

As Introduced

124th General Assembly
Regular Session
2001-2002

S. B. No. 148

SENATOR Blessing

A BILL

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.

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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:

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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:

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"OHIO-KENTUCKY OLYMPIC COORDINATION AUTHORITY

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Article I.

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Purpose and Findings.

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(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.

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(B) The Signatories find as follows: 21

(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. 22
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(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: 28
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(a) Measurable, positive economic impact on our regional economy; 31
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(b) A catalyst for regional action and cooperation; 33

(c) An opportunity to showcase this part of the United States to the nation and to the world; 34
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(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. 36
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(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: 40
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(a) Direct and indirect spending in excess of six billion two hundred million dollars; 45
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(b) The creation of approximately seventy-nine thousand jobs; 47
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(c) Increased new net tax revenues, without raising or creating any new taxes, of in excess of two hundred million 49
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dollars (net of projected visitor and new resident spending of one hundred eighty million dollars);

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(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.

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(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.

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(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.

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

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(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.

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(8) Cincinnati 2012 has proposed a credible and defensible privately generated budget projecting revenues of two billion

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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.

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(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 intent to purchase at least fifty million
dollars in net operating deficit insurance coverage before those
net new tax revenues would be utilized.

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(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.

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(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.

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Article II.

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Definitions.

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As used in this compact:

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

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(B) "Cincinnati 2012" means Cincinnati 2012, a nonprofit

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corporation organized under the laws of the State of Ohio, and its 113
successors. 114

(C) "Host City" means the entity that has been selected by 115
the International Olympic Committee to host the 2012 Olympic 116
Games. 117

(D) "International Olympic Committee" and "IOC" mean the 118
International Olympic Committee, a body corporate under 119
international law created by the Congress of Paris of 23 June, 120
1894, and having perpetual succession. 121

(E) "Ohio-Kentucky Olympic Coordination Authority" and 122
"OKOCA" mean the entity created by the State of Ohio, the 123
Commonwealth of Kentucky, and the City of Cincinnati to provide 124
oversight over the Organizing Committee for the Olympic Games. 125

(F) "Olympic Games" means any Olympic Games sponsored and 126
governed by the International Olympic Committee and any other 127
educational, cultural, athletic, or sporting events related or 128
preliminary to those Olympic Games. 129

(G) "Organizing Committee for the Olympic Games," and "OCOG" 130
mean the successor organization to and formed by Cincinnati 2012 131
to organize and conduct the 2012 Olympic Games, if Cincinnati 2012 132
is selected by the IOC as the Host City in 2005. 133

(H) "Signatories" means the State of Ohio, the Commonwealth 134
of Kentucky, and the City of Cincinnati. 135

(I) "U.S. Candidate City" means the entity that has received 136
the United States Olympic Committee's endorsement to submit to the 137
IOC the sole bid from the United States for the hosting of the 138
2012 Olympic Games. 139

(J) "United States Olympic Committee" and "USOC" mean the 140
United States Olympic Committee, incorporated by Act of Congress 141
on September 21, 1950, and having perpetual succession. 142

Article III. 143

Creation of OKOCA. 144

(A) The Signatories hereby provide the mechanism for the 145
creation and termination of the Ohio-Kentucky Olympic Coordination 146
Authority (OKOCA), which shall be an instrumentality of the State 147
of Ohio, the Commonwealth of Kentucky, and the City of Cincinnati, 148
and shall have the powers and duties set forth in this compact, 149
and those additional powers and duties conferred upon it by 150
subsequent actions of the Signatories. 151

(B) The OKOCA shall come into existence by the force of this 152
compact when and if, and only if, the IOC awards the 2012 Olympic 153
Games in 2005 to Cincinnati 2012. 154

(C) The OKOCA, if ever brought into existence, shall cease to 155
exist by the force of this compact on January 1, 2014, unless 156
extended by substantially similar future legislation passed by 157
each of the Signatories. 158

(D) Until the OKOCA comes into existence, the combined 159
signatures of the Governors of Ohio and Kentucky, and the Mayor of 160
the City of Cincinnati, on any and all documents necessary and 161
appropriate to the pursuit of the 2012 Olympic Games shall be 162
deemed binding on future actions of the OKOCA. 163

For the purposes of this section, (1) the above-referenced 164
signatures may be on the same document, on separate but materially 165
and substantially similar documents, or any combination thereof, 166
and (2) no individual signature shall be deemed effective until 167
the time as all three above-referenced signatures are obtained. 168

Article IV. 169

OKOCA; Composition; Terms; Accounting. 170

(A) The OKOCA shall be composed of the following nine voting 171
members: the State of Ohio shall be entitled to three voting 172
members, to be appointed by the Governor of Ohio; the Commonwealth 173

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.

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(B) The OKOCA shall cause to be formed an OKOCA Advisory
Committee not to exceed twenty-five members, which shall be
comprised of representatives, to be 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.

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(C) Reasonable efforts should be made to ensure that
appointments of voting members and advisory members (1) 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, (2) reflect the geographical diversity inherent in
the regional nature of Cincinnati 2012's bid proposal, and (3)
reflect the cultural, ethnic, and racial diversity inherent in the
Ohio-Kentucky region.

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(D) Voting members 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.

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

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(F) The OKOCA shall elect from its 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 voting member of the OKOCA shall hold more than one office on the OKOCA. 206
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(G) 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 voting 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. 211
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(H) 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 (G) 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. 222
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(I) The OKOCA shall establish rules and regulations for its own governance, not inconsistent with this compact. 233
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(J) The OKOCA shall provide for a system of financial accounting and controls, audits, and reports. All accounting systems and records, auditing procedures and standards, and 235
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financial reporting shall conform to generally accepted principles 238
of governmental accounting. All financial records, reports, and 239
documents of the OKOCA shall be public records open to public 240
inspection under reasonable regulations prescribed by the OKOCA. 241

The OKOCA shall designate a fiscal year, establish a system 242
of accounting and financial control, designate the necessary funds 243
for complete accountability, and specify the basis of accounting 244
for each fund. The OKOCA shall cause to be prepared a financial 245
report on all funds at least quarterly and a comprehensive report 246
on the fiscal operations and conditions of the OKOCA annually. 247

Article V. 248

Funding of OKOCA. 249

(A) The OCOG shall provide reasonable funds for the operation 250
of the OKOCA and the conduct of its business in accordance with 251
the provisions of this compact. 252

(B) The OKOCA shall submit to the OCOG a planned budget for 253
the OKOCA's next fiscal year, adopted consistent with Article IV 254
of this compact, not less than ninety days before the beginning of 255
the next fiscal year. 256

Article VI. 257

Creation of the Olympic Games Account. 258

(A) There is hereby created, outside the treasury, the 259
Olympic Games Account (Account). The Account shall be used for the 260
sole purpose of the State of Ohio's and the Commonwealth of 261
Kentucky's optional provision of financial support in the unlikely 262
event of any net operating deficit, not covered by the OCOG and 263
the OKOCA, resulting from the operation of the 2012 Olympic Games. 264

(B) Into the Account may be deposited by the State of Ohio 265
and the Commonwealth of Kentucky net new tax revenues generated 266
from the preparation and holding of the 2012 Olympic Games. As 267
stated in section (B)(3)(c) of Article I of this compact, it is 268

estimated that the State of Ohio and the Commonwealth of Kentucky 269
will benefit in excess of two hundred million dollars in net new 270
tax revenues, without raising or creating new taxes. 271

Article VII. 272

OKOCA Oversight of OCOG; Additional Powers. 273

(A) The OKOCA, in recognition of its oversight responsibility 274
over the OCOG, shall have access to (1) the quarterly financial 275
statements of the OCOG, (2) the annual business plans of the OCOG, 276
and (3) all other OCOG documents necessary to achieve its 277
oversight responsibility. 278

(B) The OKOCA shall have the power to enforce OCOG budgetary 279
and planning changes when review by the OKOCA of the OCOG 280
financial statements, annual business plans, or other documents 281
contemplated in this Article suggests (1) economic shortfalls that 282
possibly would trigger the OKOCA's liability outlined in this 283
Article or (2) the OCOG will fail to host the 2012 Olympic Games 284
in a manner that would satisfy the requirements of the USOC or the 285
IOC; and the budgetary and planning changes are supported by a 286
majority of the voting members of the OKOCA, notwithstanding the 287
quorum requirements of Article IV of this compact. 288

(C) The OKOCA, in recognition of its duties as overseer of 289
the OCOG, shall do all of the following: 290

(1) Be bound by the terms of, cause the OCOG to perform, and 291
guaranty performance of the OCOG's obligations under all documents 292
necessary and appropriate to the pursuit of the 2012 Olympic 293
Games; 294

(2) Certify the OCOG's performance of those obligations as 295
requested by the IOC or the USOC from time to time; 296

(3) Accept liability for the OCOG, if any, as far as required 297
by all documents necessary and appropriate to the pursuit and 298
hosting of the 2012 Olympic Games; 299

(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: 300
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(a) The OCOG and the OKOCA shall be liable for the first fifty million dollars, to be covered by a commercial insurance policy as approved by and acceptable to the OKOCA. 304
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(b) If a net operating deficit in excess of fifty million dollars occurs as a result of the operation of the 2012 Olympic Games, up to two hundred million dollars from the Account may be provided. 307
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(c) The OCOG and the OKOCA shall be liable for any amount in excess of fifty million dollars, but not to exceed an additional three hundred fifty million dollars, if section (C)(4)(b) of this Article does not apply, or for any amount in excess of two hundred fifty million dollars, but not to exceed an additional one hundred fifty million dollars, if section (C)(4)(b) of this Article applies, to be covered by a commercial insurance policy as approved by and acceptable to the OKOCA. 311
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(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. 319
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(E) The OKOCA, in order to facilitate its oversight 330

responsibility over the OCOG, shall have all of the following 331
additional powers: 332

(1) To sue and be sued in contract and in tort; 333

(2) To complain and defend in all courts; 334

(3) To implead and be impleaded; 335

(4) To enter into contracts; 336

(5) To hire appropriate staff; 337

(6) To exercise any additional powers granted to it by 338
subsequent legislation. 339

Article VIII. 340

Potential Subsidization. 341

(A) Any liability incurred by the OKOCA that is not covered 342
by insurance under Article VII of this compact may be financially 343
subsidized by the State of Ohio and the Commonwealth of Kentucky, 344
if each elects to do so, in proportion to the relative economic 345
benefits currently expected to accrue to each from hosting the 346
2012 Olympic Games, as follows: 347

(1) The State of Ohio, eighty-five per cent; 348

(2) The Commonwealth of Kentucky, fifteen per cent. 349

(B) If any liability incurred by the OKOCA is financially 350
subsidized under this Article, the State of Ohio and the 351
Commonwealth of Kentucky shall provide their respective shares in 352
manners consistent with the requirements of their respective 353
constitutions and statutes. 354

Article IX. 355

Commitments of Signatories. 356

As appropriate to its individual jurisdiction and specific 357
role in hosting the 2012 Olympic Games, each Signatory agrees to 358
do all of the following: 359

(A) Ensure that infrastructure improvements as discussed in 360
the Cincinnati 2012 bid proposal take place; 361

(B) Provide access to existing state and city-controlled 362
facilities and other important resources as specified in 363
Cincinnati 2012's bid proposal, in accordance with applicable law 364
and contractual obligations; 365

(C) Provide adequate security, fire protection, and other 366
government-related services at a reasonable cost to ensure the 367
safe and orderly operation of the 2012 Olympic Games. 368

Article X. 369

Compliance With Local Law. 370

The OKOCA shall make every effort to comply with the laws of 371
each of the Signatories regarding disclosure, appointment, and 372
open meetings. 373

Article XI. 374

Effective Dates. 375

None of the duties or responsibilities encompassed in this 376
compact shall have effect until substantially similar legislation 377
is passed by each of the Signatories, at which time this compact 378
shall be immediately effective." 379