



Ohio Elections Commission

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February 5, 1998

OHIO ELECTIONS COMMISSION

Advisory Opinion 98ELC-02

SYLLABUS: It is impermissible for the members of a political party to render services for a corporation as volunteers on behalf of a county political party and have the proceeds, which are paid for the services of the members by that corporation, go to the party treasury. Such a payment by the corporation would be a contribution as defined in R.C. §3517.01(B)(5) and prohibited by the terms of R.C. §3599.03.

TO: Jeff Wilkinson
Chairman
Richland County Republican Party Central Committee

You have requested an advisory opinion on the following question:

Is it permissible for volunteers from among the members of a political party to render services for a corporation and have the proceeds which are paid for the services of the members by that corporation go to the party treasury?

Ohio Revised Code §3517.01(B)(5) defines a contribution for purposes of Ohio law. In part, it states that a contribution means a

... payment ..., and the payment by any person other than the person to whom the services are rendered for the personal services of another person, which contribution is made, received, or used for the purposes of influencing the results of an election.

This situation involves certain members of the political party volunteering to perform a service for a third party entity. The political party volunteers will work at concession booths at a local race track facility serving chips, soda and hot dogs and being compensated for their labors. The corporation will pay for the services rendered with the compensation going to the treasury of the political party. There is a mutual benefit to both parties in the transaction. The corporation receives the services and the political party receives the financial benefit derived from those services.

The definition of a contribution in R.C. §3501.01(B)(5) includes either a direct payment or an indirect payment. If the party volunteers are considered to be rendering their personal services to the corporation for the political party, the party and the corporation are in a direct relationship with each other. When the corporation makes payment to the political party, that direct payment to the political party qualifies as a contribution.

Alternatively, the volunteers may be considered to be rendering their services directly to the political party for the benefit of the corporation. Under this scenario, when the corporation makes payment to the political party, it is making an indirect payment for the services of the individuals under the terms of the definition. The individuals are actually giving the personal services to the political party, but the corporation is making a payment by "... (a) person other than the person to whom the services are rendered ..."

Under either scenario, a contribution, as defined in R.C. §3517.01(B)(5), has been made to the political party by the corporation.

R.C. §3599.03 prohibits a corporation or a labor organization from making contributions to a political party for certain political reasons. This statute states, in part, that

no corporation, ... **directly or indirectly, shall pay or use,**
... or agree to pay or use, the corporation's money or
property, ... for or in aid of or opposition to a political
party, ... or for any partisan political purpose ... (emphasis
added)

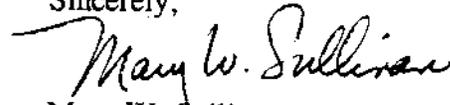
The prohibition in this statute is a broad based ban on the use of corporate (or, for that matter since it is also included in the prohibitions of R.C. §3599.03, labor organization) general funds for the benefit of a political party. The words emphasized above restrict both direct and indirect use of a corporation's money or assets for political purposes. Even considering the voluntary nature of the services provided, to allow a contribution to be made for partisan political purposes directly from a corporation to the party violates R.C. §3599.03.

A corporation may make certain contributions to a political party. R.C. §3517.101 states the parameters within which a corporation may make a contribution to a political party for "the construction, renovation, or purchase of any office facility ..." However, the use for which these contributions may be made is limited and cannot be the basis for approving such a fund raising scheme.

This advisory opinion is intended to speak only to the situation present in this advisory opinion request and should not be interpreted as a statement in opposition to volunteering services on behalf of a party. Nor should this advisory opinion be construed in any way to limit any of the provisions in R.C. §3599.031 relating to employee trust accounts or any of the other deductions of political contributions under that section.

Accordingly, it is the opinion of the Ohio Elections Commission, and you are so advised, that it is impermissible for the members of a political party to render services for a corporation as volunteers on behalf of a county political party and have the proceeds, which are paid for the services of the members by that corporation, go to the party treasury. Such a payment by the corporation would be a contribution as defined in R.C. §3517.01(B)(5) and prohibited by the terms of R.C. §3599.03.

Sincerely,


Mary W. Sullivan
Chairman