

AN ACT

To enact section 3773.80 of the Revised Code to establish the Ohio-Kentucky Olympic Coordination Authority Compact in law and to enter into the compact with the other signatories legally joining in it.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That section 3773.80 of the Revised Code be enacted to read as follows:

Sec. 3773.80. The Ohio-Kentucky olympic coordination authority compact is hereby ratified, enacted into law, and entered into with the other signatories legally joining in it, in the following or substantially following form:

"OHIO-KENTUCKY OLYMPIC COORDINATION AUTHORITY

Article I.

Purpose and Findings.

(A) The purpose of this compact shall be to create an entity to oversee the conduct of the 2012 Olympic Games that will be coordinated and managed by the local Organizing Committee for the Olympic Games (OCOG), and to assure that the Ohio-Kentucky region's guarantees and commitments accepted in conjunction with hosting the 2012 Olympic Games are fulfilled.

(B) The Signatories find as follows:

(1) For some time, the State of Ohio, including the City of Cincinnati, and the Commonwealth of Kentucky, through the nonprofit organization known as Cincinnati 2012, have been actively engaged in national competition to win the U.S. Candidate City designation and, subsequently, the Host City designation for the 2012 Olympic Games.

(2) Hosting the 2012 Olympic Games will provide major, lasting, and unique benefits for all of the citizens of the Ohio-Kentucky region, including all of the following:

(a) Measurable, positive economic impact on our regional economy;

(b) A catalyst for regional action and cooperation;

(c) An opportunity to showcase this part of the United States to the

nation and to the world:

(d) A renewed sense of pride and tangible legacies, such as new and improved sports venues, strong national and international awareness, and public incentive to advance or complete major projects.

(3) Economic studies conducted by the Center for Economic Education of the University of Cincinnati show that preparing for and hosting the 2012 Olympic Games will have a positive economic impact on the Ohio-Kentucky region, including all of the following:

(a) Direct and indirect spending in excess of six billion two hundred million dollars;

(b) The creation of approximately seventy-nine thousand jobs;

(c) Increased new net tax revenues, without raising or creating any new taxes, of in excess of two hundred million dollars (net of projected visitor and new resident spending of one hundred eighty million dollars);

(d) A lasting improvement in the region's competitive position within the convention and travel and tourism industries, as well as enhanced ability to attract new businesses.

(4) The citizens of the Ohio-Kentucky region have responded positively to Cincinnati 2012's efforts and solidly embraced the cause to host the 2012 Olympic Games, expressed in part by the endorsement of scores of local business, civic, governmental, academic, and amateur sports organizations, and by public opinion survey results that show seventy-four per cent of the region's residents support the effort to bring the 2012 Olympic Games to this area.

(5) Through the submission of the Ohio-Kentucky region's official bid proposal to the United States Olympic Committee (USOC) on December 15, 2000, Cincinnati 2012 reached a milestone in its efforts to be designated as the U.S. Candidate City by providing a logistical, operational, and financial blueprint for hosting the 2012 Olympic Games.

(6) The official bid proposal highlights great assets of our region and is developed around key principles, including an emphasis on the utilization of existing physical assets, respect for the environment, and showcasing this part of the United States as an underutilized asset of the world economy.

(7) In addition to the Ohio-Kentucky region's bid proposal, the USOC and the International Olympic Committee (IOC) require certain guarantees and commitments in conjunction with hosting the 2012 Olympic Games should our region win the U.S. Candidate City designation.

(8) Cincinnati 2012 has proposed a credible and defensible privately generated budget projecting revenues of two billion seven hundred fifteen million dollars, expenditures of two billion five hundred sixty-nine million

dollars, including a three hundred eleven million dollar contingency, and a surplus of one hundred forty-five million dollars.

(9) The State of Ohio and the Commonwealth of Kentucky find substantial public purpose in supporting the 2012 Olympic Games, and to this end may provide, in an equitable distribution commensurate with projected benefits, two hundred million dollars in net new tax revenues, as financial support in the unlikely event of an operating deficit with full understanding of Cincinnati 2012's, or its successor, the OCOG's intent to purchase at least two hundred million dollars in net operating deficit insurance coverage before those net new tax revenues would be utilized.

(10) It is incumbent upon Cincinnati 2012 and government leaders to move forward together now to craft the solution that best "lives regionalism" and maximizes the chances of this part of the United States winning the 2012 Olympic Games and reaping the considerable and measurable benefits that come with this honor.

(11) Given that all three jurisdictions, Ohio, Kentucky, and Cincinnati, will host a significant number of events and reap substantial benefits, the most effective solution for all three jurisdictions is to enter into a compact creating a single entity that gives the USOC, and subsequently the IOC, a single focal point and a united front to enhance accountability and ensure a successful 2012 Olympic Games.

Article II.
Definitions.

As used in this compact:

(A) "Bid proposal" means the bid formally submitted by Cincinnati 2012 to the USOC on December 15, 2000.

(B) "Cincinnati 2012" means Cincinnati 2012, a nonprofit corporation organized under the laws of the State of Ohio, and its successors.

(C) "Host City" means the entity that has been selected by the International Olympic Committee to host the 2012 Olympic Games.

(D) "International Olympic Committee" and "IOC" mean the International Olympic Committee, a body corporate under international law created by the Congress of Paris of 23 June, 1894, and having perpetual succession.

(E) "Ohio-Kentucky Olympic Coordination Authority" and "OKOCA" mean the entity created by the State of Ohio, the Commonwealth of Kentucky, and the City of Cincinnati to provide oversight over the Organizing Committee for the Olympic Games.

educational, cultural, athletic, or sporting events related or preliminary to those Olympic Games.

(G) "Organizing Committee for the Olympic Games," and "OCOG" mean the successor organization to and formed by Cincinnati 2012 to organize and conduct the 2012 Olympic Games, if Cincinnati 2012 is selected by the IOC as the Host City in 2005.

(H) "Signatories" means the State of Ohio, the Commonwealth of Kentucky, and the City of Cincinnati.

(I) "U.S. Candidate City" means the entity that has received the United States Olympic Committee's endorsement to submit to the IOC the sole bid from the United States for the hosting of the 2012 Olympic Games.

(J) "United States Olympic Committee" and "USOC" mean the United States Olympic Committee, incorporated by Act of Congress on September 21, 1950, and having perpetual succession.

Article III.

Creation of OKOCA.

(A) The Signatories hereby provide the mechanism for the creation and termination of the Ohio-Kentucky Olympic Coordination Authority (OKOCA), which shall be an instrumentality of the State of Ohio, the Commonwealth of Kentucky, and the City of Cincinnati, and shall have the powers and duties set forth in this compact, and those additional powers and duties conferred upon it by subsequent actions of the Signatories.

(B) The OKOCA shall come into existence by the force of this compact when and if, and only if, the IOC awards the 2012 Olympic Games in 2005 to Cincinnati 2012.

(C) The OKOCA, if ever brought into existence, shall cease to exist by the force of this compact on January 1, 2014, unless extended by substantially similar future legislation passed by each of the Signatories.

(D) Until the OKOCA comes into existence, the combined signatures of the Governors of Ohio and Kentucky, and the Mayor of the City of Cincinnati, on any and all documents necessary and appropriate to the pursuit of the 2012 Olympic Games shall be deemed binding on future actions of the OKOCA.

(E) For the purposes of this section, the above-referenced signatures may be on the same document, on separate but materially and substantially similar documents, or any combination thereof. No individual signature shall be deemed effective until all three above-referenced signatures are obtained.

Article IV.

OKOCA; Composition; Terms; Accounting.

(A) The OKOCA shall be composed of the following nine voting members: the State of Ohio shall be entitled to three voting members, to be appointed by the Governor of Ohio; the Commonwealth of Kentucky shall be entitled to three voting members, to be appointed by the Governor of Kentucky; and the City of Cincinnati shall be entitled to three voting members, to be appointed by the Mayor of the City of Cincinnati. The OCOG shall be entitled to one ex-officio member on the OKOCA, to be appointed in a manner consistent with its usual procedure.

(B) Members of OKOCA shall not be compensated for their service on the OKOCA, but shall be entitled to be reimbursed by the OKOCA for normal and customary expenses incurred in the performance of their duties.

(C) The terms of the members of the OKOCA shall be two years. Each member shall hold office until the member's successor is appointed and duly qualified. Any member of the OKOCA may succeed himself or herself. All vacancies in the membership of the OKOCA shall be filled in the manner of the original appointment for the remainder of the unexpired term.

(D) The OKOCA shall elect from its voting membership a chair, a vice-chair, a secretary, and a treasurer. Those officers shall serve the terms prescribed by resolution of the OKOCA or until their successors are elected and qualified. No member of the OKOCA shall hold more than one office on the OKOCA.

(E) The OKOCA shall meet at least twice annually in the five years preceding and one year following the 2012 Olympic Games. Regular meetings of the OKOCA shall be held on the dates and at the time and place fixed by resolution of the OKOCA. Special meetings of the OKOCA may be called by resolution of the OKOCA, by the chair or vice-chair, or upon the written request of at least three voting members of the OKOCA. Written notice of all meetings shall be delivered to each member, not less than three days prior to the date of the meeting in the case of regular meetings and not less than twenty-four hours in the case of special meetings.

(F) A majority of the voting members of the OKOCA shall constitute a quorum. A majority of the quorum is empowered to exercise all the rights and perform all the duties of the OKOCA, and no vacancy on the OKOCA shall impair the right of that majority to act. If at any meeting there is less than a quorum present, a majority of those present may adjourn the meeting to a fixed time and place, and notice of the time and place shall be given in accordance with section (E) of this Article, provided that if the notice period required by that section cannot reasonably be complied with, notice, if any, of the adjourned meeting shall be given as is reasonably practical.

(G) The OKOCA shall establish rules and regulations for its own

governance, not inconsistent with this compact.

(H) The OKOCA shall establish a system of financial accounting and controls, audits, and reports. All accounting systems and records, auditing procedures and standards, and financial reporting shall conform to generally accepted principles of governmental accounting. The OKOCA shall designate a fiscal year, designate the necessary funds for complete accountability, and specify the basis of accounting for each fund. The OKOCA shall cause to be prepared a financial report on all funds at least quarterly and a comprehensive report on the fiscal operations and conditions of the OKOCA annually.

All financial records, reports, and documents of the OKOCA shall be public records open to public inspection under reasonable regulations prescribed by the OKOCA.

(I) The OKOCA shall cause to be formed an OKOCA Advisory Committee not to exceed twenty-five members, which shall be comprised of representatives known as advisory members, from each of the local jurisdictions substantially impacted by the hosting of the 2012 Olympic Games in the Ohio-Kentucky region, to be selected in a manner to be determined by the OKOCA.

(J) Reasonable efforts should be made to ensure that appointments of voting members and advisory members are of residents of the regional community with relevant and useful experience, and with sufficient time to devote to the duties of the OKOCA, to help facilitate the successful hosting of the 2012 Olympic Games; reflect the geographical diversity inherent in the regional nature of Cincinnati 2012's bid proposal; and reflect the cultural, ethnic, and racial diversity inherent in the Ohio-Kentucky region.

Article V.

Funding of OKOCA.

(A) The OCOG shall provide reasonable funds for the operation of the OKOCA and the conduct of its business in accordance with the provisions of this compact.

(B) The OKOCA shall submit to the OCOG a planned budget for the OKOCA's next fiscal year, adopted consistent with Article IV of this compact, not less than ninety days before the beginning of the next fiscal year.

Article VI.

Creation of the Olympic Games Account.

(A) There is hereby created, outside the state treasury, the Olympic Games Account. The Account shall be used for the sole purpose of the State of Ohio's and the Commonwealth of Kentucky's provision of financial

support in the unlikely event of any net operating deficit not covered by the OCOG and the OKOCA, resulting from the operation of the 2012 Olympic Games.

(B) The State of Ohio and the Commonwealth of Kentucky shall provide for depositing into the Account a portion of the net new tax revenues generated from the preparation and holding of the 2012 Olympic Games. As stated in section (B)(3)(c) of Article I of this compact, it is estimated that the State of Ohio and the Commonwealth of Kentucky will benefit in excess of two hundred million dollars in net new tax revenues, without raising or creating new taxes.

Article VII.

OKOCA Oversight of OCOG; Additional Powers.

(A) The OKOCA, in recognition of its oversight responsibility over the OCOG, shall have access to the quarterly financial statements of the OCOG, the annual business plans of the OCOG, and all other OCOG documents necessary to achieve its oversight responsibility.

(B) The OKOCA shall have the power to enforce OCOG budgetary and planning changes when review by the OKOCA of the OCOG financial statements, annual business plans, or other documents contemplated in this Article suggests economic shortfalls that possibly would trigger the OKOCA's liability outlined in this Article or the OCOG will fail to host the 2012 Olympic Games in a manner that would satisfy the requirements of the USOC or the IOC; and the budgetary and planning changes are supported by a majority of the voting members of the OKOCA, notwithstanding the quorum requirements of Article IV of this compact.

(C) The OKOCA, in recognition of its duties as overseer of the OCOG, shall do all of the following:

(1) Be bound by the terms of, cause the OCOG to perform, and guaranty performance of the OCOG's obligations under all documents necessary and appropriate to the pursuit of the 2012 Olympic Games;

(2) Certify the OCOG's performance of those obligations as requested by the IOC or the USOC from time to time;

(3) Accept liability for the OCOG, if any, as far as required by all documents necessary and appropriate to the pursuit and hosting of the 2012 Olympic Games;

(4) Accept, together with the OCOG, liability for any net operating deficit of the OCOG or the 2012 Olympic Games by providing a financial guaranty in the sum of four hundred million dollars as follows:

(a) Upon Cincinnati's selection as the host city, the OKOCA and the OCOG shall purchase a commercial insurance policy, approved by

OKOCA, that provides at least two hundred million dollars coverage for any net operating deficit.

(b) The OKOCA shall establish the method by which the funds available in the Olympic Games Account, if any, and through the commercial insurance policy, will be distributed to cover any financial losses as a result of the hosting and operation of the 2012 Olympic Games.

(c) The total funds available to the OKOCA in the Olympic Games Account, if any, shall not exceed two hundred million dollars; the total funds available to the OKOCA through the commercial insurance policy shall not exceed two hundred million dollars.

(D) The OKOCA, in its financial oversight and safeguard role, shall ensure that no surplus operating funds are committed until all budgetary and operational financial obligations of the OCOG and the OKOCA for hosting the 2012 Olympic Games are first met; and that no liability for any net operating deficit resulting from the 2012 Olympic Games shall accrue to the OKOCA or the Signatories, if they provide financial support, until all budgetary and operational financial surpluses of the OCOG, if any, are applied to all outstanding budgetary and operational financial obligations of the OCOG and the OKOCA, if any, accrued exclusively in connection with hosting the 2012 Olympic Games.

(E) The OKOCA, in order to facilitate its oversight responsibility over the OCOG, shall have all of the following additional powers:

(1) To sue and be sued in contract and in tort;

(2) To complain and defend in all courts;

(3) To implead and be impleaded;

(4) To enter into contracts;

(5) To hire appropriate staff;

(6) To exercise any additional powers granted to it by subsequent legislation.

Article VIII.

Potential Subsidization.

(A) Any liability incurred by the OKOCA that is not covered by insurance under Article VII of this compact shall be financially subsidized by the State of Ohio and the Commonwealth of Kentucky, if each elects to do so, in an amount not to exceed two hundred million dollars and in proportion to the relative economic benefits currently expected to accrue to each from hosting the 2012 Olympic Games, as follows:

(1) The State of Ohio, eighty-five per cent;

(2) The Commonwealth of Kentucky, fifteen per cent.

(B) If any liability incurred by the OKOCA is financially subsidized

under this Article, the State of Ohio and the Commonwealth of Kentucky shall provide their respective shares in manners consistent with the requirements of their respective constitutions and statutes.

Article IX.

Commitments of Signatories.

(A) As appropriate to its individual jurisdiction and specific role in hosting the 2012 Olympic Games, each Signatory agrees to do all of the following:

(1) Ensure that infrastructure improvements as discussed in the Cincinnati 2012 bid proposal take place;

(2) Provide access to existing state and city-controlled facilities and other important resources as specified in Cincinnati 2012's bid proposal, in accordance with applicable law and contractual obligations;

(3) Provide adequate security, fire protection, and other government-related services at a reasonable cost to ensure the safe and orderly operation of the 2012 Olympic Games.

(B) The governor may execute all documents that are required by the USOC or IOC to be executed on behalf of the State of Ohio.

Article X.

Compliance With Local Law.

The OKOCA shall make every effort to comply with the laws of each of the Signatories regarding disclosure, appointment, and open meetings.

Article XI.

Interim Coordination.

(A) Prior to the effective date of this compact under Article XII, the Governor of Ohio, on behalf of the State of Ohio, may execute the joinder undertaking required by the USOC to be executed for pursuit of the 2012 Olympic Games.

(B) Until the OKOCA comes into existence and prior to the effective date of this compact under Article XII, documents necessary and appropriate to the pursuit of the 2012 Olympic Games that bear combined signatures of the Governor of Ohio and the Mayor of the City of Cincinnati shall be deemed binding on future actions of the OKOCA. Both signatures shall be on each such document, and no individual signature is effective to bind OKOCA until both signatures are obtained.

Article XII.

Effective Dates.

(A) This compact shall take effect on the date on which substantially similar legislation is passed by each of the Signatories.

(B) If the City of Cincinnati is not selected as the U.S. Candidate City or

the Host City, this compact shall immediately be null and void."

Speaker _____ of the House of Representatives.

President _____ of the Senate.

Passed _____, 20____

Approved _____, 20____

Governor.

Sub. S. B. No. 148

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The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the
____ day of _____, A. D. 20____.

Secretary of State.

File No. _____ Effective Date _____