

Representative Jordan Tanner proposes to substitute the following bill:

STATE OLYMPIC COORDINATION AMENDMENTS

1999 GENERAL SESSION

STATE OF UTAH

Sponsor: Jordan Tanner

AN ACT RELATING TO STATE OLYMPIC COORDINATION; MODIFYING THE MEMBERSHIP AND DUTIES OF THE UTAH SPORTS ADVISORY COMMITTEE; CREATING THE OLYMPIC COORDINATION COMMITTEE; PROVIDING FOR MEMBERSHIP AND DUTIES; AMENDING PROVISIONS RELATING TO THE APPROVAL OF OLYMPIC ORGANIZING COMMITTEE BUDGETS; REQUIRING SALT LAKE ORGANIZING COMMITTEE CONTRACTS TO INCLUDE LANGUAGE THAT LIMITS RECOURSE TO CITY AND STATE; AND PROVIDING AN EFFECTIVE DATE.

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

AMENDS:

63A-7-106, as last amended by Chapters 202 and 343, Laws of Utah 1998

63A-7-107, as last amended by Chapter 194, Laws of Utah 1996

63A-7-111, as last amended by Chapters 146 and 276, Laws of Utah 1997

63A-7-112, as renumbered and amended by Chapter 215, Laws of Utah 1995

ENACTS:

63A-10-109, Utah Code Annotated 1953

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

Section 1. 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:

26 ~~[(i) quarterly]~~ (a) no later than 30 days after the last day of each calendar quarter, submit
27 the financial plan for hosting the games to the governor and the mayor of Salt Lake City for review
28 and approval;

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

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

35 (2) The financial plan submitted by a public sports entity pursuant to Subsection (1)(a),
36 shall contain any information requested by the governor, and the mayor of Salt Lake City, as well
37 as ~~h~~ [certification and] ~~h~~ documentation that the financial plan:

38 (a) includes reliable revenue projections that are estimated to adequately cover anticipated
39 expenditures under the financial plan;

40 (b) includes projected cash flow estimates;

41 (c) includes reasonably prudent budget contingencies;

42 (d) identifies anticipated revenues that are projected to cover the obligations described in
43 Subsections (e) and (f);

44 (e) maintains, supports, and protects the state's security interest in revenues of the Salt
45 Lake Organizing Committee for the Olympic Winter Games of 2002, in accordance with joint
46 resolutions adopted by the Legislature; and

47 (f) provides for payment of all obligations of the Salt Lake Organizing Committee for the
48 Olympic Winter Games of 2002 that are due to:

49 (i) the state, including:

50 (A) repayment to the Utah Sports Authority of the actual total funds expended or incurred
51 by the Utah Sports Authority through April 15, 1999, from the Olympics Special Revenue Fund,
52 not to exceed \$59,000,000, in accordance with joint resolutions adopted by the Legislature;

53 (B) payment to the state of an amount equal to the bond obligations owed with respect to
54 the State Building Ownership Authority bond, in accordance with the requirements of S.J.R.14
55 passed by the Legislature in the 1998 General Session; and

56 (C) payment for services or property in accordance with Section 63A-10-107;

57 (ii) the Utah Athletic Foundation, including the payment of \$40,000,000 in accordance with
 58 joint resolutions adopted by the Legislature; and

59 (iii) the University of Utah, for use of the university's stadium for opening and closing
 60 ceremonies in accordance with the requirements of the Ceremonies Agreement dated July 28,
 61 1997.

62 (3) (a) The governor shall, no less often than semi-annually, provide a written review and
 63 determine whether to approve the financial plan described in Subsection (1)(a). Based on
 64 information available at the time of the governor's review, the governor shall determine whether
 65 the financial plan includes the requirements described in Subsection (2).

66 (b) The governor shall provide a written copy of his semi-annual review and ~~it~~ **ALSO** ~~it~~ , if
 66a approved,

67 his written approval to the:

68 (i) president of the Senate;

69 (ii) speaker of the House of Representatives; and

70 (iii) Olympic Coordination Committee, created pursuant to Section 63A-10-109.

71 (c) The governor's written review and ~~it~~ **ALSO THE** ~~it~~ approval described in this Subsection
 71a (3) does not
 72 constitute a guarantee or certification regarding the public sports entity's financial plan.

73 (4) No later than 15 days following the submission of the financial plan pursuant to
 74 Subsection (1)(a), the State Olympic Officer shall report in writing to the Olympic Coordination
 75 Committee. That report shall include a summary of:

76 (a) the quarterly financial plan provided by a public sports entity, as required by Subsection
 77 (1)(a); and

78 (b) the ~~it~~ **[certification and accompanying]** ~~it~~ documentation described in Subsection (2).

79 (5) The review and determination of approval of the financial plan by the mayor of Salt
 80 Lake City, as required by Subsection (1)(a), shall be in accordance with guidelines established by
 81 the Salt Lake City Council.

82 ~~[(b)]~~ (6) The State Olympic Officer may request from the public sports entity access to any
 83 other financial records not disclosed under Subsection (1)(a). The public sports entity shall
 84 provide the coordinator access to the records if the board of trustees of the public sports entity
 85 approves the request.

86 ~~[(2)]~~ (7) The State Olympic Officer shall:

87 (a) distribute the information provided ~~in~~ pursuant to Subsection (1)~~[(a)(ii)]~~ (b) to:

- 88 (i) the Division of Finance;
- 89 (ii) the state auditor;
- 90 (iii) the legislative auditor general;
- 91 (iv) the Office of Legislative Research and General Counsel; and
- 92 (v) the Office of the Legislative Fiscal Analyst; ~~[and]~~
- 93 (b) review the information provided ~~[under Subsection]~~ pursuant to Subsections (1) and
- 94 ~~(2)~~; and
- 95 (c) report annually to the Sports Advisory Committee and Executive Appropriations
- 96 Committee concerning the financial plan for hosting the games required under Subsection
- 97 (1)(a)~~(f)~~, including reporting on the source, timing, reliability of projections, financial soundness,
- 98 security position, and contractual status of projected revenues and projected expenditures.
- 99 ~~(f)~~ (8) At the request of a public sports entity, information obtained by the State Olympic
- 100 Officer from the public sports entity shall be a protected record under Title 63, Chapter 2,
- 101 Government Records Access Management Act, if:
- 102 (a) the record is designated as protected by the public sports entity; and
- 103 (b) the information is not public information under this chapter or other state or federal
- 104 laws.

Section 2. Section **63A-7-107** is amended to read:

63A-7-107. Restrictions on public sports entities.

- 107 (1) (a) As a condition to receiving or using any state money to organize, book, schedule,
- 108 provide, operate, or conduct any public sports event, or to using any public sports facility, each
- 109 public sports entity shall:
- 110 (i) prior to using any public money, establish internal financial controls, procedures, and
- 111 plans relating to the use of public money, including personnel hiring policies and contracting
- 112 procedures that are reviewed and approved by the authority;
- 113 (ii) submit to the authority for review and approval and to the Division of Finance for
- 114 review, a detailed budget relating to the use of public money, containing budgeted and projected
- 115 revenues and expenditures, including budgeted salaries funded in whole or in part with public
- 116 money by position and any other information considered necessary or appropriate by the authority;
- 117 (iii) prior to using any public money, submit to the authority and the Division of Finance
- 118 for review and approval all agreements, together with all amendments to them, relating to the use

119 of state money or the use of any public sports facility unless the authority board reasonably
120 determines that:

121 (A) the size of the project, the scope of the public sports event, or the amount of state
122 money used is of a minimal or insignificant nature, or that compliance with the requirements of
123 Subsection (1)(a)(iii) is unduly burdensome to either the state or the public sports entity; and

124 (B) the exemption is in the public interest;

125 (iv) submit to the authority for review and approval and to the Division of Finance for
126 review a detailed plan, together with appropriate supporting materials, under which funds,
127 budgeted or unbudgeted, are:

128 (A) identified and earmarked for return and are returned to the Olympics Special Revenue
129 Fund and to each of the state's political subdivisions that provided sales tax revenues under
130 Subsection 59-12-103(4) on a regular basis as required by the authority; and

131 (B) identified and earmarked for payment into and paid into an endowment fund for the
132 payment of the operation and maintenance costs of public sports facilities;

133 (v) submit to an annual audit of the state auditor of its use of any public money pursuant
134 to the guidelines provided for in Section 67-3-1, or cause an annual audit to be made by an
135 independent auditor approved by the state auditor; and

136 (vi) submit to audits of the legislative auditor general of its use of any public money
137 pursuant to Section 36-12-15.

138 (b) Notwithstanding any other provision of this chapter, the authority may exempt a public
139 sports entity from any of the requirements of Subsection (1)(a) or Section 63A-7-105 if the
140 authority reasonably determines that the matter being exempted does not relate to the use of state
141 money or the use of any public sports facility. When the matter relates to the use of state money
142 or the use of any public sports facility, then an exemption may be granted only when the authority
143 reasonably determines that:

144 (i) the size of the project, the scope of the public sports event, the amount of state money
145 used is of a minimal or insignificant nature, or that compliance with the requirements of
146 Subsection (1)(a) or Section 63A-7-105 is unduly burdensome to either the state or the public
147 sports entity; and

148 (ii) that the exemption is in the public interest.

149 (2) As a condition to receiving or using any state money to organize, book, schedule,

150 provide, operate, or conduct the Olympic Winter Games or to using any public sports facility to
151 organize, book, schedule, provide, operate, or conduct the Olympic Winter Games, each public
152 sports entity, shall:

153 (a) establish and follow a procedure under which its officers, its key employees, and the
154 members of its governing and advisory bodies:

155 (i) have no undisclosed economic interest in the Olympic bidding process or the
156 construction, maintenance, operation, engineering, site selection, or management of any public
157 sports facility; and

158 (ii) consider the nomination and selection of its members from identifiable constituent
159 groups, including amateur athletic associations and cities and counties where Olympic venues are
160 proposed to be located;

161 (b) establish and follow a procedure under which meetings of its full board of trustees are
162 regularly held, open to the public, and for which notices and agendas are publicly posted in
163 advance and minutes and other records are kept, except that the procedure may permit the board
164 of trustees to hold a closed meeting upon the affirmative vote of 2/3 of the trustees present at an
165 open meeting for any of the following purposes:

166 (i) discussion of the character, professional competence, or physical or mental health of
167 an individual;

168 (ii) strategy sessions with respect to:

169 (A) collective bargaining;

170 (B) litigation;

171 (C) bidding for the Olympic Winter Games and other events when an open discussion
172 would put the public sports entity at a competitive disadvantage with respect to the other bidders;

173 (D) the negotiation, but not approval, of contracts and agreements when an open
174 discussion would prevent the public sports entity from entering into the contract or agreement on
175 the best possible terms; or

176 (E) the purchase of real property;

177 (iii) discussion regarding deployment of security personnel or devices; and

178 (iv) investigative proceedings regarding allegations of criminal or other misconduct;

179 (c) establish and follow a procedure under which the entity's overall budget and other

180 information, as described in Subsection (1), is reviewed, adopted, and discussed in open meetings

181 required to be held under the guidelines described in Subsection (2)(b);

182 (d) establish and follow procurement procedure pursuant to which no bid may be awarded
183 to a relative of a member or officer of the governing, advisory, or other bodies affiliated with the
184 entity unless the relationship is disclosed to the entity's governing board; and

185 (e) establish and follow a procedure under which budgets, expenditures, and selection of
186 sites related to public sports facilities, and public statements and representations related thereto be
187 approved by a majority of the governing or policymaking body of the entity.

188 (3) Any public sports entity, any of its officers, its employees, or any member of its
189 governing or advisory bodies that knowingly violates Subsection (2)(a)(i), knowingly fails to
190 disclose any economic interest referred to in Subsection (2)(a)(i), or solely because of the
191 affiliation the officer, employee, or member has with the public sports entity, knowingly receives
192 any economic benefit, is guilty of a class A misdemeanor and subject to a civil penalty of the
193 greater of \$10,000 or the amount of any such economic benefit.

194 (4) A public sports entity and any commission, board, or committee of a public sports
195 entity, is not a commission, board, or committee of a municipality.

196 (5) The Salt Lake Olympic Organizing Committee for the Olympic Winter Games of 2002
197 shall require all parties who contract with that committee, or who provide any service, labor,
198 material, commodity, money, credit, or assistance to that committee, to agree, in writing, to waive
199 any claim they may have against Salt Lake City, the authority, and the state, in connection with that
200 contract or with services rendered pursuant to that contract, and to agree to look solely to the Salt
201 Lake Olympic Organizing Committee for performance and payment. As of the effective date of
202 H.B. 229, 1999 General Session, any contract executed by the Salt Lake Olympic Organizing
203 Committee that does not contain the waiver described in this Subsection (5), is void.

204 Section 3. Section **63A-7-111** is amended to read:

205 **63A-7-111. Utah Sports Advisory Committee.**

206 (1) There is created the Utah Sports Advisory Committee.

207 (2) The advisory committee shall consist of the following [17] members:

208 (a) five representatives of the Utah League of Cities and Towns, appointed by the Utah
209 League of Cities and Towns;

210 (b) two representatives of the Utah Association of Counties, appointed by the Utah
211 Association of Counties;

212 (c) two representatives of Salt Lake City, appointed by the mayor of Salt Lake City;

213 (d) two individuals jointly appointed by the president of the Senate and speaker of the
214 House:

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

216 (ii) that the president of the Senate and the speaker of the House jointly determine fairly
217 represent the interests of athletes that will be served by state programs or facilities related to the
218 responsibilities of the advisory committee; and

219 (e) ~~[three members of the Senate, appointed by the president of the Senate, not more than~~
220 ~~two of whom may be from the same political party;]~~ the members of the Olympic Coordination
221 Committee, created pursuant to Section 63A-10-109.

222 ~~[(f) three members of the House of Representatives, appointed by the speaker of the~~
223 ~~House, not more than two of whom may be from the same political party.]~~

224 (3) The president of the Senate and the speaker of the House shall each appoint a legislator
225 to serve as cochair of the advisory committee.

226 (4) (a) Except as required by Subsection (4)(b), each advisory committee member, except
227 the legislative members, shall serve a four-year term.

228 (b) Notwithstanding the requirements of Subsection (4)(a), the chairs of the committee
229 shall, at the time of appointment or reappointment of the members appointed under Subsections
230 (2)(a) through (d), adjust the length of terms to ensure that the terms of those committee members
231 appointed under Subsections (2)(a) through (d) are staggered so that approximately half are
232 appointed every two years.

233 (5) (a) If ~~the~~ a member serving pursuant to Subsection (2)(e) no longer serves in the
234 Legislature, a vacancy is created.

235 (b) When a vacancy occurs in the membership for any reason, the replacement shall be
236 appointed for the unexpired term in the same manner as the original appointment.

237 (c) An advisory committee member shall continue to hold office until the advisory
238 committee member's successor has been appointed and qualified.

239 (d) (i) When a vacancy occurs or a term expires in the membership of an individual
240 appointed under Subsection (2)(a) or (b), the appointing authority shall reappoint the individual
241 or appoint a replacement within 90 days of the date the vacancy occurs or member's term expires.

242 (ii) If the appointing authority fails to appoint a member within the 90 days required by

243 Subsection (5)(d)(i), the president of the Senate and the speaker of the House shall jointly make
244 the appointment.

245 (6) Any advisory committee member is eligible for reappointment but may not serve more
246 than four full consecutive terms.

247 (7) (a) The advisory committee shall meet at least [~~quarterly~~] semiannually and at other
248 times at the call of the cochairs.

249 (b) A majority of the membership on the advisory committee is required for a quorum to
250 conduct committee business. A majority vote of the quorum is required for any action to be taken
251 by the advisory committee.

252 (c) Any member of the advisory committee may attend, participate in discussions, and
253 review all materials presented in any of the meetings of the authority board.

254 (8) The staff to the advisory committee shall be from within the professional legislative
255 staff offices as determined by the president of the Senate and the speaker of the House.

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

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

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

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

268 (c) Legislators on the committee shall receive compensation and expenses as provided by
269 law and legislative rule.

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

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

276 Section 4. Section **63A-7-112** is amended to read:

277 **63A-7-112. Committee duties.**

278 The advisory committee [~~shall: (1)~~] has authority to review and make recommendations
279 to the Legislature, the governor, the authority board, and to local governments concerning any
280 activity, function, power, duty, policy, procedure, process, expenditure, or other [~~aspect of the~~
281 ~~authority, any public sports event, or any public sports entity or any issue related to the~~
282 ~~implementation of this chapter; and]~~ issue that significantly relates to the coordination of state and
283 local governments in hosting the Olympic Winter Games of 2002.

284 [~~(2) advise the Legislature and governor concerning any activity, function, power, duty,~~
285 ~~policy, procedure, process, expenditures, or other aspect of the authority, any public sports event,~~
286 ~~or any public sports entity, or any other issue related to the implementation of this chapter.]~~

287 Section 5. Section **63A-10-109** is enacted to read:

288 **63-A-10-109. Olympic Coordination Committee -- Creation -- Membership --**
289 **Quorum -- Compensation -- Staff -- Committee duties.**

290 (1) There is created the Olympic Coordination Committee consisting of the following 12
291 members:

292 (a) five members of the Senate, appointed by the president of the Senate, not more than
293 three of whom may be of the same political party; and

294 (b) seven members of the House of Representatives, appointed by the speaker of the House
295 of Representatives, not more than four of whom may be of the same political party.

296 (2) The cochairs of the Sports Advisory Committee, created pursuant to Section
297 63A-7-111, shall serve as cochairs of the Olympic Coordination Committee.

298 (3) The committee shall determine committee quorum and voting requirements in
299 accordance with Legislative Rules.

300 (4) Salaries and expenses of the members of the committee shall be paid in accordance
301 with Section 36-2-2 and Legislative Joint Rule 15.03.

302 (5) The Office of Legislative Research and General Counsel shall provide staff support to
303 the committee and shall consult with the Office of Legislative Fiscal Analyst on fiscal issues
304 studied by the committee.

305 (6) The committee may review and make recommendations to the Legislature and the
306 governor on any issue that relates to:

307 (a) the state's involvement in hosting the Olympics;

308 (b) the state's role as a creditor and a secured party in relationship to the Olympics and the

309 Organizing Committee;

310 (c) the Olympics;

311 (d) the Organizing Committee; or

312 (e) the impact of the Olympics on the state after the Olympic games have concluded.

313 (7) The committee may report any recommendations, including any proposed legislation,
314 to the Legislative Management Committee.

315 Section 6. **Effective date.**

316 If approved by two-thirds of all the members elected to each house, this act takes effect

317 upon approval by the governor, or the day following the constitutional time limit of Utah

318 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto, the

319 date of veto override.