

# State of Washington PUBLIC DISCLOSURE COMMISSION

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## Memorandum

To: Public Disclosure Commission

From: Tabitha Townsend, Compliance Coordinator 2

Date: October 12, 2021

Subject: Thrive WA; PDC Case 91594; Reconsideration Hearing

#### **Matter for Reconsideration:**

During a Brief Enforcement Hearing held on July 1, 2021, Thrive Washington was found to have violated RCW 42.17A.630 by failing to timely file an Annual Lobbyist Employer Report (L-3 Report) as a lobbyist employer for the 2020 calendar year. The L-3 report was due to be filed no later than March 1, 2021, disclosing lobbying activities in calendar year 2020. At the July 1, 2021 Brief Enforcement Hearing, an Order imposing a \$250 penalty was entered, which Thrive Washington's legal counsel now request the Commission reconsider.

#### **Background:**

- Thrive Washington (the "Respondent") was a contracted Lobbyist Employer during calendar year 2020. The contract on record is valid through January 2020.
- The Respondent has no prior violations with the PDC.
- Pursuant to RCW 42.17A.630, the Annual Lobbyist Employer Report (L-3 Report) is due by the last working day of February or first working day of March, if February ends on a weekend.
- On April 5, 2020, PDC staff sent email warning letters to all Lobbyist Employers with active contracts for calendar year 2020 that had not filed the required annual L3 report.
- On June 1, 2021, PDC staff emailed the Respondent a hearing notice for a Brief Adjudicative Proceeding (Brief Enforcement Hearing) to be held on July 1, 2021. The hearing notice was sent to the Respondent's email address-of-record.

- At the Brief Enforcement Hearing held on July 1, 2021, the Respondent was found in violation of RCW 42.17A.630 by failing to timely file an Annual Lobbyist Employer Report (L-3 Report) as a lobbyist employer for the 2020 calendar year. The L-3 report was due to be filed no later than March 1, 2021, disclosing lobbying activities in calendar year 2020. A penalty of \$250 was imposed and the L-3 report was ordered to be filed within 30 days of the issue date of the Initial Order.
- On July 30, 2021, PDC staff served the Initial Order memorializing the Commission's ruling, by email, to the contact email address-of-record for the Respondent.
- The Respondent has not filed the missing 2020 L-3 report as of the date of this hearing.
- The PDC Staff served the Respondent with the Reconsideration Hearing Notice on October 4, 2021 for the October 12, 2021 Reconsideration Hearing.

### **Request for Reconsideration:**

- On September 2, 2021, the Respondent submitted written materials to PDC staff appealing the July 30, 2021 Initial Order based upon the fact that Thrive Washington dissolved on April 30, 2020. Thrive Washington did not engage in lobbying activities after its 2019 decision to dissolve at the July 24, 2019 Special Meeting of the Board of Directors of the Corporation. All assets transferred to another corporation prior to January 1, 2020. There are no available assets to pay the assessed penalty.
- Based on the above newly presented information, PDC Staff recommends that the Commission vacate the July 30, 2021 order.