



Ohio Elections Commission
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Columbus, Ohio 43266-0418
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January 31, 1994

ADVISORY OPINION NO. 94-1

SYLLABUS: Moneys from the Ohio Political Party Fund may be used to sublet office space from a candidate's campaign committee for the political party's permanent or temporary headquarters so long as the rent paid is not in excess of the market value of the office space.

TO: Edward W. Olson, Treasurer
Richland County Republican Executive Committee

You have requested an advisory opinion as to whether you properly can use Ohio Political Party Fund moneys to sublet office space from a political candidate's campaign committee for your political party's headquarters. You have indicated that your county political party would like to rent an office from a candidate's campaign committee. You stated that your intent is to find affordable office space to meet fluctuating space requirements. You also indicated that you do not intend nor will the effect be to subsidize nor contribute moneys to the elected official's re-election committee.

R.C. § 3517.18 sets forth the permissible uses of the Ohio Political Party Fund. In relevant part, it states:

- (A) A political party receiving moneys from the Ohio political party fund may expend the moneys only for the following purposes:
 - (1) The defraying of operating and maintenance costs associated with political party headquarters, including rental or leasing costs, staff salaries, office equipment and supplies, postage, and the purchase, lease, or maintenance of computer hardware and software . . .

Other permissible uses of Ohio Political Party Fund moneys include: (1) the organization of voter registration programs and get-out-the-vote campaigns; (2) the administration of party fund-raising drives; (3) paid advertisements publicizing the Fund and encouraging taxpayers to support the income tax checkoff program; (4) direct mail campaigns or other communications with the registered voters of a party that are not related to any particular candidate or election; and (5) the preparation of reports required by law. R.C. § 3517.18(A)(2)-(6).

Division (B) of R.C. § 3517.18 establishes limitations upon the uses of the funds. R.C. § 3517.18(B)(1) states that moneys from the Ohio Political Party Fund shall not be used to further the election or defeat of any particular candidate or to influence directly the outcome of any candidate or issue election. For example, if a political party were to pay a candidate's campaign committee rental payments in excess of local rents for similarly-developed rental space, those payments may further the election of that candidate because the money received in excess of the fair market rent may be a contribution. In the question presented, an executive committee of a political party desires to sublet office space for its headquarters from a candidate's campaign committee. Under R.C. § 3517.18(B)(1), it must be determined whether rental payments to a candidate's committee will further his election or directly influence his election.

The Ohio Elections Commission has had opportunity to address the issue of direct versus indirect benefit. In Advisory Opinion No. 89-1, the Commission stated that the General Assembly included the word "directly" in R. C. § 3517.18(B)(1) in recognition of the fact that the operation and maintenance costs associated with a political party headquarters indirectly benefit candidates. The Opinion concluded that it was the General Assembly's intent to allow such costs to be paid from Ohio Political Party Fund moneys.

In this case, any benefit to the political candidate or his or her campaign committee such as fair market rental income would be indirect and of a secondary nature. The candidate and the campaign committee would remain liable to their landlord for the original rent. As such, this arrangement seems to be consistent with the General Assembly's intent based upon the use of the word, "directly" in R.C. § 3517.18(B)(1).

R.C. § 3517.18(A)(1) states that operating and maintenance costs include rental or leasing costs. However, R.C. § 3517.18(B)(3) states that moneys from the Ohio Political Party Fund shall not be used to make a payment clearly in excess of the market value of that which is received for the payment. In this case, that provision means that the rent paid for renting office space from the candidate's campaign committee must not be in excess of the market value of that space.

Therefore, so long as the rent paid for the space is not in excess of its fair market value and is paid as rent for the space used for the Richland County Republican Party's headquarters and the space is not utilized for actions otherwise prohibited by R.C. § 3517.18, it is a proper use of Ohio Political Party Fund moneys under R.C. § 3517.18.

For the reasons stated herein, it is the opinion of the Ohio Elections Commission that moneys from the Ohio Political Party Fund may be used to sublet office space from a candidate's campaign committee for the political party's permanent or temporary headquarters so long as the rent paid is not in excess of the market value of the office space.



JACK GREGG HAUGHT, Chairman