

STATE OLYMPIC COORDINATION

AMENDMENTS

1998 GENERAL SESSION

STATE OF UTAH

Sponsor: Alarik Myrin

AN ACT RELATING TO STATE AFFAIRS; CHANGING THE NAME OF THE STATE OLYMPIC COORDINATOR TO STATE OLYMPIC OFFICER; ADDRESSING RELATIONSHIP BETWEEN THE UTAH SPORTS AUTHORITY AND THE STATE OLYMPIC OFFICER; AMENDING PROVISIONS RELATED TO REIMBURSEMENT OF SALES AND USE TAXES; ADDRESSING COMPENSATION AND RETIREMENT BENEFITS FOR THE STATE OLYMPIC OFFICER; MAKING TECHNICAL CORRECTIONS; AND PROVIDING FOR RETROACTIVE APPLICATION.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

49-3-206, as last amended by Chapter 31, Laws of Utah 1997

59-12-103, as last amended by Chapters 261 and 272, Laws of Utah 1997

63A-7-104, as last amended by Chapter 146, Laws of Utah 1997

63A-7-106, as last amended by Chapter 186, Laws of Utah 1996

63A-10-102, as enacted by Chapter 186, Laws of Utah 1996

63A-10-103, as enacted by Chapter 186, Laws of Utah 1996

63A-10-104, as enacted by Chapter 186, Laws of Utah 1996

63A-10-105, as enacted by Chapter 186, Laws of Utah 1996

63A-10-106, as last amended by Chapter 10, Laws of Utah 1997

63A-10-107, as enacted by Chapter 186, Laws of Utah 1996

67-22-2, as last amended by Chapters 82, 375 and 376, Laws of Utah 1997

ENACTS:

63A-7-113, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **49-3-206** is amended to read:

49-3-206. Exclusions from membership in system.

The following employees are excluded from membership in the retirement system:

(1) Every employee whose employment status is temporary in nature due to the nature or the type of work to be performed. If the term of employment exceeds six months, then for that employee a regular full-time status shall be assumed, and the employee shall be enrolled in the system effective the beginning of the seventh month of employment. If the same employee, previously terminated prior to enrollment as a member, is again employed within three months of termination by the same employer, the employee shall be immediately enrolled as a member if the work constitutes full-time as defined in this chapter.

(2) Full-time students or the spouse of a full-time student and persons employed in a trainee relationship may be excluded from coverage by rules adopted by the board.

(3) Every current or future employee of a two-year or four-year college or university who holds, or is entitled to hold, pursuant to Section 49-2-206, a retirement annuity contract with the Teachers' Insurance and Annuity Association of America or with any other public or private system, organization, or company during any period in which that employee has received contributions toward the premiums required on compensation from the employing unit. The employee, upon cessation of the employer contributions, shall immediately become a contributing member.

(4) Every employee serving as an exchange employee from outside the state.

(5) Elected officials who file a formal request for exemption.

(6) Executive department heads of the state, members of the State Tax Commission, the Public Service Commission, the State Olympic Officer, and other members of full-time or part-time boards or commissions who file a formal request to be excluded from coverage.

(7) (a) Employees of the Department of Employment Security who are covered under another retirement system allowed under Title [35] 35A, Chapter 4, Employment Security Act; or

(b) employees of the Department of Workforce Services who were covered under Subsection (a) and who are covered under another retirement system allowed under Title 35A, Chapter 4, Employment Security Act.

(8) Persons appointed as city managers or chief city administrators or other persons

employed by a city, town, county, or other political subdivision, who are not entitled to merit or civil service protection. Persons eligible for exclusion under this subsection shall file a formal request for exclusion from coverage and be employed in a position designated as exempt under an employee exemption plan developed by the city, town, county, or political subdivision. Employee exemption plans shall be subject to the following limitations:

(a) The total number of positions a city, town, county, or political subdivision may exempt may not exceed the lesser of 30 positions or a number equal to 10% of the employees of the city, town, county, or political subdivision. However, every city, town, county, or political subdivision is entitled to a minimum exemption of one eligible employee.

(b) Employee exemption plans shall be filed annually with the retirement office, and the city, town, county, or political subdivision shall update the exemption plan in the event of any change.

(c) The retirement office may promulgate rules to implement this section.

Section 2. Section **59-12-103** is amended to read:

59-12-103. Sales and use tax base -- Rate -- Use of sales and use tax revenues.

(1) There is levied a tax on the purchaser for the amount paid or charged for the following:

(a) retail sales of tangible personal property made within the state;

(b) amount paid to common carriers or to telephone or telegraph corporations, whether the corporations are municipally or privately owned, for:

(i) all transportation;

(ii) intrastate telephone service; or

(iii) telegraph service;

(c) gas, electricity, heat, coal, fuel oil, or other fuels sold for commercial use;

(d) gas, electricity, heat, coal, fuel oil, or other fuels sold for residential use;

(e) meals sold;

(f) (i) admission or user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature, exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries, fairs, races, contests, sporting events, dances, boxing and wrestling matches, closed circuit television broadcasts, billiard or pool parlors, bowling lanes, golf and miniature golf, golf

driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails, tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises, horseback rides, sports activities, or any other amusement, entertainment, recreation, exhibition, cultural, or athletic activity;

(ii) the tax imposed on admission or user fees in Subsection (1)(f)(i) does not affect an entity's sales tax exempt status under Section 59-12-104.1;

(g) services for repairs or renovations of tangible personal property or services to install tangible personal property in connection with other tangible personal property;

(h) except as provided in Subsection 59-12-104(8), cleaning or washing of tangible personal property;

(i) tourist home, hotel, motel, or trailer court accommodations and services for less than 30 consecutive days;

(j) laundry and dry cleaning services;

(k) leases and rentals of tangible personal property if the property situs is in this state, if the lessee took possession in this state, or if the property is stored, used, or otherwise consumed in this state; and

(l) tangible personal property stored, used, or consumed in this state.

(2) Except for Subsection (1)(d), the rates of the tax levied under Subsection (1) shall be:

(a) 5% through June 30, 1994;

(b) 4.875% beginning on July 1, 1994 through June 30, 1997; and

(c) 4.75% beginning on July 1, 1997.

(3) The rates of the tax levied under Subsection (1)(d) shall be 2% from and after January 1, 1990.

(4) (a) From January 1, 1990, through December 31, 1999, there shall be deposited in an Olympics special revenue fund or funds as determined by the Division of Finance under Section 51-5-4, for the use of the Utah Sports Authority created under Title 63A, Chapter 7, Utah Sports Authority Act:

(i) the amount of sales and use tax generated by a 1/64% tax rate on the taxable items and

services under Subsection (1);

(ii) the amount of revenue generated by a 1/64% tax rate under Section 59-12-204 or Section 59-12-205 on the taxable items and services under Subsection (1); and

(iii) interest earned on the amounts under Subsections (4)(a)(i) and (ii).

(b) These funds shall be used:

(i) by the Utah Sports Authority as follows:

(A) to the extent funds are available, to transfer directly to a debt service fund or to otherwise reimburse to the state any amount expended on debt service or any other cost of any bonds issued by the state to construct any public sports facility as defined in Section 63A-7-103;

(B) to pay for the actual and necessary operating, administrative, legal, and other expenses of the Utah Sports Authority, but not including protocol expenses for seeking and obtaining the right to host the Winter Olympic Games; and

(C) unless the Legislature appropriates additional funds from the Olympics Special Revenue Fund to the Utah Sports Authority, the Utah Sports Authority may not expend, loan, or pledge in the aggregate more than:

(I) \$59,000,000 of sales and use tax deposited into the Olympics special revenue fund under Subsection (4)(a) [unless the Legislature appropriates additional funds from the Olympics special revenue fund to the Utah Sports Authority; or];

(II) the interest earned on the amount described in Subsection (4)(b)(i)(C)(I); and

(III) the revenues deposited into the Olympics Special Revenue Fund that are not sales and use taxes deposited under Subsection (4)(a) or interest on the sales and use taxes;

(ii) to pay salary, benefits, or administrative costs associated with the State Olympic [Coordinator] Officer under Subsection 63A-10-103(3), except that the salary, benefits, or administrative costs may not be paid from the sales and tax revenues generated by municipalities or counties and deposited under Subsection (4)(a)(ii).

(c) A payment of salary, benefits, or administrative costs under Subsection 63A-10-103(3) is not considered an expenditure of the Utah Sports Authority.

(d) If the Legislature appropriates additional funds under Subsection (4)(b)(i)(C), the

authority may not expend, loan, pledge, or enter into any agreement to expend, loan, or pledge the appropriated funds unless the authority:

(i) contracts in writing for the full reimbursement of the monies to the Olympics special revenue fund by a public sports entity or other person benefitting from the expenditure; and

(ii) obtains a security interest that secures payment or performance of the obligation to reimburse.

(e) A contract or agreement entered into in violation of Subsection (4)(d) is void.

~~[(f) Any monies in the Olympics special revenue fund or funds as of October 1, 2002, shall be dispersed as follows:]~~

~~[(i) 50% shall be deposited into the General Fund; and]~~

~~[(ii) 50% to counties, cities, or towns in proportion to the sales and use taxes generated by the county, city, or town and deposited under Subsection (4)(a)(ii).]~~

(5) (a) From July 1, 1997, the annual amount of sales and use tax generated by a 1/8% tax rate on the taxable items and services under Subsection (1) shall be used as follows:

(i) 50% shall be used for water and wastewater projects as provided in Subsections (5)(b) through (f); and

(ii) 50% shall be used for transportation projects as provided in Subsections (5)(g) through (h).

(b) Five hundred thousand dollars each year shall be transferred to the Agriculture Resource Development Fund created in Section 4-18-6.

(c) Fifty percent of the remaining amount generated by 50% of the 1/8% tax rate shall be transferred to the Water Resources Conservation and Development Fund created in Section 73-10-24 for use by the Division of Water Resources. In addition to the uses allowed of the fund under Section 73-10-24, the fund may also be used to:

(i) provide a portion of the local cost share, not to exceed in any fiscal year 50% of the funds made available to the Division of Water Resources under this section, of potential project features of the Central Utah Project;

(ii) conduct hydrologic and geotechnical investigations by the Department of Natural

Resources in a cooperative effort with other state, federal, or local entities, for the purpose of quantifying surface and ground water resources and describing the hydrologic systems of an area in sufficient detail so as to enable local and state resource managers to plan for and accommodate growth in water use without jeopardizing the resource;

(iii) fund state required dam safety improvements; and

(iv) protect the state's interest in interstate water compact allocations, including the hiring of technical and legal staff.

(d) Twenty-five percent of the remaining amount generated by 50% of the 1/8% tax rate shall be transferred to the Utah Wastewater Loan Program subaccount created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects as defined in Section 73-10b-2.

(e) Twenty-five percent of the remaining amount generated by 50% of the 1/8% tax rate shall be transferred to the Drinking Water Loan Program subaccount created in Section 73-10c-5 for use by the Division of Drinking Water to:

(i) provide for the installation and repair of collection, treatment, storage, and distribution facilities for any public water system, as defined in Section 19-4-102;

(ii) develop underground sources of water, including springs and wells; and

(iii) develop surface water sources.

(f) Notwithstanding Subsections (5)(b), (c), (d), and (e), \$100,000 of the remaining amount generated by 50% of the 1/8% tax rate each year shall be transferred as dedicated credits to the Division of Water Rights to cover the costs incurred in hiring legal and other technical staff for the adjudication of water rights. Any remaining balance at the end of each fiscal year shall lapse back to the contributing funds on a prorated basis.

(g) Fifty percent of the 1/8% tax rate shall be transferred to the class B and class C roads account to be expended as provided in Title 27, Chapter 12, Article 11, Finances, except as provided in Subsection (5)(h).

(h) (i) If H.B. 53, "Transportation Corridor Preservation," passes in the 1996 General Session, \$500,000 each year shall be transferred to the Transportation Corridor Preservation Revolving Loan Fund, and if H.B. 121, "State Park Access Roads," passes in the 1996 General

Session, from July 1, 1997, through June 30, 2006, \$500,000 shall be transferred to the Department of Transportation for the State Park Access Highways Improvement Program. The remaining amount generated by 50% of the 1/8% tax rate shall be transferred to the class B and class C roads account.

(ii) At least 50% of the money transferred to the Transportation Corridor Preservation Revolving Loan Fund under Subsection (5)(h)(i) shall be used to fund loan applications made by the Department of Transportation at the request of local governments.

(6) (a) Beginning on January 1, 2000, the Division of Finance shall deposit into the Centennial Highway Trust Fund created in Section 63-49-22 a portion of the state sales and use tax under Subsections (2) and (3) equal to the revenues generated by a 1/64% tax rate on the taxable items and services under Subsection (1).

(b) Beginning on January 1, 2000, the revenues generated by the 1/64% tax rate:

(i) retained under Subsection 59-12-204(7)(a) shall be retained by the counties, cities, or towns as provided in Section 59-12-204; and

(ii) retained under Subsection 59-12-205(4)(a) shall be distributed to each county, city, and town as provided in Section 59-12-205.

Section 3. Section **63A-7-104** is amended to read:

63A-7-104. Utah Sports Authority -- State controls -- Board -- Membership -- Meetings -- Removal -- Per diem and expenses.

(1) (a) There is created within the department the Utah Sports Authority.

(b) The authority is subject to all laws, rules, policies, and other conditions and limitations that govern agencies of state government, including:

(i) the procurement procedures contained in Title 63, Chapter 56, Utah Procurement Code;

(ii) Title 63A, Chapter 10, State Olympic Coordination Act;

~~[(ii)]~~ (iii) the personnel procedures contained in Title 67, Chapter 19, Utah State Personnel Management Act; and

~~[(iii)]~~ (iv) the laws, rules, policies, and other conditions or limitations from oversight departments, divisions, agencies, or offices such as the Division of Finance, the Division of Facilities

Construction and Management, the state treasurer, the state auditor, and the attorney general.

(c) (i) Notwithstanding any other provisions of this chapter, the Division of Finance shall provide or contract for all accounting related to public sports facilities, including budgeting, financial reporting, and internal controls of both state and nonstate funds of the authority.

(ii) All nonstate funds may be accounted for and controlled outside of the state accounting system.

(d) (i) After May 4, 1998, any contract, agreement, or financial arrangement entered into by the authority shall be reviewed by the State Olympic Officer and approved by the governor if the contract, agreement, or financial arrangement involves:

(A) the transfer or conveyance of real or personal property or any interest in real or personal property held by the authority on behalf of the state;

(B) the lease or use of a public sports facility by any person other than the authority;

(C) construction at a public sports facility; or

(D) the management of a public sports facility.

(ii) A contract, agreement, or financial arrangement entered into after May 4, 1998, that is not reviewed and approved in accordance with this Subsection (1)(d) is voidable at the option of the governor.

(iii) The State Olympic Officer may establish a policy that exempts a contract, agreement, or financial arrangement from the requirements of this Subsection (1)(d) if:

(A) the size of a project, the scope of the activities, or the amount of money or state resources involved is of minimal or insignificant nature; and

(B) the exemption is in the public interest.

(iv) The requirements of this Subsection (1)(d) are in addition to any other requirements imposed on the authority by law, including approval by the Legislature of any conveyance under Subsection 63A-7-105(20).

(2) The policy of the authority shall be determined by the authority board rather than the executive director.

(3) There is created a Utah Sports Authority Board that shall consist of 19 members as

follows:

(a) 18 individuals appointed by the governor, with the advice and consent of the Senate, as

follows:

(i) five individuals from a list of ten nominees provided by the Utah League of Cities and

Towns, with not more than one being a resident of any given county;

(ii) two individuals from a list of four nominees provided by the Utah Association of

Counties;

(iii) three individuals from a list of six nominees provided by the mayor of Salt Lake City;

(iv) four individuals from the state at large; and

(v) four individuals:

(A) who prior to or at the time of appointment are athletes; and

(B) that the governor determines fairly represent the interests of athletes that will be served by state programs or facilities overseen by the authority; and

(b) the executive director of the Department of Community and Economic Development.

(4) The authority board membership shall include representatives of private business and industry. Examples of industries that may be represented on the board include the banking, accounting, legal, financial services, and amateur sports industries.

(5) (a) In making appointments to the authority board, the governor shall consider geographical representation.

(b) A member of the authority board may not hold an elective public office.

(c) Each board member shall be a resident of the state as defined in Section 20A-2-105.

(d) No more than eight board members may have the same political party affiliation and the political party affiliation of each board member and any change in that affiliation shall be disclosed to the board.

(e) A member of the authority board, any of its employees, or any employees of the department or the Department of Community and Economic Development may not be on the board of, be employed by, contract with, or in any way be affiliated with any private entity that is using or seeking to use state funds to solicit, attract, organize, schedule, conduct, book, provide, operate,

or create any public sports event, or that uses or seeks to use any public sports facility, unless any affiliation with the private entity is fully disclosed to the authority board and the advisory committee in an open and public meeting.

(6) (a) Except as required by Subsection (6)(b), each board member shall serve a four-year term beginning January 1, 1990.

(b) Notwithstanding the requirements of Subsection (6)(a), the governor shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the terms of authority members are staggered so that approximately half of the authority is appointed every two years.

(7) The governor shall appoint one of the members appointed to a four-year term as the chair of the authority board. The members shall elect from among their number a vice chair and other officers they may determine. The chair shall serve at the pleasure of the governor.

(8) (a) The authority board shall meet at least quarterly unless otherwise determined by a majority of the members and at other times at the discretion of the chair.

(b) A majority of the authority board is a quorum for conducting authority business. A majority vote of those present is required for any action to be taken by the authority.

(c) The authority board shall invite the members of the advisory committee and other agencies and individuals listed in Subsection (8)(e) to all of its meetings. The authority shall allow members of the advisory committee and other agencies and individuals listed in Subsection (8)(e) to attend, participate in discussions, and review all materials presented in all meetings of the authority.

(d) The authority shall include at least two members of the advisory committee on each subcommittee the authority board may create.

(e) The authority board shall provide meeting notices, agendas, and minutes of meetings:

- (i) to members of the advisory committee;
- (ii) the governor;
- (iii) the attorney general;
- (iv) the Division of Finance;
- (v) the Department of Administrative Services;

- (vi) the Division of Facilities Construction and Management;
- (vii) the state auditor;
- (viii) the legislative auditor general;
- (ix) the Office of Legislative Research and General Counsel; [and]
- (x) the Office of the Legislative Fiscal Analyst; and
- (xi) the State Olympic Officer.

(9) (a) Any member may be removed from office with cause by the governor or for cause by an affirmative vote of eight members.

(b) When a vacancy occurs in the membership for any reason, the replacement shall be appointed for the unexpired term in the same manner as the original appointment, subject to the consent of the Senate.

(c) A member shall continue to hold office until the member's successor has been appointed and qualified.

(d) Any member is eligible for reappointment, but may not serve more than four full consecutive terms.

(10) The authority shall exist as long as it has obligations outstanding and until its existence is terminated by law. Upon the termination of the existence of the authority, all its rights and properties shall pass to and be vested in the state.

(11) (a) (i) A member who is not a government employee shall receive no compensation or benefits for that member's services, but may receive per diem and expenses incurred in the performance of the member's official duties at the rates established by the Division of Finance under Sections 63A-3-106 and 63A-3-107.

(ii) A member may decline to receive per diem and expenses for the member's service.

(b) (i) A state government officer or employee member who does not receive salary, per diem, or expenses from the officer's or employee's agency for the officer's or employee's service may receive per diem and expenses incurred in the performance of the officer's or employee's official duties from the authority at the rates established by the Division of Finance under Sections 63A-3-106 and 63A-3-107.

(ii) A state government officer or employee member may decline to receive per diem and expenses for the officer's or employee's service.

(c) (i) A local government member who does not receive salary, per diem, or expenses from the entity that the member represents for the service may receive per diem and expenses incurred in the performance of the member's official duties at the rates established by the Division of Finance under Sections 63A-3-106 and 63A-3-107.

(ii) A local government member may decline to receive per diem and expenses for the member's service.

Section 4. Section **63A-7-106** is amended to read:

63A-7-106. Financial plan approval by governor and mayor -- State Olympic Officer access to and report on financial information.

(1) (a) Any public sports entity that hosts, organizes, conducts, or operates the Olympic Winter Games shall:

(i) quarterly submit the financial plan for hosting the games to the governor and the mayor of Salt Lake City for review and approval;

(ii) annually provide to the State Olympic [~~C~~oordinator] Officer in a form that meets generally accepted accounting principles, except as noted in the audit opinion, the public sports entity's balance sheet, income statement, cash flow statement, and the entity's current operating performance as compared to its budget; and

(iii) provide the State Olympic [~~C~~oordinator] Officer reasonable access during normal business hours to the financial ledgers of the public sports entity.

(b) The State Olympic [~~C~~oordinator] Officer may request from the public sports entity access to any other financial records not disclosed under Subsection (1)(a). The public sports entity shall provide the coordinator access to the records if the board of trustees of the public sports entity approves the request.

(2) The State Olympic [~~C~~oordinator] Officer shall:

(a) distribute the information provided in Subsection (1)(a)(ii) to:

(i) the Division of Finance;

- (ii) the state auditor;
- (iii) the legislative auditor general;
- (iv) the Office of Legislative Research and General Counsel; and
- (v) the Office of the Legislative Fiscal Analyst; and

(b) review the information provided under Subsection (1) and report annually to the Sports Advisory Committee and Executive Appropriations Committee concerning the financial plan for hosting the games.

(3) At the request of a public sports entity, information obtained by the State Olympic [Coordinator] Officer from the public sports entity shall be a protected record under Title 63, Chapter 2, Government Records Access Management Act, if:

- (a) the record is designated as protected by the public sports entity; and
- (b) the information is not public information under this chapter or other state or federal laws.

Section 5. Section **63A-7-113** is enacted to read:

63A-7-113. Disbursement of the Olympic Special Revenue Fund.

(1) As used in this section:

(a) "Base sales and use tax amount" means the first \$59,000,000 deposited in the Olympic Special Revenue Fund under Subsection 59-12-103(4);

(b) "Olympics Special Revenue Fund" means the fund or funds created under Subsection 59-12-103(4); and

(c) "Proportionate share" means the percentage of the total sales and use taxes deposited under Subsection 59-12-103(4) that are generated by a county or municipality.

(2) Beginning on January 15, 2002, the monies in the Olympic Special Revenue Fund shall be distributed as follows:

(a) on or before January 15, 2002, each county or municipality other than a county or municipality described in Subsection (2)(b) shall receive the county's or municipality's proportionate share of:

(i) amounts deposited into the Olympic Special Revenue Fund by a public sports entity as reimbursement of sales and use taxes deposited under Subsection 59-12-103(4); and

(ii) (A) the sales and use taxes in excess of the base sales and use tax amount; and
(B) interest on the amounts described in Subsection (2)(a)(ii)(A) for the period beginning on the day on which the sales and use taxes deposited into the Olympic Special Revenue Fund equal the base amount and ending on the day on which the disbursement is made to the county or municipality;

(b) by no later than May 5, 2003, there may be distributed to any county or municipality that has entered into an indemnification agreement with the state regarding risks related to the Winter Olympic Games of 2002:

(i) the proportionate share of:

(A) amounts deposited into the Olympic Special Revenue Fund by a public sports entity as reimbursement of sales and use taxes deposited under Subsection 59-12-103(4); and

(B) (I) the sales and use taxes in excess of the base sales and use tax amount; and

(II) interest on the amounts described in Subsection (2)(b)(i)(B)(I) for the period beginning on the day on which the sales and use taxes deposited into the Olympic Special Revenue Fund equal the base amount and ending on the day on which the disbursement is made to the county or municipality; and

(ii) interest on the amounts described in Subsection (2)(b)(i)(A) for the period beginning on January 15, 2002, and ending on the day on which the disbursement is made to the county or municipality; and

(c) any monies in the Olympic Special Revenue Fund after the disbursement under Subsection (2)(b) shall be deposited in the General Fund.

Section 6. Section **63A-10-102** is amended to read:

63A-10-102. Definitions.

As used in this chapter:

(1) "[Coordinator] Officer" means the State Olympic [Coordinator] Officer appointed in Section 63A-10-103.

(2) "Olympics" means the 2002 Winter Olympic Games to be hosted by Salt Lake City.

(3) "Organizing committee" means the Salt Lake [Olympic] Organizing Committee for the

Olympic Winter Games of 2002.

(4) (a) "State agency" means any department, division, commission, council, board, bureau, committee, institution, government corporation, or other establishment or official of this state, except the Legislature~~[- and]~~.

(b) "State agency" includes:

(i) a state institution of higher education; and

(ii) the Utah Sports Authority created in Section 63A-7-104.

Section 7. Section **63A-10-103** is amended to read:

63A-10-103. State Olympic Officer -- Creation.

(1) There is created the position of State Olympic ~~[Coordinator]~~ Officer.

~~[(2) From May 1, 1996 through July 1, 1997, the state auditor shall serve as the State Olympic Coordinator and may consult with the director of the Office of Planning and Budget and the Office of the Attorney General in fulfilling the duties outlined in Section 63A-10-104.]~~

~~[(3)]~~ (2) Beginning July 1, 1997:

(a) The State Olympic ~~[Coordinator]~~ Officer shall be an individual appointed by the governor with the advice and consent of the Senate.

(b) The ~~[coordinator]~~ officer serves at the pleasure of the governor.

(c) The ~~[coordinator]~~ officer shall be experienced in administration, financial, and legal transactions, and coordination of complex organizations.

(d) The ~~[coordinator]~~ officer shall receive compensation as provided by Title 67, Chapter ~~[19, Utah State Personnel Management Act]~~ 22, State Officer Compensation.

(e) The ~~[coordinator]~~ officer may appoint one additional staff member with the approval of the governor.

(f) The Office of Planning and Budget shall provide staff support and physical facilities to the coordinator.

(g) Except as provided in Subsection ~~[(4)]~~(3), beginning July 1, 1997, the salary, benefits, and administrative costs associated with the ~~[coordinator]~~ officer and an individual appointed by the ~~[coordinator]~~ officer under Subsection ~~[(3)]~~ (2)(e) shall be paid from the Olympics special revenue

fund or funds established under Section 59-12-103.

~~[(4)]~~ (3) (a) If there is inadequate monies in the Olympics special revenue fund or funds to pay the salary, benefits, and administrative costs described in Subsection ~~[(3)]~~ (2)(g), the salary, benefits, and administrative cost may be paid from the General Fund.

(b) If monies are paid from the General Fund under Subsection ~~[(4)]~~ (3)(a), the monies shall be reimbursed to the General Fund from the Olympics special revenue fund or funds at such time the Olympics special revenue fund or funds has adequate monies to reimburse the General Fund.

(c) Notwithstanding Subsections ~~[(3)]~~ (2)(e), ~~[(4)]~~ (3)(a), and ~~[(4)]~~ (3)(b), the salary, benefits, or administrative costs associated with the ~~[coordinator]~~ officer may not be paid from the sales and tax revenues generated by municipalities or counties and deposited under Subsection 59-12-103(4)(a)(ii).

Section 8. Section **63A-10-104** is amended to read:

63A-10-104. Duties of officer.

(1) The ~~[coordinator]~~ officer shall:

(a) review any contract, financial arrangement, state requirement, or exemption submitted under Section 63A-10-105;

(b) make a recommendation to the governor as to whether a contract, financial arrangement, state requirement, or exemption submitted under Section 63A-10-105 should be approved; and

(c) comply with the review and reporting requirements of Section 63A-7-106.

(2) The ~~[coordinator]~~ officer may request any information of a state agency related to a contract or financial arrangement with, a state requirement on, or exemption for, the organizing committee or other entity in relation to the Olympics.

Section 9. Section **63A-10-105** is amended to read:

63A-10-105. Approval of all contracts, financial arrangements, and state requirements or exemptions.

(1) For any contract or financial arrangement entered into after May 1, 1996, and except as provided in Subsection (3) ~~[and(4)]~~, a state agency may not enter into any contract or financial arrangement with, impose any requirement on, or establish any exemption for, the organizing

committee or other entity in relation to the Olympics unless:

(a) the state agency informs the [coordinator] officer of the contract, financial arrangement, or state requirement or exemption and provides the [coordinator] officer with:

(i) a copy of the contract or a detailed written description of the financial arrangement or state requirement or exemption; and

(ii) estimates of the costs to the state of the contract, financial arrangement, or state requirement or exemption;

(b) the [coordinator] officer reviews the materials provided under Subsection (1)(a); and

(c) the governor approves the contract, financial arrangement, state requirement, or exemption.

(2) A state agency shall cooperate with the [coordinator] officer and provide any information related to the Olympics requested by the [coordinator] officer or the governor.

(3) The [coordinator] officer may establish a policy that exempts a contract or agreement from the requirements of this chapter if:

(a) the size of a project, the scope of the activities, or the amount of money or state resources involved in the contract or agreement is of a minimal or insignificant nature; and

(b) the exemption is in the public interest.

~~[(4) The Utah Sports Authority is not subject to the requirements of this section for any expenditure, loan, or pledge of sales and use tax revenue deposited in the Olympics special revenue fund or funds under Subsection 59-12-103(4) that commits or expends the first \$59,000,000 in sales and use tax revenue from the Olympics special revenue fund or funds.]~~

Section 10. Section **63A-10-106** is amended to read:

63A-10-106. Contracts, financial arrangements, requirements, or exemptions voidable.

(1) Except as provided in Subsection (2) [~~or Subsection 63A-10-105(4)~~], for any contract or financial arrangement entered into after May 1, 1996, the contract or financial arrangement with, state requirement on, or exemption for the organizing committee or other entity in relation to the Olympics that is not reviewed and approved in accordance with this chapter is voidable at the option

of the governor.

(2) The [coordinator] officer may establish a policy that exempts a contract or agreement from the requirements of this chapter if:

(a) the size of a project, the scope of the activities, or the amount of money or state resources involved in the contract or agreement is of a minimal or insignificant nature; and

(b) the exemption is in the public interest.

Section 11. Section **63A-10-107** is amended to read:

63A-10-107. Compensation for services rendered.

(1) If a state agency provides services or property, including equipment, materials, and printing, at the request of the organizing committee, the state agency shall enter into a written contract with the organizing committee for the services or property to be furnished by the state agency for an agreed compensation to be paid by the organizing committee.

(2) If the organizing committee requests services or property of a state agency, the organizing committee shall compensate the state agency for the services or property under the contract required by Subsection (1).

(3) A contract required under this section:

(a) is subject to the review and approval process of Section 63A-10-105; and

(b) may include either a fixed or variable price amount.

(4) In determining the amount of compensation under the contract, the state agency and the [coordinator] officer may consider:

(a) the base costs of the agency for providing the services or property to the general public;

(b) incremental costs of providing the additional requested services or property to the organizing committee; and

(c) the benefits, if any, the state agency or the state will receive as a result of the Olympics.

(5) If requested by a political subdivision, or agency of a political subdivision, the [coordinator] officer may provide the political subdivision or agency with public information regarding contracts executed between state agencies and the organizing committee.

Section 12. Section **67-22-2** is amended to read:

67-22-2. Compensation -- Other state officers.

(1) The governor shall establish salaries for the following state officers within the following salary ranges fixed by the Legislature:

State Officer	Salary Range
Director, Health Policy Commission	\$52,500 - \$71,100
Commissioner of Agriculture and Food	\$56,200 - \$76,200
Commissioner of Insurance	\$56,200 - \$76,200
Commissioner of the Labor Commission	\$56,200 - \$76,200
Director, Alcoholic Beverage Control Commission	\$56,200 - \$76,200
Commissioner, Department of Financial Institutions	\$56,200 - \$76,200
Members, Board of Pardons and Parole	\$56,200 - \$76,200
Executive Director, Department of Commerce	\$56,200 - \$76,200
Executive Director, Commission on Criminal and Juvenile Justice	\$56,200 - \$76,200
Adjutant General	\$56,200 - \$76,200
Chair, Tax Commission	\$60,900 - \$82,200
Commissioners, Tax Commission	\$60,900 - \$82,200
Executive Director, Department of Community and Economic Development	\$60,900 - \$82,200
Executive Director, Tax Commission	\$60,900 - \$82,200
Chair, Public Service Commission	\$60,900 - \$82,200
Commissioner, Public Service Commission	\$60,900 - \$82,200
Executive Director, Department of Corrections	\$66,300 - \$89,500

Commissioner, Department of Public Safety	\$66,300 - \$89,500
Executive Director, Department of Natural Resources	\$66,300 - \$89,500
Director, Office of Planning and Budget	\$66,300 - \$89,500
Executive Director, Department of Administrative Services	\$66,300 - \$89,500
Executive Director, Department of Human Resource Management	\$66,300 - \$89,500
Executive Director, Department of Environmental Quality	\$66,300 - \$89,500
Executive Director, Department of Workforce Services	\$72,100 - \$97,500
Executive Director, Department of Health	\$72,100 - \$97,500
Executive Director, Department of Human Services	\$72,100 - \$97,500
Executive Director, Department of Transportation	\$72,100 - \$97,500
<u>State Olympic Officer</u>	<u>\$72,100 - \$97,500</u>

(2) (a) The Legislature fixes benefits for the state offices outlined in Subsection (1) as follows:

- (i) the option of participating in a state retirement system established by Title 49 or in a deferred compensation plan administered by the State Retirement Office in accordance with the Internal Revenue Code and its accompanying rules and regulations;
- (ii) health insurance;
- (iii) dental insurance;
- (iv) basic life insurance;

- (v) unemployment compensation;
 - (vi) workers' compensation;
 - (vii) required employer contribution to Social Security;
 - (viii) long-term disability insurance;
 - (ix) the same additional state-paid life insurance available to other noncareer service employees;
 - (x) the same severance pay available to other noncareer service employees;
 - (xi) the same sick leave, converted sick leave, educational allowances, and holidays granted to Schedule B state employees, and the same annual leave granted to Schedule B state employees with more than ten years of state service;
 - (xii) the option to convert accumulated sick leave to cash or insurance benefits as provided by law or rule upon resignation or retirement according to the same criteria and procedures applied to Schedule B state employees;
 - (xiii) the option to purchase additional life insurance at group insurance rates according to the same criteria and procedures applied to Schedule B state employees; and
 - (xiv) professional memberships if being a member of the professional organization is a requirement of the position.
- (b) Each department shall pay the cost of additional state-paid life insurance for its executive director from its existing budget.
- (3) The Legislature fixes the following additional benefits:
- (a) for the executive director of the State Tax Commission a vehicle for official and personal use;
 - (b) for the executive director of the Department of Transportation a vehicle for commute and official use;
 - (c) for the executive director of the Department of Natural Resources a vehicle for commute and official use;
 - (d) for the Commissioner of Public Safety:
 - (i) an accidental death insurance policy if POST certified; and

- (ii) a public safety vehicle for official and personal use;
- (e) for the executive director of the Department of Corrections:
 - (i) an accidental death insurance policy if POST certified; and
 - (ii) a public safety vehicle for official and personal use;
- (f) for the Adjutant General a vehicle for official and personal use; and
- (g) for each member of the Board of Pardons and Parole a vehicle for commute and official use.

(4) (a) The governor has the discretion to establish a specific salary for each office listed in Subsection (1), and, within that discretion, may provide salary increases within the range fixed by the Legislature.

(b) The governor shall apply the same overtime regulations applicable to other FLSA exempt positions.

(c) The governor may develop standards and criteria for reviewing the performance of the state officers listed in Subsection (1).

(5) Salaries for other Schedule A employees, as defined in Section 67-19-15, which are not provided for in this chapter, or in Title 67, Chapter 8, Utah Executive and Judicial Salary Act, shall be established as provided in Section 67-19-15.

Section 13. Retrospective operation.

The amendments for Sections 49-3-206 and 67-22-2 in this act shall be applied retrospectively to September 29, 1997.