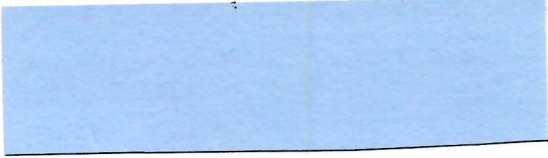


Christine Grab



February 28, 2023

Office of Foreign Asset Control
US Department of the Treasury
Treasury Annex/Freedman's Bank Building
1500 Pennsylvania Ave, NW
Washington, DC 20220

Dear Regulators:

California Government Code Section 1450 – 1463 requires that individual bonds (or individual insurance policies) be filed for every government employee. Per CGCS 1455, these bonds are supposed to be recorded with the Department of General Services (DGS) and filed in the Secretary of State's office (SOS).

My understanding is that, in lieu of individual bonds, the California State level government currently utilizes a blanket self-insurance policy. The insurance program is administered by the Office of Risk and Insurance Management (ORIM), which is a department within the agency called the California Department of General Services (DGS).

On January 23, 2024, I mailed you a letter in which I stated that I believed that the entire California State level government is illegitimate because of the failure to issue individual bonds to comply with California Government Code Section 1450 – 1463. I had stated that I would send evidence to support my belief in a separate letter. This is the letter.

Someone sent me Ronald Reagan's oaths and bond from when Reagan was governor. This person had gotten them from the SOS. Interestingly enough, a bond was issued on Ronald Reagan back in 1966. However, the SOS didn't have a bond on file for 1971. (evidence 1)

Throughout 2023, I made several requests for copies of the bonds/insurance policies from DGS for many different people/agencies under the State of California purview. Every time, DGS responded that they had no bond/insurance records. I believe that I have already sent you copies of all of these letters, but for your convenience, I have enclosed additional copies. (evidences 2 - 7)

On October 18, 2023, I requested copies of the bonds/insurance policies from the SOS on sixteen people. On November 1, 2023, the SOS responded that they had no records of bonds on any of these people (evidence 8).

When I called the SOS to find out why they didn't have the bonds filed as required per law, three different people that I spoke with said they did not believe that the SOS had bonds filed there, that they'd never heard of bonds being required before, and they had no idea CGCS 1450 – 1463 existed. They suggested that I contact each of the agencies directly to get the copies of the bonds. Given the enormity of the State Level government, the SOS should be filing new employee bonds daily. For the SOS to not be aware of the existence of bonds indicates to me that bonds aren't being issued.

On November 13, 2023, I asked GovOps — which is the oversight agency for DGS, the Franchise Tax Board, and several other State Level agencies — if they had bond records in their office. I specifically asked for the bonds on the same 16 people that I'd asked for from the SOS. GovOps said that they did not hold the requested bond records. Since GovOps is the oversight agency, I repeatedly asked GovOps to disclose to me which agency holds the bond records. GovOps stated that they had no guidance to offer beyond contacting the various agencies directly. When I asked if the State of California was issuing bonds anymore, DGS failed to answer (evidence 9).

Per California law, failure to deny constitutes admission: Any material allegation in the complaint that is not effectively denied is deemed admitted. [CCP § 431.20(a); see *Hennefer v. Butcher* (1986) 182 CA3d 492, 504, 227 CR 318, 325]. I believe that by not responding, GovOps essentially admitted that bonds were not being issued by the State of California.

On November 13, 2023, I also asked for the same information from the Open Data Project, which responded that they have no bond records (evidence 10).

On November 19, 2023, I contacted Department of General Services again and asked for copies of four of their employee's oaths and bonds, as well as for all pages of their policy and procedure manuals which pertain to bonds. DGS (eventually) provided all four oaths (they had a hard time locating one of the oaths) and stated that they had no bonds on file for any of these people. They also stated that bonds were not addressed in their policy and procedure manuals. (Note: Katherine Minnich wrote her name in all capital letters. My understanding is that this means that she signed on behalf as a corporate entity named Katherine Minnich and did not personally take this oath as a natural person, and thus her oath is not valid) (evidence 11).

DGS is supposed to be recording these bonds, yet DGS also has no policies and procedures for the receiving, recordation and forwarding of bonds to the SOS for filing? ORIM is a division of DGS, and DGS doesn't mention that ORIM is now utilized in lieu of bonds?

On November 19, 2023, I also contacted GovOps to ask for the same information, except only for two of their employees. GovOps responded the same: provided the oaths, said the two individuals didn't have bonds, and that their manuals didn't address bonds. (Note that both oaths are invalid as they were incorrectly filled out: both have the name of the person taking the oath filled in as the subscriber.) (evidence 12)

On February 1, 2024, The Franchise Tax Board sent me a letter in which they did not acknowledge the issue I had brought up about their employees not having bonds. FTB just ignored the lack of bonds as if I had never brought the issue up. Remember, failure to deny constitutes admission of truth; While FTB stated that FTB believed that the employees with unexecuted *oaths* were working lawfully, **FTB didn't deny that the employees without bonds were working unlawfully**. I believe that if the ORIM program were a lawful replacement for the bonds, FTB would have stated so.

Since this letter is limited in scope, I will send additional correspondence to address the myriad of other unlawful items in that FTB letter from February 1, 2024, including the fact that FTB stated they will not take "further action" regarding oaths (which I believes means these people are still working without properly executed oaths). (evidence 13)

The California Department of Justice response was infuriating. Back in 2022, the DOJ tried to play a deceptive word game with me by saying that *attorneys* are not required to be bonded in California, hence the reason Deputy Attorney General Anna Barsegayan had no bond. Michelle Mitchell of the DOJ went so far as to commit fraud by denying the existence of CGCS 1450 – 1463. (evidence 14)

This time around, the DOJ tried to play that deceptive word game with me again. When I called the DOJ out on their deception, and they simply replied that they had no documents responsive to my request. (evidence 15)

I contacted The Office of the Legislative Counsel (OLC) -- the department that advises the legislators on how to write legislation -- and asked for copies of two of their employee's oaths and bonds, as well as for all pages of their policy and procedure manuals which pertain to bonds and oaths. On February 2, 2024, Kathryn Londenberg committed fraud by stating that they are not required to turn over these records. I sent them laws/acts showing that they are still subject to HR disclosure laws. OLC has never responded to my allegations that they have violated the LORA/CPRA laws. Failure to deny constitutes admission of truth. (evidence 16)

In summary: Per CGCS 1455, DGS is supposed to be recording these bonds, yet DGS doesn't have any records of bonds. DGS also has no policies and procedures for the receiving, recordation and forwarding of bonds to the SOS for filing. DGS oversees ORIM, yet never stated that ORIM was a lawful alternative to bonds. The SOS is supposed to be filing these bonds, yet the SOS has no bond records for recent decades.

At this point, it appears that the State of California stopped issuing bonds altogether at some point after 1966 and switched to a blanket self-insurance policy administered by ORIM. I believe that if this change had been lawful, at least one of the agencies that I contacted would have explained how the change happened and then directed me to ORIM. I find the fact that none of the agencies have provided any information on ORIM or why the state wasn't complying with California Government Code Section 1450 – 1463 to be disconcerting. All I have gotten from the various state agencies on the topic is silence, and I have learned that silence from the State is usually tacit admission of guilt.

Since the State of California never repealed the individual bond laws set forth in [California Government Code Section 1450 - 1463](#), the individual bonds still are required by law. And even if California had tried to repeal the bond laws, it wouldn't have stood legally because it is a federal requirement.

It also stands to reason that the State insuring itself against its employees doing unlawful things to benefit the State is a conflict of interest that can't possibly be ethical.

I believe that, without bonds, the entire State Level California government is working illegitimately. I am requesting that your agency intervene to force the State of California to comply with the bond requirements.

Regards,

Christine Grab