

Senator Lane Beattie 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; STATING THAT THE STATE IS NOT RESPONSIBLE FOR ANY DEBT OR OBLIGATION OF SLOC; 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] a budget for hosting the games, including any substantive or material changes
28 to the budget since it was last submitted, to the governor and the mayor of Salt Lake City for
29 review and approval;

30 (b) submit to the State Olympic Officer:

31 (i) financial information requested by the State Olympic Officer that is substantially
32 similar to monthly and quarterly reports that are prepared by the public sports entity for a financial
33 institution providing the public sports entity with one or more revolving or other lines of credit;

34 (ii) by no later than December 31, 2000, written identification of contracts and payment
35 amounts, which the public sports entity intends to use to fully fund its obligations described in
36 Subsection (2)(f); and

37 (iii) any other financial records requested by the State Olympic Officer;

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

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

44 (2) The budget submitted by a public sports entity pursuant to Subsection (1)(a), shall
45 contain any information requested by the governor, and the mayor of Salt Lake City, as well as
46 documentation that the budget and accompanying information:

47 (a) includes reliable revenue projections that are estimated to adequately cover anticipated
48 expenditures under the budget;

49 (b) includes projected cash flow estimates;

50 (c) includes reasonably prudent budget contingencies;

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

54 (e) provides for payment of all obligations of the Salt Lake Organizing Committee for the
55 Olympic Winter Games of 2002 that are due to:

56 (i) the state, including:

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

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

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

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

66 (iii) the University of Utah, for use of the university's stadium for opening and closing
67 ceremonies in accordance with the requirements of the Ceremonies Agreement dated July 28,
68 1997.

69 (3) (a) Beginning the first of fiscal year 1999-2000, the governor shall, no less often than
70 semi-annually, provide a written review and determination regarding his decision whether to
71 approve the budget described in Subsection (1)(a). Based on information available at the time of
72 the governor's review, the governor shall determine whether the budget and accompanying
73 information includes the requirements described in Subsection (2).

74 (b) The governor shall provide a copy of his written semi-annual review and also, if
75 approved, his written approval to the:

76 (i) president of the Senate;

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

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

79 (c) The governor's written review and approval, as described in this Subsection (3), does
80 not constitute a guarantee or certification by the governor regarding the public sports entity's
81 budget.

82 (4) (a) No later than 15 days following the submission of the budget pursuant to
83 Subsection (1)(a), the State Olympic Officer shall report in writing to the Olympic Coordination
84 Committee. That report shall include a summary of:

85 (i) the quarterly budget provided by a public sports entity, as required by Subsection (1)(a);
86 and

87 (ii) the documentation described in Subsection (2).

88 (b) The State Olympic Officer's report required by this Subsection (4) does not constitute
89 a guarantee or certification by the State Olympic Officer regarding the public sports entity's budget.

90 (5) The review and determination of approval of the budget by the mayor of Salt Lake
91 City, as required by Subsection (1)(a), shall be in accordance with policy guidelines established
92 by the Salt Lake City Council.

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

97 ~~[(2)]~~ (7) The State Olympic Officer shall:

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

99 (i) the Division of Finance;

100 (ii) the state auditor;

101 (iii) the legislative auditor general;

102 (iv) the Office of Legislative Research and General Counsel; and

103 (v) the Office of the Legislative Fiscal Analyst; ~~[and]~~

104 (b) review the information provided ~~[under Subsection]~~ pursuant to Subsections (1) and
105 (2); and

106 (c) report annually to the Sports Advisory Committee and Executive Appropriations
107 Committee concerning the financial plan for hosting the games required under Subsection
108 (1)(a)~~[(i)]~~, including reporting on the source, timing, reliability of projections, financial soundness,
109 security position, and contractual status of projected revenues and projected expenditures.

110 ~~[(3)]~~ (8) At the request of a public sports entity, information obtained by the State Olympic
111 Officer from the public sports entity shall be a protected record under Title 63, Chapter 2,
112 Government Records Access Management Act, if:

113 (a) the record is designated as protected by the public sports entity; and

114 (b) the information is not public information under this chapter or other state or federal
115 laws.

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

117 **63A-7-107. Restrictions on public sports entities.**

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

119 provide, operate, or conduct any public sports event, or to using any public sports facility, each
120 public sports entity shall:

121 (i) prior to using any public money, establish internal financial controls, procedures, and
122 plans relating to the use of public money, including personnel hiring policies and contracting
123 procedures that are reviewed and approved by the authority;

124 (ii) submit to the authority for review and approval and to the Division of Finance for
125 review, a detailed budget relating to the use of public money, containing budgeted and projected
126 revenues and expenditures, including budgeted salaries funded in whole or in part with public
127 money by position and any other information considered necessary or appropriate by the authority;

128 (iii) prior to using any public money, submit to the authority and the Division of Finance
129 for review and approval all agreements, together with all amendments to them, relating to the use
130 of state money or the use of any public sports facility unless the authority board reasonably
131 determines that:

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

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

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

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

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

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

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

149 (b) Notwithstanding any other provision of this chapter, the authority may exempt a public

150 sports entity from any of the requirements of Subsection (1)(a) or Section 63A-7-105 if the
151 authority reasonably determines that the matter being exempted does not relate to the use of state
152 money or the use of any public sports facility. When the matter relates to the use of state money
153 or the use of any public sports facility, then an exemption may be granted only when the authority
154 reasonably determines that:

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

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

160 (2) As a condition to receiving or using any state money to organize, book, schedule,
161 provide, operate, or conduct the Olympic Winter Games or to using any public sports facility to
162 organize, book, schedule, provide, operate, or conduct the Olympic Winter Games, each public
163 sports entity, shall:

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

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

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

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

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

179 (ii) strategy sessions with respect to:

180 (A) collective bargaining;

181 (B) litigation;

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

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

187 (E) the purchase of real property;

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

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

190 (c) establish and follow a procedure under which the entity's overall budget and other
191 information, as described in Subsection (1), is reviewed, adopted, and discussed in open meetings
192 required to be held under the guidelines described in Subsection (2)(b);

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

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

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

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

207 (5) The Salt Lake Olympic Organizing Committee for the Olympic Winter Games of 2002
208 shall require all parties who contract with that committee, or who provide any service, labor,
209 material, commodity, money, credit, or assistance to that committee, to agree, in writing, to waive
210 any claim they may have against Salt Lake City, the authority, and the state, in connection with that
211 contract or with services rendered pursuant to that contract, and to agree to look solely to the Salt

212 Lake Olympic Organizing Committee for performance and payment.

213 (6) The state is not liable or responsible for any contractual or other obligation, debt,
214 liability, or responsibility of the Salt lake Olympic Organizing Committee for the Winter Games
215 of 2002 or any other public sports entity.

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

217 **63A-7-111. Utah Sports Advisory Committee.**

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

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

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

222 (b) two representatives of the Utah Association of Counties, appointed by the Utah
223 Association of Counties;

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

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

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

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

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

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

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

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

240 (b) Notwithstanding the requirements of Subsection (4)(a), the chairs of the committee
241 shall, at the time of appointment or reappointment of the members appointed under Subsections
242 (2)(a) through (d), adjust the length of terms to ensure that the terms of those committee members

243 appointed under Subsections (2)(a) through (d) are staggered so that approximately half are
244 appointed every two years.

245 (5) (a) If [~~the~~] a member servicing pursuant to Subsection (2)(e) no longer serves in the
246 Legislature, a vacancy is created.

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

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

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

254 (ii) If the appointing authority fails to appoint a member within the 90 days required by
255 Subsection (5)(d)(i), the president of the Senate and the speaker of the House shall jointly make
256 the appointment.

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

259 (7) (a) The advisory committee shall meet at least [~~quarterly~~] semiannually and at other
260 times at the call of the cochaIRS.

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

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

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

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

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

273 (b) (i) A state government officer or employee member who does not receive salary, per

274 diem, or expenses from the officer's or employee's agency for the officer's or employee's service
275 may receive per diem and expenses incurred in the performance of the officer's or employee's
276 official duties from the committee at the rates established by the Division of Finance under
277 Sections 63A-3-106 and 63A-3-107.

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

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

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

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

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

289 **63A-7-112. Committee duties.**

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

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

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

300 **63-A-10-109. Olympic Coordination Committee -- Creation -- Membership --**
301 **Quorum -- Compensation -- Staff -- Committee duties.**

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

304 (a) five members of the Senate, appointed by the president of the Senate, not more than

305 three of whom may be of the same political party; and

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

308 (2) The president of the Senate and the speaker of the House of Representatives shall each
309 appoint a legislator to serve as cochairs of the Olympic Coordination Committee.

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

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

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

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

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

320 (b) the state's role as a creditor and a secured party in relationship to the Olympics and the
321 Organizing Committee;

322 (c) the Olympics;

323 (d) the Organizing Committee; or

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

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

327 **Section 6. Effective date.**

328 If approved by two-thirds of all the members elected to each house, this act takes effect
329 upon approval by the governor, or the day following the constitutional time limit of Utah

330 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto, the
331 date of veto override.