



FEDERAL ELECTION COMMISSION
Washington, DC 20463

VIA ELECTRONIC AND FIRST CLASS MAIL

January 25, 2021

Michael E. Zolandz, Esq.
Benjamin P. Keane, Esq.
Dentons USA LLP
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Washington, DC 20006
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RE: MUR 7768

Dear Messrs. Zolandz and Keane:

On January 14, 2021, the Federal Election Commission accepted the signed conciliation agreement submitted on your clients' behalf in settlement of violations of 52 U.S.C. §§ 30118(a), 52 U.S.C. § 30104(b), 52 U.S.C. § 30102(h)(1), provisions of the Federal Election Campaign Act of 1971, as amended, and 11 C.F.R. § 103.3(a), a provision of the Commission's regulations. Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. *See* Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. *See* 5 U.S.C. § 30109(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1650.

Sincerely,
Tony Buckley
Tony Buckley
Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
Ambulatory Surgery Center Association)	
PAC (ASCAPAC) and)	MUR 7768
John Greenwich in his official)	
capacity as treasurer)	
)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission (“Commission”), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities.

The Commission found reason to believe that Ambulatory Surgery Center Association PAC and John Greenwich, in his official capacity as treasurer (“Respondents”), violated 52 U.S.C.

§ 30118(a) by accepting prohibited corporate contributions, 52 U.S.C. § 30104(b) by failing to properly report receipts, and 52 U.S.C. § 30102(h)(1) and 11 C.F.R. § 103.3(a) by failing to timely deposit contributions.

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i) .

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Ambulatory Surgery Center Association PAC (“ASCAPAC” or “the Committee”), is the separate segregated fund of The Ambulatory Surgery Center Association. John Greenwich is the Committee’s treasurer.
2. Except in certain circumstances not applicable here, a political committee may not accept a contribution from a corporation. 52 U.S.C. § 30118(a). A limited liability company (“LLC”) that has elected to be treated as a corporation by the Internal Revenue Service, or has publicly traded shares, is considered to be a corporation and may not make contributions. *See* 11 C.F.R. § 110.1(g)(3).
3. A contribution from an LLC that is treated as a partnership by the Internal Revenue Service is considered a contribution from the partnership. 11 C.F.R. § 110.1(g)(2). As a partnership contribution, the contribution is apportioned among the partners according to instructions from the partnership. *See* 11 C.F.R. § 110.1(e)(1)-(2). No portion of a contribution may be made by a partner that is a corporation. 11 C.F.R. § 110.1(e)(2)(ii). A partnership in which each partner is a corporation may not make contributions at all.
4. Committee treasurers must file reports of receipts and disbursements in accordance with the provisions of 52 U.S.C. § 30104(b). For each itemized contribution, the committee must provide the following information: the contributor’s full name and address, the contributor’s occupation and the name of the contributor’s employer, the date of receipt of the contribution by the committee, the amount of the contribution, and calendar year-to-date total of all contributions from the same individual.
5. A political committee must designate one or more State Banks, federally chartered depository institutions, or federally insured depository institutions, as its campaign depository or depositories. *See* 52 U.S.C. § 30102(h)(1). A contribution received by a political

committee must be deposited in an account at a committee's campaign depository within ten (10) days of the committee treasurer's receipt of that contribution. 11 C.F.R. § 103.3(a).

6. During the 2016 election cycle, the Committee accepted contributions totaling \$80,028 from LLCs that could not legally make contributions, or where the Committee could not demonstrate that the contribution came from a member of a partnership who was eligible to make contributions. The Committee refunded the \$80,028 in LLC contributions after the Commission identified the violations during the audit process.

7. During the 2016 election cycle, the Committee filed reports that incorrectly disclosed contributors' names, the dates contributions were received by the Committee, or incorrect partnership attributions, for contributions totaling \$187,623.

8. During the 2016 election cycle, the Committee failed to deposit contributions totaling \$84,333 within 10 days of the Committee's receipt of the contributions.

9. The Committee contends that it cooperated with requests from Commission staff during the audit process and has taken steps to improve future compliance, including vetting contributions received more closely, hiring a new compliance vendor, terminating Committee personnel who were responsible for the violations at issue, and reviewing its solicitation lists to ensure that no corporate-affiliated member facilities will receive solicitations in the future.

V. The Committee violated 52 U.S.C. § 30118(a) by accepting contributions from prohibited sources, violated 52 U.S.C. § 30104(b) by failing to properly disclose information regarding its receipts, and violated 52 U.S.C. § 30102(h)(1) and 11 C.F.R. § 103.3(a) by failing to timely deposit its receipts.

VI. Respondents will take the following actions:

1. Respondents will cease and desist from violating 52 U.S.C. §§ 30118(a), 30104(b), 30102(h)(1), and 11 C.F.R. § 103.3(a).
2. Respondents will pay a civil penalty of \$30,000 (thirty thousand dollars) pursuant to 52 U.S.C. § 30109(a)(5)(A).
3. To the extent not already completed, Respondents will amend their reports from the 2016 election cycle to accurately disclose the names of contributors, the dates contributions were received, and the correct partnership attributions for contributions.

VII. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or

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oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

January 25, 2021
Date

BY: Charles Kitcher
Charles Kitcher
Acting Associate General Counsel
for Enforcement

FOR THE RESPONDENTS:

12/10/20
Date

BY: John Graniul