

## HOUSE OF REPRESENTATIVES STAFF FINAL BILL ANALYSIS

**BILL #:** SB 2516 Office of the Judges of Compensation Claims

**SPONSOR(S):** Appropriations

**TIED BILLS:**           **IDEN./SIM. BILLS:**

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**FINAL HOUSE FLOOR ACTION:** 107 Y's      0 N's      **GOVERNOR'S ACTION:** Approved

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### SUMMARY ANALYSIS

SB 2516 passed the House on March 14, 2022, as amended by the conference committee.

The bill conforms statutes to the funding decisions in the Fiscal Year 2022-2023 General Appropriations Act, which reduces \$0.3 million in funding to consolidate and align office locations of the Office of the Judges of Compensation Claims (OJCC) based on workload cases and realized technological efficiencies.

The Judges of Compensation Claims have exclusive jurisdiction over workers' compensation cases. When an employer disputes an employee's claim for workers' compensation, the employee may initiate litigation of the matter by filing a petition with the OJCC. Even after a petition is filed, a workers' compensation dispute may be resolved through mediation or arbitration. But, when necessary, a judge of compensation claims may hold a hearing to resolve the matter. Upon conclusion of the hearing, the judge's order may be appealed to the First District Court of Appeal, which has sole appellate jurisdiction.

Judges of Compensation Claims are nominated by a statewide nominating commission and appointed by the Governor to a four-year term. The Governor may re-appoint a judge to successive four-year terms and may remove a judge for cause during any term.

The OJCC is headed by the Deputy Chief Judge, who reports to the director and Chief Judge of the Division of Administrative Hearings. Any judge of compensation claims, or the Deputy Chief Judge may hold sessions and conduct hearings at any place within the state. Florida law specifies that the OJCC must maintain 17 district offices, 31 judges of compensation claims, and 31 mediators as they existed on June 30, 2001.

The bill removes the requirement that the OJCC must maintain 17 district offices, 31 judges of compensation claims, and 31 mediators as they existed on June 30, 2001.

This bill was approved by the Governor on June 2, 2022, ch. 2022-152, L.O.F., and became effective on that date.

## I. SUBSTANTIVE INFORMATION

### A. EFFECT OF CHANGES:

#### **Current Situation**

The Judges of Compensation Claims have exclusive jurisdiction over workers' compensation cases.<sup>1</sup> When an employer disputes an employee's claim for workers' compensation, the employee may initiate litigation of the matter by filing a petition with the Office of the Judges of Compensation Claims (OJCC). Even after a petition is filed, a workers' compensation dispute may be resolved through mediation<sup>2</sup> or arbitration.<sup>3</sup> But, when necessary, a judge of compensation claims may hold a hearing to resolve the matter.<sup>4</sup> Upon conclusion of the hearing, the judge's order may be appealed to the First District Court of Appeal, which has sole appellate jurisdiction.<sup>5</sup>

Judges of compensation claims are nominated by a statewide nominating commission and appointed by the Governor to a four-year term. The Governor may re-appoint a judge to successive four-year terms and may remove a judge for cause during any term.<sup>6</sup>

The OJCC is headed by the Deputy Chief Judge, who reports to the director and Chief Judge of the Division of Administrative Hearings.<sup>7</sup> Any judge of compensation claims, or the Deputy Chief Judge may hold sessions and conduct hearings at any place within the state.<sup>8</sup> The OJCC must maintain the 17 district offices, 31 judges of compensation claims, and 31 mediators as they existed on June 30, 2001. This requirement was created in 2001, with the transfer of the OJCC from the Department of Labor and Employment Security to the Division of Administrative Hearings, within the Department of Management Services.<sup>9</sup>

#### **Effect of the Bill**

The bill removes the requirement that the Office of the Judges of Compensation Claims must maintain 17 district offices, 31 judges of compensation claims, and 31 mediators as they existed on June 30, 2001.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

#### 1. Revenues:

None.

#### 2. Expenditures:

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<sup>1</sup> See *Sanders v. City of Orlando*, 997 So. 2d 1089, 1094 (Fla. 2008)

<sup>2</sup> s. 440.25, F.S.

<sup>3</sup> s. 440.1926, F.S.

<sup>4</sup> s. 440.25(4), F.S.

<sup>5</sup> s. 440.271, F.S.

<sup>6</sup> s. 440.45(1)(a), F.S.

<sup>7</sup> The DOAH Chief Judge acts as the OJCC's "agency head for all purposes." Section 440.45(1)(a), F.S. DOAH and the OJCC exist within the Department of Management Services, but the department may not direct DOAH or the OJCC in any way. Instead the department must "provide administrative support and service to the office to the extent requested by the director of the Division of Administrative Hearings." Section 440.45(1)(a), F.S.

<sup>8</sup> s. 440.44(5), F.S.

<sup>9</sup> See Ch. 2001-91, L.O.F

See Fiscal Comments.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

None.

2. Expenditures:

None.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

None.

**D. FISCAL COMMENTS:**

Removing the requirement to maintain a specific number of district offices, judges of compensation claims, and mediators allows the OJCC flexibility to consolidate and align district offices based on case workloads and realized technological efficiencies to the adjudication processes. The General Appropriations Act includes a \$0.3 million reduction based on estimated savings related to this flexibility to consolidate.