

By the Committees on Commerce and Economic Opportunities;
Fiscal Resource; and Senator McKay

310-2030-00

1 A bill to be entitled
2 An act relating to the Olympic Games; stating
3 that the purpose of the act is to provide
4 assurances and commitments necessary for the
5 United States Olympic Committee and the
6 International Olympic Committee to select a
7 host city for the Olympic Games; providing
8 legislative findings; defining terms; creating
9 an Olympic Games Guaranty Account within the
10 Economic Development Trust Fund; providing for
11 purpose, administration, funding, and use of
12 the account; providing requirements of and
13 restrictions on the account; providing a limit
14 on liability of the state; providing for
15 termination of the account under specified
16 conditions; providing for reversion of funds;
17 requiring the local organizing committee to
18 provide certain information; providing for the
19 execution of games-support contracts; providing
20 requirements with respect to application for
21 such contracts; providing criteria for contract
22 approval; providing specified authority of the
23 direct-support organization authorized under s.
24 288.1229, F.S.; providing a restriction on the
25 direct-support organization; providing
26 additional authority of specified agencies and
27 entities; providing that the act does not
28 obligate the state to pay for or fund any
29 building or facility; providing an effective
30 date.
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1 Be It Enacted by the Legislature of the State of Florida:

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3 Section 1. Purpose.--The purpose of this act is to
4 provide the necessary assurances and commitments required by
5 the United States Olympic Committee and the International
6 Olympic Committee in selecting a host city for the XXXth
7 Olympic Games in 2012.

8 Section 2. Legislative findings.--The selection of a
9 candidate city in this state to host the 2012 Olympic Games
10 will confer significant benefits to the state as a whole and
11 to the communities where the games are held, including:

12 (1) Invaluable public visibility throughout the world.

13 (2) Increased tourism and economic growth.

14 (3) Significant job creation.

15 (4) The development of state-of-the-art sports
16 facilities and venues that Floridians will enjoy long after
17 the games have concluded.

18 (5) Enhanced opportunities for Florida athletes to
19 train and compete in amateur athletics at the international
20 level.

21 (6) An enduring legacy of good will throughout the
22 world.

23 (7) The opportunity to secure federal infrastructure
24 funding for key community projects.

25 Section 3. Definitions.--As used in this act, the
26 term:

27 (1) "Candidate city" means a municipality in this
28 state which has qualified for consideration by the United
29 States Olympic Committee as the United States candidate city
30 to host the XXXth Olympic Games in 2012.

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1 (2) "Games" means the XXXth Olympic Games to be held
2 in 2012.

3 (3) "Games-support contract" means a joinder
4 undertaking, a joinder agreement, or similar contract executed
5 by the state, a candidate city, or a local organizing
6 committee in connection with the selection of the candidate
7 city to host the games.

8 (4) "International Olympic Committee" means the
9 international governing body responsible for organizing and
10 conducting the Olympic Games.

11 (5) "Joinder agreement" means an agreement entered
12 into by:

13 (a) The state and the United States Olympic Committee
14 or the International Olympic Committee, setting out
15 representations and assurances by the state in connection with
16 the selection of the candidate city to host the games; or

17 (b) A candidate city and the United States Olympic
18 Committee or the International Olympic Committee, setting out
19 representations and assurances by the candidate city in
20 connection with the selection of the city to host the games.

21 (6) "Joinder undertaking" means an agreement entered
22 into by:

23 (a) The state and the United States Olympic Committee
24 or the International Olympic Committee under which the state
25 will execute a joinder agreement if the candidate city is
26 selected to host the games; or

27 (b) A candidate city and the United States Olympic
28 Committee or the International Olympic Committee under which
29 the city will execute a joinder agreement if the city is
30 selected to host the games.

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1 (7) "Local organizing committee" means a nonprofit
2 corporation or its successor in interest which:

3 (a) Has been authorized by the candidate city to
4 pursue an application to the United States Olympic Committee
5 and bid on the city's behalf to host the games.

6 (b) Has executed an agreement with the United States
7 Olympic Committee regarding the candidate city's bid to host
8 the games.

9 (8) "United States Olympic Committee" means the
10 official national Olympic Committee of the United States of
11 America which has been authorized by law to govern all matters
12 relating to national participation in the Olympic Games.

13 Section 4. Guarantee of state obligations; Olympic
14 Games Guaranty Account.--

15 (1) There is created, within the Economic Development
16 Trust Fund established pursuant to section 288.095, Florida
17 Statutes, the Olympic Games Guaranty Account. The Olympic
18 Games Guaranty Account shall be used for the sole purpose of
19 fulfilling the state's obligations under a games-support
20 contract to indemnify and insure against any net financial
21 deficit resulting from the conduct of the games. The
22 direct-support organization authorized under section 288.1229,
23 Florida Statutes, shall be responsible for administration of
24 the Olympic Games Guaranty Account.

25 (2) With funds from the Olympic Games Guaranty
26 Account, the direct-support organization authorized under
27 section 288.1229, Florida Statutes, shall obtain adequate
28 security, acceptable to the United States Olympic Committee
29 and the International Olympic Committee, to demonstrate the
30 state's ability to fulfill its obligations under the
31 games-support contracts to indemnify and insure up to \$175

1 million of any net financial deficit resulting from the
2 conduct of the games. Such security may be provided by state
3 funds committed to the Olympic Games Guaranty Account, or by
4 insurance coverage, letters of credit, or other acceptable
5 security instruments purchased or secured by such funds, or by
6 any combination of these options. In no event may the
7 liability of the state under all games-support contracts
8 entered into pursuant to this act exceed \$175 million in the
9 aggregate.

10 (3) By July 1, 2001, the local organizing committee
11 shall provide adequate security, acceptable to the
12 direct-support organization authorized under section 288.1229,
13 Florida Statutes, to demonstrate the local organizing
14 committee's ability to indemnify and insure the first \$25
15 million of any net financial deficit resulting from the
16 conduct of the games for which the state would be liable under
17 the games-support contracts. Such security may be provided
18 through the establishment of an internal guaranty fund,
19 insurance coverage, letters of credit, or other acceptable
20 security instruments, or by any combination of these options.
21 Any such security will identify the state as an additional
22 insured. If adequate proof of security is not provided as part
23 of the bid and maintained throughout the course of the games,
24 the Olympic Games Guaranty Account shall be terminated.

25 (4) In no event may the direct-support organization
26 authorized under section 288.1229, Florida Statutes, permit
27 the security provided by the state pursuant to this act to be
28 accessed to cover any net financial deficit indemnified by the
29 state under the games-support contracts until the security
30 provided by the local organizing committee pursuant to this
31 act is fully expended and exhausted.

1 (5) Funding for the Olympic Games Guaranty Account may
2 be derived from any combination of the following:

3 (a) Funds earmarked from the Working Capital Fund,
4 with the funds transferred to the Olympic Games Guaranty
5 Account if the candidate city is selected by the United States
6 Olympic Committee as the United States candidate city to host
7 the games, or at an earlier time determined by the state.

8 (b) Funds lawfully appropriated.

9 (c) The increases in proceeds deposited into the
10 General Revenue Fund from the taxes levied under chapter 212,
11 Florida Statutes, which are determined by the Revenue
12 Estimating Conference to be attributable to the games and
13 related events.

14 (6) No additional state funds shall be deposited into
15 the Olympic Games Guaranty Account once the direct-support
16 organization authorized under section 288.1229, Florida
17 Statutes, determines that the account has achieved, or is
18 reasonably expected to accrue, a sufficient balance to provide
19 adequate security, acceptable to the United States Olympic
20 Committee and the International Olympic Committee, to
21 demonstrate the state's ability to fulfill its obligations
22 under the games-support contracts to indemnify and insure up
23 to \$175 million of any net financial deficit resulting from
24 the conduct of the games.

25 (7) Moneys in the Olympic Games Guaranty Account shall
26 not be subject to the provisions of section 216.301(1)(a),
27 Florida Statutes. Any funds maintained in the Olympic Games
28 Guaranty Account shall be assigned to the State Board of
29 Administration for investment.

30 (8) If the candidate city is selected by the
31 International Olympic Committee as the host city for the

1 games, the Olympic Games Guaranty Account shall be terminated
2 upon the determination by the direct-support organization
3 authorized under section 288.1229, Florida Statutes, that the
4 state's obligations under the games-support contracts to
5 indemnify and insure against any net financial deficit
6 resulting from the conduct of the games are concluded. If the
7 candidate city is not selected by the United States Olympic
8 Committee as the United States candidate city to host the
9 games, or if the candidate city is not selected by the
10 International Olympic Committee as the host city for the
11 games, the Olympic Games Guaranty Account shall be immediately
12 terminated.

13 (9) Upon the termination of the Olympic Games Guaranty
14 Account, all sums earmarked or transferred to the Olympic
15 Games Guaranty Account from the Working Capital Fund shall
16 immediately revert to the Working Capital Fund and shall be
17 free for other uses, and all sums appropriated to the Olympic
18 Games Guaranty Account from the General Revenue Fund, and any
19 investment earnings retained in the Olympic Games Guaranty
20 Account, shall immediately revert to the General Revenue Fund
21 and be available for appropriation.

22 (10) The local organizing committee shall provide all
23 information in its possession which is required by the Revenue
24 Estimating Conference to enable it to fulfill its duties under
25 this act, including the annual financial statements and
26 records required by the United States Olympic Committee or the
27 International Olympic Committee, and data obtained by the
28 local organizing committee relating to attendance at the games
29 and to the economic impact of the games. A local organizing
30 committee must provide such annual financial statements and
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1 records not later than 120 days after the period covered by
2 the financial statements and records ends.

3 Section 5. State execution of games-support contracts;
4 assistance of state agencies.--

5 (1) The direct-support organization authorized under
6 section 288.1229, Florida Statutes, shall review an
7 application from a local organizing committee that the
8 direct-support organization authorized under section 288.1229,
9 Florida Statutes, on behalf of the state, commit to enter into
10 a games-support contract that is required by the United States
11 Olympic Committee or the International Olympic Committee in
12 connection with the selection of a candidate city in this
13 state to host the games.

14 (2) An application made under subsection (1) must be
15 accompanied by:

16 (a) A description and summary of the games for which
17 host-city designation is sought by the local organizing
18 committee.

19 (b) A description of the proposal that the local
20 organizing committee intends to submit to the United States
21 Olympic Committee, including the proposed venues to be used to
22 conduct the games.

23 (c) Projections of the paid attendance and direct and
24 indirect economic impact of the games on the state and the
25 candidate city, including the basis and methodology for such
26 projections.

27 (d) The anticipated total cost of presenting the games
28 and the committee's plan for financing this cost.

29 (e) The resources committed by the candidate city and
30 any other participating municipalities and other government

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1 entities to fulfill the obligations under the games-support
2 contracts.

3 (f) Any other information reasonably requested by the
4 direct-support organization authorized under section 288.1229,
5 Florida Statutes, within 60 days after receipt of the
6 application, to assist the direct-support organization in
7 completing its evaluation as required under subsection (3).

8 (3) Within 30 days after receiving all information
9 required under subsection (2), the direct-support organization
10 authorized under section 288.1229, Florida Statutes, shall
11 approve or deny any application made under subsection (1). In
12 making this determination, the direct-support organization
13 must make findings regarding the following:

14 (a) The reasonableness and reliability of the local
15 organizing committee's revenue and expenditure projections.

16 (b) The reasonableness and reliability of the
17 projection relating to the direct and indirect economic impact
18 of hosting the games.

19 (c) The extent to which the candidate city and other
20 participating jurisdictions have committed sufficient
21 resources to fulfill the obligations under the games-support
22 contracts.

23 (d) The extent to which the local organizing committee
24 has sought to maximize the use of existing venues throughout
25 the state, within the limitation imposed by the United States
26 Olympic Committee regarding transportation, accommodations,
27 facility capacity, and customs and practices.

28 (e) The extent to which the local organizing committee
29 has demonstrated that it has provided, is capable of
30 providing, has financial or other commitments to provide for,
31 or provides findings of projected financial revenues

1 reasonably calculated to cover the costs incurred or
2 anticipated in relation to presentation of the games.

3 (f) The extent to which the state's obligations and
4 risks are reasonable in light of the anticipated benefits to
5 the state and its residents.

6 (4) The direct-support organization authorized under
7 section 288.1229, Florida Statutes, may agree in a joinder
8 undertaking entered into with the United States Olympic
9 Committee or the International Olympic Committee that the
10 direct-support organization authorized under section 288.1229,
11 Florida Statutes, will:

12 (a) Execute a joinder agreement if the United States
13 Olympic Committee selects a candidate city in the state to
14 host the games.

15 (b) Refrain from taking any action after the execution
16 of the joinder undertaking which would impair its ability to
17 execute the joinder agreement.

18 (5) The direct-support organization authorized under
19 section 288.1229, Florida Statutes, may agree in a joinder
20 agreement that the state will fulfill its obligations under a
21 games-support contract to indemnify and insure the United
22 States Olympic Committee or the International Olympic
23 Committee against any net financial deficit resulting from the
24 conduct of the games.

25 (6) The direct-support organization authorized under
26 section 288.1229, Florida Statutes, may agree to execute a
27 games-support contract only if the candidate city has executed
28 a games-support contract with the United States Olympic
29 Committee which contains substantially similar terms and:

30 (a) The findings made pursuant to subsection (3)
31 continue to be valid.

1 (b) The state's obligations and risk pursuant to the
2 games-support contract are reasonable in light of the
3 anticipated benefits to the state and its residents.

4 (c) Any financial commitments of the state will be
5 satisfied exclusively by recourse to the Olympic Games
6 Guaranty Account.

7 (7) The direct-support organization authorized under
8 section 288.1229, Florida Statutes, may require a local
9 organizing committee to list the state as an additional
10 insured on any policy of insurance purchased by the local
11 organizing committee and required by the United States Olympic
12 Committee or the International Olympic Committee to be in
13 effect in connection with the games.

14 (8) The Department of Transportation, the Department
15 of Law Enforcement, the Department of Community Affairs,
16 Enterprise Florida, Inc., the Office of Tourism, Trade, and
17 Economic Development, the Florida Tourism Commission, the
18 direct-support organization authorized under section 288.1229,
19 Florida Statutes, and the Florida Tourism Industry Marketing
20 Corporation may:

21 (a) Assist a local organizing committee in developing
22 applications and planning for the games.

23 (b) Enter into contracts, agreements, or assurances
24 relating to the presentation of the games.

25 (9) Notwithstanding any other provision of this act,
26 the direct-support organization authorized under section
27 288.1229, Florida Statutes, may not obligate the state to pay
28 or otherwise provide funds to cover the costs of the
29 construction or purchase of a building or other facility by a
30 city.

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1 Section 6. This act shall take effect upon becoming a
2 law.

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4 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
5 COMMITTEE SUBSTITUTE FOR
6 CS/SB 1806

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7 This committee substitute changes the amount that a
8 games-support contract may indemnify and insure against any
9 net financial deficit resulting from the conduct of the
10 Olympic Games, from up to \$125 million, to up to \$175 million.

11 The committee substitute also designates the direct-support
12 organization authorized under s. 288.1229, F.S., the Florida
13 Sports Foundation, as the operational entity responsible for
14 administering the Olympic Games Guaranty Account within the
15 Economic Development Trust Fund, reviewing applications, and
16 entering into a games-support contract under this act.

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