



Ohio Elections Commission

21 West Broad Street, Suite 600
Columbus, Ohio 43215
614•466•3205

August 5, 1999

OHIO ELECTIONS COMMISSION

Advisory Opinion 99ELC-06

SYLLABUS: A political party may not use moneys from a “building fund” established pursuant to R.C. §3517.101 to enter into an agreement for a lease coupled with an option to purchase a building\office facility. Further, a political party may not use monies from the building fund to defray the costs of raising monies for the sole benefit of the building fund.

TO: Lucas County Republican Party
Dee Talmage, Chair

You have requested an advisory opinion on the following questions:

- Question 1. Can a political party use moneys from a “building fund” established pursuant to R.C. §3517.101 to enter into an agreement for a lease coupled with an option to purchase a building\office facility?
- Question 2. If the political party enters into the lease agreement coupled with an option to purchase, can it later allow the lease to terminate without exercising the option to purchase without refunding any payments to the building fund?
- Question 3. Can a political party use monies from the building fund to defray the costs of raising monies for the sole benefit of the building fund?

Ohio Revised Code §3517.101 establishes a “building” fund with an Ohio political party which allows a political party to receive contributions for

... the construction, renovation, or purchase of any office facility that is not used solely for the purpose of directly influencing the election of any individual candidate in any particular election for any office ... (Emphasis added.)

Corporate contributions to a political party cannot be used to benefit any of the party's individual candidates pursuant to the terms of R.C. §3599.03. The provisions in R.C. §3517.101, however, allow a corporation to make contributions to a political party for the specific purpose of constructing, renovating, or purchasing an office facility, as long as the office is not used for the benefit of any individual candidate. The ability of a corporation to make such contributions is allowed in this limited area so that a political party can have the benefit of a facility to carry out its broader activities that go beyond candidate support.

By the terms of the statute, these funds can only be used for the limited purpose of constructing, renovating, or purchasing an office facility. The specific language in this section places strict limits on these monies by limiting the use merely to the construction, renovation, or purchase of a party headquarters. The statute makes no provision for the lease, rental or other transitory use of an office facility, but specifically speaks to the continued use and operation of a physical facility. Ostensibly, this statute allows a political party to obtain a permanent facility, whether by construction, renovation or purchase. No other arrangement is allowed.

The Commission's response to Question 1, therefore, is that it is not acceptable for a political party to participate in an agreement for a lease coupled with an option to purchase to fulfill the terms of R.C. §3517.101.

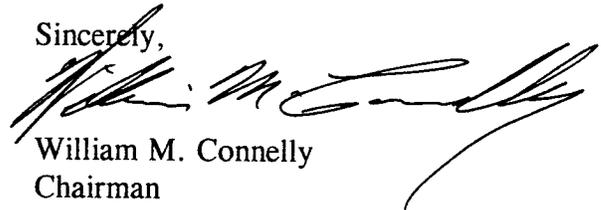
Since the Commission will not allow a political party to enter into an agreement for a lease coupled with an option to purchase, the Commission's response to Question 2 is, therefore, moot.

Similar to the answer to Question 1, the answer to Question 3 must also be that the political party cannot use moneys in the R.C. §3517.101 account. As previously stated, R.C. §3517.101 allows for only 3 uses of the funds at issue: construction, renovation, or purchase. Further, by the use of the term "only" in R.C. §3517.101(D)(1), it is clear that the General Assembly intended these moneys for the physical facility of a party headquarters only. Due to such restrictive language, there is no leeway that would allow for any other use of the moneys in this fund, including additional fundraising for the building fund itself. Therefore, in answer to Question 3, the moneys in this fund cannot be

used to defray the costs of raising monies to be deposited into a political party's building fund.

Accordingly, it is the opinion of the Ohio Elections Commission, and you are so advised, that a political party may not use moneys from a "building fund" established pursuant to R.C. §3517.101 to enter into an agreement for a lease coupled with an option to purchase a building\office facility. Further, a political party may not use monies from the building fund to defray the costs of raising monies for the sole benefit of the building fund.

Sincerely,

A handwritten signature in black ink, appearing to read "William M. Connelly", written in a cursive style. The signature is positioned to the right of the typed name and title.

William M. Connelly
Chairman