



FEDERAL ELECTION COMMISSION
Washington, DC 20463

October 26, 2023

Via Electronic Mail and First Class Mail

Sam Crockett Neel
McDermott Will & Emery LLP
500 North Capitol Street, NW
Washington, DC 20001-1531
sneel@mwe.com

RE: MUR 8165
National Potato Council PAC

Dear Mr. Neel:

On October 25, 2023, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in settlement of violations of 52 U.S.C. §§ 30104(b), 30116(f), and 30118(a) and 11 C.F.R. §§ 102.5(b), 103.3(b), provisions of the Federal Election Campaign Act of 1971, as amended and Commission regulations. On that date the Commission closed the file in the 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 effective date of the conciliation agreement. If you have any questions, please contact Christopher Curran, the attorney assigned to this matter, at (202) 294-3097.

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron Rabinowitz".

Aaron Rabinowitz
Assistant General Counsel

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of)	
)	MUR 8165
National Potato Council Potato Political Action)	
Committee and W. Kam Quarles in his official)	
capacity as treasurer)	

CONCILIATION AGREEMENT

This matter was initiated by a *sua sponte* submission made to the pursuant to the Federal Election Commission (“Commission”) by the National Potato Council Potato Political Action Committee and W. Kam Quarles in his official capacity as treasurer (“National Potato PAC” or “Respondent”). The Commission found reason to believe that Respondent violated: 52 U.S.C. § 30104(b) by failing to accurately report receipts, disbursements, and cash on hand; 52 U.S.C. § 30116(f) and 11 C.F.R. §§ 102.5(b), 103.3(b) by knowingly accepting excessive contributions from Idaho Potato PAC that included funds not subject to the limitations and prohibitions of the Act; and 52 U.S.C. § 30118(a) by knowingly accepting contributions from corporations.

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 into 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 and law in this matter are as follows:

1. National Potato PAC is a political committee registered with the Commission as a separate segregated fund. Its connected organization is the National Potato Council. W. Kam Quarles is National Potato PAC's treasurer.

2. The Act requires committee treasurers to file accurate reports of receipts, disbursements, and cash-on-hand. 52 U.S.C. § 30104(b). These reports must include, *inter alia*, the total amount of receipts and disbursements along with appropriate itemizations, where required. *See* 52 U.S.C. § 30104(b)(2), (4).

3. The Act prohibits corporations from making contributions to federal candidates and bars candidates and political committees, other than independent expenditure-only political committees and committees with hybrid accounts, from knowingly accepting or receiving corporate contributions. 52 U.S.C. § 30118(a).

4. A political committee's treasurer is responsible for ensuring that all contributions received comply with the Act's limitations and prohibitions. 11 C.F.R. § 103.3(b).

5. National Potato PAC accepted a total of \$8,170 from Colorado Potato Legislative Association and \$513.29 from Lake Farms Inc., two corporations, between 2015 and 2021.

6. National Potato PAC may not knowingly accept more than \$5,000 per calendar year from any person. 52 U.S.C. § 30116(a)(1)(C), (f). Any contributions accepted from an unregistered organization, such as a state-level political committee, must be subject to the limitations and prohibitions of the Act. 11 C.F.R. § 102.5(b).

7. National Potato PAC received \$90,000 from Idaho Potato Industry Council PAC ("Idaho Potato PAC") between 2015 and 2018. The amounts were raised through fundraisers hosted by the Idaho Potato Industry Council PAC ("Idaho Potato PAC") between

2015 and 2018. The funds derived from Idaho Potato PAC's 2018 auction and contributed to National Potato PAC are attributable to Idaho Potato PAC.

V. Respondent violated 52 U.S.C. § 30104(b) by misreporting its cash-on-hand and receipts and disbursements between 2015 and 2021 as shown in Attachment 1 and Attachment 2 to the Factual and Legal Analysis, 52 U.S.C. § 30118(a) by knowingly accepting contributions from corporations, and 52 U.S.C. § 30116(f) and 11 C.F.R. §§ 102.5(b), 103.3(b) by knowingly accepting excessive contributions from Idaho Potato PAC that included funds not subject to the limitations and prohibitions of the Act.

VI. Respondent will take the following actions:

1. Respondent will pay a civil penalty to the Commission in the amount of Five Thousand Nine Hundred Dollars (\$5,900), pursuant to 52 U.S.C. § 30109(a)(5)(A).

2. Respondent will cease and desist from committing violations of 52 U.S.C. §§ 30104(b), 30118(a), and 11 C.F.R. § 102.5(b).

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 the same and the Commission has approved the entire agreement.

IX. 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.

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 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

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

Digitally signed by
Charles Kitcher
Date: 2023.10.26
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10/26/23
Date

FOR THE RESPONDENT:



Sam C. Neel
Counsel for Respondent

10/13/2023
Date