

1 STATE OF OKLAHOMA

2 1st Session of the 59th Legislature (2023)

3 SENATE BILL 1005

By: Kidd

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5
6 AS INTRODUCED

7 An Act relating to animal health and public health;
8 creating the Oklahoma State University Veterinary
9 Medicine Authority Act; providing short title;
10 defining terms; providing purposes of Act; expressing
11 legislative findings; providing for Board of Regents
12 for the Oklahoma Agricultural and Mechanical Colleges
13 to retain certain power; requiring certain veterinary
14 hospitals to be subject to certain requirements;
15 authorizing certain veterinary hospitals to
16 participate in certain programs; requiring certain
17 veterinary hospitals to provide certain services;
18 creating the Oklahoma State University Veterinary
19 Medicine Authority; providing for powers, authority,
20 and membership; providing for appointment,
21 qualifications, removal, and compensation of members;
22 providing for quorum and officers of Authority;
23 exempting Authority from certain act and making
24 Authority subject to certain acts and program;
25 providing for powers and duties of Authority;
26 requiring certain report; imposing certain
27 requirements on agreements and obligations of the
28 Oklahoma State University Veterinary Medicine
29 Authority; providing for investment of certain funds;
30 creating certain depository account; requiring
31 Authority to be subject to certain bond coverage;
32 providing for issuance, payment of, interest rate,
33 maturity, form, validity, qualities, and type of sale
34 of bonds; requiring approval of certain fees and
35 expenses; providing for replacement of certain bonds;
36 allowing issuance of bonds without certain consent;
37 authorizing refunding of bonds; requiring certain
38 involvement by Attorney General in issuance of bonds
39 of Authority; providing for validation proceeding for
40 bonds; providing for certain legal characteristics of
41 bonds; requiring certain report; creating a revolving

1 fund; providing for expenditure of monies in the
2 fund; providing for deposit of certain monies in the
3 fund; requiring certain audit; authorizing certain
4 traffic and parking regulation by Authority;
5 requiring regulation be accomplished pursuant to
6 certain procedures; authorizing Authority to place
7 certain persons on payroll and provide certain
8 benefits; approving creation of certain trust
9 contingent on certain conditions; requiring certain
10 provisions to be included in certain agreements;
11 requiring approval of contingency review board for
12 certain agreement; authorizing certain declaratory
13 judgment action in Supreme Court; requiring certain
14 notice; defining term; authorizing certain lease
15 agreements; authorizing certain transfer of property;
16 providing for reversion of property in certain
17 circumstance; authorizing certain agreement;
18 providing for codification; and declaring an
19 emergency.

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

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

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

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

29 As used in the Oklahoma State University Veterinary Medicine
30 Authority Act:

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

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

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

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

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

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

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

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

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

- 17 1. Support and, upon a declaration of necessity, serve as
18 teaching and training facilities for students enrolled at the
19 Oklahoma State University College of Veterinary Medicine;
- 20 2. Acquire and provide a site for conducting veterinary medical
21 and biomedical research by faculty members of Oklahoma State
22 University;

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

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

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

21 D. The Board of Regents for the Oklahoma Agricultural and
22 Mechanical Colleges shall retain full power to govern the personnel,
23 curriculum, and facilities of the Oklahoma State University College
24 of Veterinary Medicine.

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

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

10 B. Any such hospitals or clinics may provide services and
11 receive payments from animal healthcare insurance companies and any
12 state or federal reimbursement programs.

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

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

21 A. There is hereby created the Oklahoma State University
22 Veterinary Medicine Authority, an agency of the State of Oklahoma, a
23 body corporate and politic, with powers of government and with the
24 authority to exercise the rights, privileges, and functions as
25

1 specified in the Oklahoma State University Veterinary Medicine
2 Authority Act. The Oklahoma State University Veterinary Medicine
3 Authority is covered by The Governmental Tort Claims Act.

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

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

7 2. One member shall be appointed by the President Pro Tempore
8 of the Senate;

9 3. One member shall be appointed by the Speaker of the House of
10 Representatives;

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

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

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

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

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

23 C. All appointed members shall be appointed by August 1, 2023.
24 Of the members of the Authority initially appointed, the member

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

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

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

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

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

22 H. A quorum of the Authority shall be four voting members. The
23 Authority shall elect a chair and vice chair from among its members.
24

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

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

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

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

24 2. Adopt an official seal;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

23 A. The funds deposited in the Oklahoma State University
24 Veterinary Medicine Authority Agency Special Account created in
25

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

21 Revenue bonds of the Oklahoma State University Veterinary
22 Medicine Authority issued pursuant to the provisions of the Oklahoma
23 State University Veterinary Medicine Authority Act shall not
24 constitute a debt of the state or of any political subdivision

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

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

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

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

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

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

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

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

21 3. Research.

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

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

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

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

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

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

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

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

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

23 B. The Authority may appoint campus police officers and guards
24 for buildings and grounds of the Oklahoma State University

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

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

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

16 The Oklahoma State University Veterinary Medicine Authority is
17 authorized to place resident veterinarians of the Oklahoma State
18 University College of Veterinary Medicine on the Oklahoma State
19 University Veterinary Medicine Authority payroll, and is further
20 authorized to acquire health, life, and dental insurance for such
21 residents. Such residents shall not be considered employees of the
22 Authority and shall not be eligible to participate in the Oklahoma
23 Public Employees Retirement System. This section shall not preclude
24 the right of the Oklahoma State University Veterinary Medicine
25

1 Authority to terminate, for cause, the practicing privileges of any
2 resident veterinarian within the Oklahoma State University
3 Veterinary Medicine Authority.

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

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

12 1. Finalization of the declaration of trust;

13 2. Adoption of the declaration of trust by an official action
14 of the trustees of the Trust;

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

18 4. The approved declaration of trust shall:

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

- 1 b. except as otherwise provided by law, provide that the
2 title to real property held by the Oklahoma State
3 University Veterinary Medicine Authority shall not be
4 transferred, conveyed, or assigned to the Oklahoma
5 State University Veterinary Medical Trust without the
6 express consent of the Legislature as the governing
7 entity of the beneficiary pursuant to Section 176 of
8 Title 60 of the Oklahoma Statutes,
- 9 c. provide that any indebtedness incurred by the Oklahoma
10 State University Veterinary Medical Trust or the
11 trustees of the Trust shall not be secured with or
12 create a lien upon real property to which title is
13 held by the Oklahoma State University Veterinary
14 Medicine Authority, and shall not involve the bonding
15 capacity of the Oklahoma State University Veterinary
16 Medicine Authority,
- 17 d. provide that the trust estate of the Oklahoma State
18 University Veterinary Medical Trust shall not include
19 the fee simple title to real property owned by the
20 Oklahoma State University Veterinary Medicine
21 Authority,
- 22 e. clearly state that the creation of the Oklahoma State
23 University Veterinary Medical Trust shall not in any
24 way reduce, limit, or interfere with the power granted

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

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

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

17 h. provide that the trustees of the Oklahoma State
18 University Veterinary Medical Trust shall have the
19 duty to submit an annual report to the Governor, the
20 President Pro Tempore of the Senate, and the Speaker
21 of the House of Representatives of this state. The
22 report shall be submitted by January 1 of each year
23 and shall include an account of all operations,
24 actions of the Trust, and an account of all revenue

1 received and disbursed by the Trust for the previous
2 fiscal year. The report shall also provide a complete
3 accounting of how the Trust meets its primary function
4 of effectuating the purposes of the Oklahoma State
5 University Veterinary Medicine Authority, as
6 established in the Oklahoma State University
7 Veterinary Medicine Authority Act.

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

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

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

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

24 a. approval of the operating and capital budgets,

- 1 b. sale or disposition of assets over Two Hundred Fifty
2 Thousand Dollars (\$250,000.00),
3 c. the termination, transfer, or material addition or
4 material diminution of animal medical services at the
5 Oklahoma State University Boren Veterinary Medical
6 Teaching Hospital related to and part of a teaching
7 program of the Oklahoma State University College of
8 Veterinary Medicine,
9 d. other major decisions as may be agreed upon by the
10 Trust and the private entity, and
11 e. to the extent it is determined by legislative
12 enactment that the Trust has expended funds in
13 contravention of its mission as set forth in this
14 section, the Trust shall remit, upon thirty (30) days'
15 written notice from the Oklahoma State University
16 Veterinary Medicine Authority, such sum or sums to the
17 Oklahoma State University Veterinary Medicine
18 Authority.

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

22 A. Contingent upon the creation of the Oklahoma State
23 University Veterinary Medical Trust as provided in Section 19 of
24 this act, the Trust, prior to acceptance, shall submit to the
25

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

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

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

5 2. Notice of the hearing of such a petition shall be given by a
6 notice published in a newspaper of general circulation in this state
7 that on a day specified the Supreme Court will hear the petition to
8 approve the proposed agreement and enter a declaratory judgment.

9 The notice shall be published one time not less than ten (10) days
10 prior to the date specified for the hearing. The notice shall
11 inform property owners, taxpayers, citizens, and all persons having
12 or claiming any right, title, or interest in the proposed agreement
13 or properties or funds to be affected by the implementation of the
14 proposed agreement, or affected in any way thereby, that they may
15 file protests against the approval of the proposed agreement, and be
16 present at the hearing to contest the legality of the proposed
17 agreement. The hearing may be adjourned from time to time at the
18 discretion of the Court.

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

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

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

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

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

1 Medical Trust. Any lease agreement made pursuant to this section
2 shall be contingent upon:

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

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

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

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

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

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

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

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

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

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

23
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