

1 **SENATE FLOOR VERSION**

2 April 12, 2023

3 **AS AMENDED**

4 ENGROSSED HOUSE

5 BILL NO. 2863

6 By: Wallace and Moore of the
7 House

8 and

9 Kidd of the Senate

10 [**veterinary medicine - power to govern - Oklahoma**
11 **State University Veterinary Medicine Authority -**
12 **membership - powers and duties - reports -**
13 **contracting - property - grants - bonds - bonding**
14 **authority - interest rate - fees and expenses -**
15 **judgment - notices - audits - agreements - funds -**
16 **account - procedures - payroll - conditions -**
17 **codification - effective date -**

18 **emergency]**

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

20 SECTION 1. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 4001 of Title 2, unless there is
22 created a duplication in numbering, reads as follows:

23 This act shall be known and may be cited as the "Oklahoma State
24 University Veterinary Medicine Authority Act".

SECTION 2. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 4002 of Title 2, unless there is
created a duplication in numbering, reads as follows:

1 As used in the Oklahoma State University Veterinary Medicine
2 Authority Act:

3 1. "Academic affiliation agreement" means an agreement between
4 the Oklahoma State University College of Veterinary Medicine and an
5 entity providing facilities, equipment, and support for the
6 veterinary medicine education programs of the Oklahoma State
7 University College of Veterinary Medicine;

8 2. "Animal patient" means a large or small animal patient
9 receiving care from an Oklahoma State University Veterinary Medicine
10 trainee, intern, resident, or full-time or part-time veterinary
11 medicine trainer;

12 3. "Animal teaching hospital" means a hospital designated for
13 the training and preparation of veterinarians or a component of a
14 veterinary training program, affiliated with the Oklahoma State
15 University College of Veterinary Medicine;

16 4. "Declaration of necessity" means an official action of the
17 Oklahoma State University Veterinary Medicine Authority to fulfill
18 the terms of an academic affiliation, statutory provisions or other
19 agreement or to provide facilities, financing or any other general
20 support to enhance the stability, quality or otherwise furtherance
21 of the veterinary medicine education programs of the Oklahoma State
22 University College of Veterinary Medicine or to provide for the
23 safety of the public related to animal disease and testing; and
24

1 5. "Veterinary medicine programs" means educational programs
2 meeting the guidelines of the American Veterinary Medical
3 Association (AVMA) Council on Education (COE) offered through or as
4 an extension of Oklahoma State University or the Oklahoma State
5 University College of Veterinary Medicine in cooperation with an
6 animal teaching hospital, animal diagnostic testing center or
7 clinic, or other animal health care provider.

8 SECTION 3. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 4003 of Title 2, unless there is
10 created a duplication in numbering, reads as follows:

11 A. The purposes of the Oklahoma State University Veterinary
12 Medicine Authority Act are to provide for an effective and efficient
13 administration, to ensure a dependable source of funding, and to
14 effectuate the mission and purposes of the Oklahoma State University
15 Veterinary Medicine Authority. The mission and purposes of the
16 Oklahoma State University Veterinary Medicine Authority are to
17 support and upon a declaration of necessity, to serve as teaching
18 and training facilities for students enrolled at the Oklahoma State
19 University College of Veterinary Medicine, upon a declaration of
20 necessity, to acquire and provide a site for conducting veterinary
21 medical and biomedical research by faculty members of Oklahoma State
22 University, to facilitate and upon a declaration of necessity, to
23 provide care for the animal patients of Oklahoma State University
24 College of Veterinary Medicine veterinarian trainers and upon a

1 declaration of necessity to provide support or the safety of the
2 public related to animal disease and testing. The Oklahoma State
3 University Veterinary Medicine Authority shall maintain a close
4 affiliation with the Oklahoma State University College of Veterinary
5 Medicine and shall coordinate their operations and activities in a
6 cooperative manner.

7 B. The Legislature finds that the needs of the citizens of this
8 state and the needs of the Oklahoma State University College of
9 Veterinary Medicine will be best served by an Authority charged with
10 the mission of supporting the Veterinary Medicine Education programs
11 of the Oklahoma State University College of Veterinary Medicine,
12 entering into academic affiliation agreements in support of Oklahoma
13 State University veterinarian training programs, operating or
14 leasing the operations of the teaching animal hospital or hospitals
15 for the benefit of the Oklahoma State University College of
16 Veterinary Medicine and providing care for the animal patients of
17 Oklahoma State University veterinarian trainers.

18 C. The Board of Regents for the Oklahoma Agricultural and
19 Mechanical Colleges shall retain full power to govern the personnel,
20 curriculum, and facilities of the Oklahoma State University College
21 of Veterinary Medicine.

22 SECTION 4. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 4004 of Title 2, unless there is
24 created a duplication in numbering, reads as follows:

1 A. Any hospital or clinic purchased, leased or constructed by
2 the Oklahoma State University Veterinary Medicine Authority shall be
3 operated as an animal hospital or clinic and shall be licensed or
4 accredited by the appropriate entities. Provided, the Secretary of
5 Agriculture may waive any such standards, requirements, and
6 essentials as the Secretary deems necessary.

7 B. Any such animal hospital or clinic may provide services and
8 receive payments from animal health care insurance companies and any
9 state or federal reimbursement programs.

10 C. Any such animal hospital or clinic shall be available as
11 teaching and training facilities for the Oklahoma State University
12 College of Veterinary Medicine, for other animal patient and
13 educational facilities, and may also provide animal patient care for
14 research purposes.

15 SECTION 5. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 4005 of Title 2, unless there is
17 created a duplication in numbering, reads as follows:

18 A. There is hereby created the Oklahoma State University
19 Veterinary Medicine Authority, known and cited also as "OSUVMA", an
20 agency of the State of Oklahoma, a body corporate and politic, with
21 powers of government and with the authority to exercise the rights,
22 privileges, and functions as specified in the Oklahoma State
23 University Veterinary Medicine Authority Act. The Oklahoma State
24

1 University Veterinary Medicine Authority is covered by the
2 Governmental Tort Claims Act.

3 B. The Authority shall consist of eight (8) members as follows:

4 1. One member shall be appointed by the Governor, with the
5 advice and consent of the Oklahoma State Senate;

6 2. One member shall be appointed by the Speaker of the Oklahoma
7 House of Representatives;

8 3. One member shall be appointed by the President Pro Tempore
9 of the Oklahoma State Senate;

10 4. One member shall be the Dean of the Oklahoma State
11 University College of Veterinary Medicine;

12 5. One member to be appointed from the veterinarian community
13 by the President of Oklahoma State University;

14 6. One member shall be a member of the Board of Regents for the
15 Oklahoma Agricultural and Mechanical Colleges;

16 7. One member shall be appointed by the Chair of the Board of
17 Regents for the Oklahoma Agricultural and Mechanical Colleges; and

18 8. One ex-officio, non-voting member shall be the Chief
19 Executive Officer of the Oklahoma State University Veterinary
20 Medicine Authority who shall be appointed by the President of
21 Oklahoma State University.

22 C. All appointed members shall be appointed by July 1, 2023.

23 Of the members of the Authority initially appointed, the member
24 appointed by the President Pro Tempore of the Senate shall serve a

1 term of three (3) years; the member appointed by the Speaker of the
2 House of Representatives shall serve a term of two (2) years; and
3 the member appointed by the Governor shall serve a term of one (1)
4 year. Successors shall be appointed for terms of three (3) years.

5 D. Each member of the Authority, prior to appointment, shall be
6 a resident of the state and a qualified elector. Each member of the
7 Authority shall possess dual office holding exemption privileges and
8 shall be exempt from any statutory dual office holding prohibitions.

9 E. Members shall be removable only for cause by the appointing
10 authority. Any vacancy occurring on the Authority shall be filled
11 by the original appointing authority.

12 F. The members of the Authority shall serve without
13 compensation but may be reimbursed for all actual and necessary
14 travel expenses incurred in performance of their duties in
15 accordance with the provisions of the State Travel Reimbursement
16 Act.

17 G. All members of the Authority and administrative personnel of
18 the Authority shall be subject to the provisions of the Oklahoma
19 Ethics Commission Rules, Chapter 62 Appendix of Title 74 of the
20 Oklahoma Statutes.

21 H. A quorum of the Authority shall be four (4) voting members.
22 The Authority shall elect a chair and vice-chair from among its
23 members.

24

1 I. The Authority shall be exempt from the Oklahoma Central
2 Purchasing Act but shall be subject to the purchasing policies of
3 Oklahoma State University and shall be subject to the Oklahoma Open
4 Meeting Act and the Oklahoma Open Records Act, except as otherwise
5 provided by this act. Any information submitted to or compiled by
6 the Authority except for budgetary information related to
7 appropriations or the appropriations process with respect to the
8 marketing plans, financial statements, trade secrets, research
9 concepts, methods or products, or any other proprietary information
10 of the Authority, persons, firms, associations, partnerships,
11 agencies, corporations, institutions of higher education, nonprofit
12 research institutions or other entities shall be confidential,
13 except to the extent that the person or entity which provided the
14 information or which is the subject of the information consents to
15 disclosure. Executive sessions may be held to discuss such
16 materials if deemed necessary by the Authority.

17 SECTION 6. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 4006 of Title 2, unless there is
19 created a duplication in numbering, reads as follows:

20 A. On and after July 1, 2023, the Authority shall have the
21 power and duty to:

22 1. Adopt bylaws and promulgate rules for the regulation of its
23 affairs and the conduct of its business;

24 2. Adopt an official seal;

1 3. Maintain an office at a location to be determined by the
2 Authority;

3 4. Sue and be sued, subject to the provisions of the
4 Governmental Tort Claims Act;

5 5. Enter into cooperative agreements with the Board of Regents
6 for the Oklahoma Agricultural and Mechanical Colleges and/or other
7 Oklahoma State University agencies, authorities, trusts or entities
8 for educational programs, professional staffing, research and other
9 veterinary activities;

10 6. Make and enter into all contracts necessary or incidental to
11 the performance of its duties and the execution of its powers
12 pursuant to the Oklahoma State University Veterinary Medicine
13 Authority Act;

14 7. Purchase or lease equipment, furniture, materials and
15 supplies, and incur such other expenses as may be necessary to
16 maintain and operate animal hospitals or clinics, or to discharge
17 its duties and responsibilities or to make any of its powers
18 effective;

19 8. Acquire by purchase, lease, gift, or by any other manner,
20 and to maintain, use and operate or to contract for the maintenance,
21 use and operation of or lease of any and all property of any kind,
22 real, personal, or mixed or any interest therein unless otherwise
23 provided by the Oklahoma State University Veterinary Medicine
24 Authority Act;

1 9. Appoint such officers, agents, and employees, including but
2 not limited to attorneys, as it deems necessary and to prescribe
3 their duties and to fix their compensation;

4 10. Accept grants from the United States of America, or from
5 any corporation or agency created or designed by the United States
6 of America, and, in connection with any grant, to enter into such
7 agreements as the United States of America or such corporation or
8 agency may require;

9 11. Make and issue bonds and to pledge revenues of the
10 Authority subject to the Oklahoma Bond Oversight and Reform Act.
11 Nothing in the Oklahoma State University Veterinary Medicine
12 Authority Act shall authorize the issuance of any bonds of the
13 Authority payable other than from revenues of the Authority.
14 Authority revenue bonds issued under the provisions of this act
15 shall not at any time be deemed to constitute a debt of the state or
16 of any political subdivision thereof, or a pledge of the faith and
17 credit of the state or of any political subdivision, but such bonds
18 shall be payable solely from the funds herein provided. Such
19 revenue bonds shall contain on the face thereof a statement to the
20 effect that neither the state nor the Authority shall be obligated
21 to pay the same or the interest thereon except from the revenues of
22 the project or projects for which they are issued and that neither
23 the faith and credit nor the taxing power of the state or any
24 political subdivision thereof is pledged, or may hereafter be

1 pledged, to the payment of the principal of or the interest on such
2 bonds. The maximum amount of outstanding bonds at any time shall
3 not exceed Fifty Million Dollars (\$50,000,000.00) unless a greater
4 amount is expressly approved by the Legislature by a concurrent
5 resolution adopted prior to commencing any action in anticipation of
6 issuance of revenue bonds of the Oklahoma State University
7 Veterinary Medicine Authority for the greater amount;

8 12. Provide for complete financial audits on all accounts of
9 the Oklahoma State University Veterinary Medicine Authority and to
10 authorize periodic audits by an independent external auditing
11 agency. Such audits shall be performed annually in a format
12 approved by the State Auditor and Inspector, and all such audits
13 shall be submitted to the State Auditor and Inspector for review.
14 Such audits shall be made in accordance with generally accepted
15 auditing standards and government auditing standards. Financial
16 statements shall be prepared in accordance with generally accepted
17 accounting principles;

18 13. Engage in long-term planning for the operation and
19 management of the Authority;

20 14. Establish petty cash funds and provide for appropriate
21 accounting procedures and controls;

22 15. Contract with national manufacturers and distributors of
23 drugs and medical supplies when appropriate to carry out the
24 purposes of this act;

1 16. Do all other things necessary and proper to implement the
2 provisions of the Oklahoma State University Veterinary Medicine
3 Authority Act;

4 17. Provide funding to other entities related to public health,
5 animal health, teaching, research, and the purposes of the Oklahoma
6 State Veterinary Medicine Authority Act when provided funding for
7 such purposes by the Legislature;

8 18. Waive, by such means as the Authority deems appropriate,
9 the exemption from federal income taxation of interest on the
10 Authority's bonds provided by the Internal Revenue Code of 1986, as
11 amended, or any other federal statute providing a similar exemption;

12 19. Arrange for guaranties or insurance of its bonds by the
13 federal government or by any private insurer, and to pay any
14 premiums therefor; and

15 20. Make a declaration of necessity as provided in Section 3 of
16 this act. The Authority may, in its exclusive judgment, make a
17 declaration of necessity when such a declaration is deemed necessary
18 to effectuate the purposes of the Oklahoma State University
19 Veterinary Medicine Authority Act.

20 B. The Oklahoma State University Veterinary Medicine Authority
21 shall be subject to the Oklahoma State Finance Act.

22 C. The Authority shall prepare monthly a "budget vs. actual"
23 report which shows by budget activity the monthly and year-to-date
24 revenues and expenditures compared to budgeted revenues and

1 expenditures. Such report shall be submitted to the Office of
2 Management and Enterprise Services and to the Directors of the House
3 of Representatives Fiscal Division and the Senate Fiscal Division.

4 D. The Authority shall be subject to the professional risk
5 management program provided for in Section 85.58A of Title 74 of the
6 Oklahoma Statutes.

7 SECTION 7. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 4007 of Title 2, unless there is
9 created a duplication in numbering, reads as follows:

10 All agreements and obligations undertaken, as permitted under
11 this section, by the Oklahoma State University Veterinary Medicine
12 Authority shall be for a public purpose. In addition to any other
13 limitations, conditions or restrictions provided by law, the
14 following conditions shall apply to contractual agreements entered
15 into pursuant to this section:

16 1. Private and public funds shall be accounted for separately;
17 and

18 2. The state shall not assume any liability for private
19 entities.

20 SECTION 8. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 4008 of Title 2, unless there is
22 created a duplication in numbering, reads as follows:

23 A. The funds deposited in the Oklahoma State University
24 Veterinary Medicine Authority Agency Special Account created in

1 subsection B of this section shall be invested by the State
2 Treasurer in the manner provided for by law. The return on such
3 investments shall be credited to the accounts of the Authority.

4 B. There is hereby created in the State Treasury an official
5 depository account for the Oklahoma State University Veterinary
6 Medicine Authority, to be designated the Oklahoma State University
7 Veterinary Medicine Authority Agency Special Account. The account
8 shall consist of an agency clearing account and an agency special
9 account. All revenues, except federal entitlements and state
10 appropriations, generated by the Oklahoma State University
11 Veterinary Medicine Authority shall be deposited in these accounts.

12 C. The Authority shall be subject to blanket bond coverage as
13 provided in Sections 85.58Q through 85.58V of Title 74 of the
14 Oklahoma Statutes, provided the Authority shall be authorized to
15 purchase increased amounts of fidelity bond coverage for employees
16 for whom it is deemed necessary by the Authority. When the amount
17 listed in Section 85.58T of Title 74 of the Oklahoma Statutes is
18 deemed inadequate, the cost of increased coverage shall be borne by
19 the Authority.

20 SECTION 9. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 4009 of Title 2, unless there is
22 created a duplication in numbering, reads as follows:

23 A. Subject to the provisions of paragraph 11 of subsection A of
24 Section 6 of this act, the Oklahoma State University Veterinary

1 Medicine Authority may provide by resolution, from time to time, for
2 the issuance of revenue bonds for its lawful purposes, in such
3 amount or amounts as are necessary, incidental or convenient to the
4 exercise of powers, rights, privileges and functions conferred upon
5 it by the Oklahoma State University Veterinary Medicine Authority
6 Act or other law. The principal of and interest on any indebtedness
7 shall be payable solely from the revenues of the Authority and such
8 other funds as may be provided by law for such payment. The
9 Authority may provide for credit enhancement as additional security
10 or liquidity for its bonds and enter into such agreements as may be
11 necessary or appropriate to provide for the repayment of any funds
12 advanced by the provider of any such credit enhancement including
13 the payment of any fees and expenses incurred in connection
14 therewith. The bonds of each issue shall bear interest at fixed or
15 variable rates and shall bear an average interest rate not to exceed
16 eleven percent (11%) per annum, shall mature at such time or times
17 not exceeding thirty (30) years from their date or dates of issue,
18 as may be determined by the Authority, and may be made redeemable
19 before maturity at the option of the Authority, at such time or
20 times and at such price or prices and pursuant to such terms and
21 conditions as may be fixed by the Authority prior to the issuance of
22 the bonds. The Authority shall determine the form of the bonds and
23 the manner of execution thereof, and shall fix the denominations of
24 the bonds and the place or places of payment of principal and

1 interest, which may be at any bank and trust company within or
2 without this state. If any officer whose signature or facsimile of
3 whose signature appears on any bonds shall cease to be said officer
4 before the delivery of the bonds, the signature or the facsimile
5 shall nevertheless be valid and sufficient for all purposes, the
6 same as if the person had remained in office until such delivery.
7 All bonds issued pursuant to the provisions of the Oklahoma State
8 University Veterinary Medicine Authority Act shall have all the
9 qualities and incidences of negotiable instruments subject to the
10 laws of this state. The Authority may sell the bonds in such
11 amounts and in such manner, either at public or private sale, and
12 for such price, as it may determine to be in the best interests of
13 the state. If the bonds are not sold by competitive bid, the sale
14 must be approved by the State Bond Advisor.

15 B. All fees and expenses of bond sales must be approved by the
16 State Bond Advisor and the Bond Oversight Commission. Prior to the
17 preparation of definitive bonds, the Authority, subject to like
18 restrictions, may issue interim receipts or temporary bonds, with or
19 without coupons, exchangeable for definitive bonds which have been
20 executed and are available for delivery. The Authority may also
21 provide for the replacement of any bonds which have become mutilated
22 or which have been destroyed or lost. Except as otherwise provided
23 by Section 14 of this act, bonds may be issued pursuant to the
24 provisions of the Oklahoma State University Veterinary Medicine

1 Authority Act without obtaining the consent of any department,
2 division, commission, board, bureau, or agency of this state, and
3 without any other proceedings or the occurrence of any other
4 conditions or things than those proceedings, conditions, or things
5 that are specifically required by the Oklahoma State University
6 Veterinary Medicine Authority.

7 C. The Authority may, by resolution, provide for the issuance
8 of refunding bonds then outstanding, including the payment of any
9 redemption premium, any interest accrued to the date of redemption
10 of such bonds, and for incurring additional indebtedness for its
11 lawful purposes. The issuance of such bonds shall be governed by
12 the provisions of the Oklahoma State University Veterinary Medicine
13 Authority Act.

14 SECTION 10. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 4010 of Title 2, unless there is
16 created a duplication in numbering, reads as follows:

17 Before any bond shall be issued and delivered by the Oklahoma
18 State University Veterinary Medicine Authority, a certified copy of
19 the proceedings for the issuance thereof, together with any other
20 information which the Attorney General of the State of Oklahoma may
21 require as the Bond Commissioner of the State of Oklahoma, shall be
22 submitted to the Attorney General. If the Attorney General shall
23 find that such bonds have been issued in accordance with law, the
24 Attorney General shall approve such bonds and execute a certificate

1 to that effect. The Attorney General shall file such certificates
2 in the Office of the State Auditor and Inspector, and the
3 certificates shall be recorded in a record kept for that purpose.
4 All bonds approved by the Attorney General, and issued in accordance
5 with the approved proceedings, shall be valid and binding
6 obligations of the Authority and shall be incontestable for any
7 course from and after the date of such approval.

8 SECTION 11. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 4011 of Title 2, unless there is
10 created a duplication in numbering, reads as follows:

11 The Oklahoma State University Veterinary Medicine Authority or
12 the Oklahoma State University Veterinary Medical Trust may file an
13 application with the Supreme Court of the State of Oklahoma for
14 approval of any bonds to be issued under the provisions of the
15 Oklahoma State University Veterinary Medicine Authority Act, and
16 exclusive original jurisdiction is hereby conferred upon the Supreme
17 Court to hear and determine such application. The Supreme Court
18 shall give such applications precedence over the other business of
19 the Court and consider and determine the validity of the bonds and
20 consider the application and any protest which may be filed thereto.
21 Notice of the hearing on each application shall be given by notice
22 published in a newspaper of general circulation in this state that
23 on a day named the Authority or the Trust will ask the Court to hear
24 the application and approve the bonds. Such notice shall inform all

1 interested parties that they may file a protest against the issuance
2 of the bonds, may be present at the hearing, and may contest the
3 legality thereof. Such notice shall be published one time, not less
4 than ten (10) days prior to the date named for the hearing and the
5 hearing may be adjourned from time to time in the discretion of the
6 Court. If the Court is satisfied that the bonds have been properly
7 authorized in accordance with the Oklahoma State University
8 Veterinary Medicine Authority Act, and that when issued such bonds
9 will constitute valid obligations in accordance with their terms,
10 the Court shall render its written opinion approving the bonds and
11 shall fix the time within which the petition for rehearing may be
12 filed. The decision of the Court shall be a judicial determination
13 of the validity of the bonds, shall be conclusive as to the
14 Authority of the Trust, its officers and agents, and thereafter the
15 bonds so approved and the revenues pledged to their payment shall be
16 incontestable in any court in the State of Oklahoma.

17 SECTION 12. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 4012 of Title 2, unless there is
19 created a duplication in numbering, reads as follows:

20 Revenue bonds of the Oklahoma State University Veterinary
21 Medicine Authority issued pursuant to the provisions of the Oklahoma
22 State University Veterinary Medicine Authority shall not constitute
23 a debt of the state or of any political subdivision thereof, or a
24 pledge of the full faith and credit of the state, or of any

1 political subdivision thereof, but such bonds shall be payable
2 solely from the funds provided therefor. The forms of the bonds so
3 issued shall contain on the face thereof a statement to the effect
4 that neither the state nor the Authority shall be obligated to pay
5 the same or the interest thereon except from the revenues of the
6 Authority pledged to the payment of such bonds and that neither the
7 faith and credit nor the taxing power of the state or any political
8 subdivision thereof is pledged, or may hereafter be pledged, to the
9 payment of the principal of or interest on such bonds. The bonds so
10 issued shall be exempt from taxation by the State of Oklahoma and
11 any political subdivision thereof, including the income therefrom,
12 and any gain from the sale thereof.

13 SECTION 13. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 4013 of Title 2, unless there is
15 created a duplication in numbering, reads as follows:

16 Bonds issued pursuant to provisions of the Oklahoma State
17 University Veterinary Medicine Authority Act are hereby made
18 securities in which all public officers and public boards, agencies
19 and instrumentalities of the state and its political subdivisions,
20 all banks, trust companies, trust and loan associations, investment
21 companies, and others carrying on a banking business, and all
22 insurance companies and insurance associations, and others carrying
23 on an insurance business, may legally and properly invest. Such
24

1 bonds are also approved as collateral security for the deposit of
2 any public funds and for the investment of trust funds.

3 SECTION 14. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 4014 of Title 2, unless there is
5 created a duplication in numbering, reads as follows:

6 The Oklahoma State University Veterinary Medicine Authority
7 shall submit an annual report to the Governor, the Speaker of the
8 Oklahoma House of Representatives, and the President Pro Tempore of
9 the Oklahoma State Senate. Such report shall be submitted in
10 accordance with the requirements for financial statement audits in
11 Section 212A of Title 74 of the Oklahoma Statutes and shall include
12 an account of the operations and actions of the Authority and an
13 accounting of all revenue received and disbursed by the Authority
14 for the previous fiscal year. The report shall include an
15 accounting of expenses related to each of the following:

16 1. Education and training of students of the Oklahoma State
17 University College of Veterinary Medicine, resident veterinarians
18 and others;

19 2. Care and treatment of animal patients for whom the Authority
20 receives any form of state or federal reimbursement; and

21 3. Research.

22 SECTION 15. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 4015 of Title 2, unless there is
24 created a duplication in numbering, reads as follows:

1 A. There is hereby created in the State Treasury a revolving
2 fund for the Oklahoma State University Veterinary Medicine
3 Authority, to be designated the "Oklahoma State University
4 Veterinary Medicine Authority Disbursing Fund". The fund shall be a
5 continuing fund, not subject to fiscal year limitations, and shall
6 consist of appropriated revenues and federal entitlements. All
7 monies accruing to the credit of said fund are hereby appropriated
8 and may be budgeted and expended by the Oklahoma State University
9 Veterinary Medicine Authority as provided in subsection B of this
10 section.

11 B. Following the execution of a lease of real properties under
12 the jurisdiction of the Oklahoma State University Veterinary
13 Medicine Authority to the Oklahoma State University Veterinary
14 Medical Trust pursuant to Section 22 of this act, monies from the
15 fund may be expended by the Authority for the fiscal year ending in
16 the year the lease is executed, for the operations of the Authority
17 after the execution of the lease to the Oklahoma State University
18 Veterinary Medical Trust for payment of any costs to the Authority
19 associated with the transfer of operations of facilities under the
20 jurisdiction of the Authority, and legal obligations of the
21 Authority.

22 SECTION 16. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 4016 of Title 2, unless there is
24 created a duplication in numbering, reads as follows:

1 A. There is hereby created in the State Treasury a revolving
2 fund for the Oklahoma State University Veterinary Medicine
3 Authority, to be designated the "Oklahoma State University
4 Veterinary Medicine Authority Marketing Revolving Fund". The fund
5 shall be a continuing fund, not subject to fiscal year limitations,
6 and shall consist of all monies received by the Oklahoma State
7 University Veterinary Medicine Authority pursuant to the provisions
8 of this section. All monies accruing to the credit of said fund are
9 hereby appropriated and may be budgeted and expended by the Oklahoma
10 State University Veterinary Medicine Authority for the purpose of
11 marketing research and planning, public education, special events
12 customary to the veterinary care industry, advertising and promotion
13 of special and general services provided or sponsored by the
14 Oklahoma State University Veterinary Medicine Authority and such
15 other purposes specifically authorized by the Legislature.
16 Expenditures from said fund shall be made upon warrants issued by
17 the State Treasurer against claims filed as prescribed by law with
18 the Director of the Office of Management and Enterprise Services for
19 approval and payment.

20 B. An amount equal to one-tenth of one percent (1/10 of 1%) of
21 the total annual operating budget of the Oklahoma State University
22 Veterinary Medicine Authority and such other funds as may be
23 specifically designated for deposit to the fund shall be deposited
24

1 in the Oklahoma State University Veterinary Medicine Authority
2 Marketing Revolving Fund.

3 C. The Oklahoma State University Veterinary Medicine Authority
4 Marketing Revolving Fund shall be audited annually by the State
5 Auditor and Inspector. The Oklahoma State University Veterinary
6 Medicine Authority shall reimburse the State Auditor and Inspector
7 from the Oklahoma State University Authority Marketing Revolving
8 Fund for any expenses incurred in auditing said fund.

9 SECTION 17. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 4017 of Title 2, unless there is
11 created a duplication in numbering, reads as follows:

12 A. The Oklahoma State University Veterinary Medicine Authority
13 may regulate traffic and the parking of vehicles on property used by
14 or for the Oklahoma State University Veterinary Medicine Authority.
15 Such regulations shall be in writing, and copies thereof, including
16 amendments thereto, shall be filed in the office of the Secretary of
17 State, and in the office of the city clerk of the City of
18 Stillwater. The municipal court of the City of Stillwater shall
19 have jurisdiction to hear and determine prosecutions for violations
20 of such regulations, which may be prosecuted and shall be punishable
21 as violations of ordinances of the City of Stillwater. The
22 Authority may cause to be removed, and may enter into contracts for
23 such purpose, any vehicle parked in violation of such regulations.

24

1 B. The Authority may appoint campus police officers and guards
2 for buildings and grounds of the Oklahoma State University
3 Veterinary Medicine Authority in the same manner and with the same
4 powers as campus police appointed by governing boards of state
5 institutions for higher education under the provisions of Section
6 360.15 et seq. of Title 74 of the Oklahoma Statutes, and who may
7 prevent or stop improper conduct and trespass in and upon such
8 buildings and grounds, and make arrests and prosecute any and all
9 persons arrested for such improper conduct and trespassing.
10 Employees of the Authority serving as police officers shall be
11 certified as provided for in Section 3311 of Title 70 of the
12 Oklahoma Statutes.

13 C. The Authority and the City of Stillwater may enter into a
14 cooperative agreement to effectuate the provisions of this section.

15 SECTION 18. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 4018 of Title 2, unless there is
17 created a duplication in numbering, reads as follows:

18 The Oklahoma State University Veterinary Medicine Authority is
19 authorized to place resident veterinarians of the Oklahoma State
20 University College of Veterinary Medicine on the Oklahoma State
21 University Veterinary Medicine Authority payroll, and is further
22 authorized to acquire health, life, and dental insurance for such
23 residents. Such residents shall not be considered employees of the
24 Authority and shall not be eligible to participate in the Oklahoma

1 Public Employees Retirement System. This section shall not preclude
2 the right of the Oklahoma State University Veterinary Medicine
3 Authority to terminate, for cause, the practicing privileges of any
4 resident veterinarian within the Oklahoma State University
5 Veterinary Medicine Authority.

6 SECTION 19. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 4019 of Title 2, unless there is
8 created a duplication in numbering, reads as follows:

9 A. The State of Oklahoma expressly approves the creation of a
10 public trust to be named the "Oklahoma State University Veterinary
11 Medical Trust", of which the State of Oklahoma shall be the
12 beneficiary, provided such approval shall be contingent upon
13 satisfaction of the following conditions:

14 1. Finalizing of the declaration of trust;

15 2. Adoption of the declaration of trust by an official action
16 of the trustees of the Trust;

17 3. Submission of the Trust for acceptance of the beneficial
18 interest and approval as required by Section 177 of Title 60 of the
19 Oklahoma Statutes; and

20 4. The approved declaration of trust shall:

21 a. clearly state that the principal purpose of the
22 Oklahoma State University Veterinary Medical Trust is
23 to effectuate the purposes of the Oklahoma State
24 University Veterinary Medicine Authority as

1 established in the Oklahoma State University
2 Veterinary Medicine Authority Act,

3 b. except as otherwise provided by law, provide that the
4 title to real property held by the Oklahoma State
5 University Veterinary Medicine Authority shall not be
6 transferred, conveyed, or assigned to the Oklahoma
7 State University Veterinary Medical Trust without the
8 express consent of the Legislature as the governing
9 entity of the beneficiary pursuant to Section 176 of
10 Title 60 of the Oklahoma Statutes,

11 c. provide that any indebtedness incurred by the Oklahoma
12 State University Veterinary Medical Trust or the
13 trustees of the Trust shall not be secured with or
14 create a lien upon real property to which title is
15 held by the Oklahoma State University Veterinary
16 Medicine Authority and shall not involve the bonding
17 capacity of the Oklahoma State University Veterinary
18 Medicine Authority,

19 d. provide that the trust estate of the Oklahoma State
20 University Veterinary Medical Trust shall not include
21 fee simple title to real property owned by the
22 Oklahoma State University Veterinary Medicine
23 Authority,
24

1 e. clearly state that the creation of the Oklahoma State
2 University Veterinary Medical Trust shall not in any
3 way reduce, limit or interfere with the power granted
4 to the Oklahoma State University Veterinary Medicine
5 Authority in the Oklahoma State University Veterinary
6 Medicine Authority Act,

7 f. provide that any lease or contractual agreement
8 involving use of the real property to which title is
9 held by the Oklahoma State University Veterinary
10 Medicine Authority and any improvements thereto shall
11 contain a provision and covenants requiring the proper
12 maintenance and upkeep of the real property and
13 improvements,

14 g. provide that the trustees of the Oklahoma State
15 University Veterinary Medical Trust shall be the
16 acting members of the Oklahoma State University
17 Veterinary Medicine Authority as provided in the
18 Oklahoma State University Veterinary Medicine
19 Authority Act, and

20 h. provide that the trustees of the Oklahoma State
21 University Veterinary Medical Trust shall have the
22 duty to submit an annual report to the Governor, the
23 Speaker of the House of Representatives, and the
24 President Pro Tempore of the Senate. The report shall

1 be submitted by January 1 of each year and shall
2 include an account of all operations, actions of the
3 Trust, and an account of all revenue received and
4 disbursed by the Trust for the previous fiscal year.
5 The report shall also provide a complete accounting of
6 how the Trust meets its primary function of
7 effectuating the purposes of the Oklahoma State
8 University Veterinary Medicine Authority, as
9 established in the Oklahoma State University
10 Veterinary Medicine Authority Act.

11 B. The Oklahoma State University Veterinary Medical Trust shall
12 require any agreements which it enters into with any entity pursuant
13 to Section 22 of this act for the operations of facilities leased by
14 the Oklahoma State University Veterinary Medicine Authority to the
15 Trust to include, but not be limited to:

16 1. The inclusion of all the members of the Trust, representing
17 the State of Oklahoma in a governing committee;

18 2. Binding arbitration shall not be required by such agreements
19 for resolving issues under consideration by the governing committee;
20 and

21 3. Major decisions shall be resolved by the governing
22 committee, and approval of any major decision by the governing
23 committee must include the approval of a majority of the state
24 appointees and the approval of a majority of the private entity

1 appointees to the governing committee. Major decisions shall
2 include:

- 3 a. approval of the operating and capital budgets,
- 4 b. sale or disposition of assets over Two Hundred Fifty
5 Thousand Dollars (\$250,000.00),
- 6 c. the termination, transfer, material addition, or
7 material diminution of animal medical services at the
8 Oklahoma State University Veterinary Hospital related
9 to and part of a teaching program of the Oklahoma
10 State University College of Veterinary Medicine, and
- 11 d. other major decisions as may be agreed upon by the
12 Trust and the private entity.

13 C. To the extent it is determined by legislative enactment that
14 the Trust has expended funds in contravention of its mission as set
15 forth in this section, the Trust shall remit, upon a thirty (30) day
16 written notice from the Oklahoma State University Veterinary
17 Medicine Authority, such sum or sums to the Oklahoma State
18 University Veterinary Medicine Authority.

19 SECTION 20. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 4020 of Title 2, unless there is
21 created a duplication in numbering, reads as follows:

22 A. Contingent upon the creation of the Oklahoma State
23 University Veterinary Medical Trust as provided in Section 20 of
24 this act, the Trust, prior to acceptance, shall submit to the

1 Contingency Review Board for review the proposed agreement regarding
2 the lease and operations of any animal hospital or hospitals owned
3 by the Oklahoma State University Veterinary Medicine Authority to
4 any entity authorized to transact business in the state and an
5 independent statement as to the fairness of said proposed agreement
6 for the State of Oklahoma. The Contingency Review Board shall upon
7 receipt of the proposed agreement meet within fifteen (15) business
8 days to review the proposed agreement; and unless the Contingency
9 Review Board disapproves the proposed agreement, the agreement may
10 be executed but no lease of the animal hospital or hospitals shall
11 become effective until after Supreme Court approval pursuant to
12 subsection B of this section.

13 B. 1. If a proposed agreement is not disapproved by the
14 Contingency Review Board pursuant to subsection A of this section,
15 the Oklahoma State University Veterinary Medicine Authority and
16 Oklahoma State University Veterinary Medical Trust, within thirty
17 (30) calendar days after the time for Contingency Review Board
18 action has expired, may file a petition with the Supreme Court of
19 Oklahoma for a declaratory judgment determining the validity of the
20 proposed agreement. The review of the Court shall be based upon the
21 exercise of any of the powers, rights, privileges, and functions
22 conferred upon the Authority or the Oklahoma State University
23 Veterinary Medical Trust, as applicable, under the Oklahoma State
24 University Veterinary Medicine Authority Act and Oklahoma Statutes.

1 Exclusive original jurisdiction is conferred upon the Supreme Court
2 to hear and determine such petitions. The Supreme Court shall give
3 such petitions precedence over other business of the Court except
4 habeas corpus proceedings.

5 2. Notice of the hearing of such a petition shall be given by a
6 notice published in a newspaper of general circulation in this state
7 that on a day specified the Supreme Court will hear the petition to
8 approve the proposed agreement and enter a declaratory judgment.
9 The notice shall be published one time not less than ten (10) days
10 prior to the date specified for the hearing. The notice shall
11 inform property owners, taxpayers, citizens and all persons having
12 or claiming any right, title, or interest in the proposed agreement
13 or properties or funds to be affected by the implementation of the
14 proposed agreement, or affected in any way thereby, that they may
15 file protests against the approval of the proposed agreement, and be
16 present at the hearing to contest the legality of the proposed
17 agreement. The hearing may be adjourned from time to time at the
18 discretion of the Court.

19 3. If the Court is satisfied that the proposed agreement is in
20 accordance with the Oklahoma State University Veterinary Medicine
21 Authority Act and Oklahoma Statutes, the Court shall enter a
22 declaratory judgment approving and declaring the proposed agreement
23 to be valid and conclusive as to the Authority, the Trust, and all
24 other parties to the proposed agreement; and, upon petition of the

1 Authority, shall issue an order permanently enjoining all persons
2 described in the notice required by this subsection from thereafter
3 instituting any action or proceeding contesting the validity of the
4 proposed agreement. A declaratory judgment rendered pursuant to
5 this subsection shall have force and effect of a final judgment or
6 decree and shall be incontestable in any court in this state.

7 4. As used in the Oklahoma State University Veterinary Medicine
8 Authority Act, "proposed agreement" means one or more contracts
9 regarding the lease and operations of any animal hospital or
10 hospitals owned by the Oklahoma State University Veterinary Medicine
11 Authority and all other agreements contemplated by or referred to in
12 the contract regarding such lease and operations.

13 SECTION 21. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 4021 of Title 2, unless there is
15 created a duplication in numbering, reads as follows:

16 A. Contingent upon the creation of the Oklahoma State
17 University Veterinary Medical Trust as provided in Section 20 of
18 this act, the Oklahoma State University Veterinary Medicine
19 Authority is hereby authorized to lease, for a term of not more than
20 fifty (50) years, renewable at the option of the Authority, all real
21 property owned by the Authority and any other sites under the
22 control of the Authority to the Oklahoma State University Veterinary
23 Medical Trust. Any lease agreement made pursuant to this section
24 shall be contingent upon:

1 1. Prior review by the Attorney General of any contractual
2 agreement between the Oklahoma State University Veterinary Medical
3 Trust and any entity authorized to transact business in the State of
4 Oklahoma regarding the lease and operations. The Attorney General
5 shall disapprove the agreement if it is determined that provisions
6 of the agreement are not consistent with state law; and

7 2. The execution of an operating and lease agreement between
8 the Oklahoma State University Veterinary Medical Trust and any
9 entity authorized to transact business in the State of Oklahoma.

10 B. Concurrent with the execution of a lease of real property
11 from the Oklahoma State University Veterinary Medicine Authority to
12 the Oklahoma State University Veterinary Medical Trust as provided
13 in subsection A of this section, the Authority is authorized to
14 transfer title to and possession of all tangible and intangible
15 personal property under its control to the Trust. In any
16 contractual agreement regarding the lease and operations of an
17 animal hospital or hospitals between the Oklahoma State University
18 Veterinary Medical Trust and any entity authorized to transact
19 business in the State of Oklahoma, the Trust is authorized to sell
20 or otherwise convey to such entity all tangible and intangible
21 personal property the Trust may receive from the Oklahoma State
22 University Veterinary Medicine Authority. Any contract or other
23 agreement which purports to exercise the powers authorized by this

24

1 subsection is subject to review by the Contingency Review Board, as
2 specified in Section 21 of this act.

3 C. If a contracting entity fails to take possession of the
4 leased premises, or abandons or surrenders possession of the leased
5 premises other than to a state agency, at any time during the term
6 of the lease between the Oklahoma State University Veterinary
7 Medical Trust and the contracting entity, the interest in the real
8 property leased to the Oklahoma State University Veterinary Medical
9 Trust by the Oklahoma State University Veterinary Medicine Authority
10 shall revert to and be the sole and exclusive property of the
11 Oklahoma State University Veterinary Medicine Authority.

12 D. Contingent upon the execution of an agreement between the
13 Oklahoma State University Veterinary Medical Trust and any entity
14 authorized to transact business in the State of Oklahoma, as
15 specified in subsection A of this section, the Oklahoma State
16 University Veterinary Medicine Authority is authorized to enter into
17 an agreement for such entity to provide animal patient care services
18 and perform other related duties imposed upon the Oklahoma State
19 University Veterinary Medicine Authority by law. Such an agreement
20 between the Oklahoma State University Veterinary Medicine Authority
21 and such entity is exempt from the requirements of the Oklahoma
22 Central Purchasing Act and any rules adopted by the Oklahoma State
23 University Veterinary Medicine Authority pursuant to the
24 Administrative Procedures Act. The governing committee created by

1 the agreement and the Oklahoma State University Veterinary Medical
2 Trust shall be subject to the Open Meeting Act and the Oklahoma Open
3 Records Act to the same extent and with the same exceptions as
4 provided for the Oklahoma State University Veterinary Medicine
5 Authority in Section 5 of this act and shall be exempt from the
6 Oklahoma Central Purchasing Act.

7 SECTION 22. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 4022 of Title 2, unless there is
9 created a duplication in numbering, reads as follows:

10 There is hereby created in the State Treasury a revolving fund
11 for the Oklahoma State University Veterinary Medical Trust to be
12 designated the "Oklahoma State University Veterinary Medical Trust
13 Revolving Fund". The fund shall be a continuing fund, not subject
14 to fiscal year limitations, and shall consist of all monies directed
15 for deposit to the fund by law. All monies accruing to the credit
16 of the fund are hereby appropriated and may be budgeted and expended
17 by the Oklahoma State University Veterinary Medical Trust in
18 accordance with the provisions of this act. Expenditures from said
19 fund shall be made upon warrants issued by the State Treasurer
20 against claims filed as prescribed by law with the Director of the
21 Office of Management and Enterprise Services for approval and
22 payment.

23 SECTION 23. This act shall become effective July 1, 2023.
24

1 SECTION 24. It being immediately necessary for the preservation
2 of the public peace, health or safety, an emergency is hereby
3 declared to exist, by reason whereof this act shall take effect and
4 be in full force from and after its passage and approval.

5 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
6 April 12, 2023 - DO PASS AS AMENDED
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