February 18, 2022

Via Email
Email: dbacker@chalmersadams.com

Dan Backer
Chalmers & Adams LLC
441 North Lee Street, Suite 300
Alexandria, VA 22314

RE: MUR 7842 (TonerQuest, Inc.)

Dear Mr. Backer:

On February 14, 2022, the Federal Election Commission accepted the signed conciliation agreement submitted on your client’s behalf in settlement of a violation of 52 U.S.C. § 30119(a)(1), a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.


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. Payment can be made by check payable to the Federal Election Commission and mailed to the Federal Election Commission, 1050 First Street NE, Washington DC 20463. Please write “MUR 7842 civil penalty” on the memo line of the check. Alternatively, payment can be made online by using this link: https://www.pay.gov/public/form/start/316805379. If you have any questions, please contact me at (202) 694-1021.

Sincerely,

Richard L. Weiss
Attorney

Enclosure
Conciliation Agreement
CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint. The Commission found reason to believe that TonerQuest, Inc. ("TonerQuest" or "Respondent") violated 52 U.S.C. § 30119(a)(1) by making a contribution to a political committee as a federal contractor.

NOW, THEREFORE, the Commission and the Respondent, 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 Respondent 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. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

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

1. TonerQuest is a New York corporation that provides office and professional supplies. TonerQuest is a federal government contractor.
2. On November 13, 2019, while TonerQuest was in federal contractor status, it made a $25,000 contribution to America First Action (“AFA”), an independent expenditure-only political committee registered with the Commission.

3. On November 16, 2020, AFA refunded TonerQuest’s $25,000 contribution.

4. TonerQuest contends that it was unaware of 52 U.S.C. § 30119(a)(1), which prohibits federal contractors from making contributions to political committees, or any other law to that effect. TonerQuest further contends that it did not intend to violate 52 U.S.C. § 30119(a)(1) and upon learning of the prohibition, TonerQuest immediately sought a refund from AFA.

V. The pertinent law in this matter is as follows:

1. Under the Act, a federal contractor may not make contributions to political committees. 52 U.S.C. § 30119(a)(1); 11 C.F.R. § 115.2. 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.” 52 U.S.C. § 30119(a)(1); see also 11 C.F.R. part 115.

2. These prohibitions begin to run at the beginning of negotiations or when proposal requests are sent out, whichever occurs first, and end upon the completion of performance of the contract or the termination of negotiations, whichever occurs last. 52 U.S.C. § 30119(a)(1); 11 C.F.R. § 115.1(b).
3. These prohibitions apply to a federal contractor who makes contributions to any political party, political committee, federal candidate, or “any person for any political purpose or use.” 52 U.S.C. § 30119(a)(1); 11 C.F.R. §§ 115.1, 115.2.

VI. Respondent violated 52 U.S.C. § 30119(a)(1) by making a federal contractor contribution. As noted above, Respondent contends that Respondent was not aware of the prohibition.

VII. Respondent will take the following actions.

1. Respondent will pay a civil penalty to the Commission in the amount of Four Thousand Seven Hundred Dollars ($4,700), pursuant to 52 U.S.C. § 30109(a)(5)(A).


VIII. 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.

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

X. Respondent 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.

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

FOR THE COMMISSION:

Lisa J. Stevenson
Acting General Counsel

Charles Kitcher
Associate General Counsel
for Enforcement

FOR THE RESPONDENT:

Dan Backer
Counsel for Respondent

1/26/2022
Date