

As Passed by the House

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REPRESENTATIVES Clancy, Cates, Carmichael, Schmidt, Womer Benjamin,

Coates, Jolivette, Barrett, Cirelli, Allen, Otterman, Jones, Niehaus, Latell,

Rhine, Key, Woodard, Flowers, Britton, Driehaus, Barnes

A BILL

To enact section 3773.80 of the Revised Code to 1
establish the Ohio-Kentucky Olympic Coordination 2
Authority Compact in law and to enter into the 3
compact with the other signatories legally joining 4
in it. 5

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 3773.80 of the Revised Code be 6
enacted to read as follows: 7

Sec. 3773.80. The Ohio-Kentucky olympic coordination 8
authority compact is hereby ratified, enacted into law, and 9
entered into with the other signatories legally joining in it, in 10
the following or substantially following form: 11

"OHIO-KENTUCKY OLYMPIC COORDINATION AUTHORITY 12

Article I. 13

Purpose and Findings. 14

(A) The purpose of this compact shall be to create an entity 15
to oversee the conduct of the 2012 Olympic Games that will be 16
coordinated and managed by the local Organizing Committee for the 17

Olympic Games (OCOG), and to assure that the Ohio-Kentucky 18
region's guarantees and commitments accepted in conjunction with 19
hosting the 2012 Olympic Games are fulfilled. 20

(B) The Signatories find as follows: 21

(1) For some time, the State of Ohio, including the City of 22
Cincinnati, and the Commonwealth of Kentucky, through the 23
nonprofit organization known as Cincinnati 2012, have been 24
actively engaged in national competition to win the U.S. Candidate 25
City designation and, subsequently, the Host City designation for 26
the 2012 Olympic Games. 27

(2) Hosting the 2012 Olympic Games will provide major, 28
lasting, and unique benefits for all of the citizens of the 29
Ohio-Kentucky region, including all of the following: 30

(a) Measurable, positive economic impact on our regional 31
economy; 32

(b) A catalyst for regional action and cooperation; 33

(c) An opportunity to showcase this part of the United States 34
to the nation and to the world; 35

(d) A renewed sense of pride and tangible legacies, such as 36
new and improved sports venues, strong national and international 37
awareness, and public incentive to advance or complete major 38
projects. 39

(3) Economic studies conducted by the Center for Economic 40
Education of the University of Cincinnati show that preparing for 41
and hosting the 2012 Olympic Games will have a positive economic 42
impact on the Ohio-Kentucky region, including all of the 43
following: 44

(a) Direct and indirect spending in excess of six billion two 45
hundred million dollars; 46

(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 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 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.

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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. 79

(8) Cincinnati 2012 has proposed a credible and defensible 80
privately generated budget projecting revenues of two billion 81
seven hundred fifteen million dollars, expenditures of two billion 82
five hundred sixty-nine million dollars, including a three hundred 83
eleven million dollar contingency, and a surplus of one hundred 84
forty-five million dollars. 85

(9) The State of Ohio and the Commonwealth of Kentucky find 86
substantial public purpose in supporting the 2012 Olympic Games, 87
and to this end may provide, in an equitable distribution 88
commensurate with projected benefits, two hundred million dollars 89
in net new tax revenues, as financial support in the unlikely 90
event of an operating deficit with full understanding of 91
Cincinnati 2012's, or its successor, the OCOG's intent to purchase 92
at least two hundred million dollars in net operating deficit 93
insurance coverage before those net new tax revenues would be 94
utilized. 95

(10) It is incumbent upon Cincinnati 2012 and government 96
leaders to move forward together now to craft the solution that 97
best "lives regionalism" and maximizes the chances of this part of 98
the United States winning the 2012 Olympic Games and reaping the 99
considerable and measurable benefits that come with this honor. 100

(11) Given that all three jurisdictions, Ohio, Kentucky, and 101
Cincinnati, will host a significant number of events and reap 102
substantial benefits, the most effective solution for all three 103
jurisdictions is to enter into a compact creating a single entity 104
that gives the USOC, and subsequently the IOC, a single focal 105
point and a united front to enhance accountability and ensure a 106
successful 2012 Olympic Games. 107

Article II. 108

Definitions. 109

As used in this compact: 110

(A) "Bid proposal" means the bid formally submitted by 111
Cincinnati 2012 to the USOC on December 15, 2000. 112

(B) "Cincinnati 2012" means Cincinnati 2012, a nonprofit 113
corporation organized under the laws of the State of Ohio, and its 114
successors. 115

(C) "Host City" means the entity that has been selected by 116
the International Olympic Committee to host the 2012 Olympic 117
Games. 118

(D) "International Olympic Committee" and "IOC" mean the 119
International Olympic Committee, a body corporate under 120
international law created by the Congress of Paris of 23 June, 121
1894, and having perpetual succession. 122

(E) "Ohio-Kentucky Olympic Coordination Authority" and 123
"OKOCA" mean the entity created by the State of Ohio, the 124
Commonwealth of Kentucky, and the City of Cincinnati to provide 125
oversight over the Organizing Committee for the Olympic Games. 126

(F) "Olympic Games" means any Olympic Games sponsored and 127
governed by the International Olympic Committee and any other 128
educational, cultural, athletic, or sporting events related or 129
preliminary to those Olympic Games. 130

(G) "Organizing Committee for the Olympic Games," and "OCOG" 131
mean the successor organization to and formed by Cincinnati 2012 132
to organize and conduct the 2012 Olympic Games, if Cincinnati 2012 133
is selected by the IOC as the Host City in 2005. 134

(H) "Signatories" means the State of Ohio, the Commonwealth 135
of Kentucky, and the City of Cincinnati. 136

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

2012 Olympic Games.

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(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.

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Article III.

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Creation of OKOCA.

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(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.

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(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.

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(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.

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(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.

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(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.

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Article IV.

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OKOCA; Composition; Terms; Accounting. 171

(A) The OKOCA shall be composed of the following nine voting 172
members: the State of Ohio shall be entitled to three voting 173
members, to be appointed by the Governor of Ohio; the Commonwealth 174
of Kentucky shall be entitled to three voting members, to be 175
appointed by the Governor of Kentucky; and the City of Cincinnati 176
shall be entitled to three voting members, to be appointed by the 177
Mayor of the City of Cincinnati. The OCOG shall be entitled to one 178
ex-officio member on the OKOCA, to be appointed in a manner 179
consistent with its usual procedure. 180

(B) Members of OKOCA shall not be compensated for their 181
service on the OKOCA, but shall be entitled to be reimbursed by 182
the OKOCA for normal and customary expenses incurred in the 183
performance of their duties. 184

(C) The terms of the members of the OKOCA shall be two years. 185
Each member shall hold office until the member's successor is 186
appointed and duly qualified. Any member of the OKOCA may succeed 187
himself or herself. All vacancies in the membership of the OKOCA 188
shall be filled in the manner of the original appointment for the 189
remainder of the unexpired term. 190

(D) The OKOCA shall elect from its voting membership a chair, 191
a vice-chair, a secretary, and a treasurer. Those officers shall 192
serve the terms prescribed by resolution of the OKOCA or until 193
their successors are elected and qualified. No member of the OKOCA 194
shall hold more than one office on the OKOCA. 195

(E) The OKOCA shall meet at least twice annually in the five 196
years preceding and one year following the 2012 Olympic Games. 197
Regular meetings of the OKOCA shall be held on the dates and at 198
the time and place fixed by resolution of the OKOCA. Special 199
meetings of the OKOCA may be called by resolution of the OKOCA, by 200
the chair or vice-chair, or upon the written request of at least 201
three voting members of the OKOCA. Written notice of all meetings 202

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.

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(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.

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(G) The OKOCA shall establish rules and regulations for its
own governance, not inconsistent with this compact.

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(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.

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

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(I) The OKOCA shall cause to be formed an OKOCA Advisory
Committee not to exceed twenty-five members, which shall be

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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.

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(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's 2012's bid proposal; and reflect the
cultural, ethnic, and racial diversity inherent in the
Ohio-Kentucky region.

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Article V.

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Funding of OKOCA.

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(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.

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(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.

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Article VI.

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Creation of the Olympic Games Account.

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(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.

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(B) The State of Ohio and the Commonwealth of Kentucky shall

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provide for depositing into the Account a portion of the net new 265
tax revenues generated from the preparation and holding of the 266
2012 Olympic Games. As stated in section (B)(3)(c) of Article I of 267
this compact, it is estimated that the State of Ohio and the 268
Commonwealth of Kentucky will benefit in excess of two hundred 269
million dollars in net new tax revenues, without raising or 270
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 the quarterly financial 275
statements of the OCOG, the annual business plans of the OCOG, and 276
all other OCOG documents necessary to achieve its oversight 277
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 economic shortfalls that 282
possibly would trigger the OKOCA's liability outlined in this 283
Article or the OCOG will fail to host the 2012 Olympic Games in a 284
manner that would satisfy the requirements of the USOC or the IOC; 285
and the budgetary and planning changes are supported by a majority 286
of the voting members of the OKOCA, notwithstanding the quorum 287
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 300
operating deficit of the OCOG or the 2012 Olympic Games by 301
providing a financial guaranty in the sum of four hundred million 302
dollars as follows: 303

(a) Upon Cincinnati's selection as the host city, the OKOCA 304
and the OCOG shall purchase a commercial insurance policy, 305
approved by OKOCA, that provides at least two hundred million 306
dollars coverage for any net operating deficit. 307

(b) The OKOCA shall establish the method by which the funds 308
available in the Olympic Games Account, if any, and through the 309
commercial insurance policy, will be distributed to cover any 310
financial losses as a result of the hosting and operation of the 311
2012 Olympic Games. 312

(c) The total funds available to the OKOCA in the Olympic 313
Games Account, if any, shall not exceed two hundred million 314
dollars; the total funds available to the OKOCA through the 315
commercial insurance policy shall not exceed two hundred million 316
dollars. 317

(D) The OKOCA, in its financial oversight and safeguard role, 318
shall ensure that no surplus operating funds are committed until 319
all budgetary and operational financial obligations of the OCOG 320
and the OKOCA for hosting the 2012 Olympic Games are first met; 321
and that no liability for any net operating deficit resulting from 322
the 2012 Olympic Games shall accrue to the OKOCA or the 323
Signatories, if they provide financial support, until all 324
budgetary and operational financial surpluses of the OCOG, if any, 325
are applied to all outstanding budgetary and operational financial 326

obligations of the OCOG and the OKOCA, if any, accrued exclusively
in connection with hosting the 2012 Olympic Games.

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

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

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(2) To complain and defend in all courts;

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(3) To implead and be impleaded;

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(4) To enter into contracts;

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(5) To hire appropriate staff;

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

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Article VIII.

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Potential Subsidization.

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(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:

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

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

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(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.

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Article IX.

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Commitments of Signatories. 356

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

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

(2) 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

(3) 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

(B) The governor may execute all documents that are required 369
by the USOC or IOC to be executed on behalf of the State of Ohio. 370

Article X. 371

Compliance With Local Law. 372

The OKOCA shall make every effort to comply with the laws of 373
each of the Signatories regarding disclosure, appointment, and 374
open meetings. 375

Article XI. 376

Interim Coordination. 377

(A) Prior to the effective date of this compact under Article 378
XII, the Governor of Ohio, on behalf of the State of Ohio, may 379
execute the joinder undertaking required by the USOC to be 380
executed for pursuit of the 2012 Olympic Games. 381

(B) Until the OKOCA comes into existence and prior to the 382
effective date of this compact under Article XII, documents 383
necessary and appropriate to the pursuit of the 2012 Olympic Games 384
that bear combined signatures of the Governor of Ohio and the 385
Mayor of the City of Cincinnati shall be deemed binding on future 386

actions of the OKOCA. Both signatures shall be on each such 387
document, and no individual signature is effective to bind OKOCA 388
until both signatures are obtained. 389

Article XII. 390

Effective Dates. 391

(A) This compact shall take effect on the date on which 392
substantially similar legislation is passed by each of the 393
Signatories. 394

(B) If the City of Cincinnati is not selected as the U.S. 395
Candidate City or the Host City, this compact shall immediately be 396
null and void." 397