1	STATE OF OKLAHOMA
2	1st Session of the 59th Legislature (2023)
3	HOUSE BILL 2863 By: Wallace
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6	<u>AS INTRODUCED</u>
7	An Act relating to veterinary medicine; creating the Oklahoma State University Veterinary Medicine
8	Authority Act; titling and providing reference for the Act; defining terms; announcing mission,
9	purposes, and legislative findings; declaring that certain power to govern be retained by certain board
10	of regents; requiring certain hospitals, clinics, and facilities be subject to certain requirements,
11	provide certain services, and participate in certain programs; creating the Oklahoma State University
12	Veterinary Medicine Authority (OSUVMA) as an agency of the state; providing for alternative name and
13	cite; providing powers, duties, limitations and prohibitions on certain actions; providing Authority
14	membership, appointing authority, membership term lengths, eligibility requirements, removal
15	conditions, and appointment procedure for vacancies; establishing quorum requirements and organizational
16	requirements; exempting Authority from certain requirements and acts; making Authority subject to
17	certain requirements and acts; providing powers and duties; requiring certain reports be provided to
18	certain entities at certain intervals; providing for the establishment of initial operations and
19	organization; authorizing certain contracting; authorizing certain types of property acquisition,
20	leasing, and disposal; authorizing the hire and employee of various positions; accept grants; issue
21	revenue bonds under certain conditions and limitations; making bonding authority subject to a
22	maximum outstanding bond cap; authorizing certain limiting interest rate; limiting term of issuances;
23	requiring approval of certain fees and expenses, providing for replacement of certain bonds, allowing
24	issuance of bonds without certain consent;

1 authorizing refunding of bonds; requiring certain involvement by Attorney General in issuance of bonds 2 of Authority; authorizing certain declaratory judgment action in Supreme Court; providing for validation proceeding for bonds; providing for 3 certain legal characteristics of bonds; requiring certain notices; clarifying liability for such 4 issuances; requiring certain audits comply with 5 certain standards; establishes a petty cash fund; authorizes certain declaration of necessity; making Authority subject to certain budgetary requirements; 6 limiting certain contractual agreements; providing 7 for investment of certain funds; creating the Oklahoma State University Veterinary Medicine Authority Agency Special Account; providing account 8 nature; providing certain revenues be deposited to 9 account; requiring blanket bond coverage complying with certain conditions; creating the Oklahoma State University Veterinary Medicine Authority Disbursing 10 Fund; providing fund nature; authorizing the budgeting and expenditure of funds for certain 11 purposes by certain entity; creating the Oklahoma State University Veterinary Medicine Authority 12 Marketing Revolving Fund; providing fund nature; 13 authorizing the budgeting and expenditure of funds for certain purposes by certain entity; requiring 14 certain fraction of operating budget be dedicated to fund; authorizing certain traffic and parking 15 regulation by Authority; requiring regulation be accomplished pursuant to certain procedures; 16 authorizing Authority to place certain persons on payroll and provide certain benefits; approving 17 creation of Oklahoma State University Veterinary Medical Trust contingent on certain conditions; 18 requiring certain provisions to be included in certain agreements; requiring approval of contingency 19 review board for certain agreement; authorizing certain transfer of property; providing for reversion 20 of property in certain circumstance; authorizing certain agreement; authorizing certain lease 21 agreements under certain conditions and limitations; creating the Oklahoma State University Veterinary 22 Medical Trust Revolving Fund; providing fund nature; authorizing the budgeting and expenditure of funds 23 for certain purposes by certain entity; providing for codification; providing an effective date; and 24 declaring an emergency.

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2 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA: 3 A new section of law to be codified 4 SECTION 1. NEW LAW 5 in the Oklahoma Statutes as Section 4001 of Title 2, unless there is created a duplication in numbering, reads as follows: 6 7 This act shall be known and may be cited as the "Oklahoma State University Veterinary Medicine Authority Act". 8 9 SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 4002 of Title 2, unless there is 10 11 created a duplication in numbering, reads as follows: 12 As used in the Oklahoma State University Veterinary Medicine 13 Authority Act: 14 "Academic affiliation agreement" means an agreement between 1. 15 the Oklahoma State University College of Veterinary Medicine and an 16 entity providing facilities, equipment, and support for the 17 veterinary medicine education programs of the Oklahoma State 18 University College of Veterinary Medicine; 19 "Animal patient" means a large or small animal patient 2. 20 receiving care from an Oklahoma State University Veterinary Medicine 21 trainee, intern, resident, or full-time or part-time veterinary 22 medicine trainer; 23 "Animal teaching hospital" means a hospital designated for 3.

24 the training and preparation of veterinarians or a component of a

veterinary training program, affiliated with the Oklahoma State
 University College of Veterinary Medicine;

4. "Declaration of necessity" means an official action of the 3 4 Oklahoma State University Veterinary Medicine Authority to fulfill 5 the terms of an academic affiliation, statutory provisions or other agreement or to provide facilities, financing or any other general 6 support to enhance the stability, quality or otherwise furtherance 7 of the veterinary medicine education programs of the Oklahoma State 8 9 University College of Veterinary Medicine or to provide for the 10 safety of the public related to animal disease and testing; and

11 5. "Veterinary Medicine Programs" means educational programs 12 meeting the guidelines of the American Veterinary Medical 13 Association (AVMA) Council on Education (COE) offered through or as 14 an extension of Oklahoma State University or the Oklahoma State 15 University College of Veterinary Medicine in cooperation with an 16 animal teaching hospital, animal diagnostic testing center or 17 clinic, or other animal healthcare provider.

18 SECTION 3. NEW LAW A new section of law to be codified 19 in the Oklahoma Statutes as Section 4003 of Title 2, unless there is 20 created a duplication in numbering, reads as follows:

A. The purposes of the Oklahoma State University Veterinary
Medicine Authority Act are to provide for an effective and efficient
administration, to ensure a dependable source of funding, and to
effectuate the mission and purposes of the Oklahoma State University

Veterinary Medicine Authority. The mission and purposes of the 1 Oklahoma State University Veterinary Medicine Authority are to 2 support and upon a declaration of necessity, to serve as teaching 3 and training facilities for students enrolled at the Oklahoma State 4 5 University College of Veterinary Medicine, upon a declaration of necessity, to acquire and provide a site for conducting veterinary 6 7 medical and biomedical research by faculty members of Oklahoma State 8 University, to facilitate and upon a declaration of necessity, to 9 provide care for the animal patients of Oklahoma State University 10 College of Veterinary Medicine veterinarian trainers and upon a 11 declaration of necessity to provide support or the safety of the 12 public related to animal disease and testing. The Oklahoma State 13 University Veterinary Medicine Authority shall maintain a close 14 affiliation with the Oklahoma State University College of Veterinary 15 Medicine and shall coordinate their operations and activities in a 16 cooperative manner.

17 Β. The Legislature finds that the needs of the citizens of this 18 state and the needs of the Oklahoma State University College of 19 Veterinary Medicine will be best served by an Authority charged with 20 the mission of supporting the Veterinary Medicine Education programs 21 of the Oklahoma State University College of Veterinary Medicine, 22 entering into academic affiliation agreements in support of Oklahoma 23 State University veterinarian training programs, operating or 24 leasing the operations of the teaching animal hospital or hospitals

for the benefit of the Oklahoma State University College of
 Veterinary Medicine and providing care for the animal patients of
 Oklahoma State University veterinarian trainers.

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

8 SECTION 4. NEW LAW A new section of law to be codified 9 in the Oklahoma Statutes as Section 4004 of Title 2, unless there is 10 created a duplication in numbering, reads as follows:

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

B. Any such animal hospital or clinic may provide services and
receive payments from animal healthcare insurance companies and any
state or federal reimbursement programs.

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

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

4 There is hereby created the Oklahoma State University Α. 5 Veterinary Medicine Authority, known and cited also as "OSUVMA", an agency of the State of Oklahoma, a body corporate and politic, with 6 7 powers of government and with the authority to exercise the rights, privileges, and functions as specified in the Oklahoma State 8 9 University Veterinary Medicine Authority Act. The Oklahoma State 10 University Veterinary Medicine Authority is covered by the Governmental Tort Claims Act. 11

B. The Authority shall consist of eight (8) members as follows:
1. One member shall be appointed by the Governor, with the
advice and consent of the Senate;

15 2. One member shall be appointed by the Speaker of the Oklahoma
16 House of Representatives;

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

One member shall be the Dean of the Oklahoma State
 University College of Veterinary Medicine;

21 5. One member to be appointed from the Veterinarian community
22 by the President of Oklahoma State University;

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

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

8. One <u>ex-officio, non-voting</u> member shall be the Chief
Executive Officer of the Oklahoma State University Veterinary
Medicine Authority who shall be appointed by the President of
Oklahoma State University.

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

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

18 E. Members shall be removable only for cause by the appointing
19 authority. Any vacancy occurring on the Authority shall be filled
20 by the original appointing authority.

F. The members of the Authority shall serve without compensation but may be reimbursed for all actual and necessary travel expenses incurred in performance of their duties in

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accordance with the provisions of the State Travel Reimbursement
 Act.

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

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

10 The Authority shall be exempt from the Oklahoma Central I. 11 Purchasing Act but shall be subject to the purchasing policies of 12 Oklahoma State University and shall be subject to the Oklahoma Open 13 Meeting Act and the Oklahoma Open Records Act, except as otherwise 14 provided by this act. Any information submitted to or compiled by 15 the Authority except for budgetary information related to 16 appropriations or the appropriations process with respect to the 17 marketing plans, financial statements, trade secrets, research 18 concepts, methods or products, or any other proprietary information 19 of the Authority, persons, firms, associations, partnerships, 20 agencies, corporations, institutions of higher education, nonprofit 21 research institutions or other entities shall be confidential, 22 except to the extent that the person or entity which provided the 23 information or which is the subject of the information consents to

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disclosure. Executive sessions may be held to discuss such
 materials if deemed necessary by the Authority.

3 SECTION 6. NEW LAW A new section of law to be codified 4 in the Oklahoma Statutes as Section 4006 of Title 2, unless there is 5 created a duplication in numbering, reads as follows:

A. On and after July 1, 2023, the Authority shall have the7 power and duty to:

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

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2. Adopt an official seal;

11 3. Maintain an office at a location to be determined by the 12 Authority;

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

15 5. Enter into cooperative agreements with the Board of Regents 16 for the Oklahoma Agricultural and Mechanical Colleges and/or other 17 Oklahoma State University agencies, Authorities, Trusts or entities 18 for educational programs, professional staffing, research and other 19 veterinary activities;

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

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

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

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

15 10. Accept grants from the United States of America, or from 16 any corporation or agency created or designed by the United States 17 of America, and, in connection with any grant, to enter into such 18 agreements as the United States of America or such corporation or 19 agency may require;

20 11. Make and issue bonds and to pledge revenues of the 21 Authority subject to the Oklahoma Bond Oversight and Reform Act. 22 Nothing in the Oklahoma State University Veterinary Medicine 23 Authority Act shall authorize the issuance of any bonds of the 24 Authority payable other than from revenues of the Authority.

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1 Authority revenue bonds issued under the provisions of this act shall not at any time be deemed to constitute a debt of the state or 2 of any political subdivision thereof, or a pledge of the faith and 3 credit of the state or of any political subdivision, but such bonds 4 5 shall be payable solely from the funds herein provided. Such revenue bonds shall contain on the face thereof a statement to the 6 7 effect that neither the state nor the Authority shall be obligated to pay the same or the interest thereon except from the revenues of 8 9 the project or projects for which they are issued and that neither 10 the faith and credit nor the taxing power of the state or any political subdivision thereof is pledged, or may hereafter be 11 pledged, to the payment of the principal of or the interest on such 12 13 bonds. The maximum amount of outstanding bonds at any time shall 14 not exceed Fifty Million Dollars (\$50,000,000.00) unless a greater 15 amount is expressly approved by the Legislature by a concurrent 16 resolution adopted prior to commencing any action in anticipation of 17 issuance of revenue bonds of the Oklahoma State University 18 Veterinary Medicine Authority for the greater amount;

19 12. Provide for complete financial audits on all accounts of 20 the Oklahoma State University Veterinary Medicine Authority and to 21 authorize periodic audits by an independent external auditing 22 agency. Such audits shall be performed annually in a format 23 approved by the State Auditor and Inspector, and all such audits 24 shall be submitted to the State Auditor and Inspector for review.

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Such audits shall be made in accordance with generally accepted
 auditing standards and government auditing standards. Financial
 statements shall be prepared in accordance with generally accepted
 accounting principles;

5 13. Engage in long-term planning for the operation and6 management of the Authority;

7 14. Establish petty cash funds and provide for appropriate8 accounting procedures and controls;

9 15. Contract with national manufacturers and distributors of 10 drugs and medical supplies when appropriate to carry out the 11 purposes of this act;

12 16. Do all other things necessary and proper to implement the 13 provisions of the Oklahoma State University Veterinary Medicine 14 Authority Act;

15 17. Provide funding to other entities related to public health, 16 animal health, teaching, research, and the purposes of the Oklahoma 17 State Veterinary Medicine Authority Act when provided funding for 18 such purposes by the Legislature;

19 18. Waive, by such means as the Authority deems appropriate, 20 the exemption from federal income taxation of interest on the 21 Authority's bonds provided by the Internal Revenue Code of 1986, as 22 amended, or any other federal statute providing a similar exemption; 23

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

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

9 B. The Oklahoma State University Veterinary Medicine Authority10 shall be subject to the Oklahoma State Finance Act.

11 C. The Authority shall prepare monthly a "budget vs. actual" 12 report which shows by budget activity the monthly and year-to-date 13 revenues and expenditures compared to budgeted revenues and 14 expenditures. Such report shall be submitted to the Office of 15 Management and Enterprise Services and to the Directors of the House 16 of Representatives Fiscal Division and the Senate Fiscal Division.

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

20 SECTION 7. NEW LAW A new section of law to be codified 21 in the Oklahoma Statutes as Section 4007 of Title 2, unless there is 22 created a duplication in numbering, reads as follows:

All agreements and obligations undertaken, as permitted under
 this section, by the Oklahoma State University Veterinary Medicine

Authority shall be for a public purpose. In addition to any other limitations, conditions or restrictions provided by law, the following conditions shall apply to contractual agreements entered into pursuant to this section:

5 1. Private and public funds shall be accounted for separately;6 and

7 2. The state shall not assume any liability for private8 entities.

9 SECTION 8. NEW LAW A new section of law to be codified 10 in the Oklahoma Statutes as Section 4008 of Title 2, unless there is 11 created a duplication in numbering, reads as follows:

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

17 Β. There is hereby created in the State Treasury an official 18 depository account for the Oklahoma State University Veterinary 19 Medicine Authority, to be designated the Oklahoma State University 20 Veterinary Medicine Authority Agency Special Account. The Account 21 shall consist of an agency clearing account and an agency special 22 account. All revenues, except federal entitlements and state 23 appropriations, generated by the Oklahoma State University 24 Veterinary Medicine Authority shall be deposited in these accounts.

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1 C. The Authority shall be subject to blanket bond coverage as provided in Sections 85.580 through 85.58V of Title 74 of the 2 Oklahoma Statutes, provided the Authority shall be authorized to 3 purchase increased amounts of fidelity bond coverage for employees 4 5 for whom it is deemed necessary by the Authority. When the amount listed in Section 85.58T of Title 74 of the Oklahoma Statutes is 6 7 deemed inadequate, the cost of increased coverage shall be borne by the Authority. 8

9 SECTION 9. NEW LAW A new section of law to be codified 10 in the Oklahoma Statutes as Section 4009 of Title 2, unless there is 11 created a duplication in numbering, reads as follows:

12 Α. Subject to the provisions of paragraph 11 of subsection A of 13 Section 6 of this act, the Oklahoma State University Veterinary 14 Medicine Authority may provide by resolution, from time to time, for 15 the issuance of revenue bonds for its lawful purposes, in such 16 amount or amounts as are necessary, incidental or convenient to the 17 exercise of powers, rights, privileges and functions conferred upon 18 it by the Oklahoma State University Veterinary Medicine Authority 19 Act or other law. The principal of and interest on any indebtedness 20 shall be payable solely from the revenues of the Authority and such 21 other funds as may be provided by law for such payment. The 22 Authority may provide for credit enhancement as additional security 23 or liquidity for its bonds and enter into such agreements as may be 24 necessary or appropriate to provide for the repayment of any funds

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1 advanced by the provider of any such credit enhancement including 2 the payment of any fees and expenses incurred in connection The bonds of each issue shall bear interest at fixed or 3 therewith. 4 variable rates and shall bear an average interest rate not to exceed 5 eleven percent (11%) per annum, shall mature at such time or times not exceeding thirty (30) years from their date or dates of issue, 6 as may be determined by the Authority, and may be made redeemable 7 before maturity at the option of the Authority, at such time or 8 9 times and at such price or prices and pursuant to such terms and 10 conditions as may be fixed by the Authority prior to the issuance of 11 The Authority shall determine the form of the bonds and the bonds. 12 the manner of execution thereof, and shall fix the denominations of 13 the bonds and the place or places of payment of principal and 14 interest, which may be at any bank and trust company within or 15 without this state. If any officer whose signature or facsimile of 16 whose signature appears on any bonds shall cease to be said officer 17 before the delivery of the bonds, the signature or the facsimile 18 shall nevertheless be valid and sufficient for all purposes, the 19 same as if the person had remained in office until such delivery. 20 All bonds issued pursuant to the provisions of the Oklahoma State 21 University Veterinary Medicine Authority Act shall have all the 22 qualities and incidences of negotiable instruments subject to the 23 laws of this state. The Authority may sell the bonds in such 24 amounts and in such manner, either at public or private sale, and

1 for such price, as it may determine to be in the best interests of 2 the state. If the bonds are not sold by competitive bid, the sale 3 must be approved by the State Bond Advisor.

4 All fees and expenses of bond sales must be approved by the Β. 5 State Bond Advisor and the Bond Oversight Commission. Prior to the preparation of definitive bonds, the Authority, subject to like 6 7 restrictions, may issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds which have been 8 executed and are available for delivery. The Authority may also 9 provide for the replacement of any bonds which have become mutilated 10 11 or which have been destroyed or lost. Except as otherwise provided 12 by Section 14 of this act, bonds may be issued pursuant to the 13 provisions of the Oklahoma State University Veterinary Medicine 14 Authority Act without obtaining the consent of any department, 15 division, commission, board, bureau, or agency of this state, and 16 without any other proceedings or the occurrence of any other 17 conditions or things than those proceedings, conditions, or things 18 that are specifically required by the Oklahoma State University 19 Veterinary Medicine Authority.

20 C. The Authority may, by resolution, provide for the issuance 21 of refunding bonds then outstanding, including the payment of any 22 redemption premium, any interest accrued to the date of redemption 23 of such bonds, and for incurring additional indebtedness for its 24 lawful purposes. The issuance of such bonds shall be governed by the provisions of the Oklahoma State University Veterinary Medicine
 Authority Act.

3 SECTION 10. NEW LAW A new section of law to be codified 4 in the Oklahoma Statutes as Section 4010 of Title 2, unless there is 5 created a duplication in numbering, reads as follows:

6 Before any bond shall be issued and delivered by the Oklahoma 7 State University Veterinary Medicine Authority, a certified copy of the proceedings for the issuance thereof, together with any other 8 9 information which the Attorney General of the State of Oklahoma may 10 require as the Bond Commissioner of the State of Oklahoma, shall be 11 submitted to the Attorney General. If the Attorney General shall 12 find that such bonds have been issued in accordance with law, the 13 Attorney General shall approve such bonds and execute a certificate 14 to that effect. The Attorney General shall file such certificates 15 in the office of the State Auditor and Inspector, and the 16 certificates shall be recorded in a record kept for that purpose. 17 All bonds approved by the Attorney General, and issued in accordance 18 with the approved proceedings, shall be valid and binding 19 obligations of the Authority and shall be incontestable for any 20 course from and after the date of such approval.

21 SECTION 11. NEW LAW A new section of law to be codified 22 in the Oklahoma Statutes as Section 4011 of Title 2, unless there is 23 created a duplication in numbering, reads as follows:

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1 The Oklahoma State University Veterinary Medicine Authority or 2 the Oklahoma State University Veterinary Medical Trust may file an application with the Supreme Court of the State of Oklahoma for 3 4 approval of any bonds to be issued under the provisions of the 5 Oklahoma State University Veterinary Medicine Authority Act, and exclusive original jurisdiction is hereby conferred upon the Supreme 6 7 Court to hear and determine such application. The Supreme Court shall give such applications precedence over the other business of 8 9 the Court and consider and determine the validity of the bonds and 10 consider the application and any protest which may be filed thereto. 11 Notice of the hearing on each application shall be given by notice 12 published in a newspaper of general circulation in this state that 13 on a day named the Authority or the Trust will ask the Court to hear 14 the application and approve the bonds. Such notice shall inform all 15 interested parties that they may file a protest against the issuance 16 of the bonds, may be present at the hearing, and may contest the 17 legality thereof. Such notice shall be published one time, not less 18 than ten (10) days prior to the date named for the hearing and the 19 hearing may be adjourned from time to time in the discretion of the 20 Court. If the Court is satisfied that the bonds have been properly 21 authorized in accordance with the Oklahoma State University 22 Veterinary Medicine Authority Act, and that when issued such bonds 23 will constitute valid obligations in accordance with their terms, 24 the Court shall render its written opinion approving the bonds and

1 shall fix the time within which the petition for rehearing may be 2 filed. The decision of the Court shall be a judicial determination 3 of the validity of the bonds, shall be conclusive as to the 4 Authority of the Trust, its officers and agents, and thereafter the 5 bonds so approved and the revenues pledged to their payment shall be 6 incontestable in any court in the State of Oklahoma.

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

10 Revenue bonds of the Oklahoma State University Veterinary Medicine Authority issued pursuant to the provisions of the Oklahoma 11 12 State University Veterinary Medicine Authority shall not constitute 13 a debt of the state or of any political subdivision thereof, or a 14 pledge of the full faith and credit of the state, or of any 15 political subdivision thereof, but such bonds shall be payable 16 solely from the funds provided therefor. The forms of the bonds so 17 issued shall contain on the face thereof a statement to the effect 18 that neither the state nor the Authority shall be obligated to pay 19 the same or the interest thereon except from the revenues of the 20 Authority pledged to the payment of such bonds and that neither the 21 faith and credit nor the taxing power of the state or any political 22 subdivision thereof is pledged, or may hereafter be pledged, to the 23 payment of the principal of or interest on such bonds. The bonds so 24 issued shall be exempt from taxation by the State of Oklahoma and

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any political subdivision thereof, including the income therefrom,
 and any gain from the sale thereof.

3 SECTION 13. NEW LAW A new section of law to be codified 4 in the Oklahoma Statutes as Section 4013 of Title 2, unless there is 5 created a duplication in numbering, reads as follows:

6 Bonds issued pursuant to provisions of the Oklahoma State 7 University Veterinary Medicine Authority Act are hereby made securities in which all public officers and public boards, agencies 8 9 and instrumentalities of the state and its political subdivisions, all banks, trust companies, trust and loan associations, investment 10 companies, and others carrying on a banking business, and all 11 12 insurance companies and insurance associations, and others carrying 13 on an insurance business, may legally and properly invest. Such 14 bonds are also approved as collateral security for the deposit of 15 any public funds and for the investment of trust funds.

16 SECTION 14. NEW LAW A new section of law to be codified 17 in the Oklahoma Statutes as Section 4014 of Title 2, unless there is 18 created a duplication in numbering, reads as follows:

The Oklahoma State University Veterinary Medicine Authority shall submit an annual report to the Governor, the Speaker of the Oklahoma House of Representatives, and the President Pro Tempore of the Oklahoma State Senate. Such report shall be submitted in accordance with the requirements for financial statement audits in Section 212A of Title 74 of the Oklahoma Statutes and shall include

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1 an account of the operations and actions of the Authority and an 2 accounting of all revenue received and disbursed by the Authority 3 for the previous fiscal year. The report shall include an 4 accounting of expenses related to each of the following:

5 1. Education and training of students of the Oklahoma State
6 University College of Veterinary Medicine, resident veterinarians
7 and others;

8 2. Care and treatment of animal patients for whom the Authority9 receives any form of state or federal reimbursement; and

10 3. Research.

11 SECTION 15. NEW LAW A new section of law to be codified 12 in the Oklahoma Statutes as Section 4015 of Title 2, unless there is 13 created a duplication in numbering, reads as follows:

14 There is hereby created in the State Treasury a revolving Α. 15 fund for the Oklahoma State University Veterinary Medicine 16 Authority, to be designated the "Oklahoma State University 17 Veterinary Medicine Authority Disbursing Fund". The fund shall be a 18 continuing fund, not subject to fiscal year limitations, and shall 19 consist of appropriated revenues and federal entitlements. All 20 monies accruing to the credit of said fund are hereby appropriated 21 and may be budgeted and expended by the Oklahoma State University 22 Veterinary Medicine Authority as provided in subsection B of this 23 section.

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1 B. Following the execution of a lease of real properties under 2 the jurisdiction of the Oklahoma State University Veterinary Medicine Authority to the Oklahoma State University Veterinary 3 4 Medical Trust pursuant to Section 22 of this act, monies from the 5 fund may be expended by the Authority for the fiscal year ending in the year the lease is executed, for the operations of the Authority 6 after the execution of the lease to the Oklahoma State University 7 Veterinary Medical Trust for payment of any costs to the Authority 8 9 associated with the transfer of operations of facilities under the 10 jurisdiction of the Authority, and legal obligations of the 11 Authority.

12 SECTION 16. NEW LAW A new section of law to be codified 13 in the Oklahoma Statutes as Section 4016 of Title 2, unless there is 14 created a duplication in numbering, reads as follows:

15 There is hereby created in the State Treasury a revolving Α. 16 fund for the Oklahoma State University Veterinary Medicine 17 Authority, to be designated the "Oklahoma State University 18 Veterinary Medicine Authority Marketing Revolving Fund". The fund 19 shall be a continuing fund, not subject to fiscal year limitations, 20 and shall consist of all monies received by the Oklahoma State 21 University Veterinary Medicine Authority pursuant to the provisions 22 of this section. All monies accruing to the credit of said fund are 23 hereby appropriated and may be budgeted and expended by the Oklahoma 24 State University Veterinary Medicine Authority for the purpose of

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1 marketing research and planning, public education, special events customary to the veterinary care industry, advertising and promotion 2 of special and general services provided or sponsored by the 3 4 Oklahoma State University Veterinary Medicine Authority and such 5 other purposes specifically authorized by the Legislature. Expenditures from said fund shall be made upon warrants issued by 6 7 the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment. 8

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

15 C. The Oklahoma State University Veterinary Medicine Authority 16 Marketing Revolving Fund shall be audited annually by the State 17 Auditor and Inspector. The Oklahoma State University Veterinary 18 Medicine Authority shall reimburse the State Auditor and Inspector 19 from the Oklahoma State University Authority Marketing Revolving 20 Fund for any expenses incurred in auditing said fund.

21 SECTION 17. NEW LAW A new section of law to be codified 22 in the Oklahoma Statutes as Section 4017 of Title 2, unless there is 23 created a duplication in numbering, reads as follows:

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1 Α. The Oklahoma State University Veterinary Medicine Authority 2 may regulate traffic and the parking of vehicles on property used by or for the Oklahoma State University Veterinary Medicine Authority. 3 Such regulations shall be in writing, and copies thereof, including 4 5 amendments thereto, shall be filed in the office of the Secretary of State, and in the office of the city clerk of the City of 6 7 Stillwater. The municipal court of the City of Stillwater shall have jurisdiction to hear and determine prosecutions for violations 8 9 of such regulations, which may be prosecuted and shall be punishable 10 as violations of ordinances of the City of Stillwater. The 11 Authority may cause to be removed, and may enter into contracts for 12 such purpose, any vehicle parked in violation of such regulations.

13 Β. The Authority may appoint campus police officers and guards 14 for buildings and grounds of the Oklahoma State University 15 Veterinary Medicine Authority in the same manner and with the same 16 powers as campus police appointed by governing boards of state 17 institutions for higher education under the provisions of Section 18 360.15 et seq. of Title 74 of the Oklahoma Statutes, and who may 19 prevent or stop improper conduct and trespass in and upon such 20 buildings and grounds, and make arrests and prosecute any and all 21 persons arrested for such improper conduct and trespassing. 22 Employees of the Authority serving as police officers shall be 23 certified as provided for in Section 3311 of Title 70 of the 24 Oklahoma Statutes.

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C. The Authority and the City of Stillwater may enter into a
 cooperative agreement to effectuate the provisions of this section.
 SECTION 18. NEW LAW A new section of law to be codified
 in the Oklahoma Statutes as Section 4018 of Title 2, unless there is
 created a duplication in numbering, reads as follows:

6 The Oklahoma State University Veterinary Medicine Authority is 7 authorized to place resident veterinarians of the Oklahoma State University College of Veterinary Medicine on the Oklahoma State 8 9 University Veterinary Medicine Authority payroll, and is further 10 authorized to acquire health, life, and dental insurance for such 11 residents. Such residents shall not be considered employees of the 12 Authority and shall not be eligible to participate in the Oklahoma 13 Public Employees Retirement System. This section shall not preclude 14 the right of the Oklahoma State University Veterinary Medicine 15 Authority to terminate, for cause, the practicing privileges of any 16 resident veterinarian within the Oklahoma State University 17 Veterinary Medicine Authority.

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

A. The State of Oklahoma expressly approves the creation of a public trust to be named the "Oklahoma State University Veterinary Medical Trust", of which the State of Oklahoma shall be the

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1	beneficiary, provided such approval shall be contingent upon
2	satisfaction of the following conditions:
3	1. Finalizing of the declaration of trust;
4	2. Adoption of the declaration of trust by an official action
5	of the trustees of the Trust;
6	3. Submission of the Trust for acceptance of the beneficial
7	interest and approval as required by Section 177 of Title 60 of the
8	Oklahoma Statutes; and
9	4. The approved declaration of trust shall:
10	a. clearly state that the principal purpose of the
11	Oklahoma State University Veterinary Medical Trust is
12	to effectuate the purposes of the Oklahoma State
13	University Veterinary Medicine Authority as
14	established in the Oklahoma State University
15	Veterinary Medicine Authority Act,
16	b. except as otherwise provided by law, provide that the
17	title to real property held by the Oklahoma State
18	University Veterinary Medicine Authority shall not be
19	transferred, conveyed, or assigned to the Oklahoma
20	State University Veterinary Medical Trust without the
21	express consent of the Legislature as the governing
22	entity of the beneficiary pursuant to Section 176 of
23	Title 60 of the Oklahoma Statutes,
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- 1 с. provide that any indebtedness incurred by the Oklahoma 2 State University Veterinary Medical Trust or the trustees of the Trust shall not be secured with or 3 4 create a lien upon real property to which title is 5 held by the Oklahoma State University Veterinary Medicine Authority and shall not involve the bonding 6 7 capacity of the Oklahoma State University Veterinary Medicine Authority, 8
- 9 d. provide that the trust estate of the Oklahoma State 10 University Veterinary Medical Trust shall not include 11 fee simple title to real property owned by the 12 Oklahoma State University Veterinary Medicine 13 Authority,
- e. clearly state that the creation of the Oklahoma State
 University Veterinary Medical Trust shall not in any
 way reduce, limit or interfere with the power granted
 to the Oklahoma State University Veterinary Medicine
 Authority in the Oklahoma State University Veterinary
 Medicine Authority Act,
- f. provide that any lease or contractual agreement involving use of the real property to which title is held by the Oklahoma State University Veterinary Medicine Authority and any improvements thereto shall contain a provision and covenants requiring the proper

maintenance and upkeep of the real property and improvements,

- g. provide that the trustees of the Oklahoma State University Veterinary Medical Trust shall be the acting members of the Oklahoma State University Veterinary Medicine Authority as provided in the Oklahoma State University Veterinary Medicine Authority Act, and
- 9 h. provide that the trustees of the Oklahoma State 10 University Veterinary Medical Trust shall have the 11 duty to submit an annual report to the Governor, the 12 Speaker of the House of Representatives, and the 13 President Pro Tempore of the Senate. The report shall 14 be submitted by January 1 of each year and shall 15 include an account of all operations, actions of the 16 Trust, and an account of all revenue received and 17 disbursed by the Trust for the previous fiscal year. 18 The report shall also provide a complete accounting of 19 how the Trust meets its primary function of 20 effectuating the purposes of the Oklahoma State 21 University Veterinary Medicine Authority, as 22 established in the Oklahoma State University 23 Veterinary Medicine Authority Act.
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B. The Oklahoma State University Veterinary Medical Trust shall
require any agreements which it enters into with any entity pursuant
to Section 22 of this act for the operations of facilities leased by
the Oklahoma State University Veterinary Medicine Authority to the
Trust to include, but not be limited to:

6 1. The inclusion of all the members of the Trust, representing7 the State of Oklahoma in a governing committee;

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

Major decisions shall be resolved by the governing committee, and approval of any major decision by the governing committee must include the approval of a majority of the state appointees and the approval of a majority of the private entity appointees to the governing committee. Major decisions shall include:

17 approval of the operating and capital budgets, a. 18 b. sale or disposition of assets over Two Hundred Fifty 19 Thousand Dollars (\$250,000.00), 20 с. the termination, transfer, material addition, or 21 material diminution of animal medical services at the 22 Oklahoma State University Veterinary Hospital related 23 to and part of a teaching program of the Oklahoma 24 State University College of Veterinary Medicine, and

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 other major decisions as may be agreed upon by the Trust and the private entity.

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

9 SECTION 20. NEW LAW A new section of law to be codified 10 in the Oklahoma Statutes as Section 4020 of Title 2, unless there is 11 created a duplication in numbering, reads as follows:

A. Contingent upon the creation of the Oklahoma State 12 13 University Veterinary Medical Trust as provided in Section 20 of 14 this act, the Trust, prior to acceptance, shall submit to the 15 Contingency Review Board for review the proposed agreement regarding 16 the lease and operations of any animal hospital or hospitals owned 17 by the Oklahoma State University Veterinary Medicine Authority to 18 any entity authorized to transact business in the state and an 19 independent statement as to the fairness of said proposed agreement 20 for the State of Oklahoma. The Contingency Review Board shall upon 21 receipt of the proposed agreement meet within fifteen (15) business 22 days to review the proposed agreement; and unless the Contingency 23 Review Board disapproves the proposed agreement, the agreement may 24 be executed but no lease of the animal hospital or hospitals shall

become effective until after Supreme Court approval pursuant to
 subsection B of this section.

If a proposed agreement is not disapproved by the 3 Β. 1. Contingency Review Board pursuant to subsection A of this section, 4 5 the Oklahoma State University Veterinary Medicine Authority and Oklahoma State University Veterinary Medical Trust, within thirty 6 7 (30) calendar days after the time for Contingency Review Board action has expired, may file a petition with the Supreme Court of 8 9 Oklahoma for a declaratory judgment determining the validity of the 10 proposed agreement. The review of the Court shall be based upon the 11 exercise of any of the powers, rights, privileges, and functions 12 conferred upon the Authority or the Oklahoma State University 13 Veterinary Medical Trust, as applicable, under the Oklahoma State 14 University Veterinary Medicine Authority Act and Oklahoma laws. 15 Exclusive original jurisdiction is conferred upon the Supreme Court 16 to hear and determine such petitions. The Supreme Court shall give 17 such petitions precedence over other business of the Court except 18 habeas corpus proceedings.

19 2. Notice of the hearing of such a petition shall be given by a 20 notice published in a newspaper of general circulation in this state 21 that on a day specified the Supreme Court will hear the petition to 22 approve the proposed agreement and enter a declaratory judgment. 23 The notice shall be published one time not less than ten (10) days 24 prior to the date specified for the hearing. The notice shall

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1 inform property owners, taxpayers, citizens and all persons having or claiming any right, title, or interest in the proposed agreement 2 or properties or funds to be affected by the implementation of the 3 proposed agreement, or affected in any way thereby, that they may 4 5 file protests against the approval of the proposed agreement, and be present at the hearing to contest the legality of the proposed 6 7 The hearing may be adjourned from time to time at the agreement. discretion of the Court. 8

9 3. If the Court is satisfied that the proposed agreement is in accordance with the Oklahoma State University Veterinary Medicine 10 11 Authority Act and Oklahoma laws, the Court shall enter a declaratory judgment approving and declaring the proposed agreement to be valid 12 13 and conclusive as to the Authority, the Trust, and all other parties 14 to the proposed agreement; and, upon petition of the Authority, 15 shall issue an order permanently enjoining all persons described in 16 the notice required by this subsection from thereafter instituting 17 any action or proceeding contesting the validity of the proposed 18 agreement. A declaratory judgment rendered pursuant to this 19 subsection shall have force and effect of a final judgment or decree 20 and shall be incontestable in any court in this state.

4. As used in the Oklahoma State University Veterinary Medicine
Authority Act, "proposed agreement" means one or more contracts
regarding the lease and operations of any animal hospital or
hospitals owned by the Oklahoma State University Veterinary Medicine

Authority and all other agreements contemplated by or referred to in
 the contract regarding such lease and operations.

3 SECTION 21. NEW LAW A new section of law to be codified 4 in the Oklahoma Statutes as Section 4021 of Title 2, unless there is 5 created a duplication in numbering, reads as follows:

6 A. Contingent upon the creation of the Oklahoma State 7 University Veterinary Medical Trust as provided in Section 20 of this act, the Oklahoma State University Veterinary Medicine 8 9 Authority is hereby authorized to lease, for a term of not more than 10 fifty (50) years, renewable at the option of the Authority, all real 11 property owned by the Authority and any other sites under the 12 control of the Authority to the Oklahoma State University Veterinary 13 Medical Trust. Any lease agreement made pursuant to this section 14 shall be contingent upon:

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

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

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1 B. Concurrent with the execution of a lease of real property 2 from the Oklahoma State University Veterinary Medicine Authority to the Oklahoma State University Veterinary Medical Trust as provided 3 4 in subsection A of this section, the Authority is authorized to 5 transfer title to and possession of all tangible and intangible personal property under its control to the Trust. In any 6 7 contractual agreement regarding the lease and operations of an animal hospital or hospitals between the Oklahoma State University 8 9 Veterinary Medical Trust and any entity authorized to transact 10 business in the State of Oklahoma, the Trust is authorized to sell 11 or otherwise convey to such entity all tangible and intangible personal property the Trust may receive from the Oklahoma State 12 13 University Veterinary Medicine Authority. Any contract or other 14 agreement which purports to exercise the powers authorized by this 15 subsection is subject to review by the Contingency Review Board, as 16 specified in Section 21 of this act.

C. If a contracting entity fails to take possession of the leased premises, or abandons or surrenders possession of the leased premises other than to a state agency, at any time during the term of the lease between the Oklahoma State University Veterinary Medical Trust and the contracting entity, the interest in the real property leased to the Oklahoma State University Veterinary Medical Trust by the Oklahoma State University Veterinary Medical

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shall revert to and be the sole and exclusive property of the
 Oklahoma State University Veterinary Medicine Authority.

D. Contingent upon the execution of an agreement between the 3 4 Oklahoma State University Veterinary Medical Trust and any entity 5 authorized to transact business in the State of Oklahoma, as specified in subsection A of this section, the Oklahoma State 6 7 University Veterinary Medicine Authority is authorized to enter into an agreement for such entity to provide animal patient care services 8 9 and perform other related duties imposed upon the Oklahoma State 10 University Veterinary Medicine Authority by law. Such an agreement 11 between the Oklahoma State University Veterinary Medicine Authority and such entity is exempt from the requirements of the Oklahoma 12 13 Central Purchasing Act and any rules adopted by the Oklahoma State 14 University Veterinary Medicine Authority pursuant to the 15 Administrative Procedures Act. The governing committee created by 16 the agreement and the Oklahoma State University Veterinary Medical 17 Trust shall be subject to the Open Meeting Act and the Open Records 18 Act to the same extent and with the same exceptions as provided to 19 for the Oklahoma State University Veterinary Medicine Authority in 20 Section 5 of this act and shall be exempt from the Oklahoma Central 21 Purchasing Act.

22 SECTION 22. NEW LAW A new section of law to be codified 23 in the Oklahoma Statutes as Section 4022 of Title 2, unless there is 24 created a duplication in numbering, reads as follows:

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1 There is hereby created in the State Treasury a revolving fund 2 for the Oklahoma State University Veterinary Medical Trust to be designated the "Oklahoma State University Veterinary Medical Trust 3 Revolving Fund". The fund shall be a continuing fund, not subject 4 5 to fiscal year limitations, and shall consist of all monies directed for deposit to the fund by law. All monies accruing to the credit 6 7 of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma State University Veterinary Medical Trust in 8 9 accordance with the provisions of this Act. Expenditures from said 10 fund shall be made upon warrants issued by the State Treasurer 11 against claims filed as prescribed by law with the Director of the 12 Office of Management and Enterprise Services for approval and 13 payment. 14 This act shall become effective July 1, 2023. SECTION 23. 15 SECTION 24. It being immediately necessary for the preservation 16 of the public peace, health or safety, an emergency is hereby 17 declared to exist, by reason whereof this act shall take effect and 18 be in full force from and after its passage and approval. 19 20 59-1-5960 JM 01/17/23 21 22

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