

An Act

ENROLLED SENATE
BILL NO. 632

By: Paxton of the Senate

and

Hilbert and Duel of the
House

An Act relating to business courts; amending 20 O.S. 2021, Sections 91.7, 92.1A, 95.1, and 125, as amended by Section 2, Chapter 271, O.S.L. 2022 (20 O.S. Supp. 2024, Section 125), which relate to business court divisions, salaries, places of holding court, and office of secretary-bailiff; modifying certain legislative findings; creating business court divisions in certain judicial districts; authorizing promulgation of rules and procedures; specifying location of business court divisions; requiring certain consultation for determining quarters for business court divisions; clarifying proper venue; providing for salary of judge of business court; providing exception for location of holding court; authorizing secretary-bailiff for business court judges; authorizing appointment of law clerk by business court judges; updating statutory language; updating statutory reference; providing for appointment of business court judges by Governor; requiring Senate confirmation; requiring Speaker of the House of Representatives to provide certain lists; establishing qualifications for appointment of business court judges; specifying terms; authorizing reappointment; requiring taking and filing of certain oath; specifying method of filling vacancies; authorizing temporary designation as business court judge under certain circumstances; specifying authority and jurisdiction of business court; specifying amount in controversy jurisdiction; establishing subject matter jurisdiction of business court; defining term; specifying types of claims determined to be complex claims; providing for

supplemental jurisdiction over certain claims; prohibiting exercise of jurisdiction over certain claims; prohibiting filing, transferring, or removing actions to business court prior to certain date; providing for filing with or transferring actions to business court; clarifying proper venue; requiring transfer from business court upon certain determinations; authorizing removal of certain actions; establishing procedures for notice of removal; stating applicability of Oklahoma Pleading Code; establishing requirements for jury trials in business court; establishing time limitation for disposition of non-jury trials; authorizing extension upon agreement of parties; requiring Supreme Court to promulgate rules for electronic filing; establishing filing fees; providing for codification; and providing an effective date.

SUBJECT: Business courts

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

SECTION 1. AMENDATORY 20 O.S. 2021, Section 91.7, is amended to read as follows:

Section 91.7. A. ~~The Oklahoma~~ Legislature finds that, due to the complex nature of litigation involving highly technical commercial issues, there is a need for ~~a court~~ specialized courts in ~~Oklahoma's most populated counties~~ Oklahoma with specific jurisdiction over actions involving such ~~commercial~~ business issues.

B. ~~The Supreme Court is authorized to create~~ There is hereby created a business court division within the district court of any judicial district containing a ~~municipality~~ county with a population in excess of ~~three hundred thousand (300,000)~~ five hundred thousand (500,000), according to the latest Federal Decennial Census.

C. ~~The Supreme Court shall promulgate rules for the establishment and jurisdiction of the~~ Each business court divisions division created shall be categorized and named numerically. The

Supreme Court shall promulgate rules for the implementation and administration of the business courts to the extent required by Article VII of the Oklahoma Constitution. Additional rules and procedures shall be promulgated by the judges of the business court divisions. Business Court Division I shall be located in Oklahoma County and quartered in Oklahoma City; Business Court Division II shall be located in Tulsa County and quartered in Tulsa. Both business court divisions shall be quartered in a location as determined by the Chief Justice of the Supreme Court in consultation with any state officials or private parties needed to secure appropriate court and office space. Proper venue for the respective divisions shall be set forth in Section 7 of this act.

SECTION 2. AMENDATORY 20 O.S. 2021, Section 92.1A, is amended to read as follows:

Section 92.1A. For fiscal year 2021 and each fiscal year thereafter, except as otherwise provided by the Board on Judicial Compensation after ~~the effective date of this act~~ April 28, 2021, the following judicial officers shall receive compensation for their services, payable monthly as follows:

1. A judge of the district court shall receive an annual salary of One Hundred Forty-five Thousand Five Hundred Sixty-seven Dollars (\$145,567.00);

2. An associate district judge shall receive an annual salary of One Hundred Thirty-four Thousand Two Hundred Sixty-one Dollars (\$134,261.00); ~~and~~

3. A special judge shall receive an annual salary of One Hundred Twenty-two Thousand Nine Hundred Fifty-four Dollars (\$122,954.00); and

4. A business court judge shall receive an annual salary equal to that of an associate justice of the Supreme Court.

SECTION 3. AMENDATORY 20 O.S. 2021, Section 95.1, is amended to read as follows:

Section 95.1. A. Unless and until the Supreme Court or the ~~Presiding Judge~~ presiding judge of the judicial administrative

district provides otherwise, and excluding any business courts established pursuant to Section 91.7 of this title, the ~~District Court~~ district court shall hold court in the county seat of every county in the district, in any city where a ~~Superior Court~~ superior court held sessions and at such other places within the district as the district and associate district judges shall prescribe.

B. If a governing board of the ~~Court Fund~~ court fund receives a request from a municipality that court be held within that municipality and the board determines that sufficient reasons exist for establishing a court and that sufficient funds and space for a court are made available by the municipality, the board may establish a court, presided over by a special judge, in that municipality. The request to hold court in a municipality shall be included in the budget submitted by the governing board of the ~~Court Fund~~ court fund to the Chief Justice of the Supreme Court and approved by the Chief Justice.

SECTION 4. AMENDATORY 20 O.S. 2021, Section 125, as amended by Section 2, Chapter 271, O.S.L. 2022 (20 O.S. Supp. 2024, Section 125), is amended to read as follows:

Section 125. A. In all counties of the state there is created the office of secretary-bailiff for district judges and associate district judges, and a secretary-bailiff for business court judges, with each such secretary-bailiff to be appointed by order of the district judge, ~~or associate district judge, or business court judge~~ to serve at the will of the appointing judge ~~as an unclassified employee of the state exempt from the provisions of the Oklahoma Merit System of Personnel Administration.~~ The Chief Justice of the Supreme Court shall approve by administrative directive the number and assignments of secretary-bailiffs in all counties of the state. Each secretary-bailiff shall be paid a salary pursuant to the salary schedule established by the annual appropriation for the district courts and in accordance with the job description for the position to which appointed. For fiscal year 2023 and each fiscal year thereafter, each secretary-bailiff shall receive an annual salary of Forty-two Thousand Dollars (\$42,000.00). In each business court division, the business court judge may appoint a law clerk, who shall be an attorney licensed or eligible to become licensed to practice law in this state, to serve at the will of the appointing judge with an annual salary to be set by the Chief Justice. In

every county of the state each district judge and each associate district judge, including business court judges in counties with a business court division, may by order appoint additional necessary court personnel subject to the approval of the Chief Justice. A part-time bailiff shall be paid out of the court fund of the county where appointed at the rate set by administrative directive for each hour that such person actually attends the court and performs services, or a pro rata fraction thereof for less than an hour of service. Notwithstanding any other provision of law, each district judge and associate district judge may contract with the sheriff of the county to allow a deputy sheriff to provide bailiff service to the court.

B. With the approval of the presiding judge, a special judge may appoint a secretary-bailiff or other personnel in accordance with the administrative order of the Chief Justice.

C. No judge shall engage more than one full-time secretary-bailiff at any given time except only during the progress of a jury trial, when a part-time bailiff may be engaged subject to the approval of the Chief Justice. In the latter event, no more than one additional bailiff shall be engaged to take charge of the jury. The costs of meals and lodging of bailiffs ordered to keep a jury together during the process of a trial or after the jury retires for deliberation shall be lawfully paid from the court fund.

D. A district judge who sits regularly in more than one county may employ only one full-time secretary-bailiff in the judicial district of the judge, and in any other county of the district the judge may engage a bailiff only on a part-time basis when such judge sits in the county as a judge pursuant to the procedures set forth by the Chief Justice in the administrative directive. The cost of the operation of the office of a district judge of a multi-county judicial district, including the purchase of equipment and supplies, may be apportioned among the counties of that judicial district, or appropriate division of that district, based upon the percentage of revenue collected by the courts of the district.

E. The Administrative Director of the Courts shall develop and promulgate job descriptions, salary schedules and time-keeping forms for part-time bailiff personnel. The Chief Justice of the ~~Oklahoma~~ Supreme Court, through the Office of the Administrative Director of

the Courts, shall promulgate rules for the compensation for overtime for all secretary-bailiff and part-time bailiff personnel employed.

F. Persons employed by a county that does not meet the requirements of Section 951 of Title 19 of the Oklahoma Statutes, and who serve as full-time secretary-bailiffs or full-time bailiffs shall be eligible to participate in the state retirement system and state insurance programs and any other benefits as are provided to state employees in the unclassified service. All part-time bailiff personnel shall be compensated by the local court fund.

G. On October 1, 1989, the position of full-time bailiff shall be redesignated as the position of secretary-bailiff in accordance with the job descriptions, salary schedules, and procedures approved by the Chief Justice. Additional secretary-bailiff positions shall be created as funding and employee positions are available. Counties shall be allowed to provide additional support personnel to the judges sitting in such counties to the extent that funding is available.

H. Any secretary-bailiff, ~~who is CLEET-certified~~ certified by the Council on Law Enforcement Education and Training (CLEET) as a basic peace officer, shall have and exercise all the powers and authority of a peace officer. The Office of the Administrative Director of the Courts shall promulgate rules which prescribe the duties for all CLEET-certified secretary-bailiffs. The provisions of this subsection will not entitle a CLEET-certified secretary-bailiff to participate in the Oklahoma Police Pension and Retirement System.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 91.7b of Title 20, unless there is created a duplication in numbering, reads as follows:

A. 1. Each business court shall consist of one business court judge to be appointed by the Governor with the advice and consent of the Senate. If the Legislature is not in regular session when an appointment is made, the appointee shall assume the office on an interim basis until the Senate takes final action to either confirm or reject the appointee. The Governor shall choose an appointee for any vacancy from a list of three candidates provided by the Speaker of the House of Representatives. If the Governor rejects all three

candidates, the Governor may request a subsequent list of candidates from the Speaker. The Speaker shall provide such subsequent list to the Governor within forty (40) days of the request. If such subsequent list is not provided, the Governor may appoint any person who meets the qualifications set forth in paragraph 2 of this subsection.

2. To be eligible for appointment, a business court judge shall be:

- a. at least thirty-five (35) years of age,
- b. a United States citizen, and
- c. a licensed attorney in good standing in this state with ten (10) or more years of experience in:
 - (1) practicing complex civil business litigation,
 - (2) practicing business transaction law,
 - (3) serving as a judge or clerk of a court with civil jurisdiction, or
 - (4) any combination of experience totaling ten (10) years as described by divisions 1 through 3 of this subparagraph.

B. 1. A business court judge shall serve a term of eight (8) years, except as otherwise provided by this subsection, beginning September 1, 2025, and may be reappointed. The first business court judge appointed to Business Court Division II shall serve a term of four (4) years beginning September 1, 2025, and may be reappointed. A business court judge shall take the constitutional oath of office required of appointed officers of this state and file the oath with the Secretary of State. A business court judge shall serve the full term to which he or she was appointed and shall continue to serve until a replacement is appointed and assumes office.

2. If a vacancy occurs in the office of a business court judge due to death, incapacity, resignation, or impeachment, the Governor

shall appoint a person to serve for the remainder of the unexpired term in the same manner as the original appointment.

3. Upon request by a business court judge, the Chief Justice may appoint a district court judge to sit in designation temporarily as a business court judge to assist in caseload management. The designated district court judge shall have the same authority as the business court judge in relation to the cases assigned to them during such designation.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 91.7c of Title 20, unless there is created a duplication in numbering, reads as follows:

A. In an action where damages are requested under subsection B or C of this section, the amount in controversy shall be at least Five Hundred Thousand Dollars (\$500,000.00).

B. When a business court division is created pursuant to Section 91.7 of Title 20 of the Oklahoma Statutes, certain cases, excluding arbitration cases, filed on or after January 1, 2026, may be assigned to the business court docket. The business court shall have the power to grant any relief that may be granted by a district court and may exercise concurrent jurisdiction and the powers of a court of equity, to the extent that such powers are exercised. Notwithstanding the amount in controversy, where equitable relief is requested in a business dispute, a business court may hear an action:

1. Arising under the Uniform Arbitration Act, Section 1851 et seq. of Title 12 of the Oklahoma Statutes;

2. Arising under the Uniform Commercial Code, Section 1-101 et seq. of Title 12A of the Oklahoma Statutes;

3. Arising under the Oklahoma General Corporation Act, Section 1001 et seq. of Title 18 of the Oklahoma Statutes;

4. Arising under the Oklahoma Limited Liability Company Act, Section 2000 et seq. of Title 18 of the Oklahoma Statutes;

5. Arising under the Oklahoma Revised Uniform Partnership Act, Section 1-100 et seq. of Title 54 of the Oklahoma Statutes;

6. Arising under the Uniform Limited Partnership Act of 2010, Section 500-101A et seq. of Title 54 of the Oklahoma Statutes;

7. Arising under the Oklahoma Uniform Securities Act of 2004, Section 1-101 et seq. of Title 71 of the Oklahoma Statutes;

8. Arising under the Uniform Trade Secrets Act, Section 85 et seq. of Title 78 of the Oklahoma Statutes;

9. Shareholder and unitholder derivative actions;

10. That relates to the internal affairs of businesses including, but not limited to, rights or obligations between or among business participants regarding the liability or indemnity of business participants, officers, directors, managers, trustees, controlling shareholders or members, or partners;

11. Where the complaint includes a professional malpractice claim arising out of a business dispute;

12. Involving tort claims between or among two or more business entities or individuals as to their business or investment activities relating to contracts, transactions, or relationships between or among such entities or individuals;

13. For breach of contract, fraud, or misrepresentation between businesses arising out of business transactions or relationships;

14. Arising from e-commerce agreements, technology licensing agreements including, but not limited to, software and biotechnology license agreements, or any other agreement involving the licensing of any intellectual property right including, but not limited to, an agreement relating to patent rights; and

15. Involving commercial real property.

C. A business court shall have jurisdiction to hear complex cases. For purposes of this act, "complex case" means an action that requires exceptional judicial management to avoid placing

unnecessary burdens on the court or the litigants, expedite the case, keep costs reasonable, and promote effective decision-making by the court, parties, and counsel. In deciding whether an action is a complex case, the court shall consider factors including, but not limited to, whether the action is likely to involve:

1. Numerous hearings, and pretrial and dispositive motions raising difficult or novel legal issues that will be time-consuming to resolve;

2. Management of a large number of witnesses or a substantial amount of documentary evidence;

3. Management of a large number of separately represented parties;

4. Multiple expert witnesses;

5. Coordination with related actions pending in one or more courts in other counties, states, or countries, or in a federal court;

6. Substantial post-judgment judicial supervision; or

7. Legal or technical issues of complexity.

D. An action is presumptively a complex case, subject to rebuttal, if it involves one or more of the following types of claims:

1. Antitrust or trade regulation claims;

2. Intellectual property matters including, but not limited to, trade secrets, copyrights, and patents;

3. Securities claims or investment losses involving more than two parties;

4. Environmental or toxic tort claims involving more than two parties;

5. Ownership or control of business claims;

6. Insurance coverage claims;

7. Construction defect claims involving many parties or structures;

8. Product liability claims; or

9. Mass tort claims.

Nothing in this subsection shall be construed to include individual consumer claims or transactions involving a retail customer of goods or services who uses or intends to use such goods or services primarily for personal, family, or household purposes; provided, however, this paragraph shall not be construed to preclude the court from exercising jurisdiction over mass actions or class actions involving such individual consumer claims.

E. A business court shall have supplemental jurisdiction over any other claim related to a case or controversy within the court's jurisdiction that forms part of the same case or controversy. If a party objects to the business court's supplemental jurisdiction over other claims, the business court judge may remand those claims to the district court.

F. A business court shall not have authority to exercise jurisdiction over claims arising under federal or state law, as applicable, involving:

1. The Oklahoma Consumer Protection Act, Section 751 et seq. of Title 15 of the Oklahoma Statutes;

2. Against a governmental entity or political subdivision under Title 19 of the Oklahoma Statutes or under The Governmental Tort Claims Act, Section 151 et seq. of Title 51 of the Oklahoma Statutes;

3. Guardianship matters under Title 30 of the Oklahoma Statutes;

4. Probate matters under Title 58 of the Oklahoma Statutes;

5. A deceptive trade practice as set forth in Section 53 of Title 78 of the Oklahoma Statutes, to the extent such matter is not a business dispute;

6. Residential landlord and tenant;

7. Personal injury and wrongful death;

8. Domestic relations;

9. Foreclosures;

10. Individual consumer claims or transactions involving a retail customer of goods or services who uses or intends to use such goods or services primarily for personal, family, or household purposes; provided, however, this paragraph shall not be construed to preclude the court from exercising jurisdiction over mass actions or class actions involving such individual consumer claims;

11. Collections in matters involving a corporation or other entity subject to the farming and ranching statutes of this state or an individual farmer; or

12. Cases that would generally be considered consumer transactions or human relation matters.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 91.7d of Title 20, unless there is created a duplication in numbering, reads as follows:

A. Notwithstanding any other provision of law, no action shall be eligible to be filed, transferred, or removed to a business court division prior to January 1, 2026. Except as provided in subsection F of Section 6 of this act, actions shall be brought before the business court as follows:

1. An action within the subject matter jurisdiction of the business court may be filed in the business court. An action that arises in a county located within the jurisdiction of the United States District Court for the Western District of Oklahoma shall be filed in Business Court Division I; an action that arises in a county located within the jurisdiction of the United States District

Court for the Northern District of Oklahoma or Eastern District of Oklahoma shall be filed in Business Court Division II. Venue may be established as provided by law or, if a written contract specifies a county as venue for the action, as provided by the contract;

2. If the business court determines it does not have jurisdiction over the action, the business court shall:

- a. transfer the action to a district court in a county with jurisdiction over the action, or
- b. dismiss the action without prejudice to the rights of the parties; and

3. If the business court determines that the venue is improper as to the action, the business court shall transfer the action to the court of proper venue, but the business court judge shall continue to preside over the action.

B. 1. A district court in this state may transfer an action to the business court division of proper venue if the district court judge determines the business court has subject matter jurisdiction over the action.

2. A party to an action filed in a district court that is within the jurisdiction of the business court may remove the action to the business court. If the business court does not have jurisdiction of the action, the business court shall remand the action to the court in which the action was originally filed.

C. A party may file an agreed notice of removal to the business court at any time during the pendency of the action. If all parties to the action have not agreed to remove the action, the notice of removal shall be filed:

1. Not later than thirty (30) days after the date the party requesting removal of the action discovered, or reasonably should have discovered, facts establishing the business court's jurisdiction over the action; provided, however, in no event shall a party have less than the amount of time to respond to the action than to remove to the business court; or

2. If an application for temporary injunction is pending on the date the party requesting removal of the action discovered, or reasonably should have discovered, facts establishing the business court's jurisdiction over the action, not later than thirty (30) days after the date the application is granted, denied, or denied as a matter of law.

D. The notice of removal shall be filed with the business court and the district court in which the action was originally filed. On receipt of the notice, the clerk of the court in which the action was originally filed shall immediately transfer the action to the business court in accordance with the Oklahoma Pleading Code, Section 2001 et seq. of Title 12 of the Oklahoma Statutes, and the court clerk shall assign the action to the appropriate division of the business court.

E. Unless otherwise provided in this section, all pleadings shall be governed by the Oklahoma Pleading Code.

SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 91.7e of Title 20, unless there is created a duplication in numbering, reads as follows:

A. A jury trial may be reserved by a party if claimed within a time period established by law. A jury trial conducted by the business court judge shall be held in the county where the contract stipulates as proper venue, where the action was originally filed, if removed, or in any county of proper jurisdiction if originally filed in a business court.

B. Non-jury trials in a business court shall be resolved within twelve (12) months of the filing of the action. The twelve-month disposition schedule may be extended if both parties agree to a longer resolution period, or upon a finding by the business court of extraordinary cause for such an extension, which shall be appealable to the Supreme Court. An extension shall be memorialized in writing by all parties and approved by the court.

SECTION 9. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 91.7f of Title 20, unless there is created a duplication in numbering, reads as follows:

A. The Supreme Court shall provide for electronic filing of documents in the business courts of this state and shall promulgate rules for the filing of documents transmitted by electronic devices.

B. A fee of One Thousand Five Hundred Dollars (\$1,500.00) shall be charged and collected by the court clerk at the time of filing any action in, or upon the filing of a motion for removal to, a business court division established pursuant to Section 91.7 of Title 20 of the Oklahoma Statutes. Fees shall be charged and collected pursuant to the fee schedule established for district courts.

SECTION 10. This act shall become effective September 1, 2025.

Passed the Senate the 28th day of May, 2025.

Presiding Officer of the Senate

Passed the House of Representatives the 28th day of May, 2025.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____