



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

October 28, 2021

**BY ELECTRONIC MAIL ONLY**

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Dan Backer, Esq.  
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Chalmers & Adams LLC  
1300 Pennsylvania Ave NW #190-612  
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RE: MUR 7842  
TonerQuest, Inc.

Dear Mr. Backer and Ms. Mangini:

On November 4, 2020, the Federal Election Commission (the "Commission") notified your client, TonerQuest, Inc. ("TonerQuest"), of a Complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint was forwarded to TonerQuest at that time.

After reviewing the allegations contained in the complaint and your client's response, the Commission, on October 14, 2021, found reason to believe that TonerQuest violated 52 U.S.C. § 30119(a)(1), a provision of the Act. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is enclosed for your information.

In order to expedite the resolution of this matter, the Commission has authorized the Office of the General Counsel to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. Pre-probable cause conciliation is not mandated by the Act or the Commission's regulations, but is a voluntary step in the enforcement process that the Commission is offering to your client as a way to resolve this matter at an early stage and without the need for briefing the issue of whether or not the Commission should find probable cause to believe that your client violated the law.

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Please note that you have a legal obligation to preserve all documents, records and materials relating to this matter until such time as you are notified that the Commission has closed its file in this matter. *See* 18 U.S.C. § 1519.

If your client is interested in engaging in pre-probable cause conciliation, please contact Roy Q. Luckett, the attorney assigned to this matter, at (202) 694-1650 or [rluckett@fec.gov](mailto:rluckett@fec.gov), within seven days of receipt of this letter. During conciliation, you may submit any factual or legal materials that you believe are relevant to the resolution of this matter. No action by the Commission or any person and no information derived in connection with any conciliation attempt by the Commission may be made public by the Commission without the written consent of the respondent and the Commission. 52 U.S.C. § 30109(a)(4)(B). The Commission may proceed to the next step in the enforcement process if your client is not interested in pre-probable cause conciliation or a mutually acceptable conciliation agreement cannot be reached within 60 days. *See* 52 U.S.C. § 30109(a), 11 C.F.R. Part 111 (Subpart A). Conversely, if you are not interested in pre-probable cause conciliation, the Commission may conduct formal discovery in this matter or proceed to the next step in the enforcement process. Please note that once the Commission enters the next step in the enforcement process, it may decline to engage in further settlement discussions until after making a probable cause finding.

Pre-probable cause conciliation, extensions of time, and other enforcement procedures and options are discussed more comprehensively in the Commission's Guidebook for Complaints and Respondents on the FEC Enforcement Process," which is available on the Commission's website at <http://www.fec.gov/respondent.guide.pdf>.

Please be advised that, although the Commission cannot disclose information regarding an investigation to the public, it may share information on a confidential basis with other law enforcement agencies.<sup>1</sup>

This matter will remain confidential in accordance with 52 U.S.C. § 30109(a)(4)(B) and 30109(a)(12)(A) unless you notify the Commission in writing that your client wishes the matter to be made public.

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<sup>1</sup> The Commission has the statutory authority to refer knowing and willful violations of the Act to the Department of Justice for potential criminal prosecution, 52 U.S.C. § 30109(a)(5)(C), and to report information regarding violations of law not within its jurisdiction to appropriate law enforcement authorities. *Id.* § 30107(a)(9).

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We look forward to your response.

On behalf of the Commission,

A handwritten signature in blue ink, reading "Shana M. Broussard". The signature is fluid and cursive, with the first name "Shana" and last name "Broussard" clearly legible.

Shana M. Broussard  
Chair

Enclosures  
Factual and Legal Analysis

**FEDERAL ELECTION COMMISSION****FACTUAL AND LEGAL ANALYSIS**

Respondent: TonerQuest, Inc.

MUR 7842

**I. INTRODUCTION**

This matter arose from a Complaint alleging that TonerQuest, Inc. (“TonerQuest” or “Respondent”) violated the Federal Election Campaign Act of 1971, as amended (the “Act”), by making a contribution as a federal contractor. TonerQuest does not deny that it was a federal contractor at the time of the contribution at issue. Because the information available to the Commission indicates that Respondent was a federal contractor at the time that it made the contribution, the Commission finds that there is reason to believe that TonerQuest, Inc. violated 52 U.S.C. § 30119(a)(1).

**II. FACTUAL SUMMARY**

This matter involves TonerQuest, a New York corporation that provides office and professional supplies to non-government entities, as well as to government customers under a federal government contract.<sup>1</sup> The Complaint alleges that TonerQuest held two ten-year supply schedule contracts with the federal government: one with a start date of April 13, 2011, ending on April 12, 2021, with a total value of \$1.2 million; and another starting on July 23, 2014, with an end date of July 22, 2024, valued at \$106,745.<sup>2</sup> The Complaint alleges that during the timeframe of these federal contracts TonerQuest made a prohibited contribution to America First

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<sup>1</sup> MUR 7842 Response of TonerQuest (“TonerQuest Resp.”) at 1 (Nov. 12, 2020).

<sup>2</sup> MUR 7842 Compl. at 2-3 (Oct. 28, 2020).

Action, Inc. (“AFA”) on November 13, 2019, in the amount of \$25,000.<sup>3</sup> AFA is an independent expenditure-only political committee registered with the Commission.<sup>4</sup>

In response to the Complaint, TonerQuest confirms that it was a federal government contractor at all relevant times and states that when it learned from the Complaint that the contribution was prohibited under the Act, it requested a refund from AFA.<sup>5</sup> TonerQuest asserts that it was not aware of the prohibition of the Act related to its contribution and did not knowingly and willfully make such contribution in violation of the Act.<sup>6</sup> AFA refunded TonerQuest’s contribution on November 16, 2020.<sup>7</sup>

### III. LEGAL ANALYSIS

A “contribution” is defined as “any gift . . . of money or anything of value made by any person for the purpose of influencing any election for Federal office.”<sup>8</sup> Under the Act, a federal contractor may not make contributions to political committees.<sup>9</sup> Specifically, the Act prohibits “any person . . . [w]ho enters into any contract with the United States . . . for the rendition of personal services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof” from making a contribution “if payment for the performance of such contract . . . is to be made in whole or in part from funds appropriated by the Congress.”<sup>10</sup>

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<sup>3</sup> *Id.* at 7.

<sup>4</sup> AFA Amended Statement of Organization at 2 (Nov. 7, 2019).

<sup>5</sup> MUR 7842 TonerQuest Resp. at 2-3.

<sup>6</sup> *Id.*

<sup>7</sup> AFA 2020 30-Day Post-General Report at 98 (Dec. 3, 2020).

<sup>8</sup> 52 U.S.C. § 30101(8)(A)(i).

<sup>9</sup> 52 U.S.C. § 30119(a); 11 C.F.R. § 115.2.

<sup>10</sup> 52 U.S.C. § 30119(a)(1); *see also* 11 C.F.R. part 115.

1 These prohibitions begin to run at the beginning of negotiations or when proposal requests are  
2 sent out, whichever occurs first, and end upon the completion of performance of the contract or  
3 the termination of negotiations, whichever occurs last.<sup>11</sup> And these prohibitions apply to a  
4 federal contractor who makes contributions to any political party, political committee, federal  
5 candidate, or “any person for any political purpose or use.”<sup>12</sup>

6 The available record indicates that TonerQuest was a federal contractor at the time it  
7 made the contribution at issue. TonerQuest acknowledges that it was a federal contractor.<sup>13</sup>

8 Accordingly, the Commission finds that there is reason to believe that TonerQuest, Inc.  
9 violated 52 U.S.C. § 30119(a)(1).

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<sup>11</sup> 52 U.S.C. § 30119(a)(1); 11 C.F.R. § 115.1(b).

<sup>12</sup> 52 U.S.C. § 30119(a)(1); 11 C.F.R. § 115.2.

<sup>13</sup> MUR 7842 TonerQuest Resp. at 2.