

By the Committees on Finance & Taxation, Business Development & International Trade and Representatives Johnson, Murman, Bradley, Ritchie and Levine

1 A bill to be entitled
2 An act relating to the Olympic Games; providing
3 definitions; creating an Olympic Games Guaranty
4 Account within the Economic Development Trust
5 Fund; providing for purpose, administration,
6 funding, and use of the account; providing
7 requirements of and restrictions on the
8 account; providing a limit on liability of the
9 state; providing for termination of the account
10 under specified conditions; providing for
11 reversion of funds; providing for the execution
12 of games support contracts; providing
13 requirements with respect to application for
14 such contracts; providing criteria for contract
15 approval; providing specified authority of the
16 direct-support organization authorized under s.
17 288.1229, F.S.; providing a restriction on the
18 direct-support organization; providing
19 additional authority of specified agencies and
20 entities; specifying responsibilities of the
21 local organizing committee; providing an
22 effective date.

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24 Be It Enacted by the Legislature of the State of Florida:

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26 Section 1. Purpose.--The purpose of this act is to
27 provide the necessary assurances and commitments required by
28 the United States Olympic Committee and the International
29 Olympic Committee in selecting a host city for the XXXth
30 Olympic Games in 2012.

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

5 (1) Invaluable public visibility throughout the world.

6 (2) Increased tourism and economic growth.

7 (3) Significant job creation.

8 (4) The development of state-of-the-art sports
9 facilities and venues that Floridians will enjoy long after
10 the games are concluded.

11 (5) Enhanced opportunities for Florida athletes to
12 train and compete in amateur athletics at the international
13 level.

14 (6) An enduring legacy of good will throughout the
15 world.

16 (7) The opportunity to secure federal infrastructure
17 funding for key community projects.

18 Section 3. Definitions.--As used in this act:

19 (1) "Candidate city" means a municipality in this
20 state that has qualified for consideration by the United
21 States Olympic Committee as the United States candidate city
22 to host the XXXth Olympic Games in 2012.

23 (2) "Games" means the XXXth Olympic Games to be held
24 in 2012, the corresponding Paralympic Games, and all related
25 pre-Olympic competitions and events.

26 (3) "Games support contract" means the joinder
27 undertaking, joinder agreement, and similar contracts executed
28 by the state and the United States Olympic Committee or the
29 International Olympic Committee in connection with the
30 selection of the candidate city to host the games.

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1 (4) "International Olympic Committee" means the
2 international governing body responsible for organizing and
3 conducting the Olympic Games.

4 (5) "Joinder agreement" means an agreement entered
5 into by the state and the United States Olympic Committee or
6 the International Olympic Committee, setting out
7 representations and assurances by the state in connection with
8 the selection of the candidate city to host the games.

9 (6) "Joinder undertaking" means an agreement entered
10 into by the state and the United States Olympic Committee or
11 the International Olympic Committee that the state will
12 execute a joinder agreement if the candidate city is selected
13 to host the games.

14 (7) "Local organizing committee" means a nonprofit
15 corporation or its successor in interest that:

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

19 (b) Has executed an agreement with the United States
20 Olympic Committee regarding the candidate city's bid to host
21 the games.

22 (8) "Net financial deficit" means those potential
23 losses resulting from the conduct of the games that the state
24 is obligated to indemnify and insure against pursuant to a
25 games support contract. Expenses or liabilities arising from
26 cancellation of the games or any part thereof due to any cause
27 beyond the local organizing committee's reasonable control,
28 including acts of war, riots and other civil disturbances,
29 acts of God, flood, fire, weather, and earthquakes, shall not
30 be included in calculating the net financial deficit.

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1 (9) "United States Olympic Committee" means the
2 official national Olympic Committee of the United States of
3 America, which has been authorized by law to govern all
4 matters relating to national participation in the Olympic
5 Games.

6 Section 4. Guarantee of state obligations; Olympic
7 Games Guaranty Account.--

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

18 (2) With funds from the Olympic Games Guaranty
19 Account, the direct-support organization authorized under s.
20 288.1229, Florida Statutes, shall obtain adequate security,
21 acceptable to the United States Olympic Committee and the
22 International Olympic Committee, to demonstrate the state's
23 ability to fulfill its obligations under the games support
24 contracts to indemnify and insure up to \$175 million of any
25 net financial deficit resulting from the conduct of the games.
26 Such security may be provided by state funds committed to the
27 Olympic Games Guaranty Account, or by insurance coverage,
28 letters of credit, or other acceptable security instruments
29 purchased or secured by such funds, or by any combination of
30 these options. In no event may the liability of the state
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1 under all games support contracts entered into pursuant to
2 this act exceed \$175 million in the aggregate.

3 (3) No later than July 1, 2001, the local organizing
4 committee shall provide adequate security, acceptable to the
5 direct-support organization authorized under s. 288.1229,
6 Florida Statutes, to demonstrate the local organizing
7 committee's ability to indemnify and insure the first \$25
8 million of any net financial deficit resulting from the
9 conduct of the games for which the state would be liable under
10 the games support contracts. Such security may be provided
11 through the establishment of an internal guaranty fund,
12 insurance coverage, letters of credit, or other acceptable
13 security instruments, or by any combination of these options.
14 Any such security will identify the state as an additional
15 insured. If adequate proof of security is not provided as
16 part of the bid and maintained throughout the course of the
17 games, then the Olympic Games Guaranty Account shall be
18 terminated.

19 (4) Under this act, the state shall be a payor of last
20 resort with regard to any net financial deficit. In no event
21 may the direct-support organization authorized under s.
22 288.1229, Florida Statutes, permit the security provided by
23 the state pursuant to this act to be accessed to cover any net
24 financial deficit indemnified by the state under the games
25 support contracts until all of the following occurs:

26 (a) The security provided by the local organizing
27 committee pursuant to this act is fully expended and
28 exhausted;

29 (b) Any security provided by any other person or
30 entity is fully expended and exhausted;

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1 (c) The limits of all available insurance policies
2 covering the net financial deficit, or any expense or
3 liability used in determining the net financial deficit, have
4 been fully expended and exhausted; and

5 (d) Contribution has been sought, where practical and
6 feasible, from all persons who bear any legal responsibility
7 for the net financial deficit, or any expense or liability
8 used in determining the net financial deficit.

9 (5) The State of Florida may choose to fund the
10 Olympic Games Guaranty Account in any manner it deems
11 appropriate.

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

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

28 (8) If the candidate city is selected by the
29 International Olympic Committee as the host city for the
30 games, the Olympic Games Guaranty Account shall be terminated
31 upon the determination by the direct-support organization

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

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

20 Section 5. State execution of games support contracts;
21 assistance of state agencies.--

22 (1) The direct-support organization authorized under
23 s. 288.1229, Florida Statutes, shall review an application
24 from a local organizing committee that the direct-support
25 organization authorized under s. 288.1229, Florida Statutes,
26 on behalf of the state, commit to enter into a games support
27 contract that is required by the United States Olympic
28 Committee or the International Olympic Committee in connection
29 with the selection of a candidate city in this state to host
30 the games.

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- 1 (2) An application made under subsection (1) must be
2 accompanied by:
- 3 (a) A description and summary of the games for which
4 host city designation is sought by the local organizing
5 committee.
- 6 (b) A description of the proposal the local organizing
7 committee intends to submit to the United States Olympic
8 Committee, including the proposed venues to be used to conduct
9 the games.
- 10 (c) Projections of the paid attendance and direct and
11 indirect economic impact of the games on the state and the
12 candidate city, including the basis and methodology for such
13 projections.
- 14 (d) The anticipated total cost of presenting the games
15 and the committee's plan for financing this cost.
- 16 (e) The resources committed to the conduct of the
17 games by the candidate city and any other participating
18 municipalities and other government entities.
- 19 (f) Any other information reasonably requested by the
20 direct-support organization authorized under s. 288.1229,
21 Florida Statutes, within 60 days after receipt of the
22 application, to assist the direct-support organization in
23 completing its evaluation as required under subsection (3).
- 24 (3) Within 30 days after receiving all information
25 required under subsection (2), the direct-support organization
26 authorized under s. 288.1229, Florida Statutes, shall approve
27 or deny any application made under subsection (1). In making
28 this determination, the direct-support organization must make
29 findings regarding the following:
- 30 (a) The reasonableness and reliability of the local
31 organizing committee's revenue and expenditure projections.

1 (b) The reasonableness and reliability of the
2 projection relating to the direct and indirect economic impact
3 of hosting the games.

4 (c) The extent to which the candidate city and other
5 participating jurisdictions have committed sufficient
6 resources to the conduct of the games.

7 (d) The extent to which the local organizing committee
8 has sought to maximize the use of existing venues throughout
9 the state, within the limitation imposed by the United States
10 Olympic Committee regarding transportation, accommodations,
11 facility capacity, and customs and practices.

12 (e) The extent to which the local organizing committee
13 has demonstrated that it has provided, is capable of
14 providing, has financial or other commitments to provide for,
15 or provides findings of projected financial revenues
16 reasonably calculated to cover the costs incurred or
17 anticipated in relation to presentation of the games.

18 (f) The extent to which the state's obligations and
19 risks are reasonable in light of the anticipated benefits to
20 the state and its citizens.

21 (4) The direct-support organization authorized under
22 s. 288.1229, Florida Statutes, may agree in a joinder
23 undertaking entered into with the United States Olympic
24 Committee or the International Olympic Committee that the
25 direct-support organization authorized under s. 288.1229,
26 Florida Statutes, will:

27 (a) Execute a joinder agreement if the United States
28 Olympic Committee selects a candidate city in the state to
29 host the games.

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1 (b) Refrain from taking any action after the execution
2 of the joinder undertaking that would impair its ability to
3 execute the joinder agreement.

4 (5) The direct-support organization authorized under
5 s. 288.1229, Florida Statutes, may agree in a joinder
6 agreement that the state will fulfill its obligations under a
7 games support contract to indemnify and insure the United
8 States Olympic Committee or the International Olympic
9 Committee against any net financial deficit resulting from the
10 conduct of the games.

11 (6) The direct-support organization authorized under
12 s. 288.1229, Florida Statutes, may agree to execute a games
13 support contract only if the candidate city has executed a
14 contract with the United States Olympic Committee that
15 contains substantially similar terms, and:

16 (a) The findings made pursuant to section 3 continue
17 to be valid.

18 (b) The state's obligations and risk pursuant to the
19 games support contract are reasonable in light of the
20 anticipated benefits to the state and its citizens.

21 (c) Any financial commitments of the state will be
22 satisfied exclusively by recourse to the Olympic Games
23 Guaranty Account.

24 (7) The direct-support organization authorized under
25 s. 288.1229, Florida Statutes, may require a local organizing
26 committee to list the state as an additional insured on any
27 policy of insurance purchased by the local organizing
28 committee and required by the United States Olympic Committee
29 or the International Olympic Committee to be in effect in
30 connection with the games.

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1 (8) The Florida Department of Transportation, the
2 Florida Department of Law Enforcement, the Florida Department
3 of Community Affairs, Enterprise Florida, Inc., the Office of
4 Tourism, Trade, and Economic Development, the Florida Tourism
5 Commission, the direct-support organization authorized under
6 s. 288.1229, Florida Statutes, and the Florida Tourism
7 Industry Marketing Corporation may:

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

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

12 (9) Notwithstanding any other provision of this act,
13 the direct-support organization authorized under s. 288.1229,
14 Florida Statutes, may not obligate the state to pay or
15 otherwise provide funds to cover the costs of the construction
16 or purchase of a building or other facility by a city.

17 Section 6. Local organizing committee;
18 responsibilities.--

19 (1) The local organizing committee shall not engage in
20 any conduct which reflects unfavorably upon the State of
21 Florida, the candidate city, or the Olympic movement, or which
22 is contrary to law or to the rules and regulations of the
23 United States Olympic Committee and the International Olympic
24 Committee.

25 (2) By April 15 annually, the local organizing
26 committee shall certify to the direct-support organization
27 authorized under s. 288.1229, Florida Statutes, that the local
28 organizing committee:

29 (a) Is a nonprofit corporation, duly organized and
30 validly existing for the purpose of pursuing a candidate
31 city's bid to host the games;

1 (b) Is qualified as a tax-exempt organization under s.
2 501(c)(3) of the Internal Revenue Code, contributions to which
3 are deductible by contributors; and

4 (c) Has, and will continue to maintain, a 20-percent
5 representation of athletes on its board of directors and
6 executive committee, as required by organizational documents
7 of the committee.

8 (3) The local organizing committee shall maintain, in
9 accordance with generally accepted accounting principles,
10 complete and accurate books and records of all receipts,
11 expenditures, assets, and liabilities of the committee.

12 (4) The local organizing committee shall provide to
13 the direct-support organization authorized under s. 288.1229,
14 Florida Statutes, in the form and manner in which they are
15 provided to the United States Olympic Committee, annual
16 audited financial statements prepared in accordance with
17 generally accepted accounting principles consistently applied,
18 and certified by an independent accounting firm.

19 Section 7. This act shall take effect upon becoming a
20 law.

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