

SUPREME COURT OF OKLAHOMA

Owens v. Zumwalt

Zumwalt v. Zumwalt, 3 Mo. 269 (Okla. 1833) · No. 119786 · Decided February 8, 2022

SUMMARY

The Oklahoma Supreme Court held that 40 O.S. § 4-313 does not create a private right of action to challenge the termination of federal COVID-related unemployment programs. Because the plaintiffs could not establish a likelihood of success on the merits or a clear legal right, the court vacated the mandatory preliminary injunction, lifted the stay, and remanded with instructions to dismiss the case with prejudice.

CASE DETAILS

COURT	Supreme Court of Oklahoma
WRITING FOR THE COURT	Kane, V.C.J.; Darby, C.J.; Winchester, J.; Gurich, J.; Rowe, J.; Kuehn, J.; Kauger, J.; Edmondson, J.; Combs, J.
JURISDICTION	Oklahoma
DECIDED	February 8, 2022
DOCKET	119786
DISPOSITION	remanded
PROCEDURAL POSTURE	Interlocutory appeal from an order granting a preliminary injunction requiring the Oklahoma Employment Security Commission's executive director to reinstate and administer COVID-related federal unemployment programs.
STANDARD OF REVIEW	The grant of a preliminary injunction is reviewed for abuse of discretion; whether a statute creates a private right of action is reviewed de novo.
PRECEDENTIAL VALUE	Published Oklahoma Supreme Court opinion; precedential.
PARTIES	Shelley Zumwalt, in her official capacity as Executive Director of the Oklahoma Employment Security Commission v. Ronda K. Owens, Darryl Hubbard, Selena Freymiller, Shanika Crowley, Valerie Killman, Michael Lee Pitts, Ebony Warrior, John Ball, Michelle Bullock, Logan Bellew, Sondia Bell, Tumeeka Baker, Jay Reid

TOPICS

interlocutory appeal

appellate procedure

unemployment benefits

administrative law

statutory interpretation

PRACTICE AREAS

Appellate procedure

Administrative law

Employment law

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QUESTIONS PRESENTED

1. Whether 40 O.S. § 4-313 creates a private right of action allowing private citizens to obtain declaratory or injunctive relief to enforce the Oklahoma Employment Security Act.
2. Whether the district court abused its discretion by granting a mandatory preliminary injunction when the plaintiffs lacked a private right of action and therefore could not establish a likelihood of success on the merits or violation of a clear legal right.

HOLDINGS

1. Section 4-313 does not create a private right of action for citizens to enforce the Oklahoma Employment Security Act.
2. The district court abused its discretion by granting a mandatory preliminary injunction requiring Zumwalt to reinstate and administer the COVID-related unemployment programs.

KEY QUOTATIONS

“We hold 40 O.S. § 4-313 does not create a private right of action and, therefore, the trial court abused its discretion by granting a preliminary injunction.” (¶ 0)

“A preliminary injunction preserves the status quo until there can be a final determination of the controversy.” (¶ 7)

“We hold there is no private right of action for Citizens to enforce 40 O.S. § 4-313 of the Oklahoma Employment Security Act.” (¶ 16)

FACTUAL BACKGROUND

Oklahoma participated in several federal COVID-related unemployment programs under agreements between the Oklahoma Employment Security Commission and the United States Department of Labor. After Governor Stitt withdrew the COVID-19 emergency declaration, he delegated authority to OESC Executive Director Shelley Zumwalt to terminate the agreements, and Oklahoma ended the benefits before their federal expiration date. The appellees sued under 40 O.S. § 4-313, and the district court ordered Zumwalt to reinstate and administer the programs.

PROCEDURAL HISTORY

The appellees filed a declaratory-judgment and injunctive-relief action in the District Court of Oklahoma County after Oklahoma terminated its agreements with the United States Department of Labor to administer COVID-related unemployment programs. The district court granted a mandatory preliminary injunction. Zumwalt appealed, and the Oklahoma Supreme Court stayed the injunction pending appeal.

DISPOSITION

remanded

REMAND INSTRUCTIONS

The stay is lifted, the preliminary injunction is vacated, and the cause is remanded to the district court with instructions to dismiss the action with prejudice.

CASES CITED

- Brown v. Oklahoma Secondary School Activities Ass'n, 2005 OK 88, 125 P.3d 1219
- Sharp v. 251st Street Landfill, Inc., 1996 OK 109, 925 P.2d 546
- State ex rel. State Highway Comm'n v. Gillam, 1940 OK 390, 105 P.2d 773
- Dusbabek v. Local Bldg. & Loan Ass'n, 1936 OK 769, 63 P.2d 756
- Peck v. State ex rel. Dep't of Highways, 1960 OK 89, 350 P.2d 948
- Dowell v. Pletcher, 2013 OK 50, 304 P.3d 457
- Thompson v. North, 1942 OK 346, 129 P.2d 1011
- Holbert v. Echeverria, 1987 OK 99, 744 P.2d 960
- Hunsucker v. Fallin, 2017 OK 100, 408 P.3d 599