



PAC AND PCE COMPLIANCE WITH NONCITIZEN CONTRIBUTION PROHIBITIONS

Ohio Revised Code Section 3517.121 was signed into law June 2, 2024. Among other changes, the 135th General Assembly made three notable reforms to Ohio's campaign finance laws:

- modified the definition of foreign nationals to include lawful permanent residents
- prohibited foreign nationals from indirectly contributing to a ballot issue committee
- prohibited Ohio political entities from knowingly using funds received from noncitizens to make contributions, expenditures, and independent expenditures

Following a lawsuit challenging the noncitizen contribution prohibitions, the Sixth Circuit Court of Appeals ruled on Tuesday that Ohio's noncitizen contribution prohibitions are narrowly tailored to serve a compelling interest and challenges are likely to fail.

COMPLIANCE IMPLICATIONS

Previously, Ohio law mirrored the Federal Election Campaign Act definition of foreign nationals. Political action committees (PACs) and political contributing entities (PCEs) operating federally and in other states may have been structured to allow noncitizen employees, members, or contributors to donate funds otherwise permissible under federal law and pass those funds along to Ohio candidates and committees. However, that is no longer allowable under Ohio law. Furthermore, the United States Court of Appeals for the Sixth Circuit has already found that the administrative burden of segregating allowable contributions does not outweigh Ohio's interest in safeguarding its elections from foreign interference.

SOLUTIONS

PACs and PCEs should consider the following options for complying with Ohio's law:

1. The most straightforward approach is for a PAC/PCE to open a new bank account; create a filing entity by submitting a designation of treasurer; ensure the new account receives only contributions made by U.S. citizens; and then properly report all contributions and expenditures from the new account.

2. A PAC/PCE that potentially received contributions from noncitizens could spend all existing funds on non-Ohio elections or charitable contributions; and then ensure all new contributions are received only from U.S. citizens.
3. A PAC/PCE could refund all contributions made by noncitizens to ensure all funds expended and reported are received from allowable contributors.
4. For additional compliance information, refer to the [Campaign Finance Handbook](#).

This document is intended for informational purposes only and does not constitute legal advice. For specific guidance, please consult with legal counsel.

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Ohio Secretary of State

