



# Dave Yost • Auditor of State

## House Bill 326 Proponent Testimony

### Dave Yost, Auditor of State

Chairman Slaby, Vice-Chair Hayes, Ranking Member Winburn, and members of the Criminal Justice Committee, I am pleased to come before you to discuss the merits of House Bill 326.

In 2007, The Toledo Area Regional Transit Authority, TARTA, loaned their political action committee, Citizens for TARTA, \$13,885 to assist with campaign costs. Citizens for TARTA then borrowed an additional \$53,000 in January 2008. Both of these loans were made interest-free. Waterville Mayor Derek Merrin raised questions about this misuse of public dollars and during the course of a regular audit, these illegal loans were identified and my office issued a finding for recovery for \$66,885. I would like to thank Mayor Merrin for his dedication to the proper use of tax payer dollars.

Taxpayers expect their dollars to pay for public services, not to influence a political campaign. In 2007 and in 2010 TARTA had two levies pass. Money obviously affects elections. The degree to which the public's money influenced these elections will forever be unknowable.

TARTA bought a winning lottery ticket – with money picked from our pocket.

According to Ohio Revised Code, Section 9.03, “no governing body of a political subdivision shall use public funds to support or oppose the passage of a levy or bond issue.” As the law is currently written, a violation would merely be a compliance issue and the most that can happen is my office issues a finding for recovery and the Attorney General collects the misspent funds. The message is break the law if you want – if we catch you, you'll have to pay it back.

House Bill 326 adds a first degree misdemeanor to strengthen current Ohio law, and closes a loophole to bring punishment in line with other campaign violations currently on the books.

House Bill 326 enforces the law that you cannot use public funds for politics. Public funds are to only be used for a public purpose – and if you pass this bill, those entrusted with the public’s cash will ignore that principle at their own peril.

This is not a small matter. A government that can use our own money to influence our votes is no longer our servant, but our master.

Thank you for the opportunity to testify before you here today, and I would be happy to answer any questions you may have.