

**FEDERAL ELECTION COMMISSION**  
**FIRST GENERAL COUNSEL'S REPORT**

**PMUR 653**

DATES SUBMITTED: 10/6/2021  
 DATE ACTIVATED: 5/1/2023  
 FGCR DUE: 7/28/2023  
 ELECTION CYCLES: 2015-2022  
 EXPIRATION OF SOL: 7/31/2020 (earliest)  
 10/26/2026 (latest)

**SOURCE:** *Sua Sponte* Submission

**RESPONDENT:** National Potato Council Potato Political Action  
Committee and W. Kam Quarles in his official  
capacity as treasurer

**RELEVANT STATUTES  
AND REGULATIONS:** 52 U.S.C. § 30102  
52 U.S.C. § 30104(b)  
52 U.S.C. § 30116(f)  
52 U.S.C. § 30118(a)  
11 C.F.R. § 102.5(b)  
11 C.F.R. § 102.6(c)  
11 C.F.R. § 103.3(b)

**INTERNAL REPORTS CHECKED:** Disclosure Reports

**FEDERAL AGENCIES CHECKED:** None

**I. INTRODUCTION**

National Potato Council Potato Political Action Committee and W. Kam Quarles in his  
official capacity as treasurer (“National Potato PAC”) filed a *sua sponte* submission (the  
“Submission”) identifying errors in its reporting of cash-on-hand and the amount of receipts and  
disbursements dating back to at least 2015.<sup>1</sup> The Submission also acknowledges several

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<sup>1</sup> It appears National Potato PAC’s reporting errors go back further than 2015. *See* National Potato PAC, Amended 2015 Mid-Year Report at 6 (Aug. 18, 2021), <https://docquery.fec.gov/pdf/401/202108189466324401/202108189466324401.pdf> (noting that National Potato PAC reported an incorrect amount of cash-on-hand on its 2014 Year-End Report and “has been unable to identify the source of the discrepancy”).

1 prohibited contributions, as well as contributions that violated the Commission's solicitation and  
2 collecting agent requirements.

3           Based on National Potato PAC's submission, remedial actions, efforts to prevent future  
4 errors, and willingness to cooperate, it requests that the Commission proceed directly to  
5 conciliation without the Commission first finding reason to believe that National Potato PAC  
6 violated the Federal Election Campaign Act of 1971, as amended (the "Act"). For the reasons  
7 set forth below, we recommend that the Commission open a MUR, find reason to believe that  
8 National Potato PAC violated: 52 U.S.C. § 30104(b) by failing to accurately report receipts,  
9 disbursements, and cash on hand; 52 U.S.C. § 30116(f) and 11 C.F.R. §§ 102.5(b), 103.3(b) by  
10 knowingly accepting excessive contributions from Idaho Potato PAC that included funds not  
11 subject to the limitations and prohibitions of the Act; and 52 U.S.C. § 30118(a) and 11 C.F.R.  
12 § 103.3(b) by knowingly accepting contributions from corporations.

## 13 **II. FACTUAL BACKGROUND**

14           National Potato PAC registered with the Commission as a political committee on April  
15 22, 1982. It amended its Statement of Organization on January 20, 2000, and designated itself,  
16 apparently for the first time, as a separate segregated fund ("SSF") and reported the National  
17 Potato Council as its connected organization.<sup>2</sup> On July 26, 2019, National Potato PAC amended  
18 its Statement of Organization and did not list itself as an SSF at that time.<sup>3</sup>

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<sup>2</sup> See National Potato Council Potato PAC, Amended Statement of Organization (Jan. 20, 2000),  
<https://docquery.fec.gov/pdf/105/20035044105/20035044105.pdf>.

<sup>3</sup> See National Potato Council Potato PAC, Statement of Organization at 3 (July 26, 2019),  
<https://docquery.fec.gov/pdf/246/201907269151677246/201907269151677246.pdf>.

1           On September 28, 2021, National Potato PAC amended its Statement of Organization to  
2 again designate itself as a SSF and named National Potato Council as its connected  
3 organization.<sup>4</sup> W. Kam Quarles has been National Potato PAC's treasurer since July 2019.<sup>5</sup>  
4 Quarles is also National Potato Council's Chief Executive Officer.<sup>6</sup>

5           According to the Submission, in July 2021, National Potato PAC discovered a  
6 discrepancy between its reported cash-on-hand and its available cash in its bank accounts.<sup>7</sup>  
7 Following this discovery, National Potato PAC retained a law firm to review its activity.<sup>8</sup> The  
8 law firm, in turn, engaged a compliance firm to audit National Potato PAC and reconcile its  
9 reports.<sup>9</sup> On August 18, 2021, National Potato PAC filed 28 amendments to its regularly filed  
10 reports covering January 1, 2015, through June 30, 2021.<sup>10</sup>

11           National Potato PAC's Submission also identifies several receipts that it claims violated  
12 the Commission's solicitation and collecting agent requirements.<sup>11</sup>

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<sup>4</sup> National Potato Council Potato PAC, Statement of Organization at 2 (Sept. 28, 2021), <https://docquery.fec.gov/pdf/540/202109289467145540/202109289467145540.pdf> ("2021 Statement of Org.").

<sup>5</sup> *Id.* at 3.

<sup>6</sup> See NATIONAL POTATO COUNCIL, Staff, <https://www.nationalpotatocouncil.org/who-we-are/staff/> (last visited May 22, 2023).

<sup>7</sup> National Potato PAC *Sua Sponte* Submission at 2 (Oct. 6, 2021) ("Submission").

<sup>8</sup> *Id.* at 2.

<sup>9</sup> *Id.*

<sup>10</sup> See *FEC 2015-2016 Committee Filings*, FEC.GOV, <https://www.fec.gov/data/committee/C00154104/?tab=filings&cycle=2016> (last visited June 14, 2022); *FEC 2017-2018 Committee Filings*, FEC.GOV, <https://www.fec.gov/data/committee/C00154104/?tab=filings&cycle=2018> (last visited June 14, 2022); *FEC 2019-2020 Committee Filings*, FEC.GOV, <https://www.fec.gov/data/committee/C00154104/?tab=filings&cycle=2020> (last visited June 14, 2022); *FEC 2021-2022 Committee Filings*, FEC.GOV, <https://www.fec.gov/data/committee/C00154104/?tab=filings&cycle=2022> (last visited June 14, 2022).

<sup>11</sup> Submission at 6-7.

1           **A. Reporting Receipts, Disbursements, and Cash-On-Hand**

2           According to the Submission, National Potato PAC's internal review revealed errors in  
3 its reporting of receipts and disbursements, including "failing to account for stale checks and  
4 technical mistakes when carrying over the closing [cash-on-hand] from one report to the opening  
5 [cash-on-hand] on the next report."<sup>12</sup> These mistakes "led to variations in the [cash on hand]  
6 error over time."<sup>13</sup> The Submission also indicates there was confusion associated with the use of  
7 the accounting software QuickBooks and reconciling National Potato PAC's accounts with its  
8 regularly filed reports.<sup>14</sup>

9           The Submission includes details of the reporting errors for each amended report.<sup>15</sup>  
10 Attachment 1 shows the different reported receipts and disbursements on National Potato PAC's  
11 original reports compared with its August 18, 2021 amended reports. Attachment 2 shows the  
12 different beginning and ending cash-on-hand balances disclosed on National Potato PAC's  
13 original reports compared with its August 18, 2021 amended reports. The misreported receipts  
14 and disbursements covered by the Submission total \$96,873.89.

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<sup>12</sup> *Id.* at 2.

<sup>13</sup> *Id.*

<sup>14</sup> *Id.* ("[National Potato PAC] appeared to reconcile QuickBooks to bank statements, but that reconciliation did not catch errors made between QuickBooks and the FEC reports.").

<sup>15</sup> It appears that when the Submission identified cash-on-hand as being over- or under-reported, it referred to ending cash-on-hand.

## 1           **B. National Potato PAC's Impermissible Receipts**

### 2                   1. Fundraisers Hosted by Idaho Potato Industry Council PAC

3           National Potato PAC claims in its communications relating to the *Sua Sponte* that Idaho  
4           Potato Industry Council PAC ("Idaho Potato PAC") was its collecting agent.<sup>16</sup> Idaho Potato  
5           PAC itself is an Idaho state political committee.<sup>17</sup> National Potato PAC received \$90,000 from  
6           fundraisers hosted by the Idaho Potato PAC between 2015 and 2018.<sup>18</sup> At these fundraisers,  
7           Idaho Potato PAC received both direct contributions (payments to purchase the auctioned prizes)  
8           and in-kind contributions (donations of the prizes for the auctions).<sup>19</sup> The Submission includes a  
9           copy of one document advertising a 2018 fundraiser, a silent auction held at the Shoshone-  
10          Bannock Event Center on November 14, 2018, and listing each auction prize and the company  
11          that donated it (totaling at least \$7,620).<sup>20</sup>

12          The Submission describes how Idaho Potato PAC would send National Potato PAC a  
13          check for a portion of the amounts collected at the fundraisers.<sup>21</sup> National Potato PAC provided

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<sup>16</sup> Letter from Sam Neel, Counsel, National Potato PAC, to Christopher Curran, Attorney, FEC at 5 (Mar. 12, 2022) ("March 12, 2022 Letter") (referring to Idaho Potato PAC as "the Idaho collecting agent").

<sup>17</sup> See Idaho Potato Industry PAC, Form C-2 2020 December – Annual Report (Jan. 13, 2021), <https://elections.sos.idaho.gov/TED/Filings/32753.pdf>.

<sup>18</sup> Submission at 6, 4, 19-22.

<sup>19</sup> *Id.* at 6, Exs. 18-22. Idaho Potato PAC is supported by the Potato Growers of Idaho ("PGI") and the Idaho Grower Shippers Association ("IGSA"), two tax-exempt corporations that include members of the National Potato Council. See Submission at 6; Internal Revenue Service Tax Exempt Organizations Search, <https://apps.irs.gov/app/eos/> (search "Potato Growers of Idaho" and "Idaho Grower Shippers Association").

<sup>20</sup> See Submission Ex. 18. The document listing the donated items also includes three items with no listed value and references "additional silent auction items" and "Christmas gift items." *Id.*

<sup>21</sup> *Id.* at 6, Exs. 4, 19-21.

- 1 additional information with respect to the fundraisers in response to questions from this Office.<sup>22</sup>
- 2 A summary of the information is shown in Figure 1.

3 **FIGURE 1 - Checks National Potato PAC Received from Idaho Potato PAC**

Amount	Fundraiser Date	Check Date	Deposit Date	Reported Receipt Date	Date First Disclosed
\$22,000 <sup>23</sup>	1/21/2015 <sup>24</sup>	Unknown	9/18/2015	10/2/2015	8/18/2021 – Amended MY
\$23,000 <sup>25</sup>	1/20/2016 <sup>26</sup>	Unknown	7/18/2016	7/18/2016	5/2/2017 – Amended Q3
\$25,000 <sup>27</sup>	January 2017 <sup>28</sup>	6/22/2017 <sup>29</sup>	6/22/2017	6/23/2017 - 6/30/2017	7/19/2017 – 2017 Q2

<sup>22</sup> See March 12, 2022 Letter at 5-10; Email from Sam Neel, Counsel, National Potato PAC, to Christopher Curran, Attorney, FEC (Apr. 9, 2022) (“April 9, 2022 Email”).

<sup>23</sup> See *id.* at 6, Ex. 4; see also National Potato PAC, Amended 2015 Year-End Report at 14 (Aug. 21, 2018), <https://docquery.fec.gov/pdf/933/202108189466324933/202108189466324933.pdf>.

<sup>24</sup> See March 12, 2022 Letter at 5.

<sup>25</sup> The Submission claims National Potato PAC disclosed a \$23,000 receipt from Idaho Potato PAC on its 2016 July Quarterly Report. Submission at 6, Ex. 20. In fact, National Potato PAC disclosed the \$23,000 receipt on its Amended 2016 October Quarterly Report the following year. See National Potato PAC, Amended 2016 October Quarterly Report at 11 (May 2, 2017), <https://docquery.fec.gov/pdf/968/201705029053491968/201705029053491968.pdf>.

<sup>26</sup> March 12, 2022 Letter at 7.

<sup>27</sup> The Submission represents that National Potato PAC received \$25,000 from individual contributors routed through Idaho Potato PAC, see Submission at 6, Ex. 21, however, National Potato PAC reported \$26,995 in its July 2017 Quarterly Report with the memo entry that appears to correspond to the Idaho Potato PAC contributions, “POPAC Contribution – SM,” see National Potato PAC, Amended 2017 July Quarterly Report at 6-13 (Aug. 18, 2021), <https://docquery.fec.gov/pdf/353/202108189466325353/202108189466325353.pdf>; National Potato PAC, 2017 July Quarterly Report at 6-13 (July 19, 2017), <https://docquery.fec.gov/pdf/005/201707199066790005/201707199066790005.pdf>. It is unclear whether the additional \$1,995 should be included within this analysis, thus it has not been added to the amount at issue in this chart. Further of note, in 2015 and 2016 National Potato PAC reported receiving bulk contributions from Idaho Potato PAC, rather than reporting contributions from the sources of funds into Idaho Potato PAC as in 2017. See National Potato PAC, Amended 2017 July Quarterly Report at 9 (Aug. 18, 2021), <https://docquery.fec.gov/pdf/259/202108189466325259/202108189466325259.pdf>; National Potato PAC, Amended 2015 Year-End Report at 14 (Aug. 18, 2021), <https://docquery.fec.gov/pdf/933/202108189466324933/202108189466324933.pdf>.

<sup>28</sup> Submission at 8.

<sup>29</sup> *Id.*

\$20,000 <sup>30</sup>	11/14/2018	9/21/2018	9/21/2018	12/10/2018 <sup>31</sup>	1/30/2019 – 2018 YE
<b>\$90,000</b>					

1 Idaho Potato PAC's contributions represented a substantial portion of National Potato  
 2 PAC's receipts: 49.89% in 2015, 54.69% in 2016, 52.55% in 2017, and 55.64% in 2018.

3 The Submission and additional information provided by National Potato PAC indicate  
 4 that, for each fundraiser, Idaho Potato PAC would identify the amount of noncorporate funds  
 5 raised and then send National Potato PAC a check for that amount along with a list of the  
 6 individuals the contributions should be attributed to. For the 2015, 2016, and 2018 fundraisers,  
 7 National Potato PAC did not report the individual contributors whose contributions purportedly  
 8 comprised the funds sent by Idaho Potato PAC and instead reported receiving a contribution  
 9 directly from Idaho Potato PAC.<sup>32</sup>

## 10 2. Contributions Received from the Colorado Potato Legislative Association

11 The Submission also identified four contributions totaling \$8,170 that National Potato  
 12 PAC received from the Colorado Potato Legislative Association ("CPLA"), a Colorado nonprofit  
 13 corporation. A summary of those contributions is shown in Figure 2.

<sup>30</sup> See Submission at 6, Exs. 18-19, 22. National Potato PAC refunded this contribution on September 18, 2019. See Submission at 6, Ex. 22; National Potato PAC, 2019 Year-End Report at 12 (Jan. 27, 2020), <https://docquery.fec.gov/pdf/849/202001279167389849/202001279167389849.pdf>.

<sup>31</sup> The Submission states, as it did with respect to Idaho Potato PAC's 2017 check, that National Potato PAC reported the individual contributions that Idaho Potato PAC collected. See Submission at 6, Ex. 19. However, National Potato PAC reported each contribution as coming from "Idaho Potato Industry PAC" having a receipt date of December 10, 2018. National Potato PAC, Amended 2017 Year-End Report at 6-12. The December 10, 2018 date appears incorrect given the Submission's inclusion of a November 30, 2018 email with contributor names and amounts. See Submission at Ex. 19.

<sup>32</sup> Submission at 6; March 12, 2022 Letter at 7; see also National Potato PAC, Amended 2018 Year End Report at 6-12 (Aug. 18, 2021), <https://docquery.fec.gov/pdf/473/202108189466325473/202108189466325473.pdf>; National Potato PAC, Amended 2017 July Quarterly Report at 9 (Aug. 18, 2021), <https://docquery.fec.gov/pdf/259/202108189466325259/202108189466325259.pdf>; National Potato PAC, Amended 2015 Year-End Report at 14 (Aug. 18, 2021), <https://docquery.fec.gov/pdf/933/202108189466324933/202108189466324933.pdf>.

1 **FIGURE 2 – Checks Received from CPLA**

Amount	Check Date	Deposit Date	Reported Receipt Date	Date First Disclosed
\$995 <sup>33</sup>	Unknown	3/8/2015	3/8/2015	8/18/2021 - Amended 2015 MY
\$2,030 <sup>34</sup>	6/21/2017	Unknown	6/29/2017	8/18/2021 - Amended 2017 Q2
\$3,145 <sup>35</sup>	6/26/2018	Unknown	7/30/2018	8/18/2021 - Amended 2018 Q3
\$2,000 <sup>36</sup>	9/2/2020	Unknown	9/2/2020	8/18/2021 - Amended 2020 Q3
<b>\$8,170</b>				

2 3. Contribution Received from Lake Farms Inc.

3 Finally, the Submission states that National Potato PAC “appeared” to have received  
 4 \$513.29 from Lake Farms Inc., a corporate entity, on February 22, 2021, of which \$15.19 was  
 5 for PayPal processing fees.<sup>37</sup>

6 **C. National Potato PAC’s Remedial Actions**

7 The Submission highlights the following remedial actions by National Potato PAC: (1)  
 8 refunding the 2018 Idaho Potato PAC contribution (\$20,000), the 2020 CPLA contribution  
 9 (\$2,000), and the 2021 Lake Farms Inc. contribution (\$513.29);<sup>38</sup> (2) retaining a law firm and

<sup>33</sup> See Submission at 6, Ex. 2; see also National Potato PAC, 2015 Amended Mid-Year Report at 21 (Aug. 18, 2021), <https://docquery.fec.gov/pdf/401/202108189466324401/202108189466324401.pdf>.

<sup>34</sup> Submission at 6-7, Ex. 23; see also National Potato PAC, 2017 Amended July Quarterly Report at 13 (Aug. 18, 2021), <https://docquery.fec.gov/pdf/353/202108189466325353/202108189466325353.pdf>.

<sup>35</sup> Submission at 7, Ex. 24; see also National Potato PAC, 2018 Amended October Quarterly Report at 8 (Aug. 18, 2021), <https://docquery.fec.gov/pdf/438/202108189466325438/202108189466325438.pdf>.

<sup>36</sup> Submission at 7, Exs. 14-15, 25; see also National Potato PAC, 2020 Amended October Quarterly Report (Aug. 18, 2021), <https://docquery.fec.gov/pdf/567/202108189466325567/202108189466325567.pdf>. National Potato PAC refunded \$2,000 to CPLA on October 19, 2020. National Potato PAC, 2020 Post-General Report at 6 (Dec. 2, 2020), <https://docquery.fec.gov/pdf/446/202012029337405446/202012029337405446.pdf>.

<sup>37</sup> See Submission at 7, Ex. 26; National Potato PAC, 2021 Amended April Quarterly Report at 9 (Aug. 18, 2021), <https://docquery.fec.gov/pdf/695/202108189466325695/202108189466325695.pdf>.

<sup>38</sup> The Submission notes that because National Potato PAC’s cash-on-hand is \$12,948, “it does not have sufficient funds to fully refund the earlier Idaho PAC and CPLA contributions.” October 2021 Submission at 7 n.4. The refunds were reported on National Potato PAC’s disclosure reports. National Potato PAC, 2021 Year End Report at 10 (Jan. 26, 2022), <https://docquery.fec.gov/pdf/198/202201269475190198/202201269475190198.pdf> (showing refund to Lake Farms, Inc. on August 24, 2021); National Potato PAC, 2020 30-Day Post Election Report at 7 (Aug. 18, 2021), <https://docquery.fec.gov/pdf/583/202108189466325583/202108189466325583.pdf> (showing



1 third party auditor to review its activity and reconcile its reports, and filing the *sua sponte*  
2 Submission; (3) implementing new policies and procedures regarding solicitations and collecting  
3 agents; (4) engaging an election CFO to handle its Commission filings going forward; and (5)  
4 requiring personnel, including its Treasurer, to “undergo[] detailed PAC compliance training  
5 from Counsel and [the] Election CFO.” Based on these actions, the Submission argues that the  
6 Commission should conciliate the matter without making reason to believe findings.<sup>39</sup>

### 7 **III. LEGAL ANALYSIS**

#### 8 **A. National Potato PAC Appears to Have Misreported Receipts, Disbursements,** 9 **and Cash-On-Hand**

10 The Act requires that political committees keep an accurate account of — and timely and  
11 accurately report — receipts, disbursements, and cash-on-hand balances, including appropriate  
12 itemizations, where required.<sup>40</sup> Committee treasurers are responsible for the timely and  
13 complete filing of disclosure reports and for the accuracy of the information contained therein.<sup>41</sup>

14 National Potato PAC acknowledges that it incorrectly reported receipts, disbursements,  
15 and cash-on-hand dating back to 2015, and possibly earlier. Accordingly, the Commission  
16 should find reason to believe that National Potato Council Potato PAC violated 52 U.S.C.  
17 § 30104(b) by failing to accurately report receipts and disbursements and cash-on-hand.

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refund to CPLA on October 19, 2020); National Potato PAC, Amended 2019 Year End Report at 13 (Aug. 18, 2021), <https://docquery.fec.gov/pdf/520/202108189466325520/202108189466325520.pdf> (showing refund to Idaho Potato PAC on Sept. 18, 2019).

<sup>39</sup> See Submission at 7. The Commission’s *Sua Sponte* Submission Policy contemplates, as one of several possible Commission actions, that certain cases proceed directly to conciliation without the Commission first finding reason to believe that a violation occurred. See Policy Regarding Self-Reporting of Campaign Finance Violations (*Sua Sponte* Submissions), 72 Fed. Reg. 16695, 16696 (Apr. 5, 2007), [https://www.fec.gov/resources/cms-content/documents/fedreg\\_notice\\_2007-08\\_EO13892.pdf](https://www.fec.gov/resources/cms-content/documents/fedreg_notice_2007-08_EO13892.pdf) (“*Sua Sponte* Policy”).

<sup>40</sup> 52 U.S.C. §§ 30102(c), 30104(a)(1), 30104(b); see also 11 C.F.R. §§ 102.9, 104.1(a), 104.3(a).

<sup>41</sup> 11 C.F.R. § 104.14(d).

1           **B. National Potato PAC Appears to Have Accepted Excessive and Prohibited**  
2           **Contributions from a State PAC**

3           National Potato PAC contends that Idaho Potato PAC is its collecting agent.<sup>42</sup> If this is  
4 true, the contributions National Potato PAC received from Idaho Potato PAC's fundraisers  
5 would be attributed to individuals and entities that donated auction items and purchased them at  
6 the Idaho Potato PAC-hosted auctions.<sup>43</sup> It does not appear, however, that Idaho Potato PAC is  
7 "affiliated" with National Potato PAC as that term is used in the context of the collecting agent  
8 regulations or that Idaho Potato PAC would fit within any other definition of a collecting agent  
9 in those regulations.<sup>44</sup> Thus, because Idaho Potato PAC does not appear to be a collecting agent,  
10 the contributions it provided to National Potato PAC are attributable to Idaho Potato PAC  
11 itself.<sup>45</sup> Because Idaho Potato PAC's contributions exceeded \$5,000, and because it appears that  
12 National Potato PAC had knowledge of the facts showing that Idaho Potato PAC did not meet  
13 the definition of "collecting agent," the record at this stage indicates that National Potato PAC  
14 knowingly accepted excessive contributions from Idaho Potato PAC.<sup>46</sup>

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<sup>42</sup> March 12, 2022 Letter (referring to Idaho Potato PAC as "the Idaho collecting agent").

<sup>43</sup> 11 C.F.R. § 102.6(c)(7) ("A separate segregated fund receiving contributions collected by a collecting agent shall report the full amount of each contribution received as a contribution from the original contributor to the extent required by 11 CFR 104.3(a)"). Auction prizes donated by corporations that are not members of National Potato Council or members of National Potato Council's State Organizations are treated as corporations. *See* Advisory Opinion 1991-23 at 2 (National Association of Retail Druggists) (prize donation by a corporation for a trade association's SSF raffle is a corporate contribution if the donor corporation is not itself a trade association member).

<sup>44</sup> *See infra* pp. 13-14.

<sup>45</sup> 11 C.F.R. § 102.6(b)(2) (A collecting agent that follows the procedures set forth in 11 C.F.R. § 102.6(c) is not required to register and report as a political committee provided that the organization does not engage in activities such as making contributions or expenditures for the purpose of influencing federal elections).

<sup>46</sup> 52 U.S.C. § 30116(a)(1)(C), (f); *see FEC v. Friends of Jane Harman*, 59 F. Supp. 2d 1046, 1056 n.11 (C.D. Cal. 1999) ("A 'knowing' standard, as opposed to a 'knowing and willful' one, does not require knowledge that one is violating a law, but merely requires an intent to act.") (quoting *FEC v. John A. Dramesi for Congress Comm.*, 640 F. Supp. 985, 987 (D. N.J. 1986)); *see also FEC v. Cal. Med. Ass'n*, 502 F. Supp. 196, 203-04 (N.D. Cal. 1980) (knowledge of the facts making conduct unlawful constitutes a knowing acceptance under the Act).

1                   1.       Idaho Potato PAC Does Not Appear to Be a Collecting Agent of National  
2                                   Potato PAC.

3                   A “collecting agent” is “an organization or committee that collects and transmits  
4 contributions to one or more separate segregated funds to which the collecting agent is  
5 related.”<sup>47</sup> A collecting agent may be either:

- 6                   (i) A committee, whether or not it is a political committee as defined in  
7 11 C.F.R. § 100.5, *affiliated* with the [SSF] under 11 C.F.R. § 110.3; or  
8                   (ii) The connected organization of the [SSF] as defined in 11 C.F.R.  
9 § 100.6;  
10                  (iii) A parent, subsidiary, branch, division, department, or local unit of  
11 the connected organization of the [SSF]; or  
12                  (iv) A local, national or international union collecting contributions on behalf  
13 of the [SSF] of any federation with which the local, national or international  
14 union is affiliated.<sup>48</sup>

15                  A collecting agent, if it is an unregistered organization that follows the procedures set out  
16 in 11 C.F.R. § 102.6(c), is not required to register and report as a political committee, provided  
17 that it does not engage in activities such as making contributions or expenditures for the purpose  
18 of influencing Federal elections.<sup>49</sup> Section 102.6(c) describes the procedures with respect to a  
19 collecting agent’s solicitations, recordkeeping, and transmittal of contributions.<sup>50</sup> In particular, a  
20 collecting agent may pay any or all of the costs incurred in soliciting and transmitting  
21 contributions to the SSF.<sup>51</sup> The full amount of each contribution collected by the collecting

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<sup>47</sup> 11 C.F.R. § 102.6(b)(1).

<sup>48</sup> *Id.* § 102.6(b)(1)(i)-(iv) (emphasis added).

<sup>49</sup> *Id.* § 102.6(b)(2).

<sup>50</sup> *Id.* § 102.6(c).

<sup>51</sup> *Id.* § 102.6(c)(2)(i).

1 agent on behalf of a separate segregated fund must be transmitted to that fund within 10 or 30  
2 days.<sup>52</sup>

3 The Submission identifies several contributions to National Potato PAC from Idaho  
4 Potato PAC — an Idaho political committee “created and supported” by the Idaho Grower  
5 Shippers Association (“IGSA”) and the Potato Growers of Idaho (“PGI”)<sup>53</sup> — that it claims  
6 violated the Commission’s solicitation and collecting agent requirements.<sup>54</sup> With respect to  
7 Idaho Potato PAC’s 2018 fundraiser, National Potato PAC asserts that Idaho Potato PAC  
8 solicited contributions outside National Potato PAC’s restricted class through auctions whose  
9 items were donated by corporations, failed to include proper disclaimers on its solicitations and  
10 failed to transmit contributions in the timeframe required by the Commission’s transfer agent  
11 regulations.<sup>55</sup> Because National Potato PAC is responsible for seeing that its collecting agent

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<sup>52</sup> *Id.* § 102.8; 11 C.F.R. § 102.6(c)(4).

<sup>53</sup> Submission at 6. PGI is an Idaho non-profit non-stock corporation that is recognized by the IRS as tax-exempt under IRC Section 501(c)(5). IRS Form 990, Potato Growers of Idaho, Inc., 2017 Short Form Return of Organization Exempt from Income Tax (Nov. 16, 2018), [https://apps.irs.gov/pub/epostcard/cor/820256192\\_201808\\_990EO\\_2018121416003395.pdf](https://apps.irs.gov/pub/epostcard/cor/820256192_201808_990EO_2018121416003395.pdf) (“2017 PGI Form 990”); Potato Growing & Marketing Association of Idaho, Inc., Certificate of Incorporation (Feb. 23, 1962), available at <https://sosbiz.idaho.gov/search/business> (search “Potato Growers of Idaho”). It provides Idaho potato growers “bargaining and information services related to the agricultural environment.” 2017 PGI Form 990. PGI is supported by member dues. *Id.* Idaho Grower Shippers Association is an Idaho non-profit non-stock corporation that is recognized by the IRS as tax-exempt under IRC Section 501(c)(6). IRS Form 990, Idaho Grower Shippers Association, 2019 Return of Organization Exempt from Income Tax (Mar. 15, 2020), [https://apps.irs.gov/pub/epostcard/cor/820131535\\_201912\\_990O\\_2020120217462469.pdf](https://apps.irs.gov/pub/epostcard/cor/820131535_201912_990O_2020120217462469.pdf) (“2020 IGSA Form 990”); Idaho Traffic Association, Inc., Certificate of Incorporation (Jan. 5, 1942), available at <https://sosbiz.idaho.gov/search/business> (search “Idaho Grower Shippers Association”). IGSA provides services to shippers, marketers, growers and processors of Idaho potatoes. <https://www.idahoshippers.org/>. It is also supported by member dues. *See* 2020 IGSA Form 990.

<sup>54</sup> Submission at 6; March 12, 2022 Letter at 6-10.

<sup>55</sup> March 12, 2022 Letter at 9-10.

1 adheres to the rules for soliciting and depositing contributions and forwarding records,<sup>56</sup> it would  
 2 have violated 11 C.F.R. § 102.6(c) if Idaho Potato PAC was its collecting agent.<sup>57</sup>

3 But while Idaho Potato PAC provided funds to National Potato PAC, it does not appear  
 4 that Idaho Potato PAC qualifies as National Potato PAC's "collecting agent" under the  
 5 Commission's collecting agent regulation. Idaho Potato PAC does not appear to be affiliated  
 6 with the National Potato Council, National Potato PAC's affiliated organization, or National  
 7 Potato PAC itself because these organization do not share the formal relationship required to be  
 8 considered *per se* affiliated<sup>58</sup> and because the factors at 11 C.F.R. § 100.5(g)(4) counsel against  
 9 considering the entities as affiliated.<sup>59</sup> Idaho Potato PAC is not the National Potato PAC's

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<sup>56</sup> See Fundraising for a Separate Segregated Fund (SSF), FEC, <https://www.fec.gov/help-candidates-and-committees/fundraising-for-ssf/> (last visited June 12, 2023); Recording Receipts for an SSF, FEC, <https://www.fec.gov/help-candidates-and-committees/keeping-ssf-records/recording-receipts/> (last visited June 12, 2023).

<sup>57</sup> 11 C.F.R. § 102.6(c)(1) (SSFs are responsible for the acts of its collecting agents), (7) (SSFs must report the full amount of each contribution received from its collecting agent as a contribution from the original contributor); see Collecting and Forwarding Contributions to the SSF: Collecting Agents, FEC, <https://www.fec.gov/help-candidates-and-committees/fundraising-for-ssf/collecting-and-forwarding-contributions-ssf-collecting-agents/> (last visited June 12, 2023).

<sup>58</sup> A membership organization . . . including trade or professional associations . . . and/or State and local entities of that organization or group" are *per se* affiliated. 11 C.F.R. § 100.5(g)(3)(iii). The Submission suggests that National Potato Council and National Potato Council's State Organization members are *per se* affiliated. See March 2022 Submission at 3-5. But neither Idaho Potato PAC, Idaho Grower Shippers Association, nor the Potato Growers of Idaho appear to be National Potato Council members. See April 9, 2022 Email ("IGSA is not the NPC's official Idaho State Organization under the NPC's bylaws"); Email from Sam Neel, Counsel, National Potato PAC to Christopher Curran, Attorney, FEC (Apr. 23, 2022) ("[Potato Growers of Idaho] is more of an ad hoc organization that was created primarily to operate a non-federal political action committee. [National Potato Council] is not aware of [Potato Growers of Idaho] making financial contributions to [National Potato Council] or providing any other direct support to [National Potato Council].").

<sup>59</sup> Absent *per se* affiliation, the factors set forth at 11 C.F.R. § 100.5(g)(4) "shall be used to determine whether an entity is a regional, [s]tate or local affiliate of a federation of trade associations." 11 C.F.R. § 114.8(g)(1); Advisory Opinion 2017-13 (National Sorghum Producers and Sorghum PAC) at 5 (applying factors at 11 C.F.R. § 100.5(g)(4)(ii) in context of IRC Section 501(c)(5) organization and five state affiliates). 11 C.F.R. § 100.5(g)(4) lists ten factors, which relate to the organizational connections between organizations, whether they share officers, employees, or members, and the manner in which funds are provided between the entities. The current record does not indicate that the controlling interest, governance, hiring authority, common officers/employees, former officer/employees, formation, or contribution pattern factors are present. The common membership factor also appears to weigh against affiliation. National Potato Council is a national organization with

1 connected organization.<sup>60</sup> And Idaho Potato PAC does not appear to be a “parent, subsidiary,  
 2 branch, division, department, or local unit of the connected organization of” National Potato  
 3 PAC.<sup>61</sup> In addition, while National Potato PAC now contends that Idaho Potato PAC is its

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nationwide membership, with revenue from membership dues that are almost 10 times the amount of Idaho Grower Shippers Association. *Compare* IRS Form 990, Idaho Grower Shippers Association, 2018 Return of Organization Exempt from Income Tax (June 21, 2019), [https://apps.irs.gov/pub/epostcard/cor/820131535\\_201812\\_990O\\_2020012217054951.pdf](https://apps.irs.gov/pub/epostcard/cor/820131535_201812_990O_2020012217054951.pdf), with IRS Form 990, National Potato Council, 2018 Return of Organization Exempt from Income Tax (Jan. 3, 2020), [https://apps.irs.gov/pub/epostcard/cor/530216598\\_201906\\_990O\\_2020091717308966.pdf](https://apps.irs.gov/pub/epostcard/cor/530216598_201906_990O_2020091717308966.pdf). This suggests that the percentage of National Potato Council's members that may also be members of Idaho Grower Shippers Association is significantly smaller than Idaho Grower Shippers Association members that are also members of National Potato Council. *See* Advisory Opinion 2017-03 at 7 (American Association of Clinical Urologists) (“[W]hile a large percentage (98 percent) of the AACU's members are members of the AUA . . . a far smaller percentage (just 18 percent) of AUA's members are also members of the AACU . . . Thus, the two groups do not consist of mostly the same people”). The same appears to be true for National Potato Council and Potato Growers of Idaho. *Compare* 2017 PGI Form 990, with IRS Form 990, National Potato Council, 2017 Return of Organization Exempt from Income Tax (Dec. 11, 2018), [https://apps.irs.gov/pub/epostcard/cor/530216598\\_201806\\_990O\\_2019030816159444.pdf](https://apps.irs.gov/pub/epostcard/cor/530216598_201806_990O_2019030816159444.pdf) (“2017 NPC Form 990”). And any overlapping membership appears to reflect the shared missions of the organizations in representing potato growers, not an ongoing relationship or shared control. *See* Advisory Opinion 2017-03 at 8 (American Association of Clinical Urologists). Finally, the provision of funds factor does not appear to be satisfied. *See* Email from Sam Neel, Counsel, National Potato PAC, to Christopher Curran, Attorney, FEC (Apr. 23, 2022) (“NPC is not aware of [Potato Growers of Idaho] making financial contributions to [National Potato Council] or providing any other direct support to [National Potato Council]”); *id.* (only financial support from Idaho Grower Shippers Association to National Potato Council is a staff person's payment of a registration fee to attend National Potato Council meetings).

<sup>60</sup> A connected organization is any organization that is not a political committee and that directly or indirectly establishes, administers, or financially supports a political committee. 52 U.S.C. § 30101(7); 11 C.F.R. § 100.6(a). Contributions are not considered “financial[] support[]” and there is no information that Idaho Potato PAC directly or indirectly established or administered National Potato PAC. Accordingly, Idaho Potato PAC is not National Potato PAC's connected organization.

<sup>61</sup> National Potato PAC does not claim that Idaho Potato PAC is a parent or subsidiary. And while the Commission has permitted state members of a national federation of trade associations to serve as collecting agents for the federation's SSF — considering the state members “as a ‘branch, division, . . . or local unit’ of [the federation] under 11 [C.F.R. §] 102.6(b)(1)(iii),” *see* Advisory Opinion 1998-19 (CUNA) at 10, Advisory Opinion 1999-40 (NRECA) at 9 (concluding that state affiliates of federated cooperative are considered local units that may act as collecting agents for contributions to federated cooperative's SSF); Advisory Opinion 1995-12 (Independent Bankers) at 9 (concluding that state trade associations affiliated with national trade association may act as fundraising arms for national trade association's SSF, including acting as collecting agents for national trade association's SSF), — National Potato PAC never claims that Idaho Potato PAC, IGSA, or PGI qualify as a National Potato Council State Organization member or any other type of National Potato Council member. Rather, the record indicates that IGSA and PGI are *not* National Potato Council members. *See* Email from Sam Neel, Counsel, National Potato PAC, to Christopher Curran, Attorney, FEC (Apr. 9, 2022) (“April 9, 2022 Email”) (“IGSA is not the [National Potato Council's] official Idaho State Organization under the [National Potato Council's] bylaws . . . [and] [National Potato Council] does not consider [PGI] to be an affiliated organization.”). The Idaho Potato Commission is a self-governing state agency. *See* Idaho Code § 22-1202. Accordingly, it does

1 collecting agent, in prior years National Potato PAC reported receiving contributions directly  
2 from Idaho Potato PAC, apparently taking a different position at that time.<sup>62</sup>

3           Moreover, regardless of whether Idaho Potato PAC could be considered National Potato  
4 PAC's collecting agent in some contexts, it appears that Idaho Potato PAC was not acting in that  
5 capacity in connection with the funds derived from the 2018 auction — which are the only  
6 contributions remaining within the applicable statute of limitations — because it appears that: (1)  
7 donors at the Idaho Potato PAC events were told that funds raised would go to the Idaho Potato  
8 PAC and were not told of National Potato PAC;<sup>63</sup> (2) the 2018 auction forms stated that  
9 corporate checks were acceptable, although National Potato PAC cannot accept them;<sup>64</sup> and (3)  
10 Idaho Potato PAC, not the individual contributors, determined how much would be given to  
11 National Potato PAC.<sup>65</sup> Accordingly, it is appropriate to attribute the funds provided to National  
12 Potato PAC in 2018 as having been contributed by Idaho Potato PAC.

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not appear that Idaho Potato PAC is an SSF of a “branch, division, . . . or local unit” of National Potato Council. Nor is Idaho Potato PAC a local, national or international union. Therefore, the question of whether Idaho Potato PAC can serve as a collecting agent for National Potato PAC appears to turn on whether Idaho Potato PAC is affiliated with National Potato PAC. 11 C.F.R. § 102.6(b)(1)(i).

<sup>62</sup> *Supra* note 32 and accompanying text.

<sup>63</sup> *See, e.g.*, March 12, 2022 Letter at 5 (“Funds raised in the auction will go to the Idaho Potato Political Action Committee”), 6 (“The evening of Jan. 21 saw many attendees attend a dinner and auction supporting the Idaho Potato PAC”) (quoting announcement in *Potato Grower*), 9 (“Some of the[] individuals may not have known that they were contributing to [National Potato PAC] or that their contributions would be reported as such on [National Potato PAC's] FEC report”); Submission at Ex. 18 (forms for the “Idaho Potato Industry PAC Auction” hosted by PGI).

<sup>64</sup> *See* March 12, 2022 Letter at 8. National Potato PAC claims this may have been a typographical error but does not provide further explanation. *Id.*

<sup>65</sup> Indeed, the emails show that the amounts to be transferred and the attributed source of the funds was determined by Idaho Potato PAC months after the funds had already been raised and likely already deposited in Idaho Potato PAC's bank account. *See* March 12, 2022 Letter at 7, Ex. E (“These are the non-corporate donors we can count for the POPAC donors.”); *id.* at 8, Ex. F (Idaho Potato PAC identifying section of donors “marked as private or personal money not corporate” and advising National Potato PAC that it “can reduce someone's donation.”). Idaho Potato PAC also appears to have made the decision to split donations between spouses and keep portions of individual check amounts for itself. *See* March 12, 2022 Letter at 8 (notes attached to “donor list”).

1                   2.     Idaho Potato PAC Appears to Have Made Excessive Contributions to  
2                             National Potato PAC

3                   Idaho Potato PAC may not contribute more than \$5,000 per calendar year to National  
4     Potato PAC, and National Potato PAC may not knowingly accept more than \$5,000 per calendar  
5     year from Idaho Potato PAC.<sup>66</sup> National Potato PAC is also prohibited from accepting any  
6     contributions from corporations.<sup>67</sup> Further, an unregistered organization such as Idaho Potato  
7     PAC cannot make a contribution to National Potato PAC unless it demonstrates through a  
8     reasonable accounting method that the underlying funds are subject to the limitations and  
9     prohibitions of the Act.<sup>68</sup> National Potato PAC's treasurer is responsible for ensuring that all  
10    contributions received comply with these limitations and prohibitions.<sup>69</sup>

11                Because it appears that Idaho Potato PAC does not qualify as a collecting agent for  
12    National Potato PAC, and was not acting as a collecting agent in connection with the 2018  
13    auction, the Commission should find reason to believe that National Potato PAC violated  
14    52 U.S.C. § 30116(f), 11 C.F.R. §§ 102.5(b), 103.3(b) by knowingly accepting an excessive  
15    contribution from Idaho Potato PAC, which included funds not subject to the limitations and  
16    prohibitions of the Act.

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However, with respect to Idaho Potato PAC's 2018 contribution, Idaho Potato PAC's check to National Potato PAC appears to have *predated* Idaho Potato PAC's auction. *See* Figure 1 (showing fundraiser, check, and deposit dates); Submission Exs. 19, 22.

<sup>66</sup>     52 U.S.C. § 30116(a)(1)(C), (f).

<sup>67</sup>     *Id.* § 30118(a).

<sup>68</sup>     *See* 11 C.F.R. § 102.5(b).

<sup>69</sup>     11 C.F.R. § 103.3(b); Factual & Legal Analysis at 4-5, MUR 7872 (South Dakota Democratic Party) (finding reason to believe that a state party committee violated 11 C.F.R. § 103.3(b) by accepting contributions from unregistered organizations without ascertaining whether the underlying funds complied with the limitations and prohibitions of the Act).



1           **C. National Potato PAC Appears to Have Accepted Corporate Contributions**

2           The Act prohibits corporations from making contributions to federal candidates and bars  
3 candidates and political committees, other than independent expenditure-only political  
4 committees and committees with hybrid accounts, from knowingly accepting or receiving  
5 corporate contributions.<sup>70</sup> The Act also prohibits corporate officers and directors from  
6 consenting to such contributions.<sup>71</sup> The term “contribution” includes “any gift, subscription,  
7 loan, advance, or deposit of money or anything of value made by any person for the purpose of  
8 influencing any election to Federal office.”<sup>72</sup>

9           Here, National Potato PAC acknowledges that it accepted \$8,170 from CPLA and  
10 \$513.29 from Lake Farms, Inc. Because both CPLA and Lake Farms are corporations, the  
11 Commission should find reason to believe that National Potato PAC violated 52 U.S.C.  
12 § 30118(a).

13  
14           The *sua sponte* submission, as supplemented, provides sufficient information to proceed  
15 directly to pre-probable cause conciliation with National Potato PAC. Because all of the  
16 potential respondents did not join in self-reporting of the violations, this matter does not qualify

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<sup>70</sup> 52 U.S.C. § 30118(a); 11 C.F.R. § 114.2(b), Note to Paragraph (b) (explaining that corporations and labor organizations may make contributions to nonconnected political committees that make only independent expenditures, or to separate accounts maintained by nonconnected political committees for making only independent expenditures).

<sup>71</sup> 52 U.S.C. § 30118(a).

<sup>72</sup> 52 U.S.C. § 30101(8)(A). For the purposes of section 30118, the term “contribution” includes the definition provided at 52 U.S.C. § 30101(8)(A) and also includes “any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value . . . to any candidate, campaign committee, or political party or organization, in connection with any election to any of the offices referred to in this section . . . .” 52 U.S.C. § 30118(b); 11 C.F.R. § 114.1(a).

1 for consideration under the Fast-Track Resolution process in the *Sua Sponte* Policy.<sup>73</sup>  
2 Accordingly, we recommend that the Commission engage in pre-probable cause conciliation to  
3 resolve the violations at issue in this matter by conciliating with National Potato PAC.

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<sup>73</sup> *Sua Sponte* Policy at 16,698 (describing that Fast Track Resolution requires that “[a]ll potential respondents in a matter have joined in a self-reporting submission that acknowledges their respective violations of the FECA”). Idaho Potato PAC, CPLA, and Lake Farms, Inc. are potential respondents in this matter but were not joined.

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1   **V.    RECOMMENDATIONS**

- 2           1.    Open a MUR;
- 3           2.    Find reason to believe that National Potato Council Potato Political Action  
4                   Committee and W. Kam Quarles in his official capacity as treasurer violated  
5                   52 U.S.C. § 30104(b) by failing to accurately report receipts and disbursements  
6                   and cash-on-hand;
- 7           3.    Find reason to believe that National Potato Council Potato Political Action  
8                   Committee and W. Kam Quarles in his official capacity as treasurer violated

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;

- 4. Find reason to believe that National Potato Council Potato Political Action Committee and W. Kam Quarles in his official capacity as treasurer violated 52 U.S.C. § 30118(a) by knowingly accepting contributions from corporations;
- 5. Approve the attached Factual and Legal Analysis;
- 6. Approve the attached proposed Conciliation Agreement; and
- 7. Approve the appropriate letter.

Lisa J. Stevenson  
Acting General Counsel

Charles Kitcher  
Associate General Counsel for Enforcement

7/24/2023  
Date

Adrienne C. Baranowicz  
Adrienne Baranowicz  
Acting Deputy Associate General Counsel  
for Enforcement

Aaron Rabinowitz  
Aaron Rabinowitz  
Assistant General Counsel

Christopher S. Curran  
Christopher S. Curran  
Attorney

Attachments

- 1. National Potato PAC's Reported Receipts & Disbursements
- 2. National Potato PAC's Reported Cash-On-Hand

### Receipts and Disbursements.

Report	Original Receipts	8/18/2021 Amended Receipts	Original Disbursements	8/18/2021 Amended Disbursements	Total Misreported
2015 Mid-Year <sup>1</sup>	\$ 25,835.00	\$ 26,830.00	\$ 27,500.00	\$ 37,177.20	\$ 10,672.20
2015 Year End <sup>2</sup>	\$ 6,050.00	\$ 28,050.00	\$ 11,000.00	\$ 11,000.00	\$ 22,000.00
2016 April Q <sup>3</sup>	\$ 3,800.00	\$ 16,400.00	\$ 9,000.00	\$ 9,000.00	\$ 12,600.00
2016 July Q	\$ -	\$ -	\$ 5,500.00	\$ 5,500.00	\$ -
2016 Oct. Q <sup>4</sup>	\$ 2,150.00	\$ 28,080.00	\$ 20,500.00	\$ 20,500.00	\$ 25,930.00
2016 Pre-Gen	\$ -	\$ -	\$ 18,500.00	\$ 18,500.00	\$ -
2016 Post-Gen	\$ -	\$ -	\$ -	\$ -	\$ -
2016 Year End <sup>5</sup>	\$ -	\$ 5,000.00	\$ 2,500.00	\$ 2,500.00	\$ 5,000.00
2017 April Q <sup>6</sup>	\$ 16,200.00	\$ 16,700.00	\$ 9,500.00	\$ 10,500.00	\$ 1,500.00
2017 July Q <sup>7</sup>	\$ 32,305.00	\$ 32,170.00	\$ 9,500.00	\$ 9,500.00	\$ 135.00
2017 Oct. Q	\$ -	\$ -	\$ 7,500.00	\$ 7,500.00	\$ -
2017 Year End	\$ 5,000.00	\$ 5,000.00	\$ 6,500.00	\$ 6,500.00	\$ -
2018 April Q	\$ 15,550.00	\$ 15,550.00	\$ 5,500.00	\$ 5,500.00	\$ -
2018 July Q <sup>8</sup>	\$ 10.00	\$ 10.00	\$ 30,500.00	\$ 30,500.00	\$ -
2018 Oct. Q <sup>9</sup>	\$ 5,955.00	\$ 5,955.00	\$ 6,200.00	\$ 8,010.00	\$ 1,810.00
2018 Pre-Gen	\$ -	\$ -	\$ 2,500.00	\$ 2,500.00	\$ -

<sup>1</sup> The Submission identifies an unreported \$995 receipt from the Colorado Potato Legislative Association. Submission at 3, Ex. 2. The Submission also identifies a \$9,127.20 “accounting adjustment” it made to correct its cash-on-hand error and a previously unreported \$550 disbursement to pay a Commission penalty. *See id.* at 3, Ex. 3.

<sup>2</sup> The Submission identifies an unreported \$22,000 receipt from the Idaho Potato Industry Council. *Id.* at 3, Ex. 4.

<sup>3</sup> National Potato PAC did not amend its 2016 April Quarterly Report in August 2021, but its Submission describes “\$10,650 in reported receipts were not deposited in [the PAC’s] bank account. The PAC’s records do not clearly indicate which contributions were not deposited.” *Id.* at 3

<sup>4</sup> The Submission states there “were no receipt or disbursement issues.” *See id.* at 3. National Potato PAC had previously amended its 2016 October Quarterly Report on May 2, 2017 but did not explain the reason for the \$25,930 increase in receipts between National Potato PAC’s original report and May 2, 2017 amended report.

<sup>5</sup> The Submission identifies an unreported \$5,000 receipt from the J.R. Simplot Company PAC. *Id.* at 3. The J.R. Simplot Company first disclosed a \$5,000 disbursement to National Potato PAC on its Amended 2016 Year-End Report filed January 14, 2017. *See* 2016 Amended Year End Report, J.R. Simplot Company Political Action Committee, <https://docquery.fec.gov/pdf/274/201701149041389274/201701149041389274.pdf>.

<sup>6</sup> The Submission identifies \$500 in unreported receipts from three individuals and a \$1,000 unreported disbursement to United Fresh PAC on February 3, 2017. United Fresh PAC did not report receiving \$1,000 from National Potato PAC in its 2017 Mid-Year Report.

<sup>7</sup> The Submission states National Potato PAC has “insufficient records to match the reported receipts to the deposits to identify the source of the \$135 aggregate error.” Submission at 3.

<sup>8</sup> The Submission states that the amount of disbursements reported was correct, but identifies a \$1,000 contribution to Susan Collins for Senate that was not properly reported and a \$1,000 contribution to Glenn Grothman for Congress that was reported, but the check was voided. *See id.* at 4, Exs 6-7; Amended 2016 July Quarterly at 6, National Potato PAC (Aug. 18, 2021), <https://docquery.fec.gov/pdf/424/202108189466325424/202108189466325424.pdf>.

<sup>9</sup> The Submission identifies a \$2,000 disbursement to Baldwin for Senate that was inadvertently reported as a \$200 disbursement and a \$10 check from National Potato PAC to its connected organization’s general treasury “correcting the mistaken deposit from 2018 Q2 was not reported.” Submission at 4, Ex. 8.



2018 Post-Gen	\$ -	\$ -	\$ -	\$ 3,000.00	\$ 3,000.00
2018 Year End	\$ 20,000.00	\$ 20,000.00	\$ 2,500.00	\$ 2,500.00	\$ -
2019 April Q	\$ 15,400.00	\$ 15,400.00	\$ 23,500.00	\$ 18,500.00	\$ 5,000.00
2019 July Q	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00	\$ -
2019 Year End <sup>10</sup>	\$ 3,600.00	\$ 6,000.00	\$ 24,000.00	\$ 22,000.00	\$ 4,400.00
2020 April Q <sup>11</sup>	\$ 14,866.40	\$ 15,380.71	\$ 2,500.00	\$ 3,382.08	\$ 1,396.39
2020 July Q <sup>12</sup>	\$ 500.00	\$ 205.31	\$ 2,500.00	\$ 2,036.25	\$ 758.44
2020 Oct. Q <sup>13</sup>	\$ 2,000.00	\$ 2,000.00	\$ 5,000.00	\$ 5,030.00	\$ 30.00
2020 Pre-Gen <sup>14</sup>	\$ -	\$ 11.90	\$ -	\$ 10.00	\$ 21.90
2020 Post-Gen <sup>15</sup>	\$ -	\$ -	\$ 2,000.00	\$ 2,010.00	\$ 10.00
2020 Year End <sup>16</sup>	\$ 197.07	\$ -	\$ -	\$ 2,011.99	\$ 2,209.06
2021 April Q <sup>17</sup>	\$ 13,332.21	\$ 13,332.21	\$ 1,000.00	\$ 1,364.25	\$ 364.25
2021 Mid Year <sup>18</sup>	\$ 256.64	\$ 256.64	\$ 3,500.00	\$ 3,536.65	\$ 36.65
				<b>Total</b>	<b>\$ 97,873.89</b>

<sup>10</sup> The Submission identifies four undisclosed individual contributions totaling \$2,400. *See id.* at 5, Ex. 11.

<sup>11</sup> The Submission identifies a \$514.31 individual “double contribution via credit card that was refunded the next day” and \$882.08 in credit card fees to MobileCause that were not reported. *Id.* at 5.

<sup>12</sup> The Submission identifies a \$500 individual contribution that was reported but not deposited and a \$205.31 PayPal contribution that was received but not reported. *Id.* at 5, Ex. 12. The Submission also identifies a \$500 disbursement to Friends of Bennie Thompson that was previously reported in its 2020 April Quarterly Report and \$36.25 in credit card fees to MobileCause that was not reported. *Id.* at 5, Ex. 13.

<sup>13</sup> The Submission identifies \$30 in credit card fees to MobileCause that was not reported. *See id.* at 5.

<sup>14</sup> The Submission identifies an unreported \$11.90 receipt from a class action settlement payment relating to a previous bank account and \$10 in credit card fees to MobileCause that was not reported. *Id.* at 5, Ex. 16.

<sup>15</sup> The Submission identifies \$10 in credit card fees to MobileCause that was not reported. *Id.* at 5.

<sup>16</sup> The Submission describes how it incorrectly reported \$197.07 as an unitemized receipt, when it should have reported the full contribution amount and processing fee of \$205.31 on its 2020 July Quarterly Report. *See id.* at 5. Disbursements omitted a \$2,000 check to United Fresh PAC, and \$1.99 to PayPal and \$10 to MobileCause for processing fees. *See id.* at 5, Ex.17.

<sup>17</sup> The Submission states it failed to disclose \$364.25 in MobileCause and PayPal processing fees. *Id.* at 6.

<sup>18</sup> The Submission states it failed to disclose \$36.65 in MobileCause and PayPal processing fees. *Id.* at 6.

## Cash-on-hand

Report	Original Beginning COH	8/18/2021 Amended Beginning COH	Difference Beginning COH	Original Ending COH	8/18/2021 Amended Ending COH	Difference Ending COH
Pre-2015 <sup>1</sup>						
2015 Mid-Year	\$26,334.86	\$26,334.86	\$ -	\$24,669.86	\$15,987.66	\$8,682.20
2015 Year End	\$24,669.86	\$15,987.66	\$(8,682.20)	\$19,719.86	\$33,037.66	\$13,317.80
2016 April Q <sup>2</sup>	\$19,719.86			\$14,519.86		
2016 July Q <sup>3</sup>	\$14,519.86	\$29,787.66	\$15,267.80	\$9,019.86	\$24,287.66	\$15,267.80
2016 Oct. Q <sup>4</sup>	\$9,019.86	\$24,287.66	\$15,267.80	\$(9,330.14)	\$31,867.66	\$41,197.80
2016 Pre-Gen <sup>5</sup>	\$(9,330.14)	\$31,867.66	\$41,197.80	\$(27,830.14)	\$13,367.66	\$41,197.80
2016 Post-Gen <sup>6</sup>	\$(27,830.14)	\$13,367.66	\$41,197.80	\$(27,830.14)	\$13,367.66	\$41,197.80
2016 Year End <sup>7</sup>	\$(27,830.14)	\$13,367.66	\$41,197.80	\$(30,330.14)	\$15,867.66	\$46,197.80
2017 April Q	\$8,199.86	\$15,867.66	\$7,667.80	\$14,899.86	\$22,067.66	\$7,167.80
2016 July Q	\$14,899.86	\$22,067.66	\$7,167.80	\$37,704.86	\$44,737.66	\$7,032.80
2017 Oct. Q	\$37,704.86	\$44,737.66	\$7,032.80	\$30,204.86	\$37,237.66	\$7,032.80
2017 Year End <sup>8</sup>	\$30,204.86	\$37,237.66	\$7,032.80	\$28,704.86	\$35,737.66	\$7,032.80
2018 April Q	\$28,704.86	\$35,737.66	\$7,032.80	\$38,754.86	\$45,787.66	\$7,032.80
2018 July Q	\$38,754.86	\$45,787.66	\$7,032.80	\$8,264.86	\$15,297.66	\$7,032.80
2018 Oct. Q	\$8,264.86	\$15,297.66	\$7,032.80	\$8,019.86	\$13,242.66	\$5,222.80
2018 Pre-Gen	\$8,019.86	\$13,242.66	\$5,222.80	\$5,519.86	\$10,742.66	\$5,222.80
2018 Post-Gen	\$5,519.86	\$10,742.66	\$5,222.80	\$5,519.86	\$7,742.66	\$2,222.80
2018 Year End <sup>9</sup>	\$30,204.86	\$7,742.66	\$(22,462.20)	\$47,704.86	\$25,242.66	\$(22,462.20)

<sup>1</sup> The Submission states that “[National Potato] PAC’s errors on reports filed prior to 2015 resulted in an overreporting of \$9,127.20: the opening [cash-on-hand] listed on the 2015 Mid-Year Report was \$26,334.86, while the January 1, 2015 bank balance was \$11,207.66.” Submission at 2.

<sup>2</sup> National Potato PAC did not file an amended 2016 April Quarterly Report in August 2021, but its Submission states the cash-on-hand was underreported by \$2,667.80. *See id.* at 3. National Potato PAC had previously amended this report in June 2017. *See* National Potato, Amended 2016 April Quarterly Report (June 1, 2017), <https://docquery.fec.gov/pdf/419/201706019055168419/201706019055168419.pdf>.

<sup>3</sup> National Potato PAC had previously amended this report. *See* National Potato, Amended 2016 July Quarterly Report (May 17, 2017), <https://docquery.fec.gov/pdf/082/201705179053899082/201705179053899082.pdf>.

<sup>4</sup> National Potato PAC had previously amended this report. *See* National Potato PAC, Amended 2016 October, Quarterly Report (May 2, 2017), <https://docquery.fec.gov/pdf/968/201705029053491968/201705029053491968.pdf>.

<sup>5</sup> National Potato PAC had previously amended this report. *See* National Potato PAC, Amended 2016 Pre-General Report (May 2, 2017), <https://docquery.fec.gov/pdf/440/201705029053492440/201705029053492440.pdf>.

<sup>6</sup> National Potato PAC had previously amended this report. *See* National Potato PAC, Amended 2016 Post-General Report (May 2, 2017), <https://docquery.fec.gov/pdf/983/201705029053491983/201705029053491983.pdf>.

<sup>7</sup> National Potato PAC had previously amended this report. *See* National Potato PAC, Amended 2016 Year End Report (May 2, 2017), <https://docquery.fec.gov/pdf/013/201705029053492013/201705029053492013.pdf>.

<sup>8</sup> National Potato PAC had previously amended this report. *See* National Potato PAC, Amended 2017 Year End Report (Mar. 15, 2018), <https://docquery.fec.gov/pdf/899/201803159096559899/201803159096559899.pdf>.

<sup>9</sup> National Potato PAC had previously amended this report. *See* National Potato PAC, Amended 2018 Year End Report (Jan. 27, 2020), <https://docquery.fec.gov/pdf/641/202001279167389641/202001279167389641.pdf>.

2019 April Q	\$47,704.86	\$25,242.66	\$(22,462.20)	\$39,604.86	\$22,142.66	\$(17,462.20)
2019 July Q	\$39,604.86	\$22,142.66	\$(17,462.20)	\$34,604.86	\$17,142.66	\$(17,462.20)
2019 Year End	\$34,604.86	\$17,142.66	\$(17,462.20)	\$14,204.86	\$1,142.66	\$(13,062.20)
2020 April Q	\$14,204.86	\$1,142.66	\$(13,062.20)	\$26,571.26	\$13,141.29	\$(13,429.97)
2020 July Q	\$26,571.26	\$13,141.29	\$(13,429.97)	\$24,571.26	\$11,310.35	\$(13,260.91)
2020 Oct. Q	\$25,071.26	\$11,310.35	\$(13,760.91)	\$22,071.26	\$8,280.35	\$(13,790.91)
2020 Pre-Gen	\$22,071.26	\$8,280.35	\$(13,790.91)	\$22,071.26	\$8,282.25	\$(13,789.01)
2020 Post-Gen	\$22,071.26	\$8,282.25	\$(13,789.01)	\$20,071.26	\$6,272.25	\$(13,799.01)
2020 Year End	\$20,071.26	\$6,272.25	\$(13,799.01)	\$20,268.33	\$4,260.26	\$(16,008.07)
2021 April Q	\$39,604.86	\$4,260.26	\$(35,344.60)	\$51,937.07	\$16,228.22	\$(35,708.85)
2021 Mid Year	\$51,937.07	\$16,228.22	\$(35,708.85)	\$48,693.71	\$12,948.21	\$(35,745.50)