# LIBERTARIAN NATIONAL COMMITTEE JUDICIAL COMMITTEE

### **CARYN ANN HARLOS**

### PETITIONER

v.

### LIBERTARIAN NATIONAL COMMITTEE

### RESPONDENT

### AMICUS CURIAE BRIEF FOR HECTOR ROOS IN SUPPORT OF RESPONDENT

*Amici* is a sustaining member of the Libertarian Party, a board member of the Libertarian Party of Florida, Fundraising Chair of the Libertarian Party of Florida, Chair of the Libertarian Party of Miami-Dade County and the 2022 Libertarian Party of Florida Governor candidate. *Amici* has over 10 years of experience with Federal Elections Commission regulated committees including finance filings and regulatory compliance. *Amici* would like state affiliates to participate in the decision of the Libertarian National Committee to create a Joint Fundraising Committee with any campaign or political committee that would mutually benefit all parties. Such arrangements are common in the world of political finance and are used to take advantage of synergistic fundraising opportunities that should be enjoyed by the Libertarian Party as detailed in the brief below.

### **QUESTIONS PRESENTED**

Petitioner Caryn Ann Harlos, a member of the Libertarian Party (LP) and its national secretary since 2018 wants this Judicial Committee (JC) to veto the approval of the Libertarian National Committee (LNC) to enter into a Joint Fundraising Committee agreement with the

Independent Presidential Campaign of Robert F. Kennedy, Jr. and Nicole Shanahan (Approval). It is her belief that the JC has the authority to veto any LNC action if the agreement contradicts her interpretation of the LNC's purpose and principles including if it falls short of the LNC's "full support" she expects the LNC to provide the Oliver-ter Maat Presidential Campaign nominated at convention (Official Ticket). By implication, under this novel theory the LNC would be restricted from entering into coalitions with organizations that do not fully agree with her interpretation of the LP's Statement of Principles. State affiliates could also be similarly restricted under this novel theory under Article 5 Section 4 of the LP Bylaws. Her appeal also requests the JC veto the Approval as made outside of the authority of the Executive Committee for lack of urgency.

- 1. When are fundraising opportunities not considered urgent to prevent the Executive Committee from taking action?
- 2. According the Statement of Principles, what is the purported purpose of the LNC and who is its stated opposition?
- 3. Do the Bylaws, including the Statement of Principles and Platform, restrict the LNC from considering any particular strategy to achieve its purpose?
- 4. Where does the LNC's obligation for "full support" of the Official Ticket end and its fiduciary duty begin?
- 5. Has the LNC taken steps to ensure the public is not unintentionally confused over who the Official Ticket in the implementation of the Approval?

### ARGUMENT

### I. The Approval Confronted an Urgent Fundraising Need

According to the LNC Policy Manual, the Executive Committee has broad discretionary

authority to act *when urgency demands a more immediate time frame than when the LNC can next meet.*<sup>1</sup> Other restrictions on the Executive Committee such as expenditure limits did not apply to Approval. The LNC through the Executive Committee properly executed Approval.

### A. Fundraising Needs Are a Consistently Urgent Demand on the LNC

The LNC has a monthly fundraising goal of about \$100,000 to meet its operational obligations. The 2024 Election Cycle was expected to be incredibly difficult for fundraising since the Libertarian Party presidential candidate was expected to compete against at least 3 similarly placed non-uniparty candidates over a limited pool of supporters.

### B. 2024: Challenging Year for Fundraising

On July 20, 2024, the Chase Oliver for President campaign reported \$87,227.27 raised in the month of June preceded immediately by the LP nominating convention (for a total of \$112,589.34 year-to-date).<sup>2</sup> By comparison, the Jo Jorgensen for President campaign reported \$755,247.02 raised in a similar time frame in 2020 (for a total of \$777,611.78 year-to-date).<sup>3</sup> This reflects a **571% drop** in fundraising between the two presidential candidates demonstrating how difficult fundraising is in this environment.

### C. Fundraising Opportunities at The Time of Approval

This LNC under the leadership of Chair Angela McArdle has demonstrated an ability to recognize opportunities to attract attention and donations despite the limitations of the current fundraising environment. The national convention generated over \$500,000 in record contributions.<sup>4</sup> Clearly, Chair McArdle has hit upon an ability to fundraise despite challenges. It is therefore no surprise that the Approval seems to have been timed with Chair McArdle's

<sup>&</sup>lt;sup>1</sup> Libertarian National Committee Policy Manual, Section 1.01(3)

<sup>&</sup>lt;sup>2</sup> https://docquery.fec.gov/cgi-bin/forms/C00837625/1805219/

<sup>&</sup>lt;sup>3</sup> https://docquery.fec.gov/cgi-bin/forms/C00718031/1435616/

<sup>&</sup>lt;sup>4</sup> <u>https://groups.google.com/g/lnc-business-list-public/c/YPRjgUF0w1E</u>

participation in Freedom Fest, the largest annual event for libertarians with thousands in attendance where at least 30% of participants earn \$150,000+ annually.<sup>5</sup> Unfortunately, it seems that failure of the LNC to execute the Approval while waiting for the full LNC vote doomed this fundraising opportunity.

### D. Joint Fundraising Committee Is a Well-Established Fundraising Method

The use of Joint Fundraising Committees (JFC) is "a common practice among politicians" to court wealthy donors. These committees act as one-stop shops for donors willing to write large checks. Individual campaigns, PACs and party committees can join a JFC, and share donations based on a predetermined formula. So a donor can write one large check that the JFC then divides up between the entities, rather than writing several smaller checks to individual groups. Donors giving to a JFC must still abide by individual contribution limits, which include \$3,300 to a candidate per election, \$5,000 per year to a PAC, \$10,000 per year to a state or local party committee and \$41,300 for a national party committee per year.<sup>6</sup>

The use of these committees rose in popularity after the Supreme Court struck down the aggregate limit for individual donors in the 2014 *McCutcheon v. FEC* decision, allowing donors to give maximum donations to as many groups and candidates as they want.<sup>7</sup>

The use of these committees has a prominent role in 2024.<sup>8</sup> The Trump campaign uses two such committees to funnel online contributions and to pay for digital fundraising: Recently reported, Trump National Committee, raised \$139 million over three months, including \$69

<sup>&</sup>lt;sup>5</sup> <u>https://www.freedomfest.com/attendee-profile/</u>

<sup>&</sup>lt;sup>6</sup> <u>https://www.nbcnews.com/meet-the-press/meetthepressblog/presidential-candidates-use-joint-fundraising-committees-are-rcna80498</u>

<sup>&</sup>lt;sup>7</sup> <u>https://www.nbcnews.com/politics/supreme-court/supreme-court-strikes-down-another-limit-money-politics-n69681</u>

<sup>&</sup>lt;sup>8</sup> <u>https://www.politico.com/news/2024/07/16/campaign-finance-reports-00168587</u>

million from donors giving less than \$200, while burning \$45 million on fundraising expenses. Another committee, Trump Save America, raised \$28 million, including \$11.7 million from small donors. The Biden-Harris campaign also used the committee, Biden Victory Fund to raise \$176 million, including \$40 million from small donors, for the campaign, the Democratic National Committee and state parties.

In a setup similar to the Approval is the Trump 47 Committee, which divvies up donations to the RNC, Trump's campaign and leadership PAC, and dozens of state parties, transferred more than \$67 million to the RNC in the second quarter, according to the joint committee's latest report. Much of that money came from the largest donors: 51 donors gave at least \$500,000 each to Trump 47. From each of those donors, \$413,000 went directly to the RNC, accounting for more than \$21 million it raised in the second quarter.

Approval provides the Libertarian Party an opportunity to access this level of contributions. Even relatively minor performance of \$1 million could allow the LNC to receive \$100,000 under the 90/10 agreed split. Every state affiliate can participate in a Joint Fundraising Committee so long as they either have an existing political committee registered with the Federal Elections Commission or will register their political committee once they receive enough contributions to trigger the reporting requirement.

### II. The Approval Is Consistent with the LP's Clearly Stated Purpose

The Statement of Principles establishes the Purpose of the LP. This purpose is to "challenge the cult of the omnipotent state and defend the rights of the individual." The only opposition named is "all government interference with private property." The only goal mentioned is the

advancement of the "free market."9

# A. Approval Is Consistent with LP Platform

The Platform is an extension of the Statement of Principles which seeks to apply it to modern needs. LP Platform Article 3 Section 6 calls for the LP to oppose laws that effectively prevent a free market in the political marketplace of ideas. This supports Approval and agreements with and not with members of Libertarian Party.

This section of the platform reads as follows:

# 3.6 Representative Government

We staunchly defend the rights to petition the government for redress of grievances and to express dissent. These rights are thwarted when government acts behind closed doors. We support election systems that are more representative of the electorate at the federal, state, and local levels, such as proportional representation, alternative voting systems, and explicit inclusion of "none of the above" on all ballots. As private voluntary groups, political parties should be free to establish their own rules for nomination procedures, primaries and conventions. We call for an end to any tax-financed subsidies to candidates or parties and the repeal of all laws that restrict voluntary financing of election campaigns. We oppose laws that effectively exclude alternative candidates and parties, deny ballot access, gerrymander districts, or deny the voters their right to consider all alternatives. We advocate initiative, referendum, recall, repeal, and oppose any effort to deny these options when used as popular checks on government. (Emphasis Mine)

# B. Approval opposes FEC rules designed to give uniparty candidates an edge over non-uniparty competition

According to Richard Winger, publisher of Ballot Access News (and member of the Ballot

Access Committee) describes Approval as follows:

Federal campaign law lets individuals donate considerably more to a national committee of a party, than to any candidate for federal

<sup>&</sup>lt;sup>9</sup> <u>https://www.lp.org/platform/</u>

office. The deal provides that individuals who have already given the maximum amount to Kennedy can now also donate to the Libertarian Party. Then, the Libertarian Party contributes 90% of that amount to the Kennedy campaign. So both campaigns benefit. This sort of arrangement would not be needed if there were fewer campaign finance limits, or if the federal limits were nondiscriminatory.<sup>10</sup>

## C. Libertarians Have Numerous Goals Widely Accepted but Constantly Disputed Under This Purpose

Libertarians easily confuse goals and principles engaging in nonsensical purity tests. These conflicts drive wedges between the "Real Libertarian" camp and those who do not meet this standard. The resulting negative atmosphere around the LP causes people to not associate with the LP.<sup>11</sup> In order to provide a bridge to create dialog between people who are upset about competing goals in the Libertarian movement, Dennis Pratt of New Hampshire's Free State Project, compiled a list of 52 goals.<sup>12</sup> This list of goals is established and quantified by survey results with the top 10 being:

1) 74.4 Popularize liberty	6) 57.7 Fund winnable local elect
2) 69.2 Awaken latent libertarian	7) 51.5 Advocate liberty positions
3) 68.8 ID the new 'Ron Paul'	8) 48.8 Promote "Move to NH"
4) 66.7 Msg unabashed liberty	9) 43.2 Attack cathedral (media,)
5) 58.3 Be the anti-war party	10) 41.7 Access debate stage

Goal alignment is important to the development of LP political strategies. As such, there is a

<sup>&</sup>lt;sup>10</sup> <u>https://ballot-access.org/2024/07/21/explaining-the-joint-fund-raising-agreement-between-the-libertarian-national-committee-and-the-robert-f-kennedy-jr-campaign/</u>

<sup>&</sup>lt;sup>11</sup> COINTELPRO or counterintelligence operations exist to discredit and neutralize organizations considered subversive to U.S. political stability, which includes protecting the uniparty. Some if not most conflicts fomented within LP circles are caused by agent provocateurs to sabotage operations and spread misinformation. <u>https://www.britannica.com/question/What-was-the-FBIs-response-to-the-Black-Panther-Party</u>

<sup>&</sup>lt;sup>12</sup> https://x.com/DennisPrattFree/status/1725170945965367764

need to differentiate between competing goals to resolve conflict resolution. In regards to this appeal, the JC has an opportunity to review the petitioner's claims that the goals sought by the LNC are not consistent with the LP's principles.

### **III.** Political Violence Is the Only Strategy Expressly Prohibited by The Bylaws

Even if the JC disagrees with the strategy set out in the Approval, there is little room for the JC to veto a decision by the LNC that it has the authority to make and is within the scope of its purpose. The exception is whether an LNC action violates the Non-Aggression Principle such as calling for political violence.

### A. The Non-Aggression Principle

LP Bylaws Article 4, Section 1 reads:

"Members of the Party shall be those persons who have certified in writing that they oppose the initiation of force to achieve political or social goals."

### IV. Approval and Its Implementation Are Consistent with the LP Bylaws

The Approval was done to provide the Official Ticket "full support" and honor fiduciary duty.

### A. LNC Debate Makes Their Strategy Clear

The LNC during its debate on the email list confirmed that proceeds stemming from the Approval will be used towards ballot access programs that benefit the Official Ticket. In an email written by this *Amici* to the LNC expressing support for the Approval makes the strategy arguments that are confirmed by an LNC member:

### **Re: Support for Joint Fundraising with Kennedy campaign**

Mon, Jul 15, 2024 at 7:24 PM

Chairwoman McArdle and Members of the LNC:

I hope the LNC will ratify the joint fundraising agreement with the Kennedy campaign for the following reasons:

1) The Joint Fundraising Agreement could allow funds to be used to provide support for the presidential campaign. The benefits to the presidential campaign are monumental, especially since the ballot access work is reliant on LNC funding.

2) The Deny 270 strategy would require this sort of collaboration. The goal of Deny 270 is to push the presidential election into a contingent election in the US House by preventing either uniparty candidate from earning 270 electoral votes. Lars Mapstead was explicitly running on this as part of his Libertarian nomination run. The No Labels effort was as well. The Kennedy campaign has also discussed this. This is the sort of single issue coalition that attracts the funding necessary to be an effective national party.

3) I want to respond to the idea that the LNC owes a duty of "full support" to any presidential campaign. While this is in the LNC bylaws, the approach must balance the approach with an understanding that in the election year, the LNC is competing against the presidential campaign with a small pool of Libertarian donors. It is always the case that the LNC is effectively cannibalized to both operate and fund the presidential campaign. I suggest the natural limit of "full support" means leaving enough resources for the LNC to operate which otherwise would conflict with fiduciary duty.

4) The LNC fundraising is especially challenging this year because the presidential campaign is not as popular as past presidential campaigns. This issue is exacerbated by popular alternatives also running this election year that libertarian voters are supporting instead (e.g. Robert Kennedy, Jr. and Jill Stein).

Applying new tactics to our old tradition of coalition building may look like bad optics but under the leadership of Chairwoman McArdle, the LNC made a profitable national convention out of a very expensive venue contract negotiated years ago. I believe this new bold move by Chairwoman McArdle should be supported if only because no alternative idea has been brought forward to resolve fundraising needs (correct me if I am wrong).

If you have any questions about this message, please do not hesitate to ask. You are welcome to share this message with others on the LNC. Yours in Liberty,

Hector Roos

Region 1 Representative Adam Haman writes in his reply:

Thank you for writing, Mr. Roos. I agree.

I urge those LNC members who disapprove of this fundraising agreement to take a very close look at our finances. We are broke and we have pressing matters that need funding.

This agreement is free money for the LP. It's money that helps us, helps our staffing needs, helps our ballot access concerns, helps the Oliver campaign, and helps us do new and exciting libertyminded projects going forward.

If we don't make the agreement, I would really like to know where opposing LNC members think the money is going to come from to fund the things they want funded.

I really hope we don't end up going into debt because we can't do math, or we are too stubborn... or we are just ridiculously insistent on staying stuck in our completely irrelevant past.

It's time to grow into something worthy of the "3<sup>rd</sup> biggest political party in America" monicker.

Respectfully, (even if it didn't sound like it)

Adam Haman Region 1 Rep, Libertarian National Committee lp.org | adam.haman@lp.org Vice Chair, Libertarian Party of Nevada lpnevada.org | adam.haman@lpnevada.org

Sometime later, Region 2 Representative Jonathan McGee writes to the LNC expanding on some of the ideas presented earlier:<sup>13</sup>

Madam Chair

<sup>&</sup>lt;sup>13</sup> <u>https://groups.google.com/g/lnc-business-list-public/c/9hCGr1bxW6c/m/3hVK8fhPAAAJ</u>

At this time I would like to exercise my right to debate.

First, I would like to establish what exactly this fundraising agreement is. The proposal being considered is to form a Joint Fundraising Committee. A Joint Fundraising Committee is a perfectly legal financial vehicle officially recognized by Federal Election Commission (FEC). The FEC contribution limit on individual donors to a candidate committee is \$3,300, while the contribution limit to a national party committee is \$41,300. The Joint Fundraising Committee is an entity entirely separate from the RFK Jr. campaign and the Libertarian Party (LP), and it is required to file separately with the FEC. However, both participants will have access to the donor and contribution records for the Joint Fundraising Committee. The benefit to the RFK Jr. campaign is that his donors can contribute to the Joint Fundraising Committee without fear of running afoul of the individual contribution limit. The benefit to the Libertarian Party is that it will receive 10% of the contributions to the Joint Fundraising Committee.

To be clear, Libertarian donors have no reason to make contributions to the Joint Fundraising Committee when they can contribute directly to the party instead. All of the donors to the Joint Fundraising Committee will be RFK Jr. donors, and the Libertarian Party will be entitled to their records through this committee. At no point will the RFK Jr. campaign have any access to LP donors or their information. So, in summary, RFK Jr. donors will be able to make larger contributions to the Joint Fundraising Committee in exchange for giving 10% of those contributions and 100% of their data to the Libertarian Party.

Next, to address objections to the Joint Fundraising Committee.

### **Objection 1: It's illegal.**

As previously stated, a Joint Fundraising Committee is a class of entity officially recognized by the FEC. As such, it is 100% legal.

### **Objection 2: It's in violation of the bylaws.**

Accusations have been leveled and a petition has been filed that alleges this Joint Fundraising Committee violates Articles 2.1, 2.4, 7.1, 14 (all, but 14.4 with specificity).

Here is the text of the cited sections:

Article 2: The Party is organized to implement and give voice to the principles embodied in the Statement of Principles by:

Article 2.1: functioning as a libertarian political entity separate and distinct from all other political parties or movements;

Article 2.4: nominating candidates for President and Vice-President of the United States, and supporting Party and affiliate party candidates for political office; and

Article 7.1: The National Committee shall have control and management of all the affairs, properties and funds of the Party consistent with these bylaws. The Libertarian National Committee shall establish and oversee an organizational structure to implement the purposes of the Party as stated in Article 2. The National Committee shall adopt rules of procedure for the conduct of its meetings and the carrying out of its duties and responsibilities. The National Committee may delegate its authority in any manner it deems necessary.

Article 14.4: The National Committee shall respect the vote of the delegates at nominating conventions and provide full support for the Party's nominee for President and nominee for Vice-President as long as their campaigns are conducted in accordance with the platform of the Party.

Whether or not a Joint Fundraising Committee is in violation of the bylaws will ultimately depend on what the meaning of the phrases "separate and distinct", and "full support" are in context. The problem is, there is no additional context for these phrases. As previously noted, a Joint Fundraising Committee is legally, politically, and financially "separate and distinct" from the party. It has to organize, collect, advertise, and file as a separate entity entirely.

If the principles from RONR on bylaw interpretation are properly applied, the most restrictive interpretation of "full support" that is in harmony with the rest of the bylaws would be "exclusive support for the Libertarian Presidential and Vice-Presidential nominees at it pertains specifically to the Presidential election." The problem with this interpretation, is that the LP joining in on the RFK Jr. lawsuit for NY Ballot Access would also be in violation of Article 14.4.

In summary, either the Joint Fundraising Committee and NY Ballot Access Lawsuit are both permitted by the bylaws, or they are both in violation of the bylaws. While I could be mistaken, I sincerely doubt that the Judicial Committee will reach a decision that cripples our legal capabilities just to kill the Joint Fundraising Committee.

### **Objection 3: It's unprincipled.**

Functionally, I don't see any difference between the Joint Fundraising Committee and a single-issue coalition. When Rage Against The War Machine happened, it was in coalition with the People's Party. To put on the event, both the proceeds and the expenses were split, and the LP never endorsed any of their candidates. In this situation, RFK Jr. is a dues-paying member of at least one State affiliate, and where there are several issues where he is in direct alignment with the LP and its platform. The Joint Fundraising Committee will be soliciting from donors based on these issues, and in this case we are reaping 10% of the proceeds while footing 0% of the expenses. Furthermore, RFK Jr. will not be receiving an LP endorsement. Ultimately, this is money that would secure ballot access for the LP nominee.

I don't see that as compromising my principles, but I understand that some may disagree. To those who disagree with or vote against the Joint Fundraising Committee on principle I have one simple request. Madam Chair, if the Joint Fundraising Committee ultimately ends up going forward, and the money starts rolling in, I would humbly ask that they take a consistently principled stance and refrain from seeking any support from LP National that was made possible by the Joint Fundraising Committee.

With that I would like to vote Yes on the motion to amend and No on the motion to rescind.

In Liberty,

Jonathan McGee Region 2 Representative, Libertarian National Committee Executive Director, Libertarian Party of Alabama

### **B. "Full Support" and Implementation of Approval**

The term "Full Support" is not defined in the LP Bylaws. However, there is a natural limit for

Official Ticket "full support" which is a financial commitment that the LNC can afford without

affecting its own day to day operations.

In the LNC Chair's announcement of the Approval, Chair McArdle made it abundantly clear

that this Approval would support the Official Ticket with no room for doubt or confusion as to

who is Official Ticket (see below).<sup>14</sup>



The news is out. We're grateful for the fundraising partnership with the Kennedy campaign, but we are still committed to Chasing Biden out of office, and seeing Donald Trump put a Libertarian in his cabinet. We will be supporting Chase Oliver, especially in swing states, and we're hopeful that this news will open up additional fundraising opportunities for us.

Follow

If you'd like to partner with the LNC or our state affiliates to raise funds, please reach out.

# V. CONCLUSION

It is abundantly clear that passions tend to run wild in a volunteer organization like the Libertarian National Committee. On occasion, some people may even fall prey to voices whether real or fictional that demand harmful, divisive actions to the organization including disruptive motions and appeals like those of the Petitioner. Now, the JC has a decision to either reject the appeal on the basis that the Petitioner asks for a veto merely because they lost a debate on strategy with their colleagues on the board. If the JC does accept to hear the appeal, then the JC will have to redefine the reach of the LP Bylaws by giving their own answer to the meaning of the LP's "purpose", the meaning of the words "urgent" and "full support" and finally, whether the LP Bylaws restrict the LNC from the full pursuit of its fiduciary duty. Clearly, the Petitioner and others want to win their argument at seemingly any cost including asking the JC to create a precedent that has far reaching consequences not only to the LNC but to the state affiliates as well. Please note that at no such time does *Amici* pretend to be a legal expert but merely

<sup>&</sup>lt;sup>14</sup> https://x.com/angela4LNCChair/status/1814366525073305770

communicate the information available in an organized in a manner that experience provides. *Amici* prays that this JC acts responsibly to settle the board dispute and rule with the LNC so it can continue to act in the full pursuit of its fiduciary duty.

## Date Submitted: July 22, 2024

Respectfully submitted,

/s

# Hector Roos LP Sustaining Member LP Florida Executive Committee, Member (2021-Current) LP Florida Fundraising Committee, Chair (2023-Current) LP Miami-Dade County, Chair (2023-Current) 2022 LP Florida Governor Candidate