

Pay-to-Play Spotlight: Ohio Court Throws Out State Pay-to-Play Laws

July 2008

For the second time in two years, an Ohio court struck down the state's pay-to-play laws for violating the Ohio Constitution. Ohio originally enacted its pay-to-play laws in 2006 to limit campaign contributions by those seeking government contracts.

Franklin County Court of Common Pleas Judge John Bender ruled on June 18, 2008, that the law was not enacted according to the requirements of the Ohio Constitution. Judge Bender struck down the same law in June 2007, ruling the law was improperly passed. For more information on this previous ruling, see the January 2008 newsletter [here](#).

After the 2007 ruling, the Ohio Legislature successfully reenacted the bill by attaching it to the state budget bill in the closing days of the 2007 legislative session. The court ruled that the pay-to-play provision was not sufficiently related to the purpose of the bill to which it was amended and was not adequately stated in the legislation's title, as required in the Constitution.

The legislation the court invalidated, known as "pay-to-play," sought to keep corporations from receiving a contract with a value in excess of \$500 or contracts with an aggregate value of \$10,000 from a state or local government, board, or agency if any of the following contributions were made in the two years preceding the contract to the state or local officer with ultimate responsibility over the contract:

- Aggregate contributions in excess of \$1,000 by a 20% or more owner of the company, his or her spouse, or children under the age of 17;
- Aggregate contributions in excess of \$2,000 by the company's PAC; and
- Aggregate contributions in excess of \$2,000 by all owners of 20% or more of the company, their spouses, their children under 17, and the company's PAC.

A weaker law that was in place before 2006 remains in place in Ohio. The pre-2006 law applies only to contributions by owners of 20% or more of a company that does business with the state.