

## Ohio Legislative Service Commission

Office of Research and Drafting Legislative Budget Office

H.B. 114 135<sup>th</sup> General Assembly

# **Bill Analysis**

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Version: As Passed by the House

Primary Sponsors: Reps. Humphrey and Seitz

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#### SUMMARY

- Allows a candidate to use the candidate's campaign fund to pay the cost of child care while the candidate is campaigning or carrying out official duties, so long as the costs are incurred only as a direct result of the candidate's activities and would not otherwise be incurred.
- Allows a candidate or public official or employee to accept funds from a political entity to pay the cost of child care while the person is campaigning or fundraising for the entity or attending a political meeting, so long as the costs are incurred only as a direct result of the person's activities and would not otherwise be incurred.

## DETAILED ANALYSIS

#### Use of candidate's own campaign fund

The bill allows a candidate for state or local office to use the candidate's campaign fund (that is, political contributions received from donors) to pay the cost of child care while the candidate is campaigning or carrying out official duties, so long as the costs are incurred only as a direct result of the candidate's activities and would not otherwise be incurred.

Continuing law limits the purposes for which a candidate may use the candidate's campaign fund. In general, a candidate may not use campaign funds to cover the candidate's personal expenses, except that a candidate may be reimbursed from the candidate's campaign fund for the following types of expenses:

- Legitimate and verifiable prior campaign expenses incurred by the candidate;
- Legitimate and verifiable ordinary and necessary prior expenses incurred by the candidate in connection with duties as the holder of a public office, including expenses incurred through participation in nonpartisan or bipartisan events if the participation of the candidate would normally be expected;

- Legitimate and verifiable ordinary and necessary prior expenses incurred by the candidate while doing any of the following:
  - Engaging in activities in support of or opposition to another candidate, a political party, or a ballot issue;
  - □ Raising funds for a political entity or another candidate;
  - □ Participating in the activities of a political entity;
  - □ Attending a political party convention or other political meeting.

The bill specifies that the cost of child care is considered an ordinary and necessary expense incurred by a candidate while engaging in those activities and duties, so long as the cost is incurred only as a direct result of the candidate engaging in those activities and duties and would not otherwise be incurred.

For example, if a candidate normally stayed at home during the day to care for the candidate's children, but the candidate hired a babysitter in order to leave the home to campaign or carry out official duties, the bill would allow the candidate to use campaign funds to pay the babysitter. On the other hand, if a candidate normally sent the candidate's children to a day care facility, and the candidate campaigned or carried out official duties while the children were at the facility, the bill would not allow the candidate to use campaign funds to pay for day care because the candidate would have paid for day care regardless of whether the candidate was campaigning or carrying out official duties.<sup>1</sup>

In 2018, the Federal Election Commission (FEC) issued an advisory opinion that under federal law and administrative rules, a candidate for federal office may use the candidate's campaign funds to pay for child care costs that are incurred as a direct result of campaign activities or official duties and that would not otherwise exist. The bill allows state and local candidates in Ohio to use their campaign funds for child care costs in the same manner as federal candidates.<sup>2</sup>

#### Use of other political entities' funds

Similarly, the bill allows a candidate or public official or employee to accept funds from a political entity to pay the cost of child care while the person is campaigning or fundraising for the entity or attending a political meeting, so long as the costs are incurred only as a direct result of the person's activities and would not otherwise be incurred.

Under continuing law, a candidate or public official or employee may accept money or things of value from a political party, political action committee (PAC), political contributing

<sup>&</sup>lt;sup>1</sup> R.C. 3517.13(O), (P), and (R)(4).

<sup>&</sup>lt;sup>2</sup> FEC, <u>Advisory Opinion 2018-06</u> (May 10, 2018), available on FEC's website: <u>www.fec.gov/data/legal/advisory-opinions</u>.

entity, or legislative campaign fund or from another candidate's campaign committee only if the payment qualifies as one of the following:

- Reimbursement for legitimate and verifiable ordinary and necessary expenses incurred by the candidate or public official or employee while engaged in any legitimate activity of the political party, PAC, political contributing entity, legislative campaign fund, or campaign committee, including all of the following:
  - Engaging in activities in support of or opposition to another candidate, a political party, or a ballot issue;
  - Raising funds for a political party, legislative campaign fund, campaign committee, or another candidate;
  - □ Attending a political party convention or other political meeting.
- Compensation for actual and valuable personal services rendered under a written contract with the entity to carry out the entity's legitimate activities.

In this situation, under the bill, the cost of child care also is considered an ordinary and necessary expense incurred by a candidate or public official or employee while engaging in those activities and duties, so long as the cost is incurred only as a direct result of the person engaging in those activities and duties and would not otherwise be incurred. For instance, the bill would allow a state political party to reimburse a public official for child care costs while the official attended the party's national convention if the official incurred those child care costs.<sup>3</sup>

## HISTORY

Action	Date
Introduced	03-16-23
Reported, H. Government Oversight	05-24-23
Passed House (65-29)	06-14-23

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<sup>3</sup> R.C. 3517.13(Q) and (R)(4).