

Committee Substitute for  
Committee Substitute for Senate Bill No. 1806

An act relating to the Olympic Games; stating that the purpose of the act is to provide assurances and commitments necessary for the United States Olympic Committee and the International Olympic Committee to select a host city for the Olympic Games; providing legislative findings; defining terms; creating an Olympic Games Guaranty Account within the Economic Development Trust Fund; providing for purpose, administration, funding, and use of the account; providing requirements of and restrictions on the account; providing a limit on liability of the state; providing for termination of the account under specified conditions; providing for reversion of funds; providing for the execution of games-support contracts; providing requirements with respect to application for such contracts; providing criteria for contract approval; providing specified authority of the direct-support organization authorized under s. 288.1229, F.S.; providing a restriction on the direct-support organization; providing additional authority of specified agencies and entities; providing that the act does not obligate the state to pay for or fund any building or facility; authorizing state agencies to assist the local organizing committee in hosting the games; specifying responsibilities of the local organizing committee; providing an effective date.

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

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

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

- (1) Invaluable public visibility throughout the world.
- (2) Increased tourism and economic growth.
- (3) Significant job creation.
- (4) The development of state-of-the-art sports facilities and venues that Floridians will enjoy long after the games have concluded.
- (5) Enhanced opportunities for Florida athletes to train and compete in amateur athletics at the international level.
- (6) An enduring legacy of good will throughout the world.

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

Section 3. Definitions.—As used in this act, the term:

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

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

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

(4) “International Olympic Committee” means the international governing body responsible for organizing and conducting the Olympic Games.

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

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

(7) “Local organizing committee” means a nonprofit corporation or its successor in interest which:

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

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

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

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

Section 4. Guarantee of state obligations; Olympic Games Guaranty Account.—

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

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

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

(4) Under this act, the state shall be a payor of last resort with regard to any net financial deficit. The direct-support organization authorized under section 288.1229, Florida Statutes, may not permit the security provided by the state pursuant to this act to be accessed to cover any net financial deficit indemnified by the state under the games support contracts until:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(e) The resources committed to the conduct of the games by the candidate city and any other participating municipalities or government entities.

(f) Any other information reasonably requested by the direct-support organization authorized under section 288.1229, Florida Statutes, within 30 days after receipt of the application, to assist the direct-support organization in completing its evaluation as required under subsection (3).

(3) Within 60 days after receiving all information required under subsection (2), the direct-support organization authorized under section 288.1229, Florida Statutes, shall approve or deny any application made under subsection (1). In making this determination, the direct-support organization must make findings regarding the following:

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

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

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

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

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

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

(4) The direct-support organization authorized under section 288.1229, Florida Statutes, may agree in a joinder undertaking entered into with the

United States Olympic Committee or the International Olympic Committee that the direct-support organization authorized under section 288.1229, Florida Statutes, will:

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

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

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

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

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

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

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

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

(8) Notwithstanding any other provision of this act, the direct-support organization authorized under section 288.1229, Florida Statutes, may not obligate the state to pay any part of the cost of acquiring any interest in real or personal property or the cost of planning, designing, or constructing any improvement to real property.

Section 6. Authority of state agencies.—All agencies of the state may make and enter into agreements with the local organizing committee to provide the local organizing committee with:

(1) Such public services as are customarily performed or available from the agency as may be needed by the local organizing committee to host the games; and

(2) Such access to and use of any real and personal property owned or controlled by the agency as may be needed by the local organizing committee to host the games.

Section 7. Local organizing committee; responsibilities.—

(1) The local organizing committee may not engage in any conduct that reflects unfavorably upon this state, the candidate city, or the Olympic movement, or that is contrary to law or to the rules and regulations of the United States Olympic Committee and the International Olympic Committee.

(2) By April 15 annually, the local organizing committee shall certify to the direct-support organization authorized under section 288.1229, Florida Statutes, that the local organizing committee:

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

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

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

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

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

Section 8. This act shall take effect upon becoming a law.

Approved by the Governor May 25, 2000.

Filed in Office Secretary of State May 25, 2000.