or set aside the order or award, upon
5 any of the following grounds, and no other, that the:

- 6 a. Commission acted without or in excess of its powers,
- 7 b. order or award was procured by fraud,
- 8 c. facts found by the Commission do not support the order
9 or award, or
- 10 d. order or award was not supported by substantial
11 evidence of record.

12 C. APPEAL COSTS.

13 1. In all appeals, the cost shall be assessed as provided by
14 law in civil cases.

15 2. The Commission may require a bond from either party, if it
16 deems necessary, in cases appealed to the court.

17 SECTION 86. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 586 of Title 85, unless there is
19 created a duplication in numbering, reads as follows:

20 If any employer fails to comply with a final compensation order
21 or award, any beneficiary of the order or award, or the Workers'
22 Compensation Commission, may file a certified copy of the order or
23 award in the office of the district clerk of any county in this
24 state where any property of the employer may be found. At that

1 time, the court clerk shall enter the order or award in the judgment
2 record of the county, and the order or award so recorded shall be a
3 judgment and lien as are judgments of the district court, and
4 enforceable as such.

5 SECTION 87. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 587 of Title 85, unless there is
7 created a duplication in numbering, reads as follows:

8 A. 1. Except where a joint petition settlement has been
9 approved, the Workers' Compensation Commission may review any
10 compensation order, award, or decision.

11 2. Review of any compensation order, award, or decision may be
12 done at any time within six (6) months of termination of the
13 compensation period fixed in the original compensation order or
14 award, upon the motion of the Commission or upon the application of
15 any party in interest, on the ground of a change in physical
16 condition or upon proof of erroneous wage rate.

17 3. Upon the review, the Commission may make an order or award
18 terminating, continuing, decreasing, or increasing for the future
19 the compensation previously awarded, subject to the maximum limits
20 provided for in this act.

21 B. The review and subsequent order or award shall be made in
22 accordance with the procedure prescribed in Section 80 of this act.

23 C. No review shall affect any compensation paid pursuant to a
24 prior order or award.

1 D. The Commission may, at any time, correct any clerical error
2 in any compensation order or award.

3 E. Aging and the effects of aging on a compensable injury are
4 not to be considered in determining whether there has been a change
5 in physical condition. Nor shall aging or the effect of aging on a
6 compensable injury be considered in determining permanent disability
7 pursuant to this section or any other section in this act. The
8 purpose and intent of this section is to annul any and all case law
9 inconsistent with this section.

10 SECTION 88. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 588 of Title 85, unless there is
12 created a duplication in numbering, reads as follows:

13 If the court having jurisdiction of proceedings in respect of
14 any claim or compensation order determines that the proceedings in
15 respect to the claim or order have been instituted or continued
16 without reasonable grounds, the cost of the proceedings shall be
17 assessed against the party who has instituted or continued the
18 proceedings.

19 SECTION 89. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 589 of Title 85, unless there is
21 created a duplication in numbering, reads as follows:

22 A. 1. a. Fees for legal services rendered in respect of a claim
23 shall not be valid unless approved by the Workers'
24 Compensation Commission.

1 b. Attorney fees shall be twenty percent (20%) of
2 compensation for indemnity benefits payable to the
3 injured employee or dependents of a deceased employee
4 or twenty percent (20%) of a bona fide offer. In the
5 event the bona fide offer is not accepted and the
6 claim is heard at an administrative hearing, the
7 attorney fee shall be the percentage of the amount in
8 excess of the bona fide offer that represents the
9 value added by the services and efforts of the
10 attorney. Attorney fees shall not be awarded on
11 medical benefits or services except as provided in
12 paragraph 4 of this subsection.

13 2. a. Whenever the Commission finds that a claim against the
14 State Treasurer, as custodian of the Second Injury
15 Trust Fund or as custodian of the Death and Permanent
16 Total Disability Trust Fund, has been controverted, in
17 whole or in part, the Commission shall direct that
18 fees for legal services be paid from the fund, in
19 addition to compensation awarded, and the fees shall
20 be allowed only on the amount of compensation
21 controverted and awarded from the fund.

22 b. (1) In all other cases, including, but not limited
23 to, cases where the adequacy of medical treatment
24 is controverted or there has been a controverted

1 change of physician, where the Commission finds
2 that a claim has been controverted, in whole or
3 in part, the Commission shall direct that fees
4 for legal services be paid to the attorney for
5 the claimant as follows: one-half (1/2) by the
6 employer or carrier in addition to compensation
7 awarded; and one-half (1/2) by the injured
8 employee or dependents of a deceased employee out
9 of compensation payable to them.

10 (2) The fees shall be allowed only on the amount of
11 compensation for indemnity benefits controverted
12 and awarded.

13 (3) However, the Commission shall not find that a
14 claim has been controverted if the claimant or
15 the representative of the claimant has withheld
16 from the respondent during the period of time
17 allotted for the respondent to determine its
18 position any medical information in the
19 possession of the claimant which substantiates
20 the claim.

21 c. (1) Whenever the Commission finds that a claim has
22 not been controverted but further finds that bona
23 fide legal services have been rendered in respect
24 to the claim, then the Commission shall direct

1 the payment of the fees by the injured employee
2 or dependents of a deceased employee out of the
3 compensation awarded as provided in subparagraph
4 a of paragraph 1 of this subsection.

5 (2) In determining the amount of fees when a claim is
6 not controverted, the Commission shall use its
7 discretion in awarding an attorney fee not to
8 exceed twenty percent (20%) as provided in
9 subparagraph a of paragraph 1 of this subsection
10 and in so doing shall take into consideration the
11 nature, length, and complexity of the services
12 performed and the benefits resulting to the
13 compensation beneficiaries.

14 3. In any case where attorney fees are allowed by the
15 Commission, the limitations expressed in paragraph 1 of this
16 subsection shall apply.

17 4. Medical providers may voluntarily contract with the attorney
18 for the claimant to recover disputed bills, and the attorney may
19 charge a reasonable fee to the medical provider as a cost of
20 collection.

21 B. 1. If the claimant prevails on appeal, the attorney for the
22 claimant shall be entitled to an additional fee at the full
23 Commission and appellate court levels in addition to the fees
24 provided in paragraph 1 of subsection A of this section, the

1 additional fee to be paid equally by the employer or carrier and by
2 the injured employee or dependents of a deceased employee, as
3 provided in this subsection and set by the Commission or appellate
4 court.

5 2. The maximum fees allowable pursuant to this subsection shall
6 be the sum of Five Hundred Dollars (\$500.00) on appeals to the full
7 Commission from a decision of the administrative law judge and the
8 sum of One Thousand Dollars (\$1,000.00) on appeals to the Court of
9 Appeals or Supreme Court from a decision of the Commission.

10 3. In determining the amount of fees, the Commission and the
11 Court shall take into consideration the nature, length, and
12 complexity of the services performed and the benefits resulting to
13 the compensation beneficiary.

14 C. 1. The fee for legal services rendered by the attorney of
15 the claimant in connection with a change of physician requested by
16 the injured employee, controverted by the employer or carrier and
17 awarded by the Commission, shall be Two Hundred Dollars (\$200.00).

18 2. No additional fee shall be payable with respect to
19 uncontroverted charges incurred in connection with treatment by the
20 new physician.

21 D. 1. No fees for legal services rendered by the attorney of
22 the claimant with respect to the preliminary conference procedure
23 shall be awarded by the Commission.

1 2. However, the attorney of the claimant or other
2 representative may charge a reasonable fee to the claimant for
3 representation in connection with the conference.

4 3. Unless compensability of a claim is controverted by the
5 employer or carrier, fees for legal services by the attorney of the
6 claimant with respect to disability for loss of wage-earning
7 capacity shall be payable only for amounts awarded at a contested
8 hearing which exceed the amount, if any, which the employer or
9 carrier agreed in writing to accept at the preliminary conference.

10 E. Attorney fees contained in this section shall be effective
11 with respect to benefits payable in connection with disability or
12 death due to injuries occurring on or after November 1, 2013.

13 SECTION 90. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 590 of Title 85, unless there is
15 created a duplication in numbering, reads as follows:

16 A. The Workers' Compensation Commission is authorized to
17 approve lump-sum attorney fees for legal services rendered in
18 respect of a claim before the Commission.

19 B. The lump-sum attorney fees are allowable notwithstanding
20 that the award of compensation to the injured employee is to be paid
21 on an installment basis.

22 C. Lump-sum attorney fees, if approved by the Commission, shall
23 be discounted at the rate provided in Section 97 of this act, as
24 that provision may be amended from time to time.

1 SECTION 91. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 591 of Title 85, unless there is
3 created a duplication in numbering, reads as follows:

4 A. 1. a. Every claim, request for benefits, request for
5 additional benefits, controversion of benefits,
6 request for a hearing, pleading, motion, and other
7 paper of a party represented by an attorney shall be
8 signed by at least one attorney of record in the
9 individual name of the attorney of record, whose
10 address shall be stated.

11 b. A party who is not represented by an attorney shall
12 sign the claim, request for benefits, request for
13 additional benefits, controversion of benefits,
14 request for a hearing, pleading, motion, or other
15 paper, and state the address of the party.

16 2. The signature of an attorney or party constitutes a
17 certificate by the attorney or party that:

18 a. the attorney or party has read the claim, request for
19 benefits, request for additional benefits,
20 controversion of benefits, request for a hearing,
21 pleading, motion, or other paper,

22 b. to the best of the knowledge, information, and belief
23 of the attorney or party formed after reasonable
24 inquiry, it is well grounded in fact and is warranted

1 by existing law or a good faith argument for the
2 extension, modification, or reversal of existing law,
3 and

4 c. it is not interposed for any improper purpose, such as
5 to harass or to cause unnecessary delay or needless
6 increase in the cost of litigation.

7 3. If a claim, request for benefits, request for additional
8 benefits, controversion of benefits, request for a hearing,
9 pleading, motion, or other paper is not signed, it shall be stricken
10 unless it is signed promptly after the omission is called to the
11 attention of the pleader or movant.

12 4. If a claim, request for benefits, request for additional
13 benefits, controversion of benefits, request for a hearing,
14 pleading, motion, or other paper is signed in violation of this
15 rule, the Workers' Compensation Commission, including administrative
16 law judges, upon motion or upon their own initiative, shall impose
17 upon the person who signed it, a represented party, or both, an
18 appropriate sanction, which may include an order to pay to the other
19 party or parties the amount of reasonable expenses incurred because
20 of the filing of a claim, request for benefits, request for
21 additional benefits, controversion of benefits, request for a
22 hearing, pleading, motion, or other paper, including a reasonable
23 attorney fee.

1 B. Appropriate sanctions, including the amount of reasonable
2 expenses and attorney fees, may also be imposed against a party or
3 its attorney who, without good cause shown, fails to appear for a
4 hearing, deposition, or any other matter scheduled by the Commission
5 or administrative law judge, or frivolously joins another party.

6 SECTION 92. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 592 of Title 85, unless there is
8 created a duplication in numbering, reads as follows:

9 A. Compensation shall be paid by check, direct deposit, or by
10 state warrant.

11 B. Payment shall be made payable to the order of the person
12 entitled to the compensation and paid directly to the person
13 entitled to the compensation.

14 C. If the compensation beneficiary is mentally incompetent or a
15 minor of tender years or immature judgment, the Workers'
16 Compensation Commission, in the exercise of its discretion, may
17 direct that payment shall be made to a legally appointed guardian of
18 the estate of the incompetent or minor.

19 SECTION 93. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 593 of Title 85, unless there is
21 created a duplication in numbering, reads as follows:

22 A. The first installment of compensation shall become due on
23 the fifteenth day after the employer has notice of the injury or
24 death, as provided in Section 77 of this act, on which date all

1 compensation then accrued shall be paid. Thereafter, compensation
2 shall be paid every ten (10) days except where the Workers'
3 Compensation Commission directs that installment payments be made at
4 other periods.

5 B. If any installment of compensation payable without an award
6 is not paid within ten (10) days after it becomes due, as provided
7 in subsection A of this section, there shall be added to the unpaid
8 installment an amount equal to eighteen percent (18%) thereof, which
9 shall be paid at the same time as, but in addition to, the
10 installment unless notice of controversion is filed or an extension
11 is granted the employer under Section 96 of this act or unless such
12 nonpayment is excused by the Commission after a showing by the
13 employer that, owing to conditions over which he had no control, the
14 installment could not be paid within the period prescribed.

15 C. If any installment payable under the terms of an award is
16 not paid within ten (10) days after it becomes due, there shall be
17 added to such unpaid installment an amount equal to twenty percent
18 (20%) thereof, which shall be paid at the same time as, but in
19 addition to, the installment unless review of the compensation order
20 making the award is had as provided in Sections 87 and 88 of this
21 act.

22 D. Medical bills are payable within ten (10) days after receipt
23 by the respondent unless disputed as to compensability or amount.
24

1 E. In the event that the Commission finds the failure to pay
2 any benefit is willful and intentional, the penalty shall be up to
3 thirty-six percent (36%), payable to the claimant.

4 SECTION 94. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 594 of Title 85, unless there is
6 created a duplication in numbering, reads as follows:

7 A. 1. Each employer desiring to controvert the right to
8 compensation shall file with the Workers' Compensation Commission on
9 or before the fifteenth day following notice of the alleged injury
10 or death a statement on a form prescribed by the Commission that the
11 right to compensation is controverted and the grounds for the
12 controversion, the names of the claimant, employer, and carrier, if
13 any, and the date and place of the alleged injury or death.

14 2. Failure to file the statement of controversion shall
15 preclude the urging of any defense to the claim subsequently filed,
16 except that the filing of a statement of controversion shall not
17 preclude the urging of additional defenses to those contained in the
18 statement of controversion.

19 B. 1. If an employer is unable to obtain sufficient medical
20 information as to the alleged injury or death within ten (10) days
21 following receipt of notice, although the employer has acted in good
22 faith and with all due diligence, the employer may apply in writing
23 for an extension of time for making payment of the first installment
24 or controverting the claim.

1 2. This written application is to be postmarked within the ten-
2 day period.

3 3. The Commission may, in its discretion, grant the extension
4 and fix the additional time to be allowed.

5 4. Filing of application for an extension shall not be deemed
6 to be a controversion of the claim.

7 C. The provision in subsection B of this section shall not
8 apply in cases where the physician is an employee of, on retainer
9 with, or has a written contract to provide medical services for the
10 employer.

11 SECTION 95. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 595 of Title 85, unless there is
13 created a duplication in numbering, reads as follows:

14 A. 1. Whenever the Workers' Compensation Commission determines
15 that it is for the best interest of the parties entitled to
16 compensation, and after due notice to all parties in interest of a
17 hearing, the liability of the employer for compensation may be
18 discharged by the payment of a lump sum equal to the present value
19 of all future payments of compensation computed at a ten percent
20 (10%) discount, compounded annually.

21 2. Lump-sum settlements shall not be allowed if the employer
22 presents evidence which proves by a preponderance of the evidence
23 that ordering the compensation discharged in such a manner would
24

1 result in a substantial adverse effect on the continuing economic
2 viability of the employer.

3 B. 1. The probability of the death of the injured employee or
4 other persons entitled to compensation before the expiration of the
5 period during which they are entitled to compensation shall, in the
6 absence of special circumstances making such a course improper, be
7 determined in accordance with the following table.

8 2. This table shall be used in conjunction with the discount
9 rate prescribed in paragraph 1 of subsection A of this section for
10 the purpose of calculating the present value of lump-sum settlements
11 to injured employees.

12	Age Years	Average Remaining
13		Lifetime Years
14	1	74.97
15	2	75.37
16	3	74.47
17	4	73.54
18	5	72.59
19	6	71.63
20	7	70.67
21	8	69.70
22	9	68.73
23	10	67.75
24	11	66.77

1	12	65.80
2	13	64.82
3	14	63.84
4	15	62.87
5	16	61.90
6	17	60.94
7	18	59.97
8	19	59.02
9	20	58.06
10	21	57.10
11	22	56.15
12	23	55.19
13	24	54.24
14	25	53.29
15	26	52.33
16	27	51.38
17	28	50.42
18	29	49.47
19	30	48.52
20	31	47.57
21	32	46.62
22	33	45.68
23	34	44.73
24	35	43.79

1	36	42.86
2	37	41.92
3	38	40.66
4	39	40.07
5	40	39.14
6	41	38.23
7	42	37.31
8	43	36.41
9	44	35.50
10	45	34.60
11	46	33.71
12	47	32.83
13	48	31.95
14	49	31.08
15	50	30.21
16	51	29.35
17	52	28.49
18	53	27.65
19	54	26.80
20	55	25.97
21	56	25.14
22	57	24.31
23	58	23.49
24	59	22.68

1	60	21.88
2	61	21.09
3	62	20.30
4	63	19.53
5	64	18.76
6	65	18.00
7	66	17.25
8	67	16.51
9	68	15.78
10	69	15.06
11	70	14.35
12	71	13.67
13	72	13.01
14	73	12.38
15	74	11.77
16	75	11.18
17	76	10.61
18	77	10.04
19	78	9.48
20	79	8.93
21	80	8.40
22	81	7.90
23	82	7.42
24	83	6.98

1	84	6.57
2	85	6.17
3	86	5.80
4	87	5.43
5	88	5.09
6	89	4.77
7	90	4.47
8	91	4.18
9	92	3.92
10	93	3.69
11	94	3.50
12	95	3.33
13	96	3.18
14	97	3.06
15	98	2.95
16	99	2.85
17	100	2.77

18 C. The probability of the happening of any other contingency
 19 affecting the amount or duration of compensation shall be
 20 disregarded, except the possibility of the remarriage of the widow
 21 or widower, which shall be determined in accordance with the Danish
 22 Annuity and Dutch Remarriage Table.

23

24

SECTION 96. NEW LAW

A new section of law to be codified in the Oklahoma Statutes as Section 596 of Title 85, unless there is created a duplication in numbering, reads as follows:

A. Upon petition filed by the employer or carrier and the injured employee requesting that a final settlement be had between the parties, the Workers' Compensation Commission shall hear the petition and take testimony and make investigations as may be necessary to determine whether a final settlement should be had.

B. 1. If the Commission decides it is for the best interests of the claimant that a final award be made, it may order an award that shall be final as to the rights of all parties to the petition.

2. Thereafter, the Commission shall not have jurisdiction over any claim for the same injury or any results arising from it.

C. If an employee has returned to work or agreed to return to work, the Commission shall not approve a joint petition which has allotted monies for vocational rehabilitation or any indemnity benefits in excess of that payable as an anatomical impairment as established by objective and measurable findings.

D. If the Commission denies the petition, the denial shall be without prejudice to either party.

E. No appeal shall lie from an order or award denying a joint petition.

1 SECTION 97. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 597 of Title 85, unless there is
3 created a duplication in numbering, reads as follows:

4 A. In any case where an employer changes insurance carriers or
5 where the employer having been self-insured, becomes insured or,
6 having been insured, is approved to be self-insured, and the only
7 dispute in a claim against that employer is the proper source of
8 payment of benefits, the Workers' Compensation Commission shall
9 direct that the appropriate compensation benefits be paid on an
10 equal basis by the carriers or self-insured employer.

11 B. Upon eventual resolution of the issue, the prevailing
12 respondent shall be entitled to reimbursement from the other
13 respondent of all monies paid together with interest at the legal
14 rate from the date of payment.

15 SECTION 98. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 598 of Title 85, unless there is
17 created a duplication in numbering, reads as follows:

18 A. If the employer has made advance payments for compensation,
19 the employer shall be entitled to be reimbursed out of any unpaid
20 installment or installments of compensation due.

21 B. If the injured employee receives full wages during
22 disability, the employee shall not be entitled to compensation
23 during the period.
24

1 SECTION 99. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 599 of Title 85, unless there is
3 created a duplication in numbering, reads as follows:

4 The Workers' Compensation Commission may require any employer to
5 make a deposit or bond with the Commission to secure the prompt and
6 convenient payment of compensation, and payments shall be made upon
7 order of the Commission.

8 SECTION 100. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 600 of Title 85, unless there is
10 created a duplication in numbering, reads as follows:

11 Compensation shall bear interest at the legal rate from the day
12 an award is made by either an administrative law judge or the full
13 Workers' Compensation Commission on all accrued and unpaid
14 compensation.

15 SECTION 101. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 601 of Title 85, unless there is
17 created a duplication in numbering, reads as follows:

18 A. Upon making the first payment and upon suspension of payment
19 of compensation, the employer shall notify the Workers' Compensation
20 Commission of that fact on a form prescribed by the Commission.

21 B. 1. Within thirty (30) days after the final payment of
22 compensation has been made, the employer shall send to the
23 Commission a notice, in accordance with a form prescribed by the
24 Commission. This form shall state that the final payment has been

1 made, the total amount of compensation paid, the name of the
2 employee and of any other person to whom compensation has been paid,
3 the date of the injury or death, and the person to whom compensation
4 has been paid.

5 2. If the employer fails to notify the Commission within that
6 time, the Commission may assess against the employer a civil penalty
7 in an amount not exceeding One Hundred Dollars (\$100.00), but no
8 penalty shall be assessed without notice to the employer, giving the
9 employer an opportunity to be heard.

10 SECTION 102. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 602 of Title 85, unless there is
12 created a duplication in numbering, reads as follows:

13 Upon its own initiative at any time where compensation payments
14 are being made without an award, the Workers' Compensation
15 Commission may, and in any case where the right to compensation has
16 been controverted or where payments of compensation have been
17 suspended, or where an employer seeks to suspend payments made under
18 an award, or on application of an interested party, the Commission
19 shall make an investigation, cause a medical examination to be made,
20 hold hearings, and take further action as the Commission deems
21 proper for the protection of the rights of all parties.

22 SECTION 103. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 603 of Title 85, unless there is
24 created a duplication in numbering, reads as follows:

1 A. 1. When any person who receives workers' compensation
2 benefits is incarcerated in an institution under the control of the
3 Department of Corrections, the spouse of the inmate or, if no
4 spouse, the minor dependent children of the inmate, may petition the
5 Workers' Compensation Commission to award to the spouse or minor
6 dependent children the workers' compensation weekly disability
7 benefits of the inmate for the period of incarceration of the
8 claimant.

9 2. If the inmate has no surviving spouse or surviving minor
10 dependent children, the Department of Corrections may petition the
11 Commission to award to the Department the amount of the workers'
12 compensation weekly disability benefits for the period of
13 incarceration of the claimant necessary to reimburse the Department
14 for the cost of incarcerating the inmate.

15 B. The Commission shall promulgate rules necessary for the
16 implementation of this section.

17 SECTION 104. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 604 of Title 85, unless there is
19 created a duplication in numbering, reads as follows:

20 A. 1. Upon approval by the Insurance Commissioner, and
21 following the adoption of the rules that the Insurance Commissioner
22 deems necessary and advisable, each insurer issuing a policy under
23 this act shall offer, as a part of the policy or as an optional
24

1 endorsement to the policy, deductibles optional to the policyholder
2 for benefits payable under this act.

3 2. Deductible amounts offered shall be fully disclosed to the
4 prospective policyholder in writing in the amount of One Hundred
5 Dollars (\$100.00), Two Hundred Dollars (\$200.00), Three Hundred
6 Dollars (\$300.00), Four Hundred Dollars (\$400.00), and Five Hundred
7 Dollars (\$500.00), or increments of Five Hundred Dollars (\$500.00),
8 up to a maximum of Two Thousand Five Hundred Dollars (\$2,500.00) per
9 compensable claim, or in such other amounts as may be set by the
10 Insurance Commissioner.

11 3. The policyholder exercising the deductible option shall
12 choose only one deductible amount.

13 B. Optional deductibles shall be offered in each policy
14 insuring liability for workers' compensation that is issued,
15 delivered, issued for delivery, or renewed under this act on or
16 after approval by the Insurance Commissioner, unless an insured
17 employer and insurer agree to renegotiate a workers' compensation
18 policy in effect on that date so as to include a provision allowing
19 for a deductible.

20 C. 1. If the policyholder exercises the option and chooses a
21 deductible, the insured employer shall be liable for the amount of
22 the deductible for benefits paid for each compensable claim of work
23 injury suffered by an employee.

1 2. The insurer shall pay all or part of the deductible amount,
2 whichever is applicable to a compensable claim, to the person or
3 medical provider entitled to the benefits conferred by this act and
4 then seek reimbursement from the insured employer for the applicable
5 deductible amount.

6 3. The payment or nonpayment of deductible amounts by the
7 insured employer to the insurer shall be treated under the policy
8 insuring the liability for workers' compensation in the same manner
9 as payment or nonpayment of premiums.

10 D. If the Insurance Commissioner determines it to be feasible,
11 and under the rules that the Insurance Commissioner may adopt,
12 premium reduction for deductibles may be determined before the
13 application of any experience modification, premium surcharge, or
14 premium discounts, and, to the extent that an experience rating or
15 safety record of an employer is based on benefits paid, money paid
16 by the insured employer under a deductible as provided in this
17 section may not be included as benefits paid so as to harm the
18 experience rating of the employer.

19 E. This section shall not apply to employers who are approved
20 to self-insure against liability for workers' compensation or group
21 self-insurance funds for workers' compensation.

22 SECTION 105. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 605 of Title 85, unless there is
24 created a duplication in numbering, reads as follows:

1 A. 1. a. The Workers' Compensation Commission is hereby
2 authorized to recognize two separate entities to
3 function as guaranty funds for Oklahoma workers'
4 compensation self-insurers in the private sector.

5 b. One guaranty fund will be established for individual
6 self-insurers and homogeneous self-insurer groups, as
7 defined in paragraph 1 of subsection B of Section 37
8 of this act.

9 c. A separate guaranty fund will be established for
10 common self-insurer groups, as defined in paragraph 2
11 of subsection B of Section 37 of this act.

12 2. The two funds shall be created, funded, and administered
13 independently from each other.

14 3. The assets of the two funds shall remain separate for all
15 purposes and shall not be combined, and the assets of one fund shall
16 not be utilized to satisfy the obligations of the other fund.

17 B. Public sector self-insurers are specifically exempted from
18 the provisions of this section and Sections 108 through 117 of this
19 act.

20 C. As used in this section and Sections 108 through 117 of this
21 act, "public sector self-insurer" means a group of municipalities, a
22 city, a county, or the state entity which directly exercises control
23 over an employee and which pays the salary of the employee.

1 SECTION 106. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 606 of Title 85, unless there is
3 created a duplication in numbering, reads as follows:

4 The Workers' Compensation Commission shall promulgate rules to
5 implement Sections 107 through 117 of this act.

6 SECTION 107. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 607 of Title 85, unless there is
8 created a duplication in numbering, reads as follows:

9 There shall be no liability on the part of, and no cause of
10 action of any nature shall lie, whether at law or in equity, against
11 any Oklahoma workers' compensation self-insurer or the Workers'
12 Compensation Commission or any of its representatives on account of
13 any action or inaction in the administration of the workers'
14 compensation self-insurer guaranty funds or the performance of
15 duties in connection with any action or inaction.

16 SECTION 108. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 608 of Title 85, unless there is
18 created a duplication in numbering, reads as follows:

19 A. The entities acting as the guaranty fund shall independently
20 determine periodically the amount of money each Oklahoma workers'
21 compensation self-insurer should contribute to each fund in order to
22 provide an adequate pool of money to pay workers' compensation
23 benefits owed by an Oklahoma self-insurer when such self-insurer
24 fails to meet its workers' compensation benefits obligations.

1 B. The Workers' Compensation Commission shall assess all
2 workers' compensation self-insurers in an amount determined by each
3 entity, and the Commission shall transmit the monies collected to
4 each entity to be used solely to make workers' compensation benefit
5 payments from each fund and to defray the expenses of each fund.

6 C. At any time that a workers' compensation self-insurer
7 guaranty fund becomes inadequate to make payments to its claimants,
8 the balance of that fund shall be prorated equally among the
9 claimants, and the Oklahoma workers' compensation self-insurers who
10 are members of that fund shall be assessed an amount necessary to
11 pay the outstanding claims and expenses and to replenish that fund.

12 D. The inadequacy of one fund to make payments to claimants
13 shall have no effect on the operation of the remaining fund, nor
14 shall the assets of the remaining fund be utilized in any manner to
15 satisfy the claims of claimants to the fund suffering from the
16 inadequacy.

17 SECTION 109. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 609 of Title 85, unless there is
19 created a duplication in numbering, reads as follows:

20 The Workers' Compensation Commission shall report to each entity
21 when the Commission has reasonable cause to believe that the payment
22 of potential claims by an Oklahoma workers' compensation self-
23 insurer is or may be jeopardized by the existing or potential
24 financial condition of the self-insurer. The entity which has the

1 affected self-insurer as a member shall, based upon such information
2 as is reasonably available, report to the Commission upon all
3 matters germane to the solvency, liquidation, rehabilitation, or
4 conservation of any workers' compensation self-insurer, and such
5 reports shall not be deemed public documents under the Freedom of
6 Information Act or any other law.

7 SECTION 110. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 610 of Title 85, unless there is
9 created a duplication in numbering, reads as follows:

10 A. Monies collected by the Workers' Compensation Commission and
11 disbursed to each entity shall be vested in the entity and shall not
12 be deemed state property and shall not be subject to appropriation
13 by the Legislature.

14 B. Each entity shall annually submit to an audit by an
15 independent certified public accountant, and a copy of the audit
16 report shall be transmitted to the Commission.

17 SECTION 111. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 611 of Title 85, unless there is
19 created a duplication in numbering, reads as follows:

20 Each entity shall direct the investment of monies in each
21 workers' compensation self-insurer guaranty fund, and all returns on
22 the investments shall be retained in each fund. The monies in each
23 fund shall be used solely to compensate persons entitled to receive
24 workers' compensation benefits from an Oklahoma self-insurer which

1 is unable to meet its workers' compensation benefits obligations and
2 to defray the expenses of each fund.

3 SECTION 112. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 612 of Title 85, unless there is
5 created a duplication in numbering, reads as follows:

6 A. Each entity shall have full rights of subrogation against
7 any source of payment or reimbursement for payments made by the
8 corporation on behalf of an Oklahoma workers' compensation self-
9 insurer.

10 B. Each entity shall have a right of recovery through the
11 maintenance of an action against any third party, other than a
12 coemployee, who is in any way responsible or liable for injury or
13 death to a covered worker.

14 SECTION 113. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 613 of Title 85, unless there is
16 created a duplication in numbering, reads as follows:

17 A. Each entity is also authorized to take all necessary action,
18 including bringing an action at law or in equity, to seek any
19 available relief as against any workers' compensation self-insurer,
20 whether the self-insurer has paid all assessments levied by the
21 Workers' Compensation Commission on behalf of the corporation.

22 B. If an entity is required to bring an action at law or in
23 equity to enforce any obligations, rights, or duties as regards a
24

1 workers' compensation self-insurer, the court may award reasonable
2 attorney fees and costs to that entity.

3 SECTION 114. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 614 of Title 85, unless there is
5 created a duplication in numbering, reads as follows:

6 All private sector participants in the Oklahoma workers'
7 compensation self-insurers' program may be members of one of the
8 entities acting as guaranty funds, and the Workers' Compensation
9 Commission may revoke any authority of the self-insurer to act as a
10 workers' compensation self-insurer if the self-insurer fails to
11 maintain membership in the applicable entity or fails to pay the
12 assessments levied by the Commission under Sections 107 through 117
13 of this act.

14 SECTION 115. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 615 of Title 85, unless there is
16 created a duplication in numbering, reads as follows:

17 Any person or entity whose workers' compensation self-insurer
18 status is terminated shall thereafter be subject to no further
19 assessments by the Workers' Compensation Commission, but shall
20 remain liable for all assessments due prior to the date of
21 termination.

22 SECTION 116. AMENDATORY 74 O.S. 2011, Section 18m-1, is
23 amended to read as follows:

24

1 Section 18m-1. A. There is hereby created within the ~~Office of~~
2 ~~the Attorney General~~ Insurance Department a Workers' Compensation
3 Fraud Unit.

4 B. The Workers' Compensation Fraud Unit, upon inquiry or
5 complaint, shall determine the extent, if any, to which any
6 violation has occurred of any statute or administrative rule of this
7 state pertaining to workers' compensation fraud and may initiate any
8 necessary investigation, civil action, criminal action, referral to
9 the ~~Insurance Commissioner or Insurance Department~~ Attorney General
10 or Office of the Attorney General, referral to the ~~Administrator of~~
11 ~~the Workers' Compensation Court~~ Commission, referral to a district
12 attorney or referral to any appropriate official of this or any
13 other state or of the federal government.

14 C. In the absence of fraud, bad faith, reckless disregard for
15 the truth, or actual malice, no person, insurer, or agent of an
16 insurer shall be liable for damages in a civil action or subject to
17 criminal prosecution for communication, publication, or any other
18 action taken to supply information about suspected workers'
19 compensation fraud to the Workers' Compensation Fraud Unit or any
20 other agency involved in the investigation or prosecution of
21 suspected workers' compensation fraud.

22 D. The ~~Attorney General and the Office of the Attorney General,~~
23 ~~the Insurance Commissioner and the Insurance Department,~~ the
24 Attorney General and the Office of the Attorney General, the

1 ~~Administrator of the~~ Workers' Compensation ~~Court~~ Commission, every
2 district attorney and every law enforcement agency shall cooperate
3 and coordinate efforts for the investigation and prosecution of
4 suspected workers' compensation fraud.

5 E. The Workers' Compensation Fraud Unit is hereby transferred
6 from the Office of the Attorney General to the Insurance Department
7 effective January 1, 2014.

8 F. All assets, funds, liabilities, allotments, purchase orders,
9 outstanding financial obligations, encumbrances, records, aircraft,
10 vehicles, equipment, and other property of the Workers' Compensation
11 Fraud Unit is hereby transferred to the Insurance Department.

12 G. Personnel employed by the Office of the Attorney General who
13 are assigned to or designated as employees within the Workers'
14 Compensation Fraud Unit on January 1, 2010, shall be transferred to
15 the Insurance Department.

16 H. The classified and unclassified employees who are
17 transferred pursuant to this section shall be subject to the
18 following provisions:

19 1. Classified employees shall remain subject to the provisions
20 of the Merit System of Personnel Administration, as provided in the
21 Oklahoma Personnel Act;

22 2. Unclassified employees shall remain in the unclassified
23 service and shall serve at the pleasure of the Insurance
24 Commissioner;

1 3. All employees who are transferred to the Insurance
2 Department shall retain leave, sick and annual time earned and any
3 retirement and longevity benefits which have accrued during their
4 employment with the state. The salaries of employees who are
5 transferred shall not be reduced as a direct and immediate result of
6 the transfer;

7 4. If the Insurance Department should implement a reduction in
8 force, all employees transferred from the Office of the Attorney
9 General shall be credited for the time they were employed by the
10 Office of the Attorney General; and

11 5. The transfer of personnel shall be coordinated with the
12 Office of Personnel Management.

13 SECTION 117. AMENDATORY 74 O.S. 2011, Section 18m-2, is
14 amended to read as follows:

15 Section 18m-2. A. If the ~~Attorney General~~ Insurance
16 Commissioner or a designee has reason to believe as a result of
17 inquiry or complaint that a person has engaged in or is engaging in
18 an act or practice that violates any administrative rule or statute
19 pertaining to workers' compensation fraud, the ~~Attorney General~~
20 Insurance Commissioner or a designee shall have all of the powers of
21 a district attorney.

22 B. Records, documents, reports and evidence obtained or created
23 by the ~~Office of the Attorney General~~ Insurance Department as a
24 result of workers' compensation fraud shall be confidential and

1 shall not be subject to the Oklahoma Open Records Act or to outside
2 review or release by any individual except when authorized by the
3 ~~Attorney General~~ Insurance Commissioner or when required by an
4 administrative or judicial proceeding.

5 SECTION 118. AMENDATORY 74 O.S. 2011, Section 19.2, is
6 amended to read as follows:

7 Section 19.2. There is hereby created in the State Treasury a
8 revolving fund for the ~~Office of the Attorney General~~ Insurance
9 Department, to be designated the "~~Attorney General's~~ Insurance
10 Commissioner's Workers' Compensation Fraud Unit Revolving Fund".

11 The fund shall be a continuing fund, not subject to fiscal year
12 limitations, and shall consist of any monies designated to the fund
13 by law. All monies accruing to the credit of said fund are hereby
14 appropriated and may be budgeted and expended by the ~~Attorney~~
15 ~~General~~ Insurance Commissioner for the purposes of investigation,
16 civil action, criminal action or referral to the district attorney
17 in cases involving suspected workers' compensation fraud.

18 SECTION 119. RECODIFICATION 74 O.S. 2011, Section 18m-1,
19 as amended by Section 116 of this act, shall be recodified as
20 Section 366 of Title 36 of the Oklahoma Statutes, unless there is
21 created a duplication in numbering.

22 SECTION 120. RECODIFICATION 74 O.S. 2011, Section 18m-2,
23 as amended by Section 117 of this act, shall be recodified as
24

1 Section 367 of Title 36 of the Oklahoma Statutes, unless there is
2 created a duplication in numbering.

3 SECTION 121. RECODIFICATION 74 O.S. 2011, Section 19.2,
4 as amended by Section 118 of this act, shall be recodified as
5 Section 368 of Title 36 of the Oklahoma Statutes, unless there is
6 created a duplication in numbering.

7 SECTION 122. REPEALER 85 O.S. 2011, Sections 301, 302,
8 303, as amended by Section 1074, Chapter 304, O.S.L. 2012, 304, 305,
9 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318,
10 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331,
11 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344,
12 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357,
13 358, 359, 360, 361, as amended by Section 1075, Chapter 304, O.S.L.
14 2012, 362, 363, 364, 365, as amended by Section 1076, Chapter 304,
15 O.S.L. 2012, 366, 367, 368, 369, 370, as amended by Section 1077,
16 Chapter 304, O.S.L. 2012, 371, 372, 373, 374, 375, 376, as amended
17 by Section 1078, Chapter 304, O.S.L. 2012, 377, 378, 379, 380, 381,
18 382, 383, 384, as amended by Section 1079, Chapter 304, O.S.L. 2012,
19 385, 386, 387, as amended by Section 1080, Chapter 304, O.S.L. 2012,
20 388, 389, as amended by Section 1081, Chapter 304, O.S.L. 2012, 390,
21 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, as
22 amended by Section 1082, Chapter 304, O.S.L. 2012, 404, 405, 406,
23 407, 408, 409, 410, as last amended by Section 1, Chapter 254,
24 O.S.L. 2012, 411, 412, as amended by Section 1083, Chapter 304,

1 O.S.L. 2012, and 413 (85 O.S. Supp. 2012, Sections 303, 361, 365,
2 370, 376, 384, 387, 389, 403, 410 and 412), are hereby repealed.

3 SECTION 123. Sections 1 through 115 and Section 122 of this act
4 shall become effective November 1, 2013.

5 SECTION 124. Sections 116 through 121 of this act shall become
6 effective January 1, 2014.

7

8 54-1-3 TEK 1/15/2013 4:14:18 PM

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24