

1 ENGROSSED SENATE
2 BILL NO. 1005

By: Kidd and Bullard of the
Senate

3 and

4 Wallace of the House

5
6 [animal health and public health - Oklahoma State
7 University Veterinary Medicine Authority Act -
8 purposes - veterinary hospitals - authority - members
9 - report - funds - bonds - fund - audit - benefits -
10 judgment - notice - property - agreement -
11 codification -
12 emergency]

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

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

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

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

20 As used in the Oklahoma State University Veterinary Medicine
21 Authority Act:

22 1. "Veterinary medicine programs" means educational programs
23 meeting the guidelines of the American Veterinary Medical
24 Association (AVMA) Council on Education (COE) offered through or as

1 an extension of Oklahoma State University and/or the Oklahoma State
2 University College of Veterinary Medicine in cooperation with an
3 animal teaching hospital, animal diagnostic testing center, clinic,
4 or other animal healthcare provider;

5 2. "Animal teaching hospital" means a hospital designated for
6 the training and preparation of veterinarians affiliated with or a
7 component of a veterinary training program affiliated with the
8 Oklahoma State University College of Veterinary Medicine;

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

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

21 5. "Academic Affiliation Agreement" means an agreement between
22 the Oklahoma State University College of Veterinary Medicine and an
23 entity providing facilities, equipment, and support for the
24

1 veterinary medicine education programs of the Oklahoma State
2 University College of Veterinary Medicine.

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

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

- 8 1. Provide for an effective and efficient administration;
- 9 2. Ensure a dependable source of funding; and
- 10 3. Effectuate the mission and purposes of the Oklahoma State
11 University Veterinary Medicine Authority.

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

- 14 1. Support and, upon a declaration of necessity, serve as
15 teaching and training facilities for students enrolled at the
16 Oklahoma State University College of Veterinary Medicine;
- 17 2. Acquire and provide a site for conducting veterinary medical
18 and biomedical research by faculty members of Oklahoma State
19 University;
- 20 3. Facilitate and, upon a declaration of necessity, provide
21 care for the animal patients of Oklahoma State University College of
22 Veterinary Medicine veterinarian trainers; and
- 23 4. Provide support for the safety of the public related to
24 animal disease and testing. The Oklahoma State University

1 Veterinary Medicine Authority shall maintain a close affiliation
2 with the Oklahoma State University College of Veterinary Medicine
3 and shall coordinate their operations and activities in a
4 cooperative manner.

5 C. The Legislature finds that the needs of the citizens of this
6 state and the needs of the Oklahoma State University College of
7 Veterinary Medicine will be best served by an Authority charged with
8 the mission of supporting the veterinary medicine education programs
9 of the Oklahoma State University College of Veterinary Medicine,
10 entering into Academic Affiliation Agreements in support of Oklahoma
11 State University veterinarian training programs, operating or
12 leasing the operations of the teaching hospital or hospitals for the
13 benefit of the Oklahoma State University College of Veterinary
14 Medicine, and providing care for the animal patients of Oklahoma
15 State University veterinarian trainers.

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

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

23 A. Any hospital or clinics purchased, leased, or constructed by
24 the Oklahoma State University Veterinary Medicine Authority shall be

1 operated as animal hospitals or clinics and shall be licensed and/or
2 accredited by the appropriate entities. Provided, the Secretary of
3 Agriculture may waive any such standards, requirements, and
4 essentials as the Secretary deems necessary.

5 B. Any such hospitals or clinics may provide services and
6 receive payments from animal healthcare insurance companies and any
7 state or federal reimbursement programs.

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

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

16 A. There is hereby created the Oklahoma State University
17 Veterinary Medicine Authority, an agency of the State of Oklahoma, a
18 body corporate and politic, with powers of government and with the
19 authority to exercise the rights, privileges, and functions as
20 specified in the Oklahoma State University Veterinary Medicine
21 Authority Act. The Oklahoma State University Veterinary Medicine
22 Authority is covered by The Governmental Tort Claims Act.

23 B. The Authority shall consist of eight (8) members as follows:
24

- 1 1. One member shall be appointed by the Governor, with the
2 advice and consent of the Senate;
- 3 2. One member shall be appointed by the President Pro Tempore
4 of the Senate;
- 5 3. One member shall be appointed by the Speaker of the House of
6 Representatives;
- 7 4. One member shall be the Dean of the Oklahoma State
8 University College of Veterinary Medicine;
- 9 5. One member shall be appointed from the veterinarian
10 community by the President of Oklahoma State University;
- 11 6. One member shall be a member of the Board of Regents for the
12 Oklahoma Agricultural and Mechanical Colleges;
- 13 7. One member shall be appointed by the chair of the Board of
14 Regents for the Oklahoma Agricultural and Mechanical Colleges; and
- 15 8. One ex-officio, non-voting member shall be the Chief
16 Executive Officer of the Oklahoma State University Veterinary
17 Medicine Authority who shall be appointed by the President of
18 Oklahoma State University.
- 19 C. All appointed members shall be appointed by August 1, 2023.
20 Of the members of the Authority initially appointed, the member
21 appointed by the President Pro Tempore of the Senate shall serve a
22 term of three (3) years; the member appointed by the Speaker of the
23 House of Representatives shall serve a term of two (2) years; and

24

1 the member appointed by the Governor shall serve a term of one (1)
2 year. Successors shall be appointed for terms of three (3) years.

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

7 E. Members shall be removable only for cause by the appointing
8 authority. Any vacancy occurring in the Authority shall be filled
9 by the original appointing authority.

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

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

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

21 I. The Authority shall be exempt from the Oklahoma Central
22 Purchasing Act but shall be subject to the purchasing policies of
23 Oklahoma State University and shall be subject to the Oklahoma Open
24 Meeting Act and the Oklahoma Open Records Act, except as otherwise

1 provided by this act. Any information submitted to or compiled by
2 the Authority except for budgetary information related to
3 appropriations or the appropriations process with respect to the
4 marketing plans, financial statements, trade secrets, research
5 concepts, methods or products, or any other proprietary information
6 of the Authority, persons, firms, associations, partnerships,
7 agencies, corporations, institutions of higher education, nonprofit
8 research institutions or other entities shall be confidential,
9 except to the extent that the person or entity which provided the
10 information or which is the subject of the information consents to
11 disclosure. Executive sessions may be held to discuss such
12 materials if deemed necessary by the Authority.

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

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

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

20 2. Adopt an official seal;

21 3. Maintain an office at a location to be determined by the
22 Authority;

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

1 5. Enter into cooperative agreements with the Board of Regents
2 for the Oklahoma Agricultural and Mechanical Colleges and other
3 Oklahoma State University agencies, authorities, trusts, or entities
4 for educational programs, professional staffing, research, and other
5 medical activities;

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

10 7. Purchase or lease equipment, furniture, materials, and
11 supplies, and incur such other expenses as may be necessary to
12 maintain and operate veterinary hospitals and clinics, to discharge
13 its duties and responsibilities, or to make any of its powers
14 effective;

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

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

24

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

6 11. Make and issue bonds and to pledge revenues of the
7 Authority subject to the Oklahoma Bond Oversight and Reform Act.
8 Nothing in the Oklahoma State University Veterinary Medicine
9 Authority Act shall authorize the issuance of any bonds of the
10 Authority payable other than from revenues of the Authority.
11 Authority revenue bonds issued under the provisions of this act
12 shall not at any time be deemed to constitute a debt of the state or
13 of any political subdivision thereof or a pledge of the faith and
14 credit of the state or of any political subdivision, but such bonds
15 shall be payable solely from the funds herein provided. Such
16 revenue bonds shall contain on the face thereof a statement to the
17 effect that neither the state nor the Authority shall be obligated
18 to pay the same or the interest thereon except from the revenues of
19 the project or projects for which they are issued and that neither
20 the faith and credit nor the taxing power of the state or any
21 political subdivision thereof is pledged, or may hereafter be
22 pledged, to the payment of the principal of or the interest on such
23 bonds. The maximum amount of outstanding bonds at any time shall
24 not exceed Fifty Million Dollars (\$50,000,000.00) unless a greater

1 amount is expressly approved by the Legislature by a concurrent
2 resolution adopted prior to commencing any action in anticipation of
3 issuance of revenue bonds of the Oklahoma State University
4 Veterinary Medicine Authority for the greater amount;

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

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

17 14. Establish petty cash funds and provide for appropriate
18 accounting procedures and controls;

19 15. Contract with national manufacturers and distributors of
20 drugs and medical supplies when appropriate to carry out the
21 purposes of this act;

22 16. Do all other things necessary and proper to implement the
23 provisions of the Oklahoma State University Veterinary Medicine
24 Authority Act;

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

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

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

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

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

19 C. The Authority shall prepare a "budget vs. actual" report on
20 a monthly basis which shows by budget activity the monthly and year-
21 to-date revenues and expenditures compared to budgeted revenues and
22 expenditures. Such report shall be submitted to the Office of
23 Management and Enterprise Services and to the Directors of the House
24 of Representatives Fiscal Division and the Senate Fiscal Division.

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

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

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

13 1. Private and public funds shall be accounted for separately;
14 and

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

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

20 A. The funds deposited in the Oklahoma State University
21 Veterinary Medicine Authority Agency Special Account created in
22 subsection B of this section shall be invested by the State
23 Treasurer in the manner provided for by law. The return on such
24 investments shall be credited to the accounts of the Authority.

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

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

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

21 A. Subject to the provisions of paragraph 11 of subsection A of
22 Section 6 of this act, the Oklahoma State University Veterinary
23 Medicine Authority may provide by resolution, from time to time, for
24 the issuance of revenue bonds for its lawful purposes, in such

1 amount or amounts as are necessary, incidental, or convenient to the
2 exercise of powers, rights, privileges, and functions conferred upon
3 it by the Oklahoma State University Veterinary Medicine Authority
4 Act or other law. The principal of and interest on any indebtedness
5 shall be payable solely from the revenues of the Authority and such
6 other funds as may be provided by law for such payment. The
7 Authority may provide for credit enhancement as additional security
8 or liquidity for its bonds and enter into such agreements as may be
9 necessary or appropriate to provide for the repayment of any funds
10 advanced by the provider of any such credit enhancement, including
11 the payment of any fees and expenses incurred in connection
12 therewith. The bonds of each issue shall bear interest at fixed or
13 variable rates and shall bear an average interest rate not to exceed
14 eleven percent (11%) per annum, shall mature at such time or times
15 not exceeding thirty (30) years from their date or dates of issue,
16 as may be determined by the Authority, and may be made redeemable
17 before maturity at the option of the Authority, at such time or
18 times and at such price or prices and pursuant to such terms and
19 conditions as may be fixed by the Authority prior to the issuance of
20 the bonds. The Authority shall determine the form of the bonds and
21 the manner of execution thereof, and shall fix the denominations of
22 the bonds and the place or places of payment of principal and
23 interest, which may be at any bank and trust company within or
24 without this state. If any officer whose signature or facsimile of

1 whose signature appears on any bonds shall cease to be the officer
2 before the delivery of the bonds, the signature or the facsimile
3 shall nevertheless be valid and sufficient for all purposes, the
4 same as if the person had remained in office until such delivery.
5 All bonds issued pursuant to the provisions of the Oklahoma State
6 University Veterinary Medicine Authority Act shall have all the
7 qualities and incidences of negotiable instruments subject to the
8 laws of this state. The Authority may sell the bonds in such
9 amounts and in such manner, either at public or private sale, and
10 for such price, as it may determine to be in the best interests of
11 the state. If the bonds are not sold by competitive bid, the sale
12 must be approved by the State Bond Advisor.

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

1 occurrence of any other conditions than those proceedings or
2 conditions that are specifically required by the Oklahoma State
3 University Veterinary Medicine Authority.

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

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

14 Before any bond shall be issued and delivered by the Oklahoma
15 State University Veterinary Medicine Authority, a certified copy of
16 the proceedings for the issuance thereof, together with any other
17 information which the Attorney General may require as the Bond
18 Commissioner, shall be submitted to the Attorney General. If the
19 Attorney General finds that such bonds have been issued in
20 accordance with law, the Attorney General shall approve such bonds
21 and execute a certificate to that effect. The Attorney General
22 shall file such certificates in the office of the State Auditor and
23 Inspector, and the certificates shall be recorded in a record kept
24 for that purpose. All bonds approved by the Attorney General, and

1 issued in accordance with the approved proceedings, shall be valid
2 and binding obligations of the Authority, and shall be incontestable
3 for any course from and after the date of such approval.

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

7 The Oklahoma State University Veterinary Medicine Authority or
8 the Oklahoma State University Veterinary Medical Trust, pursuant to
9 Section 19 of this act, may file an application with the Supreme
10 Court of this state for approval of any bonds to be issued under the
11 provisions of the Oklahoma State University Veterinary Medicine
12 Authority Act, and exclusive original jurisdiction is hereby
13 conferred upon the Supreme Court to hear and determine such
14 application. The Supreme Court shall give such applications
15 precedence over the other business of the Court except habeas corpus
16 proceedings, consider and determine the validity of the bonds, and
17 consider the application and any protest which may be filed thereto.
18 Notice of the hearing on each application shall be given by notice
19 published in a newspaper of general circulation in this state that
20 on a day named the Authority or the Trust will ask the Court to hear
21 the application and approve the bonds. Such notice shall inform all
22 interested parties that they may file a protest against the issuance
23 of the bonds, may be present at the hearing, and may contest the
24 legality thereof. Such notice shall be published one time, not less

1 than ten (10) days prior to the date named for the hearing and the
2 hearing may be adjourned from time to time in the discretion of the
3 Court. If the Court is satisfied that the bonds have been properly
4 authorized in accordance with the Oklahoma State University
5 Veterinary Medicine Authority Act, and that when issued such bonds
6 will constitute valid obligations in accordance with their terms,
7 the Court shall render its written opinion approving the bonds and
8 shall fix the time within which the petition for rehearing may be
9 filed. The decision of the Court shall be a judicial determination
10 of the validity of the bonds, shall be conclusive as to the
11 Authority of the Trust, its officers and agents, and thereafter the
12 bonds so approved and the revenues pledged to their payment shall be
13 incontestable in any court in this state.

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

17 Revenue bonds of the Oklahoma State University Veterinary
18 Medicine Authority issued pursuant to the provisions of the Oklahoma
19 State University Veterinary Medicine Authority Act shall not
20 constitute a debt of the state or of any political subdivision
21 thereof, or a pledge of the full faith and credit of the state, or
22 of any political subdivision thereof, but such bonds shall be
23 payable solely from the funds provided therefor. The forms of the
24 bonds so issued shall contain on the face thereof a statement to the

1 effect that neither the state nor the Authority shall be obligated
2 to pay the same or the interest thereon except from the revenues of
3 the Authority pledged to the payment of such bonds and that neither
4 the faith and credit nor the taxing power of the state or any
5 political subdivision thereof is pledged, or may hereafter be
6 pledged, to the payment of the principal of or interest on such
7 bonds. The bonds so issued shall be exempt from taxation by this
8 state and any political subdivision thereof, including the income
9 therefrom, and any gain from the sale thereof.

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

13 Bonds issued pursuant to provisions of the Oklahoma State
14 University Veterinary Medicine Authority Act are hereby made
15 securities in which all public officers and public boards, agencies
16 and instrumentalities of the state and its political subdivisions,
17 all banks, trust companies, trust and loan associations, investment
18 companies and others carrying on a banking business, and all
19 insurance companies, insurance associations, and others carrying on
20 an insurance business, may legally and properly invest. Such bonds
21 are also approved as collateral security for the deposit of any
22 public funds and for the investment of trust funds.

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

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

- 14 1. Education and training of students of the Oklahoma State
15 University College of Veterinary, resident veterinarians, and
16 others;
- 17 2. Care and treatment of animal patients for whom the Authority
18 receives any form of state or federal reimbursement; and
- 19 3. Research.

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

23 A. There is hereby created in the State Treasury a revolving
24 fund for the Oklahoma State University Veterinary Medicine

1 Authority, to be designated the "Oklahoma State University
2 Veterinary Medicine Authority Disbursing Fund". The fund shall be a
3 continuing fund, not subject to fiscal year limitations, and shall
4 consist of appropriated revenues and federal entitlements. All
5 monies accruing to the credit of the fund are hereby appropriated
6 and may be budgeted and expended by the Oklahoma State University
7 Veterinary Medicine Authority.

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

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

22 A. There is hereby created in the State Treasury a revolving
23 fund for the Oklahoma State University Veterinary Medicine
24 Authority, to be designated the "Oklahoma State University

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

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

22 C. The Oklahoma State University Veterinary Medicine Authority
23 Marketing Revolving Fund shall be audited annually by the State
24 Auditor and Inspector. The Oklahoma State University Veterinary

1 Medicine Authority shall reimburse the State Auditor and Inspector
2 from the Oklahoma State University Veterinary Medicine Authority
3 Marketing Revolving Fund for any expenses incurred in auditing the
4 fund.

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

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

20 B. The Authority may appoint campus police officers and guards
21 for buildings and grounds of the Oklahoma State University
22 Veterinary Medicine Authority in the same manner and with the same
23 powers as campus police appointed by governing boards of state
24 institutions for higher education under the provisions of Section

1 360.15 et seq. of Title 74 of the Oklahoma Statutes, and who may
2 prevent or stop improper conduct and trespass in and upon such
3 buildings and grounds, and make arrests and prosecute any and all
4 persons arrested for such improper conduct and trespassing.
5 Employees of the Authority serving as police officers shall be
6 certified as provided for in Section 3311 of Title 70 of the
7 Oklahoma Statutes.

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

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

13 The Oklahoma State University Veterinary Medicine Authority is
14 authorized to place resident veterinarians of the Oklahoma State
15 University College of Veterinary Medicine on the Oklahoma State
16 University Veterinary Medicine Authority payroll, and is further
17 authorized to acquire health, life, and dental insurance for such
18 residents. Such residents shall not be considered employees of the
19 Authority and shall not be eligible to participate in the Oklahoma
20 Public Employees Retirement System. This section shall not preclude
21 the right of the Oklahoma State University Veterinary Medicine
22 Authority to terminate, for cause, the practicing privileges of any
23 resident veterinarian within the Oklahoma State University
24 Veterinary Medicine Authority.

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

4 A. The State of Oklahoma expressly approves the creation of a
5 public trust to be named the "Oklahoma State University Veterinary
6 Medical Trust", of which the State of Oklahoma shall be the
7 beneficiary, provided such approval shall be contingent upon
8 satisfaction of the following conditions:

9 1. Finalization of the declaration of trust;

10 2. Adoption of the declaration of trust by an official action
11 of the trustees of the Trust;

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

15 4. The approved declaration of trust shall:

16 a. clearly state that the principal purpose of the
17 Oklahoma State University Veterinary Medical Trust is
18 to effectuate the purposes of the Oklahoma State
19 University Veterinary Medicine Authority as
20 established in the Oklahoma State University
21 Veterinary Medicine Authority Act,

22 b. except as otherwise provided by law, provide that the
23 title to real property held by the Oklahoma State
24 University Veterinary Medicine Authority shall not be

1 transferred, conveyed, or assigned to the Oklahoma
2 State University Veterinary Medical Trust without the
3 express consent of the Legislature as the governing
4 entity of the beneficiary pursuant to Section 176 of
5 Title 60 of the Oklahoma Statutes,

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

14 d. provide that the trust estate of the Oklahoma State
15 University Veterinary Medical Trust shall not include
16 the fee simple title to real property owned by the
17 Oklahoma State University Veterinary Medicine
18 Authority,

19 e. clearly state that the creation of the Oklahoma State
20 University Veterinary Medical Trust shall not in any
21 way reduce, limit, or interfere with the power granted
22 to the Oklahoma State University Veterinary Medicine
23 Authority in the Oklahoma State University Veterinary
24 Medicine Authority Act,

- 1 f. provide that any lease or contractual agreement
2 involving use of the real property to which title is
3 held by the Oklahoma State University Veterinary
4 Medicine Authority and any improvements thereto shall
5 contain a provision and covenants requiring the proper
6 maintenance and upkeep of the real property and
7 improvements,
- 8 g. provide that the trustees of the Oklahoma State
9 University Veterinary Medical Trust shall be the
10 acting members of the Oklahoma State University
11 Veterinary Medicine Authority as provided in the
12 Oklahoma State University Veterinary Medicine
13 Authority Act, and
- 14 h. provide that the trustees of the Oklahoma State
15 University Veterinary Medical Trust shall have the
16 duty to submit an annual report to the Governor, the
17 President Pro Tempore of the Senate, and the Speaker
18 of the House of Representatives of this state. The
19 report shall be submitted by January 1 of each year
20 and shall include an account of all operations,
21 actions of the Trust, and an account of all revenue
22 received and disbursed by the Trust for the previous
23 fiscal year. The report shall also provide a complete
24 accounting of how the Trust meets its primary function

1 of effectuating the purposes of the Oklahoma State
2 University Veterinary Medicine Authority, as
3 established in the Oklahoma State University
4 Veterinary Medicine Authority Act.

5 B. The Oklahoma State University Veterinary Medical Trust shall
6 require any agreements which it enters into with any entity for the
7 operations of facilities leased by the Oklahoma State University
8 Veterinary Medicine Authority to the Trust to include, but not be
9 limited to:

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

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

15 3. Major decisions shall be resolved by the governing
16 committee, and approval of any major decision by the governing
17 committee must include the approval of a majority of the state
18 appointees and the approval of a majority of the private entity
19 appointees to the governing committee. Major decisions shall
20 include:

- 21 a. approval of the operating and capital budgets,
- 22 b. sale or disposition of assets over Two Hundred Fifty
23 Thousand Dollars (\$250,000.00),

- 1 c. the termination, transfer, or material addition or
2 material diminution of animal medical services at the
3 Oklahoma State University Boren Veterinary Medical
4 Teaching Hospital related to and part of a teaching
5 program of the Oklahoma State University College of
6 Veterinary Medicine,
- 7 d. other major decisions as may be agreed upon by the
8 Trust and the private entity, and
- 9 e. to the extent it is determined by legislative
10 enactment that the Trust has expended funds in
11 contravention of its mission as set forth in this
12 section, the Trust shall remit, upon thirty (30) days'
13 written notice from the Oklahoma State University
14 Veterinary Medicine Authority, such sum or sums to the
15 Oklahoma State University Veterinary Medicine
16 Authority.

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

20 A. Contingent upon the creation of the Oklahoma State
21 University Veterinary Medical Trust as provided in Section 19 of
22 this act, the Trust, prior to acceptance, shall submit to the
23 Contingency Review Board for review the proposed agreement regarding
24 the lease and operations of any hospital or hospitals owned by the

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

11 B. 1. If a proposed agreement is approved by the Contingency
12 Review Board pursuant to subsection A of this section, the Oklahoma
13 State University Veterinary Medicine Authority and Oklahoma State
14 University Veterinary Medical Trust, within thirty (30) calendar
15 days after the time for Contingency Review Board action has expired,
16 may file a petition with the Supreme Court of Oklahoma for a
17 declaratory judgment determining the validity of the proposed
18 agreement. The review of the Court shall be based upon the exercise
19 of any of the powers, rights, privileges, and functions conferred
20 upon the Authority or the Oklahoma State University Veterinary
21 Medical Trust, as applicable, under the Oklahoma State University
22 Veterinary Medicine Authority Act and Oklahoma laws. Exclusive
23 original jurisdiction is conferred upon the Supreme Court to hear
24 and determine such petitions. The Supreme Court shall give such

1 petitions precedence over other business of the Court except habeas
2 corpus proceedings.

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

17 3. If the Court is satisfied that the proposed agreement is in
18 accordance with the Oklahoma State University Veterinary Medicine
19 Authority Act and laws of this state, the Court shall enter a
20 declaratory judgment approving and declaring the proposed agreement
21 to be valid and conclusive as to the Authority, the Trust, and all
22 other parties to the proposed agreement. Upon petition of the
23 Authority, the Court shall issue an order permanently enjoining all
24 persons described in the notice required by this subsection from

1 thereafter instituting any action or proceeding contesting the
2 validity of the proposed agreement. A declaratory judgment rendered
3 pursuant to this subsection shall have force and effect of a final
4 judgment or decree and shall be incontestable in any court in this
5 state.

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

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

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

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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 this state
4 regarding the lease and operations. The Attorney General shall
5 disapprove the agreement if it is determined that provisions of the
6 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 this state.

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 a
17 hospital or hospitals between the Oklahoma State University
18 Veterinary Medical Trust and any entity authorized to transact
19 business in this state, the Trust is authorized to sell or otherwise
20 convey to such entity all tangible and intangible personal property
21 the Trust may receive from the Oklahoma State University Veterinary
22 Medicine Authority. Any contract or other agreement which purports
23 to exercise the powers authorized by this subsection is subject to

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1 review by the Contingency Review Board, as specified in Section 21
2 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 this state, as specified in
15 subsection A of this section, the Oklahoma State University
16 Veterinary Medicine Authority is authorized to enter into an
17 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 Oklahoma Open Meeting Act and the
3 Oklahoma Open Records Act to the same extent and with the same
4 exceptions as provided to for the Oklahoma State University
5 Veterinary Medicine Authority in Section 5 of this act and shall be
6 exempt from the Oklahoma Central Purchasing Act.

7 SECTION 22. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 3061 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 appropriated
15 revenues. All monies accruing to the credit of the fund are hereby
16 appropriated and may be budgeted and expended by the Oklahoma State
17 University Veterinary Medical Trust.

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

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