



**Am. Sub. H.B. 1**

125th General Assembly, Special Session  
(As Passed by the House)

**Reps. DeWine, White**

---

**TABLE OF CONTENTS**

Electioneering communications ..... 2  
Campaign contribution limits..... 5  
Political party funds ..... 8  
    Funds of the party, generally ..... 8  
    Restricted funds ..... 9  
    State candidate funds ..... 11  
    Previously undisclosed funds ..... 12  
Campaign finance statement filing requirements ..... 12  
    In general ..... 12  
    Electronic filing opt-out ..... 14  
Political contributions deducted by employers or labor organizations ..... 15  
Use of corporation and labor organization funds for political purposes ..... 15  
Expansion of electronic filing of campaign finance statements to  
certain judicial candidates ..... 15  
Contributions by partners or owners of unincorporated businesses..... 16  
Political entities regulated by the Campaign Finance Law ..... 16  
    Elimination of political contributing entities..... 16  
    Continuing associations ..... 17  
    Political action committees ..... 17  
    Campaign committees ..... 17  
Compensation of circulators of election petitions ..... 17  
Compensation of persons assisting applicants to register to vote ..... 18  
Telephone banks ..... 19  
Ohio Elections Commission Fund..... 19  
Political party expenditures regarding judicial candidates ..... 20  
Personal funds ..... 20  
Elimination of obsolete campaign finance filing provisions ..... 20  
Regulation of political fundraisers ..... 21  
Nonseverability ..... 24

---

## **BILL SUMMARY**

### **Electioneering communications**

- Defines the following terms for the purpose of regulating electioneering communications: "address," "broadcast, cable, or satellite communication," "contribution," "coordinated electioneering communication," "disclosure date," "electioneering communication," "filing date," "Immigration and Nationality Act," "person," "political committee," "publicly distributed," and "refers to a clearly identified candidate" (sec. 3517.1011(A)).
- Specifies that a contribution, as defined under the Electioneering Communication Law, that is made, received, or used to pay the direct costs of producing or airing an electioneering communication is not a "contribution" for the general purposes of the Campaign Finance Law (sec. 3517.01(B)(5)(e)).
- Requires any person or political committee intending to make a disbursement for the direct costs of producing or airing electioneering communications to file a notice of that intent with the office of the Secretary of State prior to making such a disbursement (sec. 3517.1011(C)).
- Specifies that a person or political committee must be considered to have made a disbursement if the person or political committee has entered into a contract to make the disbursement (sec. 3517.1011(B)).
- Requires a person or political committee that makes a disbursement to electronically file with the Secretary of State's office, within 24 hours of the first disclosure date and weekly thereafter under specified circumstances, a disclosure of electioneering communications statement containing specified information (sec. 3517.1011(A)(5) and (D)).
- Establishes a fine of not more than \$10,000 plus not more than \$1,000 per day for a person or political committee that fails to timely file a required notice that the person or political committee intends to make electioneering communications or that fails to file a required disclosure of electioneering communications statement (sec. 3517.992(BB)).

- Generally applies the provisions of the Campaign Finance Law applicable to the filing of campaign finance statements by electronic means of transmission to the filing of disclosure of electioneering communications statements by electronic means of transmission (secs. 3517.10(C)(6) and (D)(6) and (7), 3517.106(H), (I), (J), and (K), and 3517.11(B)(3) and (C)).
- Requires the Secretary of State to store on computer the contribution and disbursement information contained in disclosure of electioneering communications statements and to make that information available online to the public through the Internet (secs. 3517.10(D)(7), 3517.106(B)(2), and 3517.1011(D)(3)).
- Requires persons who make contributions for the purpose of funding the direct costs of producing or airing an electioneering communication to provide specified information to the recipient at the time the contribution is made (sec. 3517.1011(E)).
- Requires a statement to appear or be presented in each electioneering communication that clearly indicates (1) that the communication is not authorized by the candidate or the candidate's campaign committee and (2) the person or political committee making the disbursement for the communication (sec. 3517.1011(F)).
- Requires the Secretary of State to determine by rule when an addendum, amendment, or other correction to a disclosure of electioneering communications statement or an amended disclosure of electioneering communications statement must be filed (sec. 3517.11(B)(3)(a)(ii)).
- Specifies that any coordinated electioneering communication is an in-kind contribution to the candidate by the person or political committee making disbursements to pay the direct costs of producing or airing that communication (sec. 3517.1011(G)).
- Prohibits a person or political committee, during the 30 days preceding a primary or general election, from making any broadcast, cable, or satellite communication that refers to a clearly identified candidate using any contributions received from a corporation or labor organization (sec. 3517.1011(H)).

- Specifies that a person or political committee that makes a communication that violates this 30-day restriction generally must be fined an amount *up to three times* the amount disbursed for the direct costs of airing the violating communication, but specifies that the fine *must equal three times* the amount disbursed if the Ohio Elections Commission or a court of competent jurisdiction has previously ordered the person or political committee to cease violating this restriction (sec. 3517.992(CC)).
- Specifies that, during the 30 days preceding a primary or general election, any disbursement to pay the direct costs of producing or airing a broadcast, cable, or satellite communication that refers to a clearly identified candidate must be considered to be made for the purpose of influencing the results of that election and must be reported as an expenditure or as an independent expenditure (sec. 3517.01(B)(6)).
- Specifies that a corporation or labor organization engaging in electioneering communications does not violate the general prohibition against corporations and labor unions using their money or property for partisan political purposes (sec. 3599.03(A)).
- Generally applies the provisions of existing law regarding complaints made to the Ohio Elections Commission alleging violations of the Campaign Finance Law to alleged violations of the bill's electioneering communication provisions (sec. 3517.154).
- Prohibits a person from making a contribution to a person or political committee that makes disbursements to pay the direct costs of producing or airing electioneering communications in the name of another person (sec. 3517.13(G)(2)(a)).
- Generally prohibits a person or political committee intending to make a disbursement for the direct costs of producing or airing electioneering communications from making those disbursements using any contributions that the person or political committee received before the bill's effective date (Section 3(A)).
- Permits a person or political committee to make a disbursement for the direct costs of producing or airing electioneering communications using contributions received before the bill's effective date if, in the first disclosure of electioneering communications statement that the person or

political committee must file, the person or political committee reports specified information regarding those contributions (Section 3(B)).

**Campaign contribution limits**

- Revises the amount of contributions that may be made by individuals and various political entities (secs. 3517.102(B) and 3517.13(T)(1)). (See the following table, in which existing contribution limits are stricken and replaced by the limits proposed by the bill.)

<b>From: ® To: -</b>	<b>Individual</b>	<b>Political Action Committee<sup>1</sup></b>	<b>Campaign Committee</b>	<b>County Political Party</b>	<b>State Political Party</b>	<b>Legislative Campaign Fund</b>
Statewide Candidate	<del>\$2,500</del> \$10,000	<del>\$2,500</del> \$10,000	<del>\$2,500</del> \$10,000	<del>\$2,500 or \$500,000 cash + unlimited in-kind<sup>2</sup></del> \$2,500 or \$250,000	\$500,000 cash + unlimited in-kind  <i>Unchanged by the bill</i>	Prohibited  <i>Unchanged by the bill</i>
Senate Candidate	<del>\$2,500</del> \$10,000	<del>\$2,500</del> \$10,000	<del>\$2,500</del> \$10,000	<del>\$2,500 or \$100,000 cash + unlimited in-kind</del> \$2,500, \$10,000, or \$100,000 cash + unlimited in-kind	\$100,000 cash + unlimited in-kind  <i>Unchanged by the bill</i>	\$50,000 cash/primary + unlimited in-kind  \$100,000 cash/general + unlimited in-kind  <i>Unchanged by the bill</i>

<sup>1</sup> Similar contribution limits apply to political contributing entities and political action committees under existing law. Provisions of the bill abolish political contributing entities. As such, this table does not reflect contribution limit changes for these entities.

<sup>2</sup> Cash or cash equivalent limit applicable to designated state campaign committees, plus unlimited in-kind contributions.



<b>From: ® To: -</b>	<b>Individual</b>	<b>Political Action Committee<sup>1</sup></b>	<b>Campaign Committee</b>	<b>County Political Party</b>	<b>State Political Party</b>	<b>Legislative Campaign Fund</b>
House Candidate	\$2,500 \$10,000	\$2,500 \$10,000	\$2,500 \$10,000	<del>\$2,500 or \$50,000 cash</del> + unlimited in-kind \$2,500, \$10,000, or \$50,000 cash + unlimited in-kind	\$50,000 cash + unlimited in-kind <i>Unchanged by the bill</i>	\$25,000 cash/primary + unlimited in- kind \$50,000 cash/primary + unlimited in- kind <i>Unchanged by the bill</i>
County Party State Candidate Fund	<del>\$5,000</del> \$10,000 (from individuals whose designated Ohio residence is located in the county only)	\$5,000 Prohibited	<del>\$5,000 or unlimited</del> \$10,000 (its candidate on county ballot or is holder of office that represents county population) or unlimited (designated state campaign committee)	Unlimited Prohibited	Unlimited <i>Unchanged by the bill</i>	Unlimited <i>Unchanged by the bill</i>
State Party State Candidate Fund	\$15,000 \$30,000	\$15,000 \$30,000	<del>\$15,000 or unlimited</del> \$30,000 or unlimited (designated state campaign committee)	Unlimited <i>Unchanged by the bill</i>	N/A <i>Unchanged by the bill</i>	Unlimited <i>Unchanged by the bill</i>



<b>From: ® To: -</b>	<b>Individual</b>	<b>Political Action Committee<sup>1</sup></b>	<b>Campaign Committee</b>	<b>County Political Party</b>	<b>State Political Party</b>	<b>Legislative Campaign Fund</b>
Legislative Campaign Fund	\$5,000 \$15,000	\$5,000 \$15,000	<del>\$5,000 or unlimited</del> \$15,000 or unlimited (designated state campaign committee)	Unlimited <i>Unchanged by the bill</i>	Unlimited <i>Unchanged by the bill</i>	Prohibited <i>Unchanged by the bill</i>
Political Action Committee	\$5,000 \$10,000	\$2,500 \$10,000	\$2,500 \$10,000	\$2,500 \$10,000	\$2,500 \$10,000	Prohibited <i>Unchanged by the bill</i>

- Generally makes parallel changes to the amounts of contributions that various political entities may accept (secs. 3517.102(C) and 3517.13(T)(2)).
- Specifies that a campaign committee is no longer a "designated state campaign committee" after the committee's candidate changes the designation of treasurer to indicate that the person intends to be a candidate for, or becomes a candidate for nomination or election to, any office that would not qualify the candidate's campaign committee as a designated state campaign committee (sec. 3517.102(A)(9)(b)).
- Prohibits a county political party from making a contribution to another county political party (sec. 3517.102(B)(4)(b)).
- Prohibits a campaign committee from making a contribution or contributions to a county political party for the party's state candidate fund unless the campaign committee's candidate will appear on the ballot in that county or unless the candidate is the holder of an elected public office that represents all or part of the population of that county (sec. 3517.102(B)(5)(b)).
- Revises the formula for calculating adjustments to contribution limits under the Campaign Finance Law by requiring calculated amounts be aggregated until the resulting amount equals or exceeds \$100, at which time the contribution limit must be adjusted (sec. 3517.104(A)).

- Prohibits a campaign committee of a candidate for the office of member of the General Assembly, including a designated state campaign committee, from accepting a transfer or contribution of cash or cash equivalents *from any one or a combination* of state candidate funds of county political parties aggregating, in a primary election period or in a general election period, more than \$100,000 for a senate candidate or \$50,000 for a house candidate (sec. 3517.102(C)(6)(c)).
- Prohibits a campaign committee of a statewide candidate from accepting contributions aggregating more than \$500,000 in a primary election period or in a general election period from any combination of county political party state candidate funds (sec. 3517.102(C)(1)(c)).
- Prohibits an individual who is under seven years of age from making a contribution and prohibits political entities from accepting a contribution from an individual who is under seven years of age (sec. 3517.102(B) and (C)).
- Requires political entities to include, on statements of contributions, the age of an individual who is a contributor (sec. 3517.10(B)(4)(g)).

**Political party funds**

**Funds of the party, generally**

- Specifies that all loans, gifts, and other donations that are made, received, or used by a state or county political party, other than moneys received from the Ohio Political Party Fund, gifts received for a party's building fund, or gifts a party may receive for its restricted fund (see below), must be considered "contributions" for the purpose of filing campaign finance statements (sec. 3517.01(B)(5)).
- Specifies that all disbursements or uses of contributions by a state or county political party are expenditures, must be considered to be made for the purpose of influencing the results of an election or as a charitable donation, and must be included on campaign finance statements (sec. 3517.01(B)(6)).

### Restricted funds

- Requires a state or county political party to establish a restricted fund that is separate from all other accounts of the political party (sec. 3517.1012(A)(1)).
- Requires a state or county political party to deposit into its restricted fund (1) all public moneys the party receives from the Ohio Political Party Fund and (2) all gifts made to or accepted by the political party from a corporation or labor organization (secs. 3517.1012(A)(2) and 3517.17).
- Permits a state or county political party to deposit into its restricted fund any gifts made to or accepted by the political party from a source other than a corporation or labor organization (sec. 3517.1012(A)(2)).
- Limits to \$10,000 per calendar year the amount that a corporation or labor organization may give to a political party's restricted fund and the amount that a political party's restricted fund may accept from any one corporation or labor organization in a calendar year (sec. 3517.13(X)(3)).
- Provides for a fine of three times the amount given or accepted in excess of the \$10,000 limit for any corporation or labor organization that gives, or political party that accepts, gifts for the party's restricted fund in violation of the limit (sec. 3517.992(DD)).
- Specifies that gifts given to a state or county political party for the party's restricted fund do not constitute "contributions" for the purpose of the Campaign Finance Law (sec. 3517.01(B)(5)(f)).
- Specifies that moneys in a state or county political party's restricted fund may be disbursed to pay costs incurred for any of the purposes for which Ohio Political Party Fund moneys may be used (sec. 3517.1012(A)(3)).
- Prohibits a state or county political party from transferring any moneys from the restricted fund to any account of the political party into which contributions may be made or from which contributions or expenditures may be made (sec. 3517.13(X)(1)).
- Prohibits a state or county political party from depositing contributions into, or making contributions or expenditures from, its restricted fund (sec. 3517.13(X)(2)).

- Prohibits a state or county political party from transferring any money in the party's restricted fund to any other state or county political party (sec. 3517.13(X)(4)).
- Generally requires a state or county political party to file deposit and disbursement statements, in the same manner as the party is required to file contribution and expenditure statements, regarding all deposits made into, and all disbursements made from, the party's restricted fund (sec. 3517.1012(B)).
- Requires the Secretary of State to store on computer the information contained in deposit and disbursement statements required to be filed with the office of the Secretary of State by state and county political parties and to make that information available online to the public through the Internet (secs. 3517.10(D)(7) and 3517.106(B)(3)).
- Generally applies the provisions of the Campaign Finance Law applicable to the filing of campaign finance statements by electronic means of transmission to the filing of deposit and disbursement statements by electronic means of transmission (secs. 3517.10(C)(6) and (D)(6) and (7), 3517.106(H), (I), (J), and (K), and 3517.11(B)(3) and (C)).
- Requires the Secretary of State to determine by rule when an addendum, amendment, or other correction to a deposit and disbursement statement or an amended deposit and disbursement statement must be filed (sec. 3517.11(B)(3)(a)(iii)).
- Specifies that a corporation or labor organization making gifts to a state or county political party's restricted fund does not violate the general prohibition against corporations and labor unions using their money or property for partisan political purposes (sec. 3599.03(A) and (D)(2)).
- Requires the Auditor of State to audit the restricted funds of state and county political parties to verify that the moneys in those funds are expended in accordance with law (sec. 3517.17).
- Requires the Tax Commissioner to distribute moneys in the Ohio Political Party Fund to political parties in the manner provided for under existing law after deducting from those moneys the costs the Auditor of

State will incur for conducting audits of state and county political party restricted funds (secs. 3517.16 and 3517.17).

- Generally applies the provisions of existing law regarding complaints made to the Ohio Elections Commission alleging violations of the Campaign Finance Law to alleged violations of the bill's restricted fund provisions (sec. 3517.154).

*State candidate funds*

- Prohibits individuals from making a contribution or contributions to the state candidate fund of a county political party of any county other than the county in which the individual's designated Ohio residence is located (sec. 3517.102(B)(1)(b)).
- Prohibits a political action committee from making a contribution or contributions to a county political party for the party's state candidate fund (sec. 3517.102(B)(2)(b)).
- Requires county political parties to file their campaign finance statements, with respect to their state candidate funds, by electronic means of transmission to the office of the Secretary of State (secs. 3517.106(E)(3) and 3517.11(A)(4)).
- Requires the Secretary of State to store on computer the information contained in contribution and expenditure statements filed by county political parties with respect to their state candidate funds and to make that information available online to the public through the Internet (secs. 3517.10(D)(7) and 3517.106(B)(1)(g)).
- Generally applies the provisions of the Campaign Finance Law applicable to the filing of campaign finance statements by electronic means of transmission to county political party's filing statements with respect to their state candidate funds by electronic means of transmission (secs. 3517.10(C)(6) and (D)(6) and (7), 3517.106(E)(3), (H), (I), (J), and (K), and 3517.11(B)(3) and (C)).
- Requires a county political party that has a state candidate fund in existence on the bill's effective date, by 4 p.m. on that effective date, to disburse the moneys in the fund in accordance with the provisions of the Campaign Finance Law in effect prior to that effective date, and requires

that state candidate fund to be abolished not later than 4 p.m. on that effective date (Section 4(A)).

- Prohibits a county political party that establishes a state candidate fund under the bill from transferring into that fund any moneys that were in a county political party's state candidate fund established prior to the bill's effective date (Section 4(B)).

#### *Previously undisclosed funds*

- Specifies that no moneys in any fund or account of a political party that were not subject to disclosure under existing law may be disbursed, transferred into another fund or account of the political party, or otherwise used by the political party on or after the bill's effective date unless the contributors of those moneys are disclosed prior to that effective date in accordance with the Campaign Finance Law's campaign finance statement provisions (Section 5).

#### *Campaign finance statement filing requirements*

##### *In general*

- Adds to the existing schedule for filing statements of contributions and expenditures a statement to be filed not later than 4 p.m. of the last business day of July of every year to reflect contributions received and expenditures made from the close of business on the last day reflected in the last previously filed statement, if any, to the close of business on the last day of June of that year (secs. 3517.10(A)(4), 3517.105(B)(2)(b) and (C)(2)(b), 3517.11(B)(3)(a), and 3517.13(D)).
- Specifies that the new semiannual statement is not required for any year in which a campaign committee, political action committee, legislative campaign fund, or political party is required to file a postgeneral election statement (sec. 3517.10(A)).
- Generally applies the provisions of existing law applicable to annual campaign finance statements to the new semiannual statement (secs. 3517.10(A) and (B), 3517.105(B)(2)(b) and (C)(2)(b), 3517.11(B)(3)(a), and 3517.13(D)).
- Increases the aggregate amount of contributions received from a contributor that will require a campaign committee of a statewide

candidate to file a two-business-day statement from contributions exceeding \$2,500 to contributions exceeding \$10,000 (sec. 3517.10(A)).

- Increases the aggregate amount of contributions received from a contributor that will require a campaign committee of a candidate for the office of Chief Justice or Justice of the Supreme Court to file a two-business-day statement from contributions exceeding \$500 to contributions exceeding \$10,000 (sec. 3517.10(A)).
- Requires, on a statement of contributions received, any campaign committee of a statewide candidate, any campaign committee of a candidate for the office of member of the General Assembly, and any political action committee, legislative campaign fund, or political party that is required to file campaign finance statements electronically, which receives a contribution from an individual that exceeds \$100 to identify the name of the individual's current employer, if any, or if the individual is self-employed, the individual's occupation and the name of the individual's business, if any (sec. 3517.10(B)(4)(b)(ii)).
- Requires any individual who makes a contribution that exceeds \$100 to a campaign committee of a statewide candidate, a campaign committee of a candidate for the office of member of the General Assembly, or a political action committee, legislative campaign fund, or political party to provide the name of the individual's current employer, if any, or, if the individual is self-employed, the individual's occupation and the name of the individual's business, if any, to the recipient of the contribution at the time the contribution is made (sec. 3517.10(E)(2)).
- Requires the Secretary of State to make available online through the Internet the contribution and expenditure information for candidates for a particular office when the information for all candidates for the particular office is available, or as soon as the applicable filing deadline has passed, whichever is sooner (sec. 3517.106(E) and (F)).
- Permits a post office box number to be used as an "address" on campaign finance statements under specified circumstances (sec. 3517.10(F)(1)(d) and (e)).



### *Electronic filing opt-out*

- Requires the Secretary of State to adopt rules to permit certain campaign committees (statewide candidates--if their committees make expenditures of less than \$25,000 during a filing period, office of member of the General Assembly, and office of judge of a court of appeals) that would otherwise be required to file campaign finance statements by electronic means of transmission to the office of the Secretary of State, to file those statements on paper (sec. 3517.106(L); related changes to sec. 3517.106(E)(1) and (F)(1)).
- Specifies that the rules the Secretary of State must adopt must provide for all of the following: (1) an eligible campaign committee must file on paper not sooner than 24 hours after the end of the applicable filing period, (2) the campaign finance statement must be accompanied by a fee, which cannot exceed the cost incurred for data entry and verification to convert the information to electronic format, (3) the Secretary of State must make the information in those statements available online at the same time, and in the same manner, as for candidates who file electronically, (4) the candidate must file an affidavit indicating that electronic filing would constitute a hardship, (5) the campaign committee must review the information posted on the Internet and notify the Secretary of State of any errors, and (6) if a campaign committee indicates that it will file on paper and then fails to timely do so, penalties for late filing will apply for each day after the paper filing deadline (sec. 3517.106(L)(1)).
- Requires this alternate process to be in effect and available for use for all campaign finance statements that are required to be filed on or after June 30, 2005, and specifies that, if the process is not in effect and available for use, all penalties for the failure of campaign committees to file electronically must be suspended until the process is in effect and available for use (sec. 3517.106(L)(2)).
- Provides that any campaign committee that files campaign finance statements pursuant to this process must be deemed to have filed those statements by electronic means of transmission to the office of the Secretary of State (sec. 3517.106(L)(3)).

### **Political contributions deducted by employers or labor organizations**

- Prohibits a corporation, a nonprofit corporation, an employer, or a labor organization from obtaining contributions on an automatic or passive basis, including a payroll deduction or reverse check off method, from an individual who has not previously made such contributions unless the individual who is contributing affirmatively consents to the contribution in writing (secs. 3517.082(D), 3517.09(C), and 3599.031).
- Specifies that these provisions prevail over conflicting agreements between labor organizations and public employers that are entered into on or after the bill's effective date under the Collective Bargaining Law (secs. 3517.082(E), 3517.09(D), and 3599.031(G)).
- Eliminates provisions of law previously determined to be unconstitutional (sec. 3599.031).

### **Use of corporation and labor organization funds for political purposes**

- Repeals and re-enacts with changes, section 3599.03 of the Revised Code, which generally prohibits corporations and labor organizations from using money or property of the corporation or labor organization for political purposes (sec. 3599.03).
- Specifies that the placement of a campaign sign on the property of a corporation, nonprofit corporation, or labor organization does not violate the general prohibition against those entities using property for political purposes (sec. 3599.03(F)(2)).

### **Expansion of electronic filing of campaign finance statements to certain judicial candidates**

- Permits campaign committees of candidates for the office of judge of a court of appeals to file campaign finance statements by electronic means of transmission to the office of the Secretary of State in the same manner as candidates for office of the member of General Assembly file those statements (sec. 3517.106(F)).
- Requires campaign committees of candidates for the office of judge of a court of appeals to file campaign finance statements by electronic means of transmission to the office of the Secretary of State if the campaign

committee receives contributions exceeding \$10,000 during the applicable reporting period (sec. 3517.106(F)).

- Generally applies the provisions of the Campaign Finance Law applicable to the filing of campaign finance statements by electronic means of transmission by campaign committees of candidates for the office of member of the General Assembly to campaign committees of candidates for the office of judge of a court of appeals (secs. 3517.106(F) and 3517.11).

#### **Contributions by partners or owners of unincorporated businesses**

- Requires a contribution made by a partner of a partnership or an owner or member of another unincorporated business from the funds of that partnership or other unincorporated business to be identified, on campaign finance statements, by both the name of the partnership or other unincorporated business and the name of the partner, owner, or member making the contribution (sec. 3517.10(I)).
- Prohibits a partnership or other unincorporated business from making a contribution or contributions solely in the name of the partnership or other unincorporated business (sec. 3517.10(I)(4)).
- Specifies that "partnership or other unincorporated business" includes, but is not limited to, a cooperative, a sole proprietorship, a general partnership, a limited partnership, a limited partnership association, a limited liability partnership, and a limited liability company (sec. 3517.10(I)(5)).

#### **Political entities regulated by the Campaign Finance Law**

##### **Elimination of political contributing entities**

- Eliminates all references in the Revised Code to "political contributing entities," which are defined under existing law as any entity, including a corporation or labor organization, that may lawfully make contributions and expenditures and that is not an individual or a political action committee, continuing association, campaign committee, political party, legislative campaign fund, designated state campaign committee, or state candidate fund (secs. 102.03, 2921.01, 2921.43, 3517.01(B)(21), 3517.08, 3517.09, 3517.092, 3517.10, 3517.102, 3517.105, 3517.106, 3517.108, 3517.11, 3517.13, 3517.155, 3517.20, 3517.23, and 3517.992).

### Continuing associations

- Specifies that the definition of "continuing association" includes organizations that are determined to be not organized for profit under subsection 501 and that are described in subsection 501(c)(3), (c)(4), or (c)(6) of the Internal Revenue Code (sec. 3517.01(B)(4)).

### Political action committees

- Specifies that the definition of "political action committee" does not include a continuing association that makes disbursements for the direct costs of producing or airing electioneering communications and that does not engage in express advocacy (sec. 3517.01(B)(8)).
- Defines "express advocacy" as a communication that contains express words advocating the nomination, election, or defeat of a candidate or that contains express words advocating the adoption or defeat of a question or issue, as determined by a final judgment of a court of competent jurisdiction (sec. 3517.01(B)(23)).

### Campaign committees

- Modifies the current definition of a "campaign committee" so that it is an entity *that is formed by* a candidate or a combination of two or more persons authorized by a candidate to receive contributions and make expenditures *and that is legally liable for any debts, contracts, or expenditures incurred or executed in its name* (sec. 3517.01(B)(1)) (changes in italics).
- Specifies that a campaign committee must be legally liable for any debts, contracts, or expenditures incurred or executed in its name (sec. 3517.01(A)(2)).

### Compensation of circulators of election petitions

- Requires the circulator of any election petition for a statewide candidate or statewide initiative or referendum ballot issue to identify, on the circulator's statement, the name of the person employing the circulator to circulate the petition, if any (secs. 3501.38(E), 3513.07, and 3513.261).
- Requires any person who will receive compensation for supervising, managing, or otherwise organizing any effort to obtain signatures for a

statewide election petition, before any signatures are obtained or before the person is engaged in that position (whichever is later), to file a statement to that effect with the Secretary of State (sec. 3501.381(A)(1)).

- Requires any person who will compensate a person for supervising, managing, or otherwise organizing any effort to obtain signatures for a statewide election petition, before any signatures are obtained or before the person is engaged (whichever is later), to file a statement to that effect with the Secretary of State (sec. 3501.381(A)(2)).
- Specifies that whoever violates either of these requirements is guilty of a misdemeanor of the first degree, and requires that the petition for which a person was compensated for supervising, managing, or otherwise organizing the effort to obtain signatures must be deemed invalid (sec. 3501.381(C)).
- Requires the Secretary of State to prescribe the form and content for those statements (sec. 3501.381(B)).
- Prohibits a person from receiving compensation on a fee per signature or fee per volume basis for circulating an election-related petition, and specifies that whoever violates this prohibition is guilty of election falsification, which is a felony of the fifth degree (sec. 3599.111(B) and (E)(1)).
- Specifies that compensation for circulating an election-related petition must be paid solely on the basis of time worked, and specifies that whoever violates this provision is guilty of a felony of the fifth degree (sec. 3599.111(D) and (E)(2)).

**Compensation of persons assisting applicants to register to vote**

- Requires voter registration forms that the Secretary of State must prescribe to include a space on which a person registering an applicant to vote must sign the person's name and a space on which the person registering an applicant must name the employer who is employing that person to register the applicant (sec. 3503.14(A)).
- Exempts election officials and employees of designated agencies who are registering applicants from the requirement of signing their names and identifying their employers on voter registration forms (sec. 3503.14(A)).

- Specifies that voter registration forms must not be rejected solely on the basis that a person registering an applicant failed to sign the person's name or failed to name the employer who is employing that person to register an applicant (sec. 3503.14(C)).
- Prohibits a person from receiving compensation on a fee per signature or fee per volume basis for registering a voter, and specifies that whoever violates this prohibition is guilty of election falsification, which is a felony of the fifth degree (sec. 3599.111(C) and (E)(1)).
- Specifies that compensation for registering voters must be paid solely on the basis of time worked, and specifies that whoever violates this provision is guilty of a felony of the fifth degree (sec. 3599.111(D) and (E)(2)).
- Defines "registering an applicant" or "registering a voter" for these purposes as including any effort, for compensation, to provide voter registration forms or to assist persons in completing those forms or returning them to the board of elections, the office of the Secretary of State, or other appropriate public office (secs. 3503.14(D) and 3599.111(A)).

### **Telephone banks**

- Defines a "telephone bank" as more than 500 telephone calls of an identical or substantially similar nature within any 30-day period, whether those telephone calls are made by individual callers or by recording (sec. 3517.20(A)(1)(k)).
- Prohibits a candidate or political entity from conducting a telephone bank for the purpose of promoting the nomination, election, or defeat of a candidate or the adoption or defeat of an issue or to influence voters in an election, unless the telephone calls include a disclaimer identifying the candidate or political entity paying for the telephone bank (sec. 3517.20(C)).

### **Ohio Elections Commission Fund**

- Eliminates duplicate provisions establishing the Ohio Elections Commission Fund and relocates the language establishing the fund to section 3517.152 of the Revised Code, the section in which the Ohio

Elections Commission is established (secs. 3513.10(E), 3517.102(E), 3517.109(C)(1), and 3517.152(I)).

**Political party expenditures regarding judicial candidates**

- Specifies that any expenditure by a political party for the purpose of financing communications advocating the election or defeat of a candidate for judicial office must be deemed to be an independent expenditure (secs. 3517.01(B)(17)(d)(iii) and 3517.105(D)).

**Personal funds**

- Specifies that a loan obtained by, guaranteed by, or for the benefit of a statewide candidate, senate candidate, or house candidate must be considered "personal funds" to the extent that the loan is obtained or guaranteed by the candidate or is for the benefit of the candidate and is obtained or guaranteed by specified members of the candidate's family (sec. 3517.103(A)(1)(b)(ii)).
- Specifies that a loan that is obtained or guaranteed and that is for the benefit of such a candidate must be considered to be a "contribution" for the purpose of the Campaign Finance Law if it is obtained or guaranteed by anyone other than the candidate or the specified members of the candidate's family (sec. 3517.103(A)(1)(b)(ii)).
- Requires complaints alleging violations of the Personal Funds Law to receive an automatic expedited hearing before the Ohio Elections Commission (sec. 3517.154).

**Elimination of obsolete campaign finance filing provisions**

- Eliminates obsolete provisions that, prior to March 1, 2004, permitted certain candidates for the office of member of the General Assembly to file their campaign finance statements on computer disk with a county board of elections (secs. 3517.10, 3517.106, and 3517.11).
- Eliminates an obsolete payment schedule under which certain candidates for the office of member of the General Assembly were permitted to pay a fee for filing a campaign finance statement on paper instead of by electronic means of transmission (sec. 3517.106(F)).

- Removes duplicative language regarding, but does not substantively change, provisions of the Campaign Finance Law requiring the electronic filing of campaign finance statements by various political entities (sec. 3517.106(E), (F), and (G)).

### **Regulation of political fundraisers**

- Defines various terms regarding the regulation of political fundraisers (sec. 3517.30).
- Generally requires the Secretary of State to regulate political fundraisers, including to adopt rules for that purpose (secs. 3501.05(W) and 3517.38(D)).
- Requires political fundraisers and their employers to file with the Secretary of State initial and updated registration statements containing specified information (sec. 3517.32(A) and (B)).
- Requires the Secretary of State to issue a registration card to a registered political fundraiser, which must be valid from the date of issuance until January 31 of the year following the year in which the registration statement was filed (sec. 3517.32(F)).
- Specifies that the Secretary of State is responsible for reviewing each registration statement and determining whether it includes the required information, and, if the statement does not contain the required information, requires the Secretary of State to send written notification of that deficiency by certified mail. Also specifies that the Secretary of State must determine whether a political fundraiser or employer has failed to file a requisite registration statement and then must send a written notification of any failure by certified mail. (Sec. 3517.32(G).)
- Requires any person receiving a notice to timely file a registration statement or amended registration statement containing the required information, and generally requires the Secretary of State to assess a late filing fee upon any person who fails to so timely file (sec. 3517.32(G)).
- Requires the Secretary of State to publish a report containing statistical information on the registration statements filed with the office during the preceding year (sec. 3517.32(H)).

- Permits aggrieved parties to consider the failure to comply with the registration statement filing requirements by a political fundraiser or its employer who is the recipient of a contract, grant, lease or other financial arrangement by which state funds are distributed or allocated to be a breach of a material condition of the financial arrangement (sec. 3517.32(I)).
- Permits state officials to require certification from any political fundraiser or its employer seeking the award of such a financial arrangement that the political fundraiser or employer is in compliance with the registration statement filing requirements (sec. 3517.32(J)).
- Requires political fundraisers and employers to file *a statement of political fundraising* with the Secretary of State detailing, among other items, expenditures made for, at the request of, for the benefit of, or on behalf of a particular candidate or political entity. And, specifies the other information that must be included in the statement. (Sec. 3517.33(A) and (B).)
- Requires political fundraisers and employers to retain receipts or maintain records for all contributions and expenditures they are required to report on statements of political fundraising, and specifies the time those records must be retained (sec. 3517.33(E)).
- Requires political fundraisers and employers to file *a statement of the details of financial transactions* regarding financial transactions with or for the benefit of a candidate or political entity (sec. 3517.34).
- Requires employers and political fundraisers who are required to file certain statements to deliver a copy of the statement or of the relevant portion of the statement to the candidate or political entity for whom, at whose request, for whose benefit, or on whose behalf an expenditure was made, or with whom or for whose benefit a transaction was made (secs. 3517.33(F) and 3517.34(C)).
- Specifies circumstances under which an employer is not required to show certain information on a required statement or to file an otherwise required statement or deliver a copy of it (secs. 3517.33(F)(3) and 3517.34(D)).

- Permits complaints regarding certain disputed statements to be filed with the Ohio Ethics Commission, and specifies the procedures for hearing and resolving those complaints (sec. 3517.35).
- Specifies that an employer or political fundraiser who files certain false statements is liable in a civil action to any candidate or political entity that sustains damage as a result of the filing or publication of the statement (sec. 3517.35).
- Prohibits a person from engaging a political fundraiser, and prohibits a political fundraiser from accepting an engagement as a political fundraiser, for compensation that is contingent in any way on the amount of contributions raised (sec. 3517.37).
- Requires the Secretary of State to keep political fundraising statements on file, and specifies that they are public records open to public inspection (sec. 3517.38(A)).
- Requires the Secretary of State to prescribe and make available appropriate forms for the required statements, requires the office to publish a handbook explaining the proposed law regulating political fundraisers, and permits the Secretary of State to adopt necessary rules to implement that law (sec. 3517.38).
- Establishes prohibitions and associated penalties for persons failing to comply with the bill's registration, record-keeping, and supplemental statement filing requirements (secs. 3517.31 and 3517.992(EE)).
- Permits the Attorney General to investigate compliance with the proposed law regulating political fundraisers, and, in the event of an apparent violation, requires the Attorney General to report the findings to the Franklin County prosecuting attorney, who must institute appropriate proceedings (sec. 3517.39).
- Requires campaign finance statements to include, in the case of a contribution received through the efforts of a political fundraiser, the fact that the contribution was received through those efforts and the identity of the political fundraiser (sec. 3517.10(B)(4)(h) and (E)(5)).
- Establishes exceptions to the proposed law regulating political fundraisers applicable to news organizations and publications primarily

designed for and distributed to members of bona fide associations or charitable or fraternal nonprofit corporations (sec. 3517.36).

**Nonseverability**

- Specifies that every provision of the act is so interconnected with every other provision and the general scope of the act that, if any provision of the act or any application of any provision of the act to any person or circumstance is held invalid, the entire act is invalid (Section 8).

---

**HISTORY**

ACTION	DATE	JOURNAL ENTRY
Introduced	12-13-04	p. S-2
Reported, H. State Government	12-15-04	p. S-4
Passed House (58-36)	12-15-04	pp. S-6 to S-60

H0001-PH-special session-125.doc/jc