

# Ohio Increases Contribution Limits and Bans Corporate Issue Ads

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On December 30, 2004, Ohio Governor Bob Taft signed into law legislation designed to overhaul the state's campaign finance system. Among other things, the measure raises the amount that individuals and PACs may contribute to legislative and statewide campaign committees from \$2,500 to \$10,000. The increased \$10,000 contribution limit applies to both state and federal PACs. Also, corporations may now give up to \$10,000 per calendar year to a state or county political party's "restricted fund." The party may use the funds for certain overhead and get out the vote expenses.

Under the new law, individuals and PACs are prohibited from using any contributions received from a corporation or labor organization to air radio or TV ads that simply refer to a clearly identified state or local candidate during the 30 days preceding a primary or general election. (These are "electioneering communication" restrictions similar, but not identical, to the restrictions found under federal law.) Corporations may, however, allow the placement of a campaign sign on their property without violating the new campaign finance law. The Ohio law also requires a statement to appear in any radio or TV ad that clearly indicates that the communication is not authorized by a candidate, and the name of the person sponsoring the ad.

The law takes effect around the beginning of the second quarter of 2005.