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7
8 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION
9 STATE OF CALIFORNIA

10
11 In the Matter of:

12 AARON F.B. MEDINA,
13 Respondent.

FPPC Case No. 16/19737

STIPULATION, DECISION AND ORDER

14
15 **INTRODUCTION**

16 Aaron F.B. Medina (“Medina”) previously served as a Commissioner of the California Travel and
17 Tourism Commission (“Visit California”). As a Commissioner, Medina was required to periodically file
18 Statements of Economic Interests (“SEI”) disclosing certain economic interests. Despite this requirement,
19 Medina failed to timely file a 2015 and 2016 Annual SEI by the specified deadlines, in violation of the
20 Political Reform Act (the “Act”).¹

21 **SUMMARY OF THE LAW**

22 The Act and its regulations are amended from time to time. The violations in this case occurred in
23 2016 and 2017. For this reason, all legal references and discussions of law pertain to the Act’s provisions
24 as they existed at that time.

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27 ¹ The Act is contained in Government Code sections 81000 through 91014. All statutory references are to the
28 Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in
Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2,
Division 6 of the California Code of Regulations, unless otherwise indicated.

1 Need for Liberal Construction and Vigorous Enforcement of the Political Reform Act

2 When enacting the Political Reform Act, the people of the state of California found and declared
3 that previous laws regulating political practices suffered from inadequate enforcement by state and local
4 authorities.² To that end, the Act must be liberally construed to achieve its purposes.³

5 One central purpose of the Act is to increase transparency and decrease conflicts of interest in
6 the actions of public officials by requiring disclosure of their financial interests.⁴ Another is to provide
7 adequate enforcement mechanisms so that the Act will be “vigorously enforced.”⁵

8 Conflict of Interest Codes

9 The Act requires every state and local agency to develop a Conflict of Interest Code.⁶ These
10 codes must designate those officials who participate in making decisions which may foreseeably have a
11 material financial effect on any financial interest belonging to that official and require those designated
12 officials to disclose all reportable interests on SEIs.⁷ The requirements of an agency’s Conflict of
13 Interest Code have the force of law, and any violation of those requirements is deemed a violation of the
14 Act.⁸

15 Visit California’s Conflict of Interest Code

16 Visit California’s Conflict of Interest Code designates the position of Commissioner as a position
17 that is required to file SEIs. Visit California’s Code requires that a designated official file an Annual SEI
18 by April 1 of the succeeding year.

19 **SUMMARY OF THE FACTS**

20 Medina assumed office as a Commissioner of Visit California on May 3, 2013 and left his
21 position as of July 31, 2017. He failed to timely file a 2015 Annual SEI by April 1, 2016; a 2016 Annual
22 SEI by April 3, 2017; and a Leaving Office SEI by August 31, 2017, as required. After numerous
23 requests from Commission staff, Medina filed the missing SEIs with the Commission on February 1,
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25 ² Section 81001, subd. (h).

26 ³ Section 81003.

27 ⁴ Section 81002, subd. (c).

28 ⁵ Section 81002, subd. (f).

⁶ Section 87300.

⁷ Section 87302, subd. (b).

⁸ Section 87300.

1 2018 and February 12, 2018.

2 **VIOLATIONS**

3 Count 1: Failure to Timely File an Annual Statement of Economic Interests

4 Medina failed to timely file a 2015 annual statement of economic interests, which was due by
5 April 1, 2016, in violation of Section 87300.

6 Count 2: Failure to Timely File an Annual Statement of Economic Interests

7 Medina failed to timely file a 2016 annual statement of economic interests, which was due by
8 April 3, 2017, in violation of Section 87300.

9 **PROPOSED PENALTY**

10 This matter consists of two counts. The maximum penalty that may be imposed is \$5,000 per
11 count. Thus, the maximum penalty that may be imposed is \$10,000.⁹

12 In determining the appropriate penalty for a particular violation of the Act, the Commission
13 considers the facts of the case, the public harm involved, and the purposes of the Act. Also, the
14 Commission considers factors such as: (a) the seriousness of the violation; (b) the presence or absence of
15 any intention to conceal, deceive or mislead; (c) whether the violation was deliberate, negligent or
16 inadvertent; (d) whether the violation was isolated or part of a pattern; (e) whether corrective
17 amendments voluntarily were filed to provide full disclosure; and (f) whether the violator has a prior
18 record of violations.¹⁰

19 In this case, during its investigation, the Enforcement Division did not discover any evidence
20 displaying any intention by Medina to conceal, deceive, or mislead the public. However, Medina's most-
21 recent SEI reporting violations are part of a pattern that dates back to his assumption of office. In
22 particular, Medina was the subject of a prior Commission default decision (*In the Matter of Aaron*
23 *Medina*, FPPC Case No. 14/1040), which charged him for his failure to file SEIs upon assuming office
24 and for 2013 and 2014. Medina did not file these SEIs until February 1, 2018 and February 12, 2018,
25 after service of a probable cause report in this matter, and after he had left office as Commissioner.

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28 ⁹ Section 83116, subd. (c).

¹⁰ Regulation 18361.5, subd. (d).

1 The Commission also considers penalties in prior cases involving similar violations. Recent
2 similar cases include the following:

3 • *In the Matter of Jeffrey Senior*; FPPC No. 15/033. Respondent, a Commissioner of Visit
4 California, failed to timely file his annual SEIs for 2013 and 2014. The subject SEIs were filed in
5 conjunction with the settlement, and were approximately one and two years late, respectively.
6 Respondent also had a prior enforcement history arising from his failure to timely file his 2010 annual
7 SEI. In April 2016, the Commission imposed a penalty of \$1,000 on each of two counts.

8 The failure to timely file SEIs violates one of the Act's central purposes: that the assets and
9 income of public officials that may materially affect their official decisions should be disclosed in order
10 to avoid conflicts of interest. Medina's violations deprived the public of timely access to important
11 information regarding his economic interests. In aggravation, as mentioned above, Medina has a prior
12 enforcement history with the Commission arising from the same type of violation. Medina failed to file
13 any SEIs until after he left office as Commissioner. It was not until he was contacted by the Enforcement
14 Division that Medina filed his past-due SEIs. Further, as previously mentioned, Medina failed to timely
15 file a leaving office SEI. However, in the interest of settlement, this additional violation is not being
16 charged herein.

17 Based on the foregoing, a penalty in the amount of \$1,000 is recommend for each count, for a
18 total administrative penalty of \$2,000.

19 CONCLUSION

20 Complainant the Enforcement Division of the Fair Political Practices Commission and
21 Respondent Aaron F.B. Medina hereby agree as follows:

- 22 1. Respondent violated the Act as described in the foregoing pages, which are a true and
23 accurate summary of the facts in this matter.
- 24 2. This stipulation will be submitted for consideration by the Fair Political Practices
25 Commission at its next regularly scheduled meeting—or as soon thereafter as the matter may be heard.
- 26 3. This stipulation resolves all factual and legal issues raised in this matter—for the purpose
27 of reaching a final disposition without the necessity of holding an administrative hearing to determine the
28 liability of Respondent pursuant to Section 83116.

1 4. Respondent understands, and hereby knowingly and voluntarily waives, any and all
2 procedural rights set forth in Sections 83115.5, 11503, 11523, and Regulations 18361.1 through 18361.9.
3 This includes, but is not limited to, the right to appear personally at any administrative hearing held in
4 this matter, to be represented by an attorney at Respondent’s own expense, to confront and cross-examine
5 all witnesses testifying at the hearing, to subpoena witnesses to testify at the hearing, to have an impartial
6 administrative law judge preside over the hearing as a hearing officer, and to have the matter judicially
7 reviewed.

8 5. Respondent agrees to the issuance of the decision and order set forth below. Also,
9 Respondent agrees to the Commission imposing against them an administrative penalty in the amount of
10 \$2,000. One or more cashier’s checks or money orders totaling said amount—to be paid to the General
11 Fund of the State of California—is/are submitted with this stipulation as full payment of the
12 administrative penalty described above, and same shall be held by the State of California until the
13 Commission issues its decision and order regarding this matter.

14 6. If the Commission declines to approve this stipulation—then this stipulation shall become
15 null and void, and within fifteen business days after the Commission meeting at which the stipulation is
16 rejected, all payments tendered by Respondent in connection with this stipulation shall be reimbursed to
17 Respondent. If this stipulation is not approved by the Commission, and if a full evidentiary hearing
18 before the Commission becomes necessary, neither any member of the Commission, nor the Executive
19 Director, shall be disqualified because of prior consideration of this Stipulation.

20 7. The parties to this agreement may execute their respective signature pages separately. A
21 copy of any party’s executed signature page including a hardcopy of a signature page transmitted via fax
22 or as a PDF email attachment is as effective and binding as the original.

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24 Dated: _____
25 Galena West, Chief of Enforcement
26 Fair Political Practices Commission

27 Dated: _____
28 Aaron F.B. Medina

1 The foregoing stipulation of the parties “In the Matter of Aaron F.B. Medina” FPPC Case No. 16/19737
2 is hereby accepted as the final decision and order of the Fair Political Practices Commission, effective
3 upon execution below by the Chair.
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5 IT IS SO ORDERED.
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7 Dated: _____
8 Joann Remke, Chair
9 Fair Political Practices Commission
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