

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 59th Legislature (2023)

4 ENGROSSED SENATE

5 BILL NO. 1005

By: Kidd, Bullard, and **Stephens**  
of the Senate

6 and

7 Wallace of the House

8  
9 [ animal health and public health - Oklahoma State  
10 University Veterinary Medicine Authority Act -  
11 purposes - veterinary hospitals - authority -  
12 members - report - funds - bonds - fund - audit -  
13 benefits - judgment - notice - property - agreement  
14 - codification -  
15 emergency ]

16  
17  
18 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

19 SECTION 1. NEW LAW A new section of law to be codified  
20 in the Oklahoma Statutes as Section 3040 of Title 2, unless there is  
21 created a duplication in numbering, reads as follows:

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

1 SECTION 2. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 3041 of Title 2, unless there is  
3 created a duplication in numbering, reads as follows:

4 As used in the Oklahoma State University Veterinary Medicine  
5 Authority Act:

6 1. "Veterinary medicine programs" means educational programs  
7 meeting the guidelines of the American Veterinary Medical  
8 Association (AVMA) Council on Education (COE) offered through or as  
9 an extension of Oklahoma State University and/or the Oklahoma State  
10 University College of Veterinary Medicine in cooperation with an  
11 animal teaching hospital, animal diagnostic testing center, clinic,  
12 or other animal healthcare provider;

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

17 3. "Animal patient" means a large or small animal patient  
18 receiving care from an Oklahoma State University veterinary medicine  
19 trainee, intern, resident, or full or part-time veterinary medicine  
20 trainer;

21 4. "Declaration of necessity" means an official action of the  
22 Oklahoma State University Veterinary Medicine Authority to fulfill  
23 the terms of an Academic Affiliation, statutory provisions, or other  
24 agreement, to provide facilities, financing, or any other general

1 support to enhance the stability, quality, or otherwise further the  
2 veterinary medicine education programs of the Oklahoma State  
3 University College of Veterinary Medicine, or to provide for the  
4 safety of the public related to animal disease and testing; and

5 5. "Academic Affiliation Agreement" means an agreement between  
6 the Oklahoma State University College of Veterinary Medicine and an  
7 entity providing facilities, equipment, and support for the  
8 veterinary medicine education programs of the Oklahoma State  
9 University College of Veterinary Medicine.

10 SECTION 3. NEW LAW A new section of law to be codified  
11 in the Oklahoma Statutes as Section 3042 of Title 2, unless there is  
12 created a duplication in numbering, reads as follows:

13 A. The purposes of the Oklahoma State University Veterinary  
14 Medicine Authority Act are to:

- 15 1. Provide for an effective and efficient administration;
- 16 2. Ensure a dependable source of funding; and
- 17 3. Effectuate the mission and purposes of the Oklahoma State  
18 University Veterinary Medicine Authority.

19 B. The mission and purposes of the Oklahoma State University  
20 Veterinary Medicine Authority are to:

- 21 1. Support and, upon a declaration of necessity, serve as  
22 teaching and training facilities for students enrolled at the  
23 Oklahoma State University College of Veterinary Medicine;

24

1           2. Acquire and provide a site for conducting veterinary medical  
2 and biomedical research by faculty members of Oklahoma State  
3 University;

4           3. Facilitate and, upon a declaration of necessity, provide  
5 care for the animal patients of Oklahoma State University College of  
6 Veterinary Medicine veterinarian trainers; and

7           4. Provide support for the safety of the public related to  
8 animal disease and testing. The Oklahoma State University  
9 Veterinary Medicine Authority shall maintain a close affiliation  
10 with the Oklahoma State University College of Veterinary Medicine  
11 and shall coordinate their operations and activities in a  
12 cooperative manner.

13           C. The Legislature finds that the needs of the citizens of this  
14 state and the needs of the Oklahoma State University College of  
15 Veterinary Medicine will be best served by an Authority charged with  
16 the mission of supporting the veterinary medicine education programs  
17 of the Oklahoma State University College of Veterinary Medicine,  
18 entering into Academic Affiliation Agreements in support of Oklahoma  
19 State University veterinarian training programs, operating or  
20 leasing the operations of the teaching hospital or hospitals for the  
21 benefit of the Oklahoma State University College of Veterinary  
22 Medicine, and providing care for the animal patients of Oklahoma  
23 State University veterinarian trainers.

1 D. The Board of Regents for the Oklahoma Agricultural and  
2 Mechanical Colleges shall retain full power to govern the personnel,  
3 curriculum, and facilities of the Oklahoma State University College  
4 of Veterinary Medicine.

5 SECTION 4. NEW LAW A new section of law to be codified  
6 in the Oklahoma Statutes as Section 3043 of Title 2, unless there is  
7 created a duplication in numbering, reads as follows:

8 A. Any hospital or clinics purchased, leased, or constructed by  
9 the Oklahoma State University Veterinary Medicine Authority shall be  
10 operated as animal hospitals or clinics and shall be licensed and/or  
11 accredited by the appropriate entities. Provided, the Secretary of  
12 Agriculture may waive any such standards, requirements, and  
13 essentials as the Secretary deems necessary.

14 B. Any such hospitals or clinics may provide services and  
15 receive payments from animal healthcare insurance companies and any  
16 state or federal reimbursement programs.

17 C. Any such hospitals or clinics shall be available as teaching  
18 and training facilities for the Oklahoma State University College of  
19 Veterinary Medicine, for other animal patient and educational  
20 facilities, and may also provide animal patient care for research  
21 purposes.

22 SECTION 5. NEW LAW A new section of law to be codified  
23 in the Oklahoma Statutes as Section 3044 of Title 2, unless there is  
24 created a duplication in numbering, reads as follows:

1       A. There is hereby created the Oklahoma State University  
2 Veterinary Medicine Authority, an agency of the State of Oklahoma, a  
3 body corporate and politic, with powers of government and with the  
4 authority to exercise the rights, privileges, and functions as  
5 specified in the Oklahoma State University Veterinary Medicine  
6 Authority Act. The Oklahoma State University Veterinary Medicine  
7 Authority is covered by The Governmental Tort Claims Act.

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

9       1. One member shall be appointed by the Governor, with the  
10 advice and consent of the Senate;

11       2. One member shall be appointed by the President Pro Tempore  
12 of the Senate;

13       3. One member shall be appointed by the Speaker of the House of  
14 Representatives;

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

17       5. One member shall be appointed from the veterinarian  
18 community by the President of Oklahoma State University;

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

21       7. One member shall be appointed by the chair of the Board of  
22 Regents for the Oklahoma Agricultural and Mechanical Colleges; and

23       8. One ex-officio, non-voting member shall be the Chief  
24 Executive Officer of the Oklahoma State University Veterinary

1 Medicine Authority who shall be appointed by the President of  
2 Oklahoma State University.

3 C. All appointed members shall be appointed by August 1, 2023.  
4 Of the members of the Authority initially appointed, the member  
5 appointed by the President Pro Tempore of the Senate shall serve a  
6 term of three (3) years; the member appointed by the Speaker of the  
7 House of Representatives shall serve a term of two (2) years; and  
8 the member appointed by the Governor shall serve a term of one (1)  
9 year. Successors shall be appointed for terms of three (3) years.

10 D. Each member of the Authority, prior to appointment, shall be  
11 a resident of the state and a qualified elector. Each member of the  
12 Authority shall possess dual office holding exemption privileges and  
13 shall be exempt from any statutory dual office holding prohibitions.

14 E. Members shall be removable only for cause by the appointing  
15 authority. Any vacancy occurring in the Authority shall be filled  
16 by the original appointing authority.

17 F. The members of the Authority shall serve without  
18 compensation but may be reimbursed for all actual and necessary  
19 travel expenses incurred in the performance of their duties in  
20 accordance with the provisions of the State Travel Reimbursement Act  
21 pursuant to Chapter 17 of Title 74 of the Oklahoma Statutes.

22 G. All members of the Authority and administrative personnel of  
23 the Authority shall be subject to the provisions of the Oklahoma  
24

1 Ethics Commission Rules, Chapter 62 Appendix of Title 74 of the  
2 Oklahoma Statutes.

3 H. A quorum of the Authority shall be four voting members. The  
4 Authority shall elect a chair and vice chair from among its members.

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

21 SECTION 6. NEW LAW A new section of law to be codified  
22 in the Oklahoma Statutes as Section 3045 of Title 2, unless there is  
23 created a duplication in numbering, reads as follows:

24



1           A. On and after July 1, 2022, the Authority shall have the  
2 power and duty to:

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

5           2. Adopt an official seal;

6           3. Maintain an office at a location to be determined by the  
7 Authority;

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

10          5. Enter into cooperative agreements with the Board of Regents  
11 for the Oklahoma Agricultural and Mechanical Colleges and other  
12 Oklahoma State University agencies, authorities, trusts, or entities  
13 for educational programs, professional staffing, research, and other  
14 medical activities;

15          6. Make and enter into all contracts necessary or incidental to  
16 the performance of its duties and the execution of its powers  
17 pursuant to the Oklahoma State University Veterinary Medicine  
18 Authority Act;

19          7. Purchase or lease equipment, furniture, materials, and  
20 supplies, and incur such other expenses as may be necessary to  
21 maintain and operate veterinary hospitals and clinics, to discharge  
22 its duties and responsibilities, or to make any of its powers  
23 effective;

24

1 8. Acquire by purchase, lease, gift, or by any other manner,  
2 and to maintain, use, and operate or to contract for the  
3 maintenance, use, and operation of or lease of any and all property  
4 of any kind, real, personal, or mixed or any interest therein unless  
5 otherwise provided by the Oklahoma State University Veterinary  
6 Medicine Authority Act;

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

10 10. Accept grants from the United States of America, or from  
11 any corporation or agency created or designed by the United States  
12 of America, and in connection with any grant, to enter into such  
13 agreements as the United States of America or any corporation or  
14 agency may require;

15 11. Make and issue bonds and to pledge revenues of the  
16 Authority subject to the Oklahoma Bond Oversight and Reform Act.  
17 Nothing in the Oklahoma State University Veterinary Medicine  
18 Authority Act shall authorize the issuance of any bonds of the  
19 Authority payable other than from revenues of the Authority.  
20 Authority revenue bonds issued under the provisions of this act  
21 shall not at any time be deemed to constitute a debt of the state or  
22 of any political subdivision thereof or a pledge of the faith and  
23 credit of the state or of any political subdivision, but such bonds  
24 shall be payable solely from the funds herein provided. Such

1 revenue bonds shall contain on the face thereof a statement to the  
2 effect that neither the state nor the Authority shall be obligated  
3 to pay the same or the interest thereon except from the revenues of  
4 the project or projects for which they are issued and that neither  
5 the faith and credit nor the taxing power of the state or any  
6 political subdivision thereof is pledged, or may hereafter be  
7 pledged, to the payment of the principal of or the interest on such  
8 bonds. The maximum amount of outstanding bonds at any time shall  
9 not exceed Fifty Million Dollars (\$50,000,000.00) unless a greater  
10 amount is expressly approved by the Legislature by a concurrent  
11 resolution adopted prior to commencing any action in anticipation of  
12 issuance of revenue bonds of the Oklahoma State University  
13 Veterinary Medicine Authority for the greater amount;

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

24

- 1        13. Engage in long-term planning for the operation and  
2 management of the Authority;
- 3        14. Establish petty cash funds and provide for appropriate  
4 accounting procedures and controls;
- 5        15. Contract with national manufacturers and distributors of  
6 drugs and medical supplies when appropriate to carry out the  
7 purposes of this act;
- 8        16. Do all other things necessary and proper to implement the  
9 provisions of the Oklahoma State University Veterinary Medicine  
10 Authority Act;
- 11       17. Provide funding to other entities related to public health,  
12 teaching, research, and the purposes of the Oklahoma State  
13 Veterinary Medicine Authority Act when provided funding for such  
14 purposes by the Legislature;
- 15       18. Waive, by such means as the Authority deems appropriate,  
16 the exemption from federal income taxation of interest on the  
17 Authority's bonds provided by the Internal Revenue Code of 1986, as  
18 amended, or any other federal statute providing a similar exemption;
- 19       19. Arrange for guaranties or insurance of its bonds by the  
20 federal government or by any private insurer, and to pay any  
21 premiums therefor; and
- 22       20. Make a declaration of necessity as provided in Section 3 of  
23 this act. The Authority may, in its exclusive judgment, make a  
24 declaration of necessity when such a declaration is deemed necessary

1 to effectuate the purposes of the Oklahoma State University  
2 Veterinary Medicine Authority Act.

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

5 C. The Authority shall prepare a "budget vs. actual" report on  
6 a monthly basis which shows by budget activity the monthly and year-  
7 to-date revenues and expenditures compared to budgeted revenues and  
8 expenditures. Such report shall be submitted to the Office of  
9 Management and Enterprise Services and to the Directors of the House  
10 of Representatives Fiscal Division and the Senate Fiscal Division.

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

14 SECTION 7. NEW LAW A new section of law to be codified  
15 in the Oklahoma Statutes as Section 3046 of Title 2, unless there is  
16 created a duplication in numbering, reads as follows:

17 All agreements and obligations undertaken, as permitted under  
18 this section, by the Oklahoma State University Veterinary Medicine  
19 Authority shall be for a public purpose. In addition to any other  
20 limitations, conditions, or restrictions provided by law, the  
21 following conditions shall apply to contractual agreements entered  
22 into pursuant to this section:

23 1. Private and public funds shall be accounted for separately;  
24 and

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

3        SECTION 8.        NEW LAW        A new section of law to be codified  
4 in the Oklahoma Statutes as Section 3047 of Title 2, unless there is  
5 created a duplication in numbering, reads as follows:

6        A. The funds deposited in the Oklahoma State University  
7 Veterinary Medicine Authority Agency Special Account created in  
8 subsection B of this section shall be invested by the State  
9 Treasurer in the manner provided for by law. The return on such  
10 investments shall be credited to the accounts of the Authority.

11        B. There is hereby created in the State Treasury an Official  
12 Depository Account for the Oklahoma State University Veterinary  
13 Medicine Authority, to be designated the "Oklahoma State University  
14 Veterinary Medicine Authority Agency Special Account". The Official  
15 Depository Account shall consist of an agency clearing account and  
16 an agency special account. All revenues, except federal  
17 entitlements and state appropriations, generated by the Oklahoma  
18 State University Veterinary Medicine Authority shall be deposited in  
19 these accounts.

20        C. The Authority shall be subject to blanket bond coverage as  
21 provided in Sections 85.58Q through 85.58V of Title 74 of the  
22 Oklahoma Statutes, provided the Authority shall be authorized to  
23 purchase increased amounts of fidelity bond coverage for employees  
24 for whom it is deemed necessary by the Authority. When the amount

1 listed in Section 85.58T of Title 74 of the Oklahoma Statutes is  
2 deemed inadequate, the cost of increased coverage shall be borne by  
3 the Authority.

4 SECTION 9. NEW LAW A new section of law to be codified  
5 in the Oklahoma Statutes as Section 3048 of Title 2, unless there is  
6 created a duplication in numbering, reads as follows:

7 A. Subject to the provisions of paragraph 11 of subsection A of  
8 Section 6 of this act, the Oklahoma State University Veterinary  
9 Medicine Authority may provide by resolution, from time to time, for  
10 the issuance of revenue bonds for its lawful purposes, in such  
11 amount or amounts as are necessary, incidental, or convenient to the  
12 exercise of powers, rights, privileges, and functions conferred upon  
13 it by the Oklahoma State University Veterinary Medicine Authority  
14 Act or other law. The principal of and interest on any indebtedness  
15 shall be payable solely from the revenues of the Authority and such  
16 other funds as may be provided by law for such payment. The  
17 Authority may provide for credit enhancement as additional security  
18 or liquidity for its bonds and enter into such agreements as may be  
19 necessary or appropriate to provide for the repayment of any funds  
20 advanced by the provider of any such credit enhancement, including  
21 the payment of any fees and expenses incurred in connection  
22 therewith. The bonds of each issue shall bear interest at fixed or  
23 variable rates and shall bear an average interest rate not to exceed  
24 eleven percent (11%) per annum, shall mature at such time or times

1 not exceeding thirty (30) years from their date or dates of issue,  
2 as may be determined by the Authority, and may be made redeemable  
3 before maturity at the option of the Authority, at such time or  
4 times and at such price or prices and pursuant to such terms and  
5 conditions as may be fixed by the Authority prior to the issuance of  
6 the bonds. The Authority shall determine the form of the bonds and  
7 the manner of execution thereof, and shall fix the denominations of  
8 the bonds and the place or places of payment of principal and  
9 interest, which may be at any bank and trust company within or  
10 without this state. If any officer whose signature or facsimile of  
11 whose signature appears on any bonds shall cease to be the officer  
12 before the delivery of the bonds, the signature or the facsimile  
13 shall nevertheless be valid and sufficient for all purposes, the  
14 same as if the person had remained in office until such delivery.  
15 All bonds issued pursuant to the provisions of the Oklahoma State  
16 University Veterinary Medicine Authority Act shall have all the  
17 qualities and incidences of negotiable instruments subject to the  
18 laws of this state. The Authority may sell the bonds in such  
19 amounts and in such manner, either at public or private sale, and  
20 for such price, as it may determine to be in the best interests of  
21 the state. If the bonds are not sold by competitive bid, the sale  
22 must be approved by the State Bond Advisor.

23 B. All fees and expenses of bond sales must be approved by the  
24 Council of Bond Oversight. Prior to the preparation of definitive



1 bonds, the Authority, subject to like restrictions, may issue  
2 interim receipts or temporary bonds, with or without coupons,  
3 exchangeable for definitive bonds which have been executed and are  
4 available for delivery. The Authority may also provide for the  
5 replacement of any bonds which have become mutilated or which have  
6 been destroyed or lost. Except as otherwise provided in this act,  
7 bonds may be issued pursuant to the provisions of the Oklahoma State  
8 University Veterinary Medicine Authority Act without obtaining the  
9 consent of any department, division, commission, board, bureau, or  
10 agency of this state, and without any other proceedings or the  
11 occurrence of any other conditions than those proceedings or  
12 conditions that are specifically required by the Oklahoma State  
13 University Veterinary Medicine Authority.

14 C. The Authority may, by resolution, provide for the issuance  
15 of refunding bonds then outstanding, including the payment of any  
16 redemption premium, any interest accrued to the date of redemption  
17 of such bonds, and for incurring additional indebtedness for its  
18 lawful purposes. The issuance of such bonds shall be governed by  
19 the provisions of the Oklahoma State University Veterinary Medicine  
20 Authority Act.

21 SECTION 10. NEW LAW A new section of law to be codified  
22 in the Oklahoma Statutes as Section 3049 of Title 2, unless there is  
23 created a duplication in numbering, reads as follows:

24

1 Before any bond shall be issued and delivered by the Oklahoma  
2 State University Veterinary Medicine Authority, a certified copy of  
3 the proceedings for the issuance thereof, together with any other  
4 information which the Attorney General may require as the Bond  
5 Commissioner, shall be submitted to the Attorney General. If the  
6 Attorney General finds that such bonds have been issued in  
7 accordance with law, the Attorney General shall approve such bonds  
8 and execute a certificate to that effect. The Attorney General  
9 shall file such certificates in the office of the State Auditor and  
10 Inspector, and the certificates shall be recorded in a record kept  
11 for that purpose. All bonds approved by the Attorney General, and  
12 issued in accordance with the approved proceedings, shall be valid  
13 and binding obligations of the Authority, and shall be incontestable  
14 for any course from and after the date of such approval.

15 SECTION 11. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 3050 of Title 2, unless there is  
17 created a duplication in numbering, reads as follows:

18 The Oklahoma State University Veterinary Medicine Authority or  
19 the Oklahoma State University Veterinary Medical Trust, pursuant to  
20 Section 19 of this act, may file an application with the Supreme  
21 Court of this state for approval of any bonds to be issued under the  
22 provisions of the Oklahoma State University Veterinary Medicine  
23 Authority Act, and exclusive original jurisdiction is hereby  
24 conferred upon the Supreme Court to hear and determine such

1 application. The Supreme Court shall give such applications  
2 precedence over the other business of the Court except habeas corpus  
3 proceedings, consider and determine the validity of the bonds, and  
4 consider the application and any protest which may be filed thereto.  
5 Notice of the hearing on each application shall be given by notice  
6 published in a newspaper of general circulation in this state that  
7 on a day named the Authority or the Trust will ask the Court to hear  
8 the application and approve the bonds. Such notice shall inform all  
9 interested parties that they may file a protest against the issuance  
10 of the bonds, may be present at the hearing, and may contest the  
11 legality thereof. Such notice shall be published one time, not less  
12 than ten (10) days prior to the date named for the hearing and the  
13 hearing may be adjourned from time to time in the discretion of the  
14 Court. If the Court is satisfied that the bonds have been properly  
15 authorized in accordance with the Oklahoma State University  
16 Veterinary Medicine Authority Act, and that when issued such bonds  
17 will constitute valid obligations in accordance with their terms,  
18 the Court shall render its written opinion approving the bonds and  
19 shall fix the time within which the petition for rehearing may be  
20 filed. The decision of the Court shall be a judicial determination  
21 of the validity of the bonds, shall be conclusive as to the  
22 Authority of the Trust, its officers and agents, and thereafter the  
23 bonds so approved and the revenues pledged to their payment shall be  
24 incontestable in any court in this state.

1 SECTION 12. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 3051 of Title 2, unless there is  
3 created a duplication in numbering, reads as follows:

4 Revenue bonds of the Oklahoma State University Veterinary  
5 Medicine Authority issued pursuant to the provisions of the Oklahoma  
6 State University Veterinary Medicine Authority Act shall not  
7 constitute a debt of the state or of any political subdivision  
8 thereof, or a pledge of the full faith and credit of the state, or  
9 of any political subdivision thereof, but such bonds shall be  
10 payable solely from the funds provided therefor. The forms of the  
11 bonds so issued shall contain on the face thereof a statement to the  
12 effect that neither the state nor the Authority shall be obligated  
13 to pay the same or the interest thereon except from the revenues of  
14 the Authority pledged to the payment of such bonds and that neither  
15 the faith and credit nor the taxing power of the state or any  
16 political subdivision thereof is pledged, or may hereafter be  
17 pledged, to the payment of the principal of or interest on such  
18 bonds. The bonds so issued shall be exempt from taxation by this  
19 state and any political subdivision thereof, including the income  
20 therefrom, and any gain from the sale thereof.

21 SECTION 13. NEW LAW A new section of law to be codified  
22 in the Oklahoma Statutes as Section 3052 of Title 2, unless there is  
23 created a duplication in numbering, reads as follows:

24

1 Bonds issued pursuant to provisions of the Oklahoma State  
2 University Veterinary Medicine Authority Act are hereby made  
3 securities in which all public officers and public boards, agencies  
4 and instrumentalities of the state and its political subdivisions,  
5 all banks, trust companies, trust and loan associations, investment  
6 companies and others carrying on a banking business, and all  
7 insurance companies, insurance associations, and others carrying on  
8 an insurance business, may legally and properly invest. Such bonds  
9 are also approved as collateral security for the deposit of any  
10 public funds and for the investment of trust funds.

11 SECTION 14. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 3053 of Title 2, unless there is  
13 created a duplication in numbering, reads as follows:

14 The Oklahoma State University Veterinary Medicine Authority  
15 shall submit an annual report to the Governor, the President Pro  
16 Tempore of the Senate, and the Speaker of the House of  
17 Representatives of this state. Such report shall be submitted in  
18 accordance with the requirements for financial statement audits in  
19 Section 212A of Title 74 of the Oklahoma Statutes and shall include  
20 an account of the operations and actions of the Authority and an  
21 accounting of all revenue received and disbursed by the Authority  
22 for the previous fiscal year. The report shall include an  
23 accounting of expenses related to each of the following:

24

1           1. Education and training of students of the Oklahoma State  
2 University College of Veterinary, resident veterinarians, and  
3 others;

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

6           3. Research.

7           SECTION 15.       NEW LAW       A new section of law to be codified  
8 in the Oklahoma Statutes as Section 3054 of Title 2, unless there is  
9 created a duplication in numbering, reads as follows:

10          A. There is hereby created in the State Treasury a revolving  
11 fund for the Oklahoma State University Veterinary Medicine  
12 Authority, to be designated the "Oklahoma State University  
13 Veterinary Medicine Authority Disbursing Fund". The fund shall be a  
14 continuing fund, not subject to fiscal year limitations, and shall  
15 consist of appropriated revenues and federal entitlements. All  
16 monies accruing to the credit of the fund are hereby appropriated  
17 and may be budgeted and expended by the Oklahoma State University  
18 Veterinary Medicine Authority.

19          B. Following the execution of a lease of real properties under  
20 the jurisdiction of the Oklahoma State University Veterinary  
21 Medicine Authority to the Oklahoma State University Veterinary  
22 Medical Trust pursuant to Section 22 of this act, monies from the  
23 fund may be expended by the Authority for the fiscal year ending in  
24 the year the lease is executed, for the operations of the Authority

1 after the execution of the lease to the Oklahoma State University  
2 Veterinary Medical Trust for payment of any costs to the Authority  
3 associated with the transfer of operations of facilities under the  
4 jurisdiction of the Authority, and legal obligations of the  
5 Authority.

6 SECTION 16. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 3055 of Title 2, unless there is  
8 created a duplication in numbering, reads as follows:

9 A. There is hereby created in the State Treasury a revolving  
10 fund for the Oklahoma State University Veterinary Medicine  
11 Authority, to be designated the "Oklahoma State University  
12 Veterinary Medicine Authority Marketing Revolving Fund". The fund  
13 shall be a continuing fund, not subject to fiscal year limitations,  
14 and shall consist of all monies received by the Oklahoma State  
15 University Veterinary Medicine Authority pursuant to the provisions  
16 of this section. All monies accruing to the credit of the fund are  
17 hereby appropriated and may be budgeted and expended by the Oklahoma  
18 State University Veterinary Medicine Authority for the purpose of  
19 marketing research and planning, public education, special events  
20 customary to the veterinary care industry, advertising and promotion  
21 of special and general services provided or sponsored by the  
22 Oklahoma State University Veterinary Medicine Authority, and such  
23 other purposes specifically authorized by the Legislature.  
24 Expenditures from the fund shall be made upon warrants issued by the

1 State Treasurer against claims filed as prescribed by law with the  
2 Chief Financial Officer for approval and payment.

3 B. An amount equal to one-tenth of one percent (1/10 of 1%) of  
4 the total annual operating budget of the Oklahoma State University  
5 Veterinary Medicine Authority and such other funds as may be  
6 specifically designated for deposit to the fund shall be deposited  
7 in the Oklahoma State University Veterinary Medicine Authority  
8 Marketing Revolving Fund.

9 C. The Oklahoma State University Veterinary Medicine Authority  
10 Marketing Revolving Fund shall be audited annually by the State  
11 Auditor and Inspector. The Oklahoma State University Veterinary  
12 Medicine Authority shall reimburse the State Auditor and Inspector  
13 from the Oklahoma State University Veterinary Medicine Authority  
14 Marketing Revolving Fund for any expenses incurred in auditing the  
15 fund.

16 SECTION 17. NEW LAW A new section of law to be codified  
17 in the Oklahoma Statutes as Section 3056 of Title 2, unless there is  
18 created a duplication in numbering, reads as follows:

19 A. The Oklahoma State University Veterinary Medicine Authority  
20 may regulate traffic and the parking of vehicles on property used by  
21 or for the Oklahoma State University Veterinary Medicine Authority.  
22 Such regulations shall be in writing, and copies thereof, including  
23 amendments thereto, shall be filed in the Office of the Secretary of  
24 State, and in the office of the city clerk of the City of



1 Stillwater. The municipal court of the City of Stillwater shall  
2 have jurisdiction to hear and determine prosecutions for violations  
3 of such regulations, which may be prosecuted and shall be punishable  
4 as violations of ordinances of the City of Stillwater. The  
5 Authority may cause to be removed, and may enter into contracts for  
6 such purpose, any vehicle parked in violation of such regulations.

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

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

21 SECTION 18. NEW LAW A new section of law to be codified  
22 in the Oklahoma Statutes as Section 3057 of Title 2, unless there is  
23 created a duplication in numbering, reads as follows:

24

1       The Oklahoma State University Veterinary Medicine Authority is  
2 authorized to place resident veterinarians of the Oklahoma State  
3 University College of Veterinary Medicine on the Oklahoma State  
4 University Veterinary Medicine Authority payroll, and is further  
5 authorized to acquire health, life, and dental insurance for such  
6 residents. Such residents shall not be considered employees of the  
7 Authority and shall not be eligible to participate in the Oklahoma  
8 Public Employees Retirement System. This section shall not preclude  
9 the right of the Oklahoma State University Veterinary Medicine  
10 Authority to terminate, for cause, the practicing privileges of any  
11 resident veterinarian within the Oklahoma State University  
12 Veterinary Medicine Authority.

13       SECTION 19.       NEW LAW       A new section of law to be codified  
14 in the Oklahoma Statutes as Section 3058 of Title 2, unless there is  
15 created a duplication in numbering, reads as follows:

16       A. The State of Oklahoma expressly approves the creation of a  
17 public trust to be named the "Oklahoma State University Veterinary  
18 Medical Trust", of which the State of Oklahoma shall be the  
19 beneficiary, provided such approval shall be contingent upon  
20 satisfaction of the following conditions:

- 21       1. Finalization of the declaration of trust;
- 22       2. Adoption of the declaration of trust by an official action  
23 of the trustees of the Trust;

24

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

4           4. The approved declaration of trust shall:

5           a. clearly state that the principal purpose of the  
6 Oklahoma State University Veterinary Medical Trust is  
7 to effectuate 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. except as otherwise provided by law, provide that the  
12 title to real property held by the Oklahoma State  
13 University Veterinary Medicine Authority shall not be  
14 transferred, conveyed, or assigned to the Oklahoma  
15 State University Veterinary Medical Trust without the  
16 express consent of the Legislature as the governing  
17 entity of the beneficiary pursuant to Section 176 of  
18 Title 60 of the Oklahoma Statutes,

19           c. provide that any indebtedness incurred by the Oklahoma  
20 State University Veterinary Medical Trust or the  
21 trustees of the Trust shall not be secured with or  
22 create a lien upon real property to which title is  
23 held by the Oklahoma State University Veterinary  
24 Medicine Authority, and shall not involve the bonding

1 capacity of the Oklahoma State University Veterinary  
2 Medicine Authority,

3 d. provide that the trust estate of the Oklahoma State  
4 University Veterinary Medical Trust shall not include  
5 the fee simple title to real property owned by the  
6 Oklahoma State University Veterinary Medicine  
7 Authority,

8 e. clearly state that the creation of the Oklahoma State  
9 University Veterinary Medical Trust shall not in any  
10 way reduce, limit, or interfere with the power granted  
11 to the Oklahoma State University Veterinary Medicine  
12 Authority in the Oklahoma State University Veterinary  
13 Medicine Authority Act,

14 f. provide that any lease or contractual agreement  
15 involving use of the real property to which title is  
16 held by the Oklahoma State University Veterinary  
17 Medicine Authority and any improvements thereto shall  
18 contain a provision and covenants requiring the proper  
19 maintenance and upkeep of the real property and  
20 improvements,

21 g. provide that the trustees of the Oklahoma State  
22 University Veterinary Medical Trust shall be the  
23 acting members of the Oklahoma State University  
24 Veterinary Medicine Authority as provided in the

1 Oklahoma State University Veterinary Medicine  
2 Authority Act, and

3 h. provide that the trustees of the Oklahoma State  
4 University Veterinary Medical Trust shall have the  
5 duty to submit an annual report to the Governor, the  
6 President Pro Tempore of the Senate, and the Speaker  
7 of the House of Representatives of this state. The  
8 report shall be submitted by January 1 of each year  
9 and shall include an account of all operations,  
10 actions of the Trust, and an account of all revenue  
11 received and disbursed by the Trust for the previous  
12 fiscal year. The report shall also provide a complete  
13 accounting of how the Trust meets its primary function  
14 of effectuating the purposes of the Oklahoma State  
15 University Veterinary Medicine Authority, as  
16 established in the Oklahoma State University  
17 Veterinary Medicine Authority Act.

18 B. The Oklahoma State University Veterinary Medical Trust shall  
19 require any agreements which it enters into with any entity for the  
20 operations of facilities leased by the Oklahoma State University  
21 Veterinary Medicine Authority to the Trust to include, but not be  
22 limited to:

23 1. The inclusion of all the members of the Trust, representing  
24 this state in a governing committee;

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

4        3. Major decisions shall be resolved by the governing  
5 committee, and approval of any major decision by the governing  
6 committee must include the approval of a majority of the state  
7 appointees and the approval of a majority of the private entity  
8 appointees to the governing committee. Major decisions shall  
9 include:

- 10            a. approval of the operating and capital budgets,
- 11            b. sale or disposition of assets over Two Hundred Fifty  
12                   Thousand Dollars (\$250,000.00),
- 13            c. the termination, transfer, or material addition or  
14                   material diminution of animal medical services at the  
15                   Oklahoma State University Boren Veterinary Medical  
16                   Teaching Hospital related to and part of a teaching  
17                   program of the Oklahoma State University College of  
18                   Veterinary Medicine,
- 19            d. other major decisions as may be agreed upon by the  
20                   Trust and the private entity, and
- 21            e. to the extent it is determined by legislative  
22                   enactment that the Trust has expended funds in  
23                   contravention of its mission as set forth in this  
24                   section, the Trust shall remit, upon thirty (30) days'

1 written notice from the Oklahoma State University  
2 Veterinary Medicine Authority, such sum or sums to the  
3 Oklahoma State University Veterinary Medicine  
4 Authority.

5 SECTION 20. NEW LAW A new section of law to be codified  
6 in the Oklahoma Statutes as Section 3059 of Title 2, unless there is  
7 created a duplication in numbering, reads as follows:

8 A. Contingent upon the creation of the Oklahoma State  
9 University Veterinary Medical Trust as provided in Section 19 of  
10 this act, the Trust, prior to acceptance, shall submit to the  
11 Contingency Review Board for review the proposed agreement regarding  
12 the lease and operations of any hospital or hospitals owned by the  
13 Oklahoma State University Veterinary Medicine Authority to any  
14 entity authorized to transact business in this state and an  
15 independent statement as to the fairness of the proposed agreement  
16 for this state. The Contingency Review Board shall upon receipt of  
17 the proposed agreement meet within fifteen (15) business days to  
18 review the proposed agreement; upon approval by the Contingency  
19 Review Board of the proposed agreement, the agreement may be  
20 executed but no lease of the hospital or hospitals shall become  
21 effective until after Supreme Court approval pursuant to subsection  
22 B of this section.

23 B. 1. If a proposed agreement is approved by the Contingency  
24 Review Board pursuant to subsection A of this section, the Oklahoma

1 State University Veterinary Medicine Authority and Oklahoma State  
2 University Veterinary Medical Trust, within thirty (30) calendar  
3 days after the time for Contingency Review Board action has expired,  
4 may file a petition with the Supreme Court of Oklahoma for a  
5 declaratory judgment determining the validity of the proposed  
6 agreement. The review of the Court shall be based upon the exercise  
7 of any of the powers, rights, privileges, and functions conferred  
8 upon the Authority or the Oklahoma State University Veterinary  
9 Medical Trust, as applicable, under the Oklahoma State University  
10 Veterinary Medicine Authority Act and Oklahoma laws. Exclusive  
11 original jurisdiction is conferred upon the Supreme Court to hear  
12 and determine such petitions. The Supreme Court shall give such  
13 petitions precedence over other business of the Court except habeas  
14 corpus proceedings.

15 2. Notice of the hearing of such a petition shall be given by a  
16 notice published in a newspaper of general circulation in this state  
17 that on a day specified the Supreme Court will hear the petition to  
18 approve the proposed agreement and enter a declaratory judgment.  
19 The notice shall be published one time not less than ten (10) days  
20 prior to the date specified for the hearing. The notice shall  
21 inform property owners, taxpayers, citizens, and all persons having  
22 or claiming any right, title, or interest in the proposed agreement  
23 or properties or funds to be affected by the implementation of the  
24 proposed agreement, or affected in any way thereby, that they may



1 file protests against the approval of the proposed agreement, and be  
2 present at the hearing to contest the legality of the proposed  
3 agreement. The hearing may be adjourned from time to time at the  
4 discretion of the Court.

5 3. If the Court is satisfied that the proposed agreement is in  
6 accordance with the Oklahoma State University Veterinary Medicine  
7 Authority Act and laws of this state, the Court shall enter a  
8 declaratory judgment approving and declaring the proposed agreement  
9 to be valid and conclusive as to the Authority, the Trust, and all  
10 other parties to the proposed agreement. Upon petition of the  
11 Authority, the Court shall issue an order permanently enjoining all  
12 persons described in the notice required by this subsection from  
13 thereafter instituting any action or proceeding contesting the  
14 validity of the proposed agreement. A declaratory judgment rendered  
15 pursuant to this subsection shall have force and effect of a final  
16 judgment or decree and shall be incontestable in any court in this  
17 state.

18 4. As used in the Oklahoma State University Veterinary Medicine  
19 Authority Act, "proposed agreement" means one or more contracts  
20 regarding the lease and operations of any hospital or hospitals  
21 owned by the Oklahoma State University Veterinary Medicine  
22 Authority, and all other agreements contemplated by or referred to  
23 in the contract regarding such lease and operations.

24

1 SECTION 21. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 3060 of Title 2, unless there is  
3 created a duplication in numbering, reads as follows:

4 A. Contingent upon the creation of the Oklahoma State  
5 University Veterinary Medical Trust as provided in Section 19 of  
6 this act, the Oklahoma State University Veterinary Medicine  
7 Authority is hereby authorized to lease, for a term not more than  
8 fifty (50) years, renewable at the option of the Authority, all real  
9 property owned by the Authority and any other sites under the  
10 control of the Authority to the Oklahoma State University Veterinary  
11 Medical Trust. Any lease agreement made pursuant to this section  
12 shall be contingent upon:

13 1. Prior review by the Attorney General of any contractual  
14 agreement between the Oklahoma State University Veterinary Medical  
15 Trust and any entity authorized to transact business in this state  
16 regarding the lease and operations. The Attorney General shall  
17 disapprove the agreement if it is determined that provisions of the  
18 agreement are not consistent with state law; and

19 2. The execution of an operating and lease agreement between  
20 the Oklahoma State University Veterinary Medical Trust and any  
21 entity authorized to transact business in this state.

22 B. Concurrent with the execution of a lease of real property  
23 from the Oklahoma State University Veterinary Medicine Authority to  
24 the Oklahoma State University Veterinary Medical Trust as provided

1 in subsection A of this section, the Authority is authorized to  
2 transfer title to and possession of all tangible and intangible  
3 personal property under its control to the Trust. In any  
4 contractual agreement regarding the lease and operations of a  
5 hospital or hospitals between the Oklahoma State University  
6 Veterinary Medical Trust and any entity authorized to transact  
7 business in this state, the Trust is authorized to sell or otherwise  
8 convey to such entity all tangible and intangible personal property  
9 the Trust may receive from the Oklahoma State University Veterinary  
10 Medicine Authority. Any contract or other agreement which purports  
11 to exercise the powers authorized by this subsection is subject to  
12 review by the Contingency Review Board, as specified in Section 21  
13 of this act.

14 C. If a contracting entity fails to take possession of the  
15 leased premises, or abandons or surrenders possession of the leased  
16 premises other than to a state agency, at any time during the term  
17 of the lease between the Oklahoma State University Veterinary  
18 Medical Trust and the contracting entity, the interest in the real  
19 property leased to the Oklahoma State University Veterinary Medical  
20 Trust by the Oklahoma State University Veterinary Medicine Authority  
21 shall revert to and be the sole and exclusive property of the  
22 Oklahoma State University Veterinary Medicine Authority.

23 D. Contingent upon the execution of an agreement between the  
24 Oklahoma State University Veterinary Medical Trust and any entity

1 authorized to transact business in this state, as specified in  
2 subsection A of this section, the Oklahoma State University  
3 Veterinary Medicine Authority is authorized to enter into an  
4 agreement for such entity to provide animal patient care services  
5 and perform other related duties imposed upon the Oklahoma State  
6 University Veterinary Medicine Authority by law. Such an agreement  
7 between the Oklahoma State University Veterinary Medicine Authority  
8 and such entity is exempt from the requirements of the Oklahoma  
9 Central Purchasing Act and any rules adopted by the Oklahoma State  
10 University Veterinary Medicine Authority pursuant to the  
11 Administrative Procedures Act. The governing committee created by  
12 the agreement and the Oklahoma State University Veterinary Medical  
13 Trust shall be subject to the Oklahoma Open Meeting Act and the  
14 Oklahoma Open Records Act to the same extent and with the same  
15 exceptions as provided to for the Oklahoma State University  
16 Veterinary Medicine Authority in Section 5 of this act and shall be  
17 exempt from the Oklahoma Central Purchasing Act.

18 SECTION 22. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 3061 of Title 2, unless there is  
20 created a duplication in numbering, reads as follows:

21 There is hereby created in the State Treasury a revolving fund  
22 for the Oklahoma State University Veterinary Medical Trust to be  
23 designated the "Oklahoma State University Veterinary Medical Trust  
24 Revolving Fund". The fund shall be a continuing fund, not subject

1 to fiscal year limitations, and shall consist of appropriated  
2 revenues. All monies accruing to the credit of the fund are hereby  
3 appropriated and may be budgeted and expended by the Oklahoma State  
4 University Veterinary Medical Trust.

5 SECTION 23. It being immediately necessary for the preservation  
6 of the public peace, health and safety, an emergency is hereby  
7 declared to exist, by reason whereof this act shall take effect and  
8 be in full force from and after its passage and approval.

9

10 COMMITTEE REPORT BY: COMMITTEE ON AGRICULTURE, dated 04/11/2023 - DO  
11 PASS, As Coauthored.

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