



Ohio Elections Commission

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January 8, 1998

OHIO ELECTIONS COMMISSION

Advisory Opinion

98ELC-01

SYLLABUS: The payment of a judgment rendered by the Cuyahoga County Court of Common Pleas in Case No. 272558 is an allowable use of the Ohio political party fund monies to be received by the Cuyahoga County Republican Party.

TO: James P. Trakas
Chairman
Cuyahoga County Republican Party

You have requested an advisory opinion on the following questions:

Is the assignment and payment of Ohio political party funds to be received by the Cuyahoga County Republican Party to Marguerite S. Hughes, Executrix of the Estate of Robert E. Hughes, a proper use of monies received from the Ohio Political Party Fund by the Cuyahoga County Republican Party?

The Ohio Political Party Fund is established in Ohio Revised Code §3517.16. The mechanism for funding this account is outlined in R.C. §5747.081, wherein an individual whose Ohio income tax liability for a tax year is one dollar or more may designate one dollar to be paid from Ohio's General Fund into the Ohio political party fund. R.C. §3517.17 allocates these monies to qualified political parties at both the state and county levels. R.C. §3517.18 limits the use of these funds to certain activities as well as proscribes particular activities. The provisions in R.C. §3517.18(A) assert that it is appropriate to use Ohio political party funds for the administration of party fund raising and for operating and maintenance costs, specifically staff salaries. The General Assembly recognized that a party conducts more than partisan political activities. Specifically, R.C. §3517.18 states the following:

(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 ... staff salaries ...

...

(3) The administration of party fund-raising drives;

In the situation which is the basis for this advisory opinion request, the Cuyahoga County Republican Party (CCRP) was involved in a legal dispute with the estate of its former chairman, the late Robert Hughes. As a result of this litigation, judgment was rendered against CCRP for a total of \$296,250.00. In order to satisfy this judgment, CCRP desires to use the amounts to be paid to it from the political party fund monies.

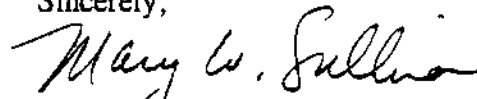
The amount awarded was based on two separate agreements entered into between CCRP and the late Mr. Hughes at the time of his retirement. The request letter states that one of the agreements was to repay Mr. Hughes for "funds advanced" and "earned and unpaid compensation," while the other agreement with Mr. Hughes was to "provide advice and consultation to officers, directors, committee members and other representatives of the Party with respect to political activities and political fund raising." Even though the language in the agreements contained rather broad inclusive language, this Commission has been informed that the agreements were intended to deal with allowable administrative and fund raising activities performed by Mr. Hughes on behalf of the party.

Relying on the language in R.C. §3517.18(A) cited above, this Commission believes that the amounts due on the judgment as a result of the litigation would therefore be an allowable use of Ohio political party fund monies. The statute unequivocally states that staff salaries and administrative costs related to fundraising are permissible. Therefore, the use of Ohio political party fund monies in payment of this judgment is an allowable use of the funds pursuant to R.C. §3517.18.

This opinion cannot address that portion of the question which asks whether the monies can be assigned. Pursuant to R.C. §3517.153(D), this Commission is empowered to render opinions which interpret R.C. §3517.18. The authority of this Commission cannot be extended to include the duties of the Treasurer or Auditor of the State of Ohio in establishing the fund, accumulating the monies to be placed in the fund, or distributing the monies to the appropriate county and state political party organizations. Those matters are outside the parameters of this Commission's jurisdiction. This opinion is limited in scope to interpreting R.C. §3517.18.

Accordingly, it is the opinion of the Ohio Elections Commission, and you are so advised, that the payment of a judgment rendered by the Cuyahoga County Court of Common Pleas in Case No. 272558 is an allowable use of the Ohio political party fund monies to be received by the Cuyahoga County Republican Party.

Sincerely,

A handwritten signature in cursive script that reads "Mary W. Sullivan". The signature is written in black ink and is positioned above the printed name and title.

Mary W. Sullivan
Chairman