

1 ANGELA J. BRERETON
Chief of Enforcement
2 JENNA C. RINEHART
Commission Counsel
3 **FAIR POLITICAL PRACTICES COMMISSION**
1102 Q Street, Suite 3000
Sacramento, CA 95811
4 Telephone: (916) 323-6302
5 Email: JRinehart@fppc.ca.gov

6 Attorneys for Complainant
7 Enforcement Division of the Fair Political Practices Commission

8
9 **BEFORE THE FAIR POLITICAL PRACTICES COMMISSION**

10 **STATE OF CALIFORNIA**

11 In the Matter of

FPPC Case No. 20/201

STIPULATION, DECISION AND ORDER

12
13 JEFFREY BRYANT,

14 Respondent.
15

16
17 **INTRODUCTION**

18 Respondent, Jeffrey Bryant (“Bryant”), has served as General Manager of the Firebaugh Canal
19 Water District (“FCWD”) and as an Alternate Director of the San Joaquin River Exchange Contractors
20 Water Authority (“SJRECWA”) since at least 2012. To date, Bryant continues to hold these positions.

21 This case arose from a Commission-initiated complaint. In 2015, the Political Reform Act (the
22 “Act”)¹ prohibited public officials from accepting a reportable gift over-the-limit of \$460 from a single
23 source. Further, the Act requires public officials to annually disclose their reportable economic interests
24 on a Statement of Economic Interests (“SEI”). Bryant, a public official, violated the Act by accepting
25 reportable gifts over-the-limit and failing to timely disclose these gifts on the 2015 Annual SEI, by the
26 April 1, 2016 due date, for Bryant’s positions with FCWD and SJRECWA.

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28 ¹ The Political Reform Act is contained in Government Code §§ 81000 through 91014, and all statutory references are to this code. The regulations of the Fair Political Practice Commission are contained in §§ 18110 through 18997 of Title 2 of the California Code of Regulations, and all regulatory references are to this source.

1 **SUMMARY OF THE LAW**

2 The Act and its regulations are amended from time to time. The violations in this case occurred
3 in 2015. For this reason, all legal references and discussions of law pertain to the Act’s provisions as
4 they existed at that time.

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

6 When enacting the Act, the people of California found and declared that previous laws regulating
7 political practices suffered from inadequate enforcement by state and local authorities.² Thus, it was
8 decreed the Act “should be liberally construed to accomplish its purposes.”³

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

12 **Public Official Defined**

13 The Act defines “public official” as every member, officer, employee or consultant of a state or
14 local government agency.⁶

15 **Gift Defined**

16 The Act defines “gift” to include any payment that confers a personal benefit on the recipient, to
17 the extent that consideration of equal or greater value is not received.⁷

18 **SEI Reporting Requirements**

19 To make the public aware of any potential influence from gifts, the Act imposes specific
20 reporting obligations. The Act requires every agency to adopt and promulgate a Conflict of Interest
21 Code.⁸ These codes must designate those officials who participate in making decisions which may
22 foreseeably have a material financial effect on any financial interest belonging to that official and
23 require those public officials to disclose all reportable interests on SEIs.⁹ The requirements of an
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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 82048, subd. (a).

⁷ Section 82028, subd. (a).

⁸ Section 87300.

⁹ Section 87302.

1 agency's Conflict of Interest Code have the force of law, and any violation of those requirements is
2 deemed a violation of the Act.¹⁰

3 The FCWD Conflict of Interest Code designated the General Manager as a public official who
4 manages public investments subject to Section 87200 disclosure.¹¹ Filers subject to Section 87200
5 disclosure must annually disclose investments, interest in real property, and income (including gifts)
6 during the period since the previous statement filed.¹²

7 The SJRECWA Conflict of Interest Code designated Alternate Directors as a position required to
8 disclose all interests in real property as well as investments and business positions in business entities
9 and income (including gifts) from sources which provide facilities, services, supplies, or equipment of
10 the type utilized by SJRECWA, and income from sources who have filed a claim, or had a claim
11 pending, against SJRECWA.¹³

12 When gifts are required to be disclosed the SEI must contain: the name and address of each
13 source aggregating \$50 or more in value; a general description of the business activity of each source;
14 and the amount and the date on which the gift was received.¹⁴

15 **Gift Limit**

16 In 2015, public officials were prohibited from accepting gifts from any single source in any
17 calendar year with a total value of more than \$460 if the official would be required to report the receipt
18 of the gift from that source on their SEI.¹⁵

19 Under the Act, a gift is neither accepted nor received if, within 30 days, the official reimburses
20 the donor in full.¹⁶

21 **Liability for Violations**

22 Any person who violates any provision of the Act is liable for administrative penalties up to
23 \$5,000 per violation.¹⁷

25 ¹⁰ Section 87300.

26 ¹¹ FCWD Conflict of Interest Code.

27 ¹² Sections 87200 and 87203.

28 ¹³ SJRECWA Conflict of Interest Code.

¹⁴ Section 87207, subs. (a)(1) and (4).

¹⁵ Section 89503; Regulations 18940.1, subd. (b), and 18940.2.

¹⁶ Regulation 18941, subd. (c)(3).

¹⁷ Sections 83116 and 83116.5.

1 **PROCEDURAL HISTORY**

2 An administrative action for a violation of the Act has a five-year statute of limitations.¹⁸ The
3 statute of limitations is tolled upon the service of a probable cause report, as required by Section
4 83115.5.¹⁹ In this matter, a probable cause report was served on Respondent’s attorney via certified mail
5 on or around March 18, 2020, effectively tolling the statute of limitations.

6 **SUMMARY OF THE FACTS**

7 FCWD is a member district of SJRECWA, which monitors environmental, legislative, and legal
8 issues which impact its member districts and defends their water rights. Throughout 2015, Bryant served
9 as General Manager of FCWD and as an Alternate Director of SJRECWA.

10 As the General Manager of FCWD and Alternate Director of SJRECWA, Bryant was required to
11 file a 2015 Annual SEI and disclose reportable interests by the April 1, 2016 due date. Bryant’s 2015
12 Annual SEI, filed on or around March 23, 2016 for Bryant’s position with SJRECWA and filed on or
13 around May 9, 2016 for Bryant’s position with FCWD, did not disclose the receipt of any gifts.

14 Throughout 2015, Bryant owned and resided in the same residence with spouse, Cheryl Bryant.
15 On March 16, 2015, Cheryl Bryant entered into a contract agreement with SYNLawn, an artificial grass
16 provider, to replace/modify 350 square feet of lawn located at Bryant’s residence for a cost of \$3,269.80.
17 Alan Sagouspe, Inc., a company that performs harvesting services for local water districts,²⁰ paid for
18 these services in full by check dated April 6, 2015. On August 4, 2015, Bryant entered into another
19 contract agreement with SYNLawn to replace/modify 600 square feet of lawn located at Bryant’s
20 residence for a cost of \$4,893.63. Of the \$4,893.63 due, \$500 was paid for by Bryant as a deposit and
21 \$4,393.63 was paid for by Alan Sagouspe, Inc. via check dated August 7, 2015.

22 On August 28, 2015, Bryant and Cheryl Bryant entered into a residential contract with Quality
23 Carpets Design Center, Inc, a carpet and flooring company, to replace/modify the flooring located at
24 Bryant’s residence for a cost of \$36,538. Of the \$36,538 due, \$5,000 was paid for by Bryant as a deposit
25 and \$31,538 was paid for by Alan Sagouspe, Inc. via check dated October 2, 2015.

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27 ¹⁸ Section 91000.5.

¹⁹ Section 91000.5, subd. (a).

28 ²⁰ The Enforcement Division’s investigation did not reveal any evidence that Alan Sagouspe, Inc. provided such
services to FCWD or to SJRECWA.

1 In summary, throughout 2015, Bryant received three gifts from Alan Sagouspe, Inc. amounting
2 to \$39,201.43. These gifts exceeded the 2015 gift limit by \$38,741.43. As a filer subject to Section
3 87200 disclosure, Bryant was required to disclose the receipt of these gifts from Alan Sagouspe, Inc. on
4 Bryant's 2015 Annual SEI but failed to do so. Since Alan Sagouspe, Inc. provides services of the type
5 utilized by SJRECWA, Bryant was required to disclose the receipt of these gifts on Bryant's 2015
6 Annual SEI but failed to do so. As a condition of settlement, Bryant has filed amendments to disclose
7 the gifts at issue here. Further, between May 1, 2016 and August 11, 2017, prior to receiving contact
8 from the Enforcement Division but after the 30-day return period, Bryant reimbursed Alan Sagouspe for
9 the full value of the gifts through nine checks totaling \$40,400.

10 VIOLATION

11 **Count 1: Failure to Timely Report Gifts on Annual Statement of Economic Interests**

12 Bryant failed to timely disclose two gifts of artificial grass totaling \$7,663.43, received on or
13 around April 6, 2015 and August 7, 2015, on Bryant's 2015 Annual SEI, by the April 1, 2016 due date,
14 in violation of Section 87207.

15 **Count 2: Failure to Timely Report Gift on Annual Statement of Economic Interests**

16 Bryant failed to timely disclose a gift of residential flooring totaling \$31,538, received on or
17 around October 2, 2015, on Bryant's 2015 Annual SEI, by the April 1, 2016 due date, in violation of
18 Section 87207.

19 **Count 3: Acceptance of Over-the-Limit Gifts**

20 On or around April 6, 2015 and August 7, 2015, Bryant accepted two gifts totaling \$7,663.43
21 from Alan Sagouspe, Inc., which exceeded the annual gift limit of \$460, in violation of Section 89503.

22 **Count 4: Acceptance of Over-the-Limit Gift**

23 On or around October 2, 2015, Bryant accepted a gift totaling \$31,538 from Alan Sagouspe, Inc.,
24 which exceeded the annual gift limit of \$460, in violation of Section 89503.

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1 **PROPOSED PENALTY**

2 This matter consists of four counts. The maximum penalty that may be imposed is \$5,000 per
3 count. Thus, the maximum penalty that may be imposed here is \$20,000.²¹

4 This case does not qualify for the Streamline Programs because the fair market value of the gifts
5 are more than \$1,000 over the applicable gift limit.²²

6 In determining the appropriate penalty for a particular violation of the Act, the Enforcement
7 Division considers the typical treatment of a violation in the overall statutory scheme of the Act, with an
8 emphasis on serving the purposes and intent of the Act. Additionally, the Enforcement Division
9 considers the facts and circumstances of the violation in the context of the following factors set forth in
10 Regulation 18361.5 subdivision (e)(1) through (8): (1) The extent and gravity of the public harm caused
11 by the specific violation; (2) The level of experience of the violator with the requirements of the
12 Political Reform Act; (3) Penalties previously imposed by the Commission in comparable cases; (4) The
13 presence or absence of any intention to conceal, deceive or mislead; (5) Whether the violation was
14 deliberate, negligent or inadvertent; (6) Whether the violator demonstrated good faith by consulting the
15 Commission staff or any other governmental agency in a manner not constituting complete defense
16 under Government Code Section 83114(b); (7) Whether the violation was isolated or part of a pattern
17 and whether the violator has a prior record of violations of the Political Reform Act or similar laws; and
18 (8) Whether the violator, upon learning of a reporting violation, voluntarily filed amendments to provide
19 full disclosure.²³

20 The public harm inherent in SEI reporting violations is that the public is deprived of important
21 information about the assets and income of public officials. Additionally, SEI reporting violations have
22 the potential to conceal other violations such as accepting over-the-limit gifts. In this matter, Bryant
23 accepted and failed to disclose nearly \$40,000 in prohibited over-the-limit gifts from a reportable source.
24 Bryant’s acceptance of over-the-limit gifts is mitigated as Bryant provided records to show that the full
25 value of the gifts were reimbursed to the source of the gift prior to receiving contact from the
26 Enforcement Division. Further, Bryant contends there was a prior agreement in place with Alan

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28 ²¹ Section 83116, subd. (c).

²² Regulations 18360.1, subd. (d)(9)(ii)(c), and 18360.3, subd. (d)(9)(B)(i)(c).

²³ Regulation 18361.5, subd. (e).

1 Sagouspe where Bryant would provide consulting services to Alan Sagouspe in exchange for Alan
2 Sagouspe making various payments on behalf of Bryant. Records were not provided to support this
3 contention; however, the Enforcement Division found no evidence to contradict this contention.

4 The Enforcement Division found no evidence that Bryant intended to conceal, deceive, or
5 mislead the public as to the gifts from Alan Sagouspe, Inc. Further, the violations appear to be negligent
6 as Bryant reimbursed Alan Sagouspe for the full value of the gifts prior to Enforcement contact.
7 However, the reimbursement occurred outside the prescribed 30-day period outlined in Regulation
8 18941 to exclude the Alan Sagouspe, Inc. payments as gifts.

9 Bryant has served as the General Manager for FCWD since at least 2012 and so knew or should
10 have known of the reporting requirements. Bryant does not have prior enforcement history. Also, Bryant
11 did not consult with the Commission staff or any other governmental agency regarding gift reporting or
12 limits.

13 The Commission considers penalties in prior cases with the same or similar violations and
14 comparable facts.

15 *In the Matter of Ronald Davis*; FPPC Case No. 16/19819. Respondent, a Warden for the San
16 Quentin State Prison, failed to timely disclose the full value of certain gifts received in conjunction with
17 a trip to Las Vegas from a single source totaling approximately \$3,300 on the 2015 Annual SEI.
18 Respondent had timely filed the 2015 Annual SEI and reported the receipt of these gifts as totaling
19 \$1,750. However, Respondent had failed to timely report any gifts similarly received by his wife as
20 required. The gifts related to the trip to Las Vegas exceeded the 2015 gift limit of \$460 by
21 approximately \$2,840. In mitigation, Respondent filed an amendment to report the full value of the gifts
22 and self-reported these violations to the Enforcement Division. Further, in mitigation, Respondent “paid
23 down” the gifts by reimbursing the source for the full value of the gifts. On October 19, 2017, the
24 Commission approved a total penalty of \$4,000; \$1,000 for failing to timely report the full value of gifts
25 received and \$3,000 for accepting gifts over-the-limit.

26 Penalties higher than those approved in *Davis* are recommended for Counts 1-2. Unlike *Davis*,
27 Bryant failed to disclose the receipt of any gifts on the 2015 Annual SEIs. Additionally, the value of the
28 gifts at issue here are significantly higher than the value of the gifts at issue in *Davis*. Here, Bryant

1 received gifts of a new lawn and new flooring for his personal residence totaling approximately \$39,201
2 from a reportable source. In mitigation, Bryant reimbursed the source of the gift for the full value of the
3 gifts received before Enforcement contact and filed amendments as part of settlement. Therefore, a
4 penalty of \$2,500 is recommended per count.

5 Penalties higher than those approved in *Davis* are recommended for Counts 3-4. Similar to
6 *Davis*, Bryant accepted gifts from a single source which exceeded the 2015 gift limit of \$460. Here,
7 Bryant exceeded the 2015 gift limit by approximately \$38,741, a significantly higher amount than that at
8 issue in *Davis*. Additionally, similar to *Davis*, Bryant reimbursed the source for the full value of the
9 gifts. Therefore, a penalty of \$4,000 is recommended per count.

10 Under these circumstances, it is respectfully submitted that imposition of an agreed upon penalty
11 in the amount of \$13,000 is justified, as reflected in the chart below:

Count	Violation	Penalty
1	Failure to Timely Report Gifts on Annual SEI	\$2,500
2	Failure to Timely Report Gift on Annual SEI	\$2,500
3	Acceptance of Over-the-Limit Gifts	\$4,000
4	Acceptance of Over-the-Limit Gift	\$4,000
	Total:	\$13,000

16 CONCLUSION

17 Complainant, the Enforcement Division of the Fair Political Practices Commission, and
18 Respondent, Jeffrey Bryant, hereby agree as follows:

- 19 1. Respondent violated the Act as described in the foregoing pages, which are a true and accurate
20 summary of the facts in this matter.
- 21 2. This stipulation will be submitted for consideration by the Fair Political Practices Commission at
22 its next regularly scheduled meeting – or as soon thereafter as the matter may be heard.
- 23 3. This stipulation resolves all factual and legal issues raised in this matter – for the purpose
24 of reaching a final disposition without the necessity of holding an administrative hearing to
25 determine the liability of Respondent pursuant to Section 83116.
- 26 4. Respondent has consulted with its attorney, Ren Nosky of JRG Attorneys at Law,
27 understands and hereby knowingly and voluntarily waives any and all procedural rights set forth
28 in Sections 83115.5, 11503, 11523, and Regulations 18361.1 through 18361.9. This includes, but

1 is not limited to the right to appear personally at any administrative hearing held in this matter, to
2 be represented by an attorney at Respondent's own expense, to confront and cross-examine all
3 witnesses testifying at the hearing, to subpoena witnesses to testify at the hearing, to have an
4 impartial administrative law judge preside over the hearing as a hearing officer, and to have the
5 matter judicially reviewed.

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

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

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1 7. The parties to this agreement may execute their respective signature pages separately. A
2 copy of any party's executed signature page, including a hardcopy of a signature page
3 transmitted via fax or as a PDF email attachment, is as effective and binding as the original.
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6 Dated: _____
7 Angela J. Brereton, Chief of Enforcement
8 Fair Political Practices Commission
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10 Dated: _____
11 Jeffrey Bryant, Respondent
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15 The foregoing stipulation of the parties "In the Matter of Jeffrey Bryant," FPPC Case No.
16 20/201, is hereby accepted as the final decision and order of the Fair Political Practices Commission,
17 effective upon execution by the Chair.
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19 IT IS SO ORDERED.
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21 Dated: _____
22 Richard C. Miadich, Chair
23 Fair Political Practices Commission
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