



Brother and Sisters -

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November 7, 2015

To William Hitt, Master of San Marcos Grange #633:

The California State Grange has received verification that in May of 2013, your membership sold Grange real property—namely the Grange hall of San Marcos Grange #633, located at 634 W Mission Rd., San Marcos, CA 92069, APN 220-021-08-00—without proper authorization.

As you are aware, San Marcos Grange’s Charter provides,

“Whereas, On the ____ day of _____ in the year of our Lord One Thousand Nine Hundred and _____ a Dispensation was granted to certain parties named therein to organize and hold a Subordinate Grange of the Patrons of Husbandry in the of _____ count of _____ and State of _____, under the name of _____ Grange No. _____ and empowering them to confer the Degrees of a Subordinate Grange agreeable to the Constitution of the National Grange of the Patrons of Husbandry and the Ritual of the Order.

And Whereas, Application has been made to the National Grange for a Permanent Charter or Warrant, confirming a perpetual right of succession and securing to them all the rights and privileges of a regularly constituted Grange and a copy of their By Laws having been submitted to our inspection and received our approval;

Now, Know We that the National Grange of the Patrons of Husbandry, for the purpose of diffusing the benefits of the Order, and of promoting the interests, welfare and happiness of its members, do issue this Charter to _____ *Grange No. ____*, and hereby recognize it as a regularly constituted Granges, under the jurisdiction of the National Grange, and of the State Grange of California, whose seal is hereunto attached.

Provided, Nevertheless, that the Officers and Members of the Grange hereby constituted, and their successors, shall at all time comply with the Constitution of the National Grange and of the State Grange before mentioned, and all laws, rules and regulations passed in accordance therewith, Otherwise this Charter shall be forfeited, and the rights and privileges hereby conveyed be void and of no effect. ‘

In keeping with this requirement, and as a condition of your acceptance into membership in the Grange, and as a condition of installation into office of your Grange, you swore to “faithfully comply with the Constitution of the Order, the Articles of Incorporation, By-Laws and Grange Laws and Usage of the various Granges of the divisions of the Order as

from time to time adopted.” Every one of San Marcos Grange’s members likewise swore that same obligation when they joined The Grange. You and your membership were aware of the rules set forth in your Grange Charter, the National Grange Digest of Laws, the California State Grange Constitution and By-laws, and the By-Laws of the San Marcos Grange (which cannot conflict with any superior Grange law or rule). Accordingly, you and your membership knew or should have known that the transfer or encumbrance of Grange property requires authorization from the California State Grange.

The rules applicable to Grange real property are clear and explicit. Section 1.9.1 of the National Grange’s Digest of Laws provides that, “[w]hen a Grange of any of the divisions of the Order shall sell, encumber or in any other way transfer real and/or personal property owned by such Grange, the proceeds from such sale, encumbrance or transfer shall be retained by the Order for use in accordance with the general purposes of the Order, provided that, the procedures for such retention shall be provided for in the By-Laws of the National Grange.” Those procedures are set forth in Article XI of the National Grange’s By-Laws, contained in Sections 4.11.1 through 4.11.4 of the Digest of Laws. Among other things, those rules

require that, before a Subordinate Grange may sell any Grange real property, it must send to the Master and Executive Committee of the State Grange having jurisdiction “written notice” of the intent to sell the property, including “a summary of the reasons for the proposed sale,” (Digest of Laws, Section 4.11.1(A)); a copy of the notice to the Subordinate Grange’s membership of the meeting to consider the sale (Section 4.11.1(B)); a copy of the minutes of the meeting of the membership during which the vote to sell the property occurred and an appraisal of and other information about the property to be sold (Section 4.11.1(D)); and a copy of the terms of the sale of the property (Section 4.11.1(F)). The Digest is clear that no Subordinate Grange shall conclude any sale of property “unless approved by written consent of the Master and Executive Committee of the State Grange.” (Section 4.11.1(D).) Following the sale of the property, the Digest provides that the Subordinate Grange

“shall account for the net proceeds of the sale received at the time of settlement and shall remit all but the sum of \$1000 of such net proceeds to the State Grange having jurisdiction to be held in trust for the said Subordinate ... Grange. The selling Subordinate ... Grange shall assign all right, title, and interest to the net proceeds of the sale to be paid after the date of settlement to the said State Grange having jurisdiction; and the existence of such assignment shall be reflected in any note or other evidence of indebtedness executed by the purchaser and in any mortgage or deed of trust securing the payment of such indebtedness. Pursuant to the required assignment, the note or other evidence of indebtedness shall require the purchaser to make all payments in satisfaction of the indebtedness directly to the said State Grange having jurisdiction.” (Section 4.11.1(G).)

The California State Grange Constitution further implements these rules. Thus, Article VI

of Constitution provides that “[w]hen a Grange of any division of the State Grange shall sell, encumber or in any other way transfer real and/or personal property owned by such Grange, for any reason, they shall advise the State Grange and conform to the laws for such sale, encumbrances or transfers as specified in the Constitution and By-Laws of the National Grange.”

Section 4.11.4 of the Digest of Laws also provides “that when the sale, encumbrance or transfer provisions included in Article XI of these By-Laws are invoked in States for which the records of the National Grange show there is no

State Grange having jurisdiction over the selling, encumbering or transferring Subordinate or Pomona Granges, then in that event, the National Grange is delegated the powers of the State Grange contained in Sections 4.11.1, 4.11.2, and 4.11.3 of these By-Laws.”

San Marcos Grange violated all of the above-mentioned rules when it sold its Grange hall in May 2013. It provided no notice or information about the sale of its Grange hall to the National Grange—which had jurisdiction at the time of the sale because the California State Grange’s Charter had been revoked—or to the California State Grange, following its reorganization in July 2014. Pursuant to Section 4.5.1(B) of the National Grange’s Digest of Laws, it is my judgment that the San Marcos Grange has been “working in violation of the law and usages of the Order,” and it is my determination that “the good of the Order requires” that the Charter of the San Marcos Grange be revoked. Thus, I hereby revoke the Charter of the San Marcos Grange #633. Pursuant to Sections 4.5.3 and 12.1.5 of the Digest of Laws, the San Marcos Grange may appeal this decision within forty-five (45) days.

San Marcos Grange is now inactive. Pursuant to Section 4.5.4 of the National Grange’s Digest of Laws, San Marcos Grange shall turn over all Grange assets, including proceeds from the sale of the Grange hall that it holds to the California State Grange immediately, which shall hold those assets in trust as required by the rules of The Grange. To that end, you shall provide all real and personal property, financial records, Charter, books, and paraphernalia of San Marcos Grange to Brother Mike Warner, California State Grange Overseer, within ten (10) days of receipt of this letter. Additionally, you and the other members of San Marcos Grange shall refrain from using the “Grange” name or marks in any further correspondences or associations, or from otherwise representing that you are acting on behalf of or otherwise permitted to operate San Marcos Grange.

In addition, as San Marcos Grange has not paid Grange dues to the California State Grange since 2Q 2012, it is not in the best interest of The Grange as a whole to issue demits or transfer its members to any other Grange at this time. (Digest of Laws, Section 4.5.6.) The members of San Marcos Grange shall need to apply for reinstatement at another Grange as their membership has lapsed if they desire to renew their membership.

Fraternally Yours,

Edward L. Kowski, Master and President
California State Grange, established 1873

cc: Edward L. Luttrell, Master, The National Grange

California State Grange Membership

All State Grange Masters

Attachments:

[2011 California State Grange Constitution](#)

[2012 National Grange Digest of Laws](#)

[2012 Property Profile Assessed Value](#)

[Statement of Information 2012 & 2014](#)

[Articles of Incorporation](#)

[Correspondence CSG x4](#)

[Deed of Trust](#)

[Lease](#)

[Resolution](#)

[San Marcos School Board Agenda](#)

[San Marcos School Board Purchase and Sale Agreement](#)

[Property Tax Bill 2012-2013](#)

[MP3 audio of Board meeting Start @ 2:15](#)