

LNC Meeting

Marriott Hotel Anaheim, CA August 14-15, 1999

Present: David Bergland, Chair
Hugh Butler, Vice-Chair
Mark Tuniewicz, Treasurer
Steve Givot, Secretary

John Buttrick, At-Large Representative
Mike Dixon, At-Large Representative
Bill Hall, At-Large Representative
Jim Lark, At-Large Representative
Mary Ruwart, At Large Representative

Bette Rose Smith (CO), Region 1 Representative
Joe Dehn (CA), Region 2 Representative
Dan Fylstra (NV), Region 2 Alternate
Ken Bisson (IN), Region 3 Representative
Richard Schwarz (PA), Region 5 Alternate
Muni Savyon (MA), Region 6 Representative
Bob Franke (IL), Region 7 Representative
Geoff Neale (TX) - Region 8 Representative

Also present: Barbara Goushaw (MI) - Region 3 Alternate

Absent: Terry Savage (NV), Region 2 Representative
Scott Lieberman (CA), Region 2 Alternate
Ed Hoch (AS), Region 1 Alternate
Gary Iardi (FL), Region 4 Alternate
Chris Spruyt (NC), Region 4 Representative
Jim Turney (VA) - Region 5 Representative
Ken Lindell (ME) - Region 6 Alternate
Jackie Bradbury (MO), Region 7 Alternate
Deryl Martin (TN) - Region 8 Alternate

Vacant: None

Staff: Steve Dasbach, National Director
Bill Winter, Director of Communications
George Getz, Press Secretary

The meeting was called to order by David Bergland at 9:04 AM PDT.

Item: Announcements

Givot asked the members to speak with greater projection to aid in recording the meeting.

Item: Credentials

Givot reported that there has been no change in the composition of the Libertarian National Committee since the April 1999 LNC meeting.

Item: Check of Paperwork

Dasbach said that in addition to the materials in notebooks, there was a handout from Peter Schmerl. He said that he had yet to receive any printed regional reports.

Item: Approval of Minutes of April, 1999 Meeting

Givot said that the spelling of Fylstra's name will be corrected.

Dehn said that his minutes showed two agenda items - paperwork check and approval of minutes - in a different sequence than the draft minutes. Givot said that he would review the tapes of the meeting and assure that they were in the same order on the final minutes as they were discussed at the meeting.

Dehn asked that the minutes reflect (now on page 6) that Bergland expressed a personal goal of 50,000 members by the end of 1999 not by July 1999. Givot said that he would review the tapes of the meeting and assure that the correct date was in the final minutes.

Dehn asked that the minutes reflect (now on page 11) that Dasbach said that only one pass was made through the whole list, but that calls to CA were delayed.

Dehn asked that the minutes reflect (now on page 25) that he asked whether the proposed overdraft line of credit would be "automatic" rather than "how it works."

Dehn asked that the minutes reflect (now on page 30) that the intention of the LNC is that the required 3% set aside for the reserve should be made on a continuing basis and not wait until the end of the year.

Tuniewicz asked that the minutes reflect (now on page 21) that Fylstra's amendment died for lack of a second.

Tuniewicz asked that the minutes be corrected (now on page 23) to eliminate a grammatical error in his comments.

The minutes of the April 1999 meeting with the corrections suggested were approved without objection.

Item: Setting Agenda

Lark asked about the report from Buttrick, Hall, and Bergland on due process procedures for expulsion of members.

Bergland suggested that it be added before the report of general counsel. (15A)

Franke said that he as a resolution to propose from the LPMO. He requested that ten minutes be added to his regional representative report.

Lark asked to add a report on the national parent student mock election under Other Items.

The Committee reached consensus on the order of Regional Representative reports.

The agenda was adopted as revised without objection.

Item: Region 2 NV Report

Fylstra reported that LPNV has set a direction for its future with a high degree of consensus being reached.

Fylstra noted that former VP candidate Nancy Lord has become active in LPNV and has been elected to its Executive Committee.

Fylstra reported that membership growth and fundraising have grown over the past year and that the party's financial strength has improved as well. He said that LPNV state chair Terry Savage has set an aggressive goal for the number of candidates fielded in 2000. He said that one state assembly district campaign will be run to win with a proven candidate and competitive campaign.

Fylstra reported that LPNV may have reached a point of diminishing returns on some of its activities.

Item: Chair's Report

Bergland thanked the Committee members for making the long journey to California. He said that since most of the work is done by others, he has little to comment about.

Bergland thanked Givot for timely and accurate delivery of minutes, to Dehn for backing up Givot, to Tuniewicz for his work as Treasurer, and to Butler for his wise counsel. He reported that things had gone so smoothly during the past few months and one Executive Committee meeting was canceled.

Bergland reported that he had reviewed the matter relating to the use of Harry Browne's book as a premium, and that he had determined that it was appropriate to continue to use that book until such time as Browne formally announces his candidacy.

Bergland reported about the discussions at the Executive Committee relating to what, if any, comments should be filed with the FEC regarding proposed changes to regulate who should be invited to presidential debates.

Bergland reported on discussions relating to the inclusion of presidential candidates on the LP web site.

Bergland reported on the informal August 13 meeting on strategic planning. He said that the end result of that meeting was a commitment by him to work with Dasbach to prepare a written strategic plan for later submission to and consideration by the LNC.

Item: Region 2 CA Report

Dehn said that the LPCA chair has set an ambitious membership growth goal for the year. He said that he believes this goal will not be reached. He said that LPCA is experiencing some financial problems.

Dehn said that people in some areas of the state are becoming more active. He said that LPCA is organized by regions which generally cover one or more counties -- Los Angeles County being an exception. He said that of 58 counties, only 6 have no active organizations. He said that the goal is to have every county involved in an active region by the 2000 elections.

Dehn said that CA has 153 partisan offices up for election in 2000. He said that LPCA has set a goal of 200 candidates for 2000. He said that this is far more than have run in the past. He said that a significant recruitment effort will be required to reach this goal.

Dehn reported on various current activities of LPCA. He said that lobbying by LPCA's Executive Director helped remove a threat of legislation that would have made ballot access more difficult for LPCA candidates.

Bergland asked Dehn to report on the repeal of Proposition 10.

Dehn reported that LPCA has taken positions regarding three different petitions. He said that LPCA did not create any of these, but has taken positions on them as vehicles for activism and publicity. First, is a measure to repeal Proposition 10 -- which significantly increased in tobacco taxes. Second, is a measure to repeal a long-standing increase in vehicle taxes. Third, is a measure to stop proposed legislation relating to assault weapons.

Bergland said that the person in charge of the measure relating to tobacco taxes is actively encouraging people who purchase products at his store to change their registration to Libertarian.

Several LPCA activists introduced themselves.

Butler noted that membership growth in LPCA has been less than what we have experienced nationally.

Dehn said that he presented only post-UMP membership figures because of the discontinuity that existed at the time LPCA joined UMP. He said that changes in LPCA ByLaws have reduced LPCA membership totals below what they would have been had those ByLaws changes not been adopted.

Item: Treasurer's Report

Tuniewicz reported the year-to-date revenues are 13% below budget and that year-to-date expenditures are about 16% below budget.

Tuniewicz reported that the shortfall in revenues is largely a result of the decision not to pursue a telemarketing pass this year which has reduced both immediate contributions and pledge program income.

Tuniewicz reported that the staff has done a good job of reducing expenditures in parallel with the revenue shortfalls.

Tuniewicz reported that the LP is building up the reserve fund as determined at the April 1999 LNC meeting.

Dasbach said that because the Executive Committee has approved such items as ballot drives without full prefunding, the reserve fund buildup as not had an adverse impact on the LP's activities.

Tuniewicz reported that June 1999 ended with a surplus.

Tuniewicz said that in the coming months he would be more involved with the staff in fundraising efforts.

Tuniewicz reported that the position of Internal Auditor is open.

Lark suggested that Tuniewicz contact Scott Elston of LPVA. He said that Bill Redpath has expressed that he would not likely be able to spend as much time as he had hoped he could on that task.

Tuniewicz commented on the 1998 Audit. He reported that the auditors have recommended several adjustments to the 1998 financial statements previously reported. He said that the auditors propose a \$431,700 increase in Pledges Receivable.

Dasbach said that this amount is calculated by assuming the current level of pledges will continue for one year less a deduction for historical experience for pledge reductions less a deduction for increased UMP payments resulting from increased obligations to UMP states relating to these members.

Tuniewicz said that another item the auditors propose an additional expense item in the amount of \$265,600 representing the costs LNC would pay if the UMP program were terminated.

Fylstra asked how we currently stand on funding for the next Archimedes mailing. He said that there was a year-to-date loss of about \$124,000 in Prospecting, where Project Archimedes is reported. He said that year-to-date receipts from major donors was about \$149,000. He said that it was his understanding that the difference between these -- about \$25,000 -- represents the net available for Project Archimedes.

Dasbach said that a significant portion of major donor fundraising will be done to fund the new web site. He said that how much of this is done is largely a function of how much time Ron Crickenberger has available. He said that after the web site project is in production, he would have more time available to assist with major donor fundraising. He also said that Tuniewicz would be assisting in the coming months.

Dehn asked about the adjustments proposed by the auditors. He asked how these were calculated. He suggested that this be documented in writing to the entire LNC.

Dasbach said that the auditors provided an additional 10 to 12 pages of detail which he could make available.

Butler said that the auditor may have some problem releasing such materials on their letterhead.

Bergland said that it is appropriate for the members of the LNC to have that information to enable them to fulfill their fiduciary obligations.

Dehn said that the LNC should provide some explanation accompanying the auditor's balance sheet when it

disseminates that balance sheet to others.

Dixon said that the fact that these numbers were produced by the auditors certifies that, in their opinion, it was calculated appropriately.

Dehn said that, at a minimum, there should be a note relating to such items to explain them. He said that because these items are both new and large, they merit a written explanation. He expressed concern that we accurately represent this information to our members.

Givot said that the pledge and UMP programs are not common to other businesses. He said that this necessitates a written explanation of these to accompany the audited financial statements. Also, he said, we should continue to use the prior 1998 numbers and methodology to present our results to our membership, while presenting the auditors results and explaining that the auditors view our results more favorably than we do.

Neale agreed with Givot. He said that we should have been doing this all along, and the auditors have pointed this out to us. He agreed with Dehn that we should tell the members that the auditor did catch this and recommend that we change how we account for these items.

Butler complimented Tuniewicz on his work. He said that what he finds missing from these numbers is an answer to the question of whether or not we have enough money to fulfill our mission. He said that he wants to know whether or not we can get an answer to that question without looking at spreadsheets.

Dasbach said that he believes that we will end 1999 with the projected surplus. He said that there may be difficulty in reaching the proposed advertising budget.

Tuniewicz said that he agreed with Dehn's concern about how these adjustments are communicated to the membership.

Dehn asked how the proposed changes are reflected on our income statement.

Dasbach said that the adjustments are incorporated in the income statement provided by the auditors.

Givot asked whether there would be two sets of books and financial results presented to LNC by management at the end of 1999 and subsequent years.

Dasbach said that there would not be two set of books and financial results presented.

Schwarz asked whether Tuniewicz reviews the FEC reports. He said that there are many errors in the reports.

Tuniewicz said that he does review the FEC reports. He said that he is aware of some errors in those reports. He said that he reviews correspondence with FEC and that he considers the correspondence to relate to low-level issues.

Schwarz said that the FEC does only a minor review. He said that he would like to see the LNC submit more accurate reports.

Tuniewicz said that he supports the goal of 100% accurate reporting to the FEC.

Dasbach commented on procedures in effect that help identify when amended FEC reports need to be filed.

Item: Region 3 Report

Bisson reported on activities in Region 3. He said that the states comprising Region 3 are working to field 500 candidates toward the national goal of fielding 2,000 candidates next year.

Goushaw reported on Michigan's Success '99 event which had the largest turnout to date. She reported on Michigan's membership growth. She said that LPMI is committed to contesting a majority of state legislative seats in 2000. She reported on LPMI's advertising efforts. She said that Tim O'Brien has been hired part-time as LPMI's first paid Executive Director.

Dasbach said that this year's LPIN state convention had tremendous success in increasing its pledge program from \$200 per month to more than \$2,000. He said that LPMI leverages fundraising at its convention by challenging non-attendees to match the generosity of attendees.

Item: Audit Report

Neale reported on the audit of the 1998 results.

He said that he believes that the audit report received and the level of detail addressed by the auditors was appropriate for the amount paid for the audit.

Dasbach said that in the past we have received a management letter relating to the audit. He said that this year's management letter is very short because there are no outstanding, unremedied issues which the auditors suggested be addressed.

Fylstra said that it is important that we communicate that we had a real operating loss of about \$176,000 and a one-time adjustment to our assets and liabilities.

Neale asked whether the audit results would be published in LP News or elsewhere.

Bergland said that he did not intend to include this in LP News. He said that it may be included in the LNC Report in LP News or by some other mechanism.

Givot raised concerns about how such adjustments will be handled in subsequent years. He asked what would be done prospectively to address these matters. He said that if nothing is done differently, another large adjustment to assets and liabilities will be proposed by the auditors at the end of 1999. He suggested that we should address this issue by year end.

Tuniewicz suggested that Dasbach and he should discuss this topic and present a recommendation to the LNC.

Neale said that we should focus on accuracy. He said that the proposed adjustments more accurately reflect our financial situation, and therefore are appropriate. He said that at some future time, the same type of adjustments might result in upward adjustments to liabilities exceeding upward adjustments to assets, but that accuracy would require that we consistently use the same method of reporting because it is the most accurate

one.

Item: Region 5 Report

Schwarz reported on activities in Region 5.

Schwarz reported that LPDE is looking for activities for this year. He said that he is interested in getting suggestions from LNC members. He said that LPDE is recruiting candidates for 2000.

Schwarz reported that LPDC hopes to run a full slate of candidates in 2000. He said that LPDC has started publishing a newsletter.

Schwarz reported that LPMD is celebrating the end of its ballot drive.

Schwarz reported that LPNJ recently raised \$2,800 with a fundraising letter. He said that LPNJ is changing its ByLaws to hold a nominating convention separate from its annual state convention. He said that LPNJ is working to strengthen links with other parties.

Schwarz reported that LPPA has at least 37 candidates for local elections this year. All made it on the ballot. The LPPA 2000 convention is scheduled for March 31-April 2 outside of Philadelphia.

Lark reported on the activities of LPVA. He said that LPVA is working to find a candidate for U.S. Senate for 2000. He said that Bill Redpath may be the candidate. He reported that one LPVA candidate wants to personally meet every Libertarian in his district. He said that he and others are visiting each congressional district hoping to meet every LP member in the district. He said that the response has been very positive.

Item: National Director's Report

Dasbach reported that he has become involved with an organization called The Executive Committee. He said that things that he has learned from his interactions with this group relate to several items included in his report.

Dasbach reported on the web site proposal and bidding process. He said that individuals at The Executive Committee recommended that the Request for Proposals include an indication of the available budget for the project and that there be a teleconference of potential bidders. He said that about 40 bids are expected and that about 30 potential bidders were present on a bidder's teleconference. He said that August 25 is the deadline for receipt of bids. He said that price will not be the sole criterion for bid acceptance. He said that it will be a combination of price and what the vendors proposed to deliver.

Dasbach said that staff is growing more and more comfortable with the new accounting package.

Dasbach said that efforts are underway to develop procedures for distribution of data from the new database to affiliate parties. He said that he expects a cut over to the new database prior to year end so that next year only the new database system will be in use.

Givot asked whether the Dasbach was targeting the end of the year for complete cut over to the new systems.

Dasbach said that he expected the transition to be completed by no later than the end of 1999.

Schwarz inquired about the use of Stuart Reges as a consultant.

Dasbach outlined Reges past and present efforts, as well as his future intentions regarding use of Reges' services.

Dasbach discussed the results of the recent million-piece Project Archimedes mailing. He said that the results were within the projected range, albeit at the low end of the range.

Dasbach said that the decision to contract with Brickmill Studios has worked out well. He said that the costs are comparable, but the level of service is much higher. He gave as an example the fact that Brickmill Studios provides name and address information which can be used to expedite data entry when responses are received. He said that the processing cost savings have been sufficient to defer interest in considering lockbox services for the processing of Project Archimedes returns.

Dasbach presented an analysis of initial and future revenue from Project Archimedes mailings and information provided by Brickmill Studios. He said that Project Archimedes' results are substantially better than the sample information provided by Brickmill. He said that Brickmill reports that first year renewal rates generally run in the 45% to 50% range. He said that a 60% renewal rate is only occasionally experienced. He discussed the analysis in detail. He also reported on future plans for Project Archimedes.

Givot said that he is not surprised that renewal rates would be influenced by the content of the recruitment letter 12 months earlier. He said that the recruitment letter may create a set of expectations or appeal to people who have those expectations, and twelve months later the perceived performance of the LP in meeting those particular expectations may have a large influence on renewal rates.

Dasbach said that staff had reached the same conclusion.

Tuniewicz asked whether the proposed phase out of the services of Perry Willis was envisioned to be permanent or temporary, for example, during the course of the presidential nomination and election campaign.

Dasbach said that he envisioned it as permanent.

Bergland suggested, and the Committee agreed, to move immediately to the report of General Counsel, recess for lunch, then return to this item and the balance of the agenda in sequence.

Item: General Counsel's Report

Hall reported on the efforts of Buttrick, Bergland, and himself toward developing a response to the Committee's request for a proposed due process procedure governing expulsion of members. He expressed his personal concern that the Committee should not be in the business of hearing expulsion requests.

Butler said that he tends to agree with Hall's response, but would like to focus on the issue created by the request of the LPUT. He said that this matter comes before the LNC on the request of an affiliate. He said that in the future the LNC may wish to expel a member. He said that, in the future, an individual may be expelled by one affiliate and then apply to another affiliate for membership. He said that a violent act by an LP member might

cause us to want to disassociate with a member. He said that because these other possibilities exist, we should continue to develop a due process procedure and ByLaws change, as needed, to enable us to address these situations.

Lark asked whether the LNC has the authority, under its ByLaws to refuse acceptance of a membership application or renewal if presented with \$25 and the required signature?

Bergland he believes that the LNC has that authority, but that he doesn't want to hear that case.

Givot said that if the person's actions have demonstrated that signature is inconsistent with the signed statement or is otherwise fraudulent, then he believes that LNC can reject payment.

Bergland said that Robert's Rules of Order provide for disassociation with people who embarrass the organization. However, he said that things would be better if there were explicit provisions covering this in the ByLaws.

Lark said that if someone acts or behaves in a manner which would discredit the organization, even if not a violation of the certification, it would be beneficial to be able to formally disassociate with that individual.

Buttrick said that LNC's outreach efforts constitute an offer. He said that if someone signs the certification and sends in \$25, that constitutes acceptance. He said that Givot's point is that if the acceptance is fraudulent, then the LNC can reject it. He said that Givot's example would be an easy case. He said that he did not think it would arise very often.

Buttrick said that the more likely and more difficult problem would result if, after signing, people adopt other beliefs that are not consistent with our principles. He said the LNC is entering into a morass if it entertains having a long term "loyalty test." He said he believes adoption of this policy would trouble our members. He said that he prefers not to develop solutions for theoretical problems.

Dasbach said that one advantage of not having a disassociation mechanism is that it creates some distance between the organization from its members. Having the power to exclude people from membership -- and not exercising that power -- may lead some people to conclude that you support each member. He said that if there is some policy in the future, the affiliate should be required to make the decision first and the LNC should be the line of appeal to prevent abuse by a state affiliate. He said that there is danger that any procedure which is adopted could lead to witch hunts.

Smith agreed with Dasbach. She cited an instance in CO in which she was able to distance a registered Libertarian from the state party by indicating that the party did not control who registered as a Libertarian.

Winter reported that when he was LPNH chair, one member was expelled. He said that this member wrote letters to newspapers advocating murder of policemen and women. He said that he tried to talk to this individual, but the individual did not respond well. When he failed to curtail his efforts, he was expelled by LPNH.

Bergland asked LNC members whether they had any further direction for Hall, Buttrick, and him.

Givot asked for clarification of the effect of UMP on this issue.

Dasbach said that UMP did not prevent someone from being a national member but being expelled as a state

member.

Franke said that the issue brought by LPUT involved an individual waving a national LP membership card publicly. He asked whether LNC could simply not send certain members a membership card.

Dasbach said that the process is automated and that it is impractical to override it for this purpose.

Bergland said that if LNC will not cancel the membership, then failing to send a membership card is not appropriate.

Goushaw said that state parties have much better knowledge of these situations than national. She said that it is inappropriate for the national party to permit a person to be a national member. She said that the national party should have a mechanism in place to support disaffiliation decisions by state affiliates.

Lark asked Winter what authority LPNH used to expel the member.

Winter was unsure, but he said to the best of his recollection there was a ByLaws provision which permitted it.

Buttrick said that if national automatically supports all state affiliate disaffiliations, then surely there will be cases when good individuals are disaffiliated by state affiliates for the wrong reasons.

Dasbach said that if there is a ByLaws change, the state affiliate should be the first decision point, and the LNC should be a line of appeal rather than a rubber stamp.

Givot, responding to Buttrick, asked whether refusing to accept a renewal from such a person would be permitted under our ByLaws.

Bergland said that he believes that LNC decides not to accept a renewal under those circumstances.

Dasbach said that there was probably no legal problem with denying such a renewal. He said that the issue is whether the ByLaws permitted that denial.

Dehn said that due process procedures would be required to decline to accept a membership as well. He said that if we have a good due process procedure for declining to accept renewals, then that same procedure should suffice to consider expulsion.

Fylstra suggested a way to deal with these situations by indicating that national membership is open to all and factually reporting any expulsion by the state party which may have occurred.

Butler proposed, regarding the individual in UT, that we remove that person from all future mailings except LP News for the balance of his subscription period.

Dasbach said that current systems do not permit this.

The committee recessed at 12:33PM PDT for lunch.

The Committee was called to order at 2:47 PM PDT.

Item: Region 1 Report

Smith reported that LPAK is nearing the goal of 7,000 registered voters to secure ballot access.

Smith said on additional LPCO members on appointed governmental positions. She also reported on an upcoming vote to eliminate the position of committee-appointed mayor in one city.

Smith reported that a regional meeting was held in ID. LPMT and LPUT attended that meeting. New activists were recruited for LPID as part of that meeting.

Smith reported that LPOR has joined the UMP program.

Smith said that things are going well in MT. She said that the geographic spread of people makes it difficult for activists to get together.

Smith reported that LPWA's recently-hire Executive Director is working out well.

Smith said that LPWY does not want to support the national party because they feel we spent too much money in support of our presidential candidate.

Smith expressed concern from her region regarding Project Archimedes. She said that the numbers provided to her presently give her good answers to bring to her affiliate parties.

Smith asked for suggestions from anyone on how to generate more activity in low-density areas that typify much of her region.

Fylstra said that in NV, getting as many of the activists as possible on email has helped keep people in low-density areas in touch with each other. He said that this can help make things happen.

Item: General Counsel's Report (continued)

Bergland called the Committee into Executive Session at 2:56 PM PDT.

The Committee returned to open session at 3:18 PM PDT. It was determined that the Executive Session would be continued at 5:00 PM PDT.

Item: Arizona LP Matter

Present for this topic and representing ALP were Tim McDermott (former ALP Secretary), Ernest Hancock (Maricopa County Chair), and Robert Anderson. Present for this topic and representing ALP, Inc. were Peter Schmerl (ALP Inc. Chair) and John Zajac (ALP Inc. Secretary).

Bergland handed out materials relating to this topic.

Bergland suggested that 10 minutes of time be allotted each side of this controversy with alternating 5 minute periods between the two sides. He said suggested discussion by the LNC would commence after these

presentations.

There was no objection to this procedure.

McDermott (ALP) said that the issue before the LNC is disaffiliation of ALP. He said that ALP, Inc. existed prior to the recent AZ state convention without affiliation and without ballot status. Therefore, he said, the matter is one of disaffiliation of ALP. He said that Resolution 7 was properly passed at the AZ state convention. He said that Resolution 7 call of the ALP to adjourn permanently. He said that this, in effect, kills ALP permanently.

McDermott said that the ALP constitution could only be amended or revoked by 2/3 vote of those registered at convention. He said that Amending the ByLaws of ALP required a majority vote of those registered at the ALP convention.

Schmerl (ALP Inc.) said that the key issue in contention is what the phrase "registered delegates at convention" means in this context. He contends that this phrase means those who have registered and are present and voting on a matter. He said that the other side of this dispute believes that this phrase means total number of members who have registered whether or not they are present and voting on the matter. He said that LNC ByLaws refer to all registered delegates and to majorities of delegations at various places. He said that no one seems to know what these mean. He said that the archives suggest that the intention of the ALP Constitution and ByLaws relates to delegates voting and present, not to those registered.

Hancock (ALP) said that the LNC is the proper body to adjudicate this dispute. He discussed the history of this dispute going back to 1995. He said that ALP Inc. has sued ALP, LP, and LNC. He said that the state of AZ has refused to support ALP Inc.'s position in these lawsuits. He said that the majority of registered delegates requirement to amend the ByLaws was not met at the 1999 AZ state convention, and therefore, ALP Inc. has not replaced ALP. He detailed historical information on this dispute.

Schmerl (ALP Inc.) said that they were not seated in 1995 and 321 proxies were not represented. He said that they were banned as members of record for 10 years. He said that they attended the 1999 AZ state convention because Robert Bulecheck has a reputation as an honorable person and they trusted the convention to be conducted fairly. He said that the constitutionality of the current AZ election law is being challenged in a lawsuit in which Buttrick is counsel. He said that ALP Inc. wants to adhere to current AZ election law.

McDermott read a definition of what a registered delegate is provided in the ByLaws. He said that Robert's Rules of Order does not allow anything in Roberts to "trump" the organization's constitution or ByLaws, the ruling of the acting Chair notwithstanding. He said that the other side is not trying to "obey the law," it is trying to "enforce the law." He said that the other side is the sole remaining plaintiff in the sole remaining litigation on this matter. He said that the state of AZ shows no inclination to force LPAZ to adhere to the requirements of the law.

Bergland said that he believes that his summary covers the relevant facts. He asked whether they are in dispute.

The parties asked whether they could propose corrections to Bergland's summary of the facts.

Bergland ruled that the parties could not do so. He also ruled that no further evidence, including recording of past proceedings, would be heard by the LNC.

Buttrick said that he had reviewed the various submissions and he found no dispute of material facts.

He asked whether any LNC member wished to ask any questions of either of the parties to this dispute.

Dehn asked whether it is relevant that some people left during the course of the AZ state convention business session, but that no credentials check was done to determine how many people remained.

Bergland said that he included the statement because he felt that it was relevant that there was no attempt to reestablish the correct delegate count at the time the vote on Resolution 3B was taken.

Dehn said that he feels that it is relevant because that might change the number of affirmative votes required to pass such a resolution. He asked whether there is any history of LPAZ recounting delegate registrations and, as a result, lowering the count of registered delegates.

McDermott said that there has been no provision for and no history of lowering the count because the business sessions usually come early in the meeting and last only about an hour.

Givot said that there is no provision in the old LPAZ Constitution or ByLaws regarding the requirements to achieve a merger. He asked Bergland what Robert's Rules of Order says it takes to achieve a merger or dissolve an organization. He said that in the past, "backdoor means" to achieve a result by using one form of motion to achieve something that would otherwise require a larger majority are ruled out of order and the higher majority threshold is required. He asked what, if any, higher threshold Robert's Rules of Order might impose.

Dehn said that Givot's comments suggest that a motion to end the organization by means of a simple majority instead of amending the Constitution to achieve the merger or end the organization, then perhaps the supermajority required to amend the constitution should have been required.

Dasbach asked both parties if the merger was affected by a motion to substitute the ByLaws, does the ALP Constitution still remain intact.

Zajac described the structure that he believes the AZ state convention created. He said that they established a constitution for ALP Inc., then they merged the ALP into ALP Inc. He said that there are now two constitutions, not in conflict with each other, which still exist. He said that the ALP Constitution can now be rescinded out of existence at some future time.

Givot read the Committee a section of Robert's Rules of Order which states that a merger ends the existence of one organization. He read additional text from Robert's Rules of Order that states that the resolution to achieve this must adhere to the same notice and voting requirements as a motion to amend the ByLaws of the organization.

Neale asked what procedure was used to determine who were authorized to be delegates to the 1999 AZ state convention.

Bergland ruled that Neale's question was out of order because it was not germane to the issue at hand.

Butler said that in all of the alternative ways that one might look at this situation, he dislikes the fact that the LNC would have to address this further. He asked Buttrick why he believes that ALP Inc. would want to go through this process instead of just standing for election as officers of ALP.

Buttrick disclosed that he represents ALP in the ongoing litigation and has personally been sued by people who are now officers of ALP Inc. He said that he could not answer a question regarding the reasons behind ALP Inc.'s actions.

Fylstra said that the issue was raised at the meeting, that the acting Chair said that he personally believed that a 2/3 majority should be required, but that the final ruling from the Chair was that the required vote would be a majority of those present and voting.

Lark asked what the current ballot status is in AZ and what effect this merger might have on that matter.

Buttrick said that whatever action the LNC takes will not affect LP ballot access in AZ.

Hall asked whether LNC would be sued if the LNC makes an adverse ruling.

Bergland posed that question to each side.

McDermott said that ALP would not sue LNC if ALP received an adverse ruling.

Zajac said that ALP Inc. would not sue LNC if ALP, Inc. received an adverse ruling.

Ruwart said that she would like to hear an answer to Neale's question.

Neale asked (again) what thought process was used by ALP to recognize the members of ALP, Inc. as delegates to the 1999 LPAZ state convention.

Bergland again ruled the question out of order as not being relevant, although interesting.

The ruling of the Chair was appealed.

The ruling of the Chair was overturned by voice vote of the Committee.

McDermott said that an ALP member of record is a state newsletter subscriber, a national LP member, a contributor during the prior year, or an attendee at the prior year's convention.

Buttrick said that after the decision was made to hold the convention in Tucson, it was anticipated that a large turnout from Tucson would result. At the 1999 LPAZ state convention a resolution was adopted -- almost unanimously -- to readmit to membership certain individuals who had previously been excluded from membership.

Bergland asked Dasbach what procedure the national office used to deal with the new officers of the AZ affiliate.

Dasbach said that normally the affiliate advises the national office of the new affiliate party officers and that the national office accepts this information as accurate unless some controversy arises. He said that in this case, the national office understood that regardless of the question of whether a merger had taken place, the national office understood that Peter Schmerl was the new chair of the AZ affiliate.

Bergland said that the first issue before the Committee is whether or not the LNC has the authority to decide this matter.

Neale asked for clarification as to whether or not the national office had the authority to take the information and record it as it did. He also asked what would happen if the LNC took no action. He said that it would be helpful to understand the answers to these questions in order to decide whether or not it was worth pursuing discussion further.

Butler asked whether the "tentative ruling" on Bergland's handout is a ruling of the chair.

Bergland said that what his tentative ruling is how he would rule if he were to rule at the present time. He entertained a motion ratifying the action of the National Director in recognizing Peter Schmerl as the chair of the AZ affiliate.

Givot moved that the LNC ratifies the action of the National Director in recognizing Peter Schmerl as the chair of the LP's affiliate in Arizona.

Neale seconded.

Dixon questioned the need to vote on the matter.

Givot said that the purpose of his motion was to reaffirm the actions of the National Director.

Tuniewicz and Savyon questioned the need to vote on the matter.

Bergland said that the purpose of the motion was to make a complete record which is important in matters such as this.

Dehn said that he opposes the motion because he feels there is already a record of what was done. He said that if the purpose of the motion is to create a new set of facts, that it should be done in a more straightforward motion.

Givot said that what the motion would accomplish is that, when all other matters are resolved, that either ALP would be the AZ affiliate with Schmerl as its Chair or ALP Inc. would be the AZ affiliate with Schmerl as its Chair.

Dasbach said that it is disputed whether Schmerl was elected Chair of ALP at the convention.

Neale said that the vote on this motion may relate to questions relating to disaffiliation.

Givot said that Bergland's list of facts established that Schmerl and other officers were ratified during the ALP convention and that the merger with ALP Inc. took place at the end of the convention. He said that he understood this to mean that Schmerl was elected Chair of ALP.

Buttrick said that at most these officers were ratified at the convention, not elected at the convention.

Givot withdrew his motion with the consent of the second and the Committee.

Dasbach said that he does not believe that disaffiliation is an issue given the facts before the Committee. He said that regardless of whether or not the merger took place, there is an "unbroken chain" which means that we have an AZ affiliate. He asked under what circumstances disaffiliation would be an issue.

Bergland ruled Dasbach's question out of order.

Bergland asked whether there was any issue as to whether the LNC has the authority to rule on the issue presented by ALP and ALP, Inc.

Bisson moved that the LNC take up the issue brought before it by ALP and ALP, Inc.

Givot seconded.

Bergland ruled that the motion made by Bisson is in order.

Bergland said that he agrees with Dasbach that the Committee is not dealing with a question of disaffiliation.

Dehn said that the Committee is not necessarily dealing with a question of disaffiliation, but does not want to rule out disaffiliation as a means to address this situation. He suggested that only possible action the Committee might take is disaffiliating the existing affiliate, not recognizing the second organization, and instructing the parties to "get their act together" and come back in December.

Givot reminded the Committee that there was a motion on the floor which had not been voted on.

The motion passed without objection.

Bergland suggested that the Committee move now to consideration of the issue before it. He entertained a motion that would address that issue.

Buttrick moved that the organization known as the Arizona Libertarian Party having merged with the organization known as the Arizona Libertarian Party Inc. on April 24, 1999 and the latter organization having become the surviving entity, pursuant to Article 8 of the ByLaws of the Libertarian Party, the LNC hereby revokes the state affiliate status of the Arizona Libertarian Party for cause and recognizes the Arizona Libertarian Party Inc. as the LP's only Arizona affiliate.

Hall seconded.

Buttrick said that his purpose in making the motion was to get the issue on the table. He said that he was not going to vote in favor of it.

Neale said that he views this approach as a transfer of affiliation from the subsidiary organization to the parent organization. He questioned whether this motion achieves this.

Buttrick said that he framed the issue in this manner because it is clear to him that there are two organizations, not one. He said that this motion would end the situation that has existed and "transfer the franchise." He said that this motion would help bring an end the issue.

Fylstra moved to amend Buttrick's motion to remove the words: " revokes the state affiliate status of the Arizona Libertarian Party for cause and."

Tuniewicz seconded.

Fylstra said that the intention of his amendment is to assure that only a majority vote of the LNC would be

required to pass the motion. He said that this would avoid the need to have 14 votes to pass the motion. He said that his opinion, having attended the convention, was that the intention of the body of the AZ state convention was that the merger had been accomplished and that the delegates with whom he spoke accepted this outcome.

Givot asked what obligation or authority the LNC has to act if members of an affiliate party bring to the LNC an issue in which it is claimed that the affiliate party's ByLaws have been violated.

Lark expressed concern that in the future, smaller affiliates might come under attack from outsiders. He said that Givot's point was an important one to address to protect against this possibility.

Neale spoke in favor of the amendment. Neale said that the LNC has both the authority and responsibility to consider such matters. He said that a substantial burden should be required to overrule the actions of a convention.

Tuniewicz spoke against the amendment, saying that a higher-than-majority threshold should be required to take action on such an important topic.

Bergland said that regardless of the outcome of the vote on this matter, he hopes that there is a broad consensus on whatever actions we take on such matters.

Fylstra said that the Committee is only dealing with this matter because it is being brought to us. He said that he believes it is common that affiliates do not follow their constitutions or ByLaws perfectly. He said that the burden is on those who did not object at the convention or soon thereafter.

Amendment failed on an even vote.

Butlers said that he agreed with Fylstra and Tuniewicz that we are, and should be, deciding this by a supermajority vote. He said that he prefers the approach suggested by Dehn. He asked what the parties to this dispute are really trying to accomplish.

Fylstra said that he was hopeful that the AZ state convention would result in a reconciliation. He said that he feels that the matter was settled at the state convention. He said that the matter has come before the LNC because of a combination of past animosity and a dispute over compliance with AZ state law. He said that Dehn's concept would, in fact, be a victory for ALP. He said that he had hoped that both sides would accept the outcome. He said that he fears that as a result of this process, some members and some activists would leave the party. He said that the effect would be a loss of effectiveness by the surviving affiliate. He said that the best thing to do would be to respect the outcome of the convention.

Givot moved to amend by adding the following language to the end of the motion: "upon compliance with the requirements of the ByLaws of the Libertarian Party within 20 business days." He said that the ByLaws require submission of certain documents to the Secretary, but that has not yet been done. He said that the purpose of his amendment is to provide a window of opportunity for the affiliate to meet those requirements.

The amendment was accepted without objection. At this point the motion before the body read:

The organization known as the Arizona Libertarian Party having merged with the organization known as the Arizona Libertarian Party Inc. on April 24, 1999 and the latter organization having

become the surviving entity, pursuant to Article 8 of the ByLaws of the Libertarian Party, the Libertarian National Committee hereby revokes the state affiliate status of the Arizona Libertarian Party for cause and recognizes the Arizona Libertarian Party, Inc. as the LP's only Arizona affiliate upon compliance with the requirements of the ByLaws of the Libertarian Party within 20 business days.

Neale asked whether there can be more one affiliate in one state.

Bergland advised the Committee that there can be only one affiliate in each state.

Neale asked where matters would stand if the LNC takes no action.

Bergland said that the controversy would remain unresolved.

Buttrick said that because of how things have been structured, there can be no overlap between those voting at the next ALP convention or the next ALP, Inc. convention. He said that under the ALP, Inc.'s ByLaws only publicly elected precinct committeemen can be delegates. However, he said, ALP's ByLaws prohibit ALP's precinct committeemen from being elected in taxpayer-financed elections. Therefore, he said, the next AZ state convention cannot include members from both groups to work out their differences. He said that doing nothing will result in having two conventions next year.

Dehn said that he opposes the motion, although he agrees with much of what Fylstra said concerning maintaining a high level of activists involved. He said that he does not care which entity survives in the long run. He said that he could possibly vote in favor of disaffiliation, but not on the basis presented in the motion. He said that as he reads the ALP Constitution, the merger was not effected properly.

The motion failed by a vote of 4 in favor to 10 against.

Tuniewicz moved that the LNC recognizes the ALP as the LP affiliate in AZ.

Dasbach said that is already the case.

Bergland ruled the motion out of order because it would not accomplish anything.

Dasbach said that there are two issues here. He said that the first issue is whether or not the merger occurred. He said that the vote on Buttrick's motion could have resolved that issue had it passed, but did not do so. He said that the second issue is who are the officers of ALP.

Bergland said that the Committee does not have to resolve those issues.

Fylstra moved that the LNC disaffiliates the AZ affiliate party.

Givot seconded.

Ruwart asked whether this would require that for AZ to have a new affiliate, it would have to organize again and have a convention.

Bergland advised the Committee of the ByLaws requirement for affiliation applications.

Lark asked what effect this would have on ballot access.

Buttrick said that it would have no effect on ballot access.

Dehn said that if we have no affiliate party until the December 1999 meeting, no delegates will be allocated to the 2000 presidential nominating convention from AZ.

Dasbach said that a practical effect of this motion, if passed, is that members in AZ, largely unaware of the detail of these proceedings, would only hear that they have been disaffiliated.

Buttrick said that as a practical matter, passing this motion would result in the Committee receiving two affiliate applications and, once again, throwing the selection of an affiliate back in front of the LNC.

Buttrick said that LP ByLaws require that disaffiliation must be for cause.

Dehn said that he believes that past incompetence by ALP constitutes cause -- specifically the manner in which their conventions have been run in recent years.

Bergland said that he believes that the circumstance before the Committee document the existence of cause for disaffiliation.

Fylstra said that the purpose of his motion is to get a sense of the LNC on the issue.

Dehn said that if this is resolved, he believes that the national convention would assure that Arizona was given appropriate representation. He said that this motion puts the LP into a "neutral position" from which it can consider the issue of which affiliate party will do the best job. He suggested various means to resolve the issue of affiliate selection prior to the December 1999 LNC meeting. He said that we should not phrase our explanation of what we are doing to turn on little details when both sides have "left a mess."

Neale said that he opposes the motion. He said that this body has not been given a clear choice or a choice which is at all conciliatory. He said that disaffiliating every LP member in AZ is not the best solution.

Hall said that if we disaffiliate both groups, he would not be inclined to accept a proposal for an AZ affiliate unless the people representing both sides were able to come forward together to demonstrate that they can work together with the other side.

Bergland asked both parties -- if this motion passed -- how willing they would be to work with each other to bring forward a joint proposal.

Anderson said that the ALP ByLaws were written specifically to prevent changes. He said that the 1999 convention was held in Tucson with the understanding that the other side would end up being elected as officers. He said that their side has always been willing to work with the other side.

Zajac said that he would prefer to have the LNC vote to determine whether the merger actually took place and whether his group were really the officers. He said that if the merger really took place, there is no issue.

Lark asked whether the parties would be willing to attempt to mediate their differences after the meeting recesses.

Bergland said that it was not for the LNC to determine whether or not mediation should be attempted after the meeting recesses.

Smith said that ALP is currently recognized. She asked whether the ALP Constitution and ByLaws are currently in effect.

Dasbach said that the ALP Constitution is clearly still in effect. He said that the issue of whether or not the merger occurred has yet to be resolved.

Givot referred to Robert's Rules of Order and stated that if a merger has taken place, the organization that has been merged into the other ceases to exist.

Smith asked which Constitution the LNC recognizes.

Bergland said that at the present time the LNC has not determined which Constitution to recognize.

Franke asked what current litigation remains regarding this matter.

Buttrick said that the only currently pending lawsuit regarding this matter deals with which side should be recognized by the State of Arizona as the Libertarian Party of Arizona. He said that the LNC need not be bound by that ruling. He said that this litigation also deals with the issue of state control of internal party elections.

Bergland suggested that the two sides confer and come to the LNC the next morning with a proposal that both sides can support or some suggestions as to how to work through this dispute.

The motion failed by a vote of 5 to 7.

Tuniewicz moved that it is the determination of the LNC that a merger of ALP and ALP Inc. did not properly occur at the 1999 ALP convention.

Buttrick seconded.

The motion failed by a vote of 7 to 8.

Item: General Counsel's Report (continued)

The Committee returned to Executive Session at 5:47 PM PDT.

The Committee recessed from Executive Session at 6:05 PM PDT.

The Committee reconvened at 8:10 AM PDT.

Item: General Counsel's Report (continued)

The Committee returned to Executive Session at 8:12 AM PDT.

The Committee returned to Open Session at 8:52 AM PDT.

Item: Arizona LP Matter (continued)

Ruwart reported on informal conversations among several LNC members and representatives from both sides. She said that the LNC members believe that the two sides are not able to reach agreement at this time. She said that, for this reason, they recommend that we take no further action at this time.

Dasbach said that Schmerl has told him of plans to join UMP. He said that this requires someone to represent that he or she is the chair and authorized to act. He said that if the LNC takes no action to resolve this, then he has difficulty in proceeding.

Bergland suggested that one way to address that concern might be for the LNC to authorize the National Director to continue to deal with Schmerl as the Chair of the LP's AZ affiliate until these issues are resolved.

Givot said that the central issue in dispute is one of party structure. He said that regardless of whether that is correct, the best people to decide this matter would be all members in AZ. He proposed that the LNC should conduct a mail ballot vote among members in AZ on which Constitution and ByLaws -- ALP and ALP Inc. -- to use. He proposed that both sides would be given 20 business days to agree on a list of who should vote and that if there was no agreement, LNC would send ballots to all national members with AZ mailing addresses. He said that his proposal would leave the decision in the hands of all the people in AZ, which is the best group to resolve this question.

Lark said that he is sensitive to concerns that the LNC is getting fully involved in internal state matters. He said that he has concerns about doing so.

Bergland said that Lark is raising a point of order, and he ruled that the LP ByLaws do permit the LNC to consider such a proposal.

Dasbach said that his proposal attempts to accomplish the same thing as Givot's proposal. He proposed (1) that the LNC recognizes that ALP, Inc. with Schmerl as Chair is currently managing the affairs of ALP, (2) that there was no merger in accordance with the ALP Constitution and ByLaws, (3) that the LNC directs the ALP to set a time, date, and location for a convention in early 2000 and notify the LNC when and where that convention will occur, (4) that this convention operate under the ALP Constitution and ByLaws which the LNC will cease to recognize after the close of that convention, (5) that the first item of business after credentials be the adoption of a new Constitution and ByLaws by a 2/3 vote so that the LNC will have an unambiguous set of rules, (6) that they elect all officers and position according to their newly adopted rules and procedures, (7) that the LNC will send someone to chair the convention so that there will be no question of favoritism, and (8) that the LNC will send a notice of the convention to every national member in AZ.

Neale said that he likes the direction that both proposals are going. He said that he would prefer to see a faster timetable.

Butler said that he appreciates Dasbach's proposal because it calls for a decisive conclusion. He said that he prefers that we not vote on either Givot's or Dasbach's proposal.

Bergland that the LP's ByLaws allow the LNC to charter only one affiliate in each state and prohibit the LNC

from interfering with the internal affairs of its affiliates. He said that at the conclusion of the recent AZ convention Peter Schmerl was elected Chair without dispute at that time and the National Director has been dealing with Schmerl as Chair. He said that contending groups in AZ have brought the LNC a dispute regarding which organization is the LP's affiliate in AZ and who represents that affiliate. He said that the National Director must deal with an authorized representative of the affiliate in each state. He proposed that the LNC authorizes the National Director to deal with Schmerl until the contending parties in AZ resolve their dispute.

Butler suggested that the Chair should make any determinations required.

Bergland agreed.

Dehn said that understands proposals by Givot and Bergland, but does not understand Dasbach's proposal. He asked whether the proposal tells the people in AZ what they need to do at their convention.

Dasbach said that his proposal does require them to adopt a new Constitution and ByLaws if they are to be recognized after their 2000 convention. He said that until that convention is concluded, his proposal calls for the LNC to recognize Schmerl and ALP, Inc. as representing the affairs of the LP's AZ affiliate.

Smith asked whether the national party must approve the Constitution and ByLaws of affiliates.

Dasbach said that they are submitted at the time of application for affiliate status. He said that affiliates are also supposed to send the national office any changes that have been made to their constitutions or ByLaws.

Neale proposed disaffiliation of both parties for cause. He said that this would create the opportunity for the national party to be a little bit more intrusive since no affiliate would exist.

Bergland ruled that Neale's proposal was out of order.

Hall said that he understands that the only means of enforcing the AZ to comply with any directives from the LNC is disaffiliation. He said that implicit in some of these proposals is the threat of disaffiliation.

Neale appealed Bergland's ruling. The ruling of the Chair was upheld.

Dehn said that it is inevitable that whatever is done will, in part, relate to something that was voted upon previously.

Bergland ruled that if there is a material difference, the motion would not be out of order. He said that, therefore, he will rule all of these proposals in order.

Dehn suggested a combination of proposals, specifically that we disaffiliate both parties as Neale suggested coupled with Givot's proposal to have AZ members determine which affiliate's Constitution and ByLaws to accept.

Bergland ruled that any specific direction by the LNC to the members of the affiliate party in AZ that they must resolve their dispute in any particular fashion is out of order. He said that the LNC does not have that power or authority.

Neale asked Bergland whether -- if there were disaffiliation and one or more applications for affiliation were

received -- does the LNC have the authority to rule whether or not the application is accepted based on how it is organized.

Bergland said that there is no mandate requiring the LNC to accept any application for affiliation nor are there any standards for acceptance of such applications.

Hall said that the ByLaws say nothing about competing petitions. Therefore, the LNC may decide to create criteria for acceptance -- for example, a convention or a vote.

Butler appealed the ruling of the Chair. He said that he supports the Chair's ruling and would like the LNC to formally affirm it.

Givot asked for application of the ruling to the various proposals.

Bergland said that his ruling would find proposals by Givot and Dasbach out of order. He said that it would find proposals by Ruwart, Neale, and Dehn in order.

The Chair's ruling was affirmed, and the Givot and Dasbach proposals were thereby eliminated from consideration.

Lark asked whether there were any time considerations or possible negative consequences of the remaining alternatives.

Buttrick said that designation of presidential electors in the June time frame was the only such consideration.

Givot moved to formalize Dehn's proposal that the LNC disaffiliates its current Arizona affiliate and for the LNC to conduct a mail ballot asking those voting to select between the ALP and ALP, Inc. Constitution and ByLaws with the two sides providing us an agreed upon mailing list of the appropriate voters within 20 days and, failing that, that the LNC sends the mail ballot to all national members in AZ, and that the LNC will respect the vote of the majority to select the new affiliate.

Dehn seconded.

Fylstra asked for a clarification of the proposal. He asked whether we are asking for a new affiliate application or are we asking the people in AZ to choose among the two alternatives before us today.

Dehn said that we are asking for submission of new affiliate applications from both sides, and that we are conducting a mail ballot to help the LNC to decide which affiliate application to accept.

Fylstra proposed an amendment that, after disaffiliation, we call for affiliate applications and include all such applications in an instant-runoff ballot.

Dasbach said that Fylstra's proposal differs from Givot's motion in that it does not limit the choices to those which currently exist.

Givot and Dehn both said that found Fylstra's amendment to be friendly.

Butler asked Hall whether, in the interim, one or the other of the parties could use the name "Libertarian Party."

Hall suggested that we take no action in the short term while this matter is being resolved, unless we elect to do what has been done in the past.

Neale said that he does not want the national party to make the choice. He would prefer to send the matter back to AZ for resolution.

There was considerable discussion of the details of the proposed process.

The main motion was thereby restated to be that the LNC disaffiliates its Arizona affiliate, shall notify Arizona members of a request for affiliate applications, that a mail ballot be conducted among all national members in AZ asking for their preference among the affiliate applications, and that the LNC selects a new AZ affiliate.

Bergland asked the parties whether they believe the proposal before the LNC is workable.

Hancock said that it is workable.

Schmerl said that he was uncertain whether it is workable.

Buttrick said that believes these groups will not agree on a mailing list for the ballot. He said that he believes that any such ballot will end up using the list of national members from AZ and that group is not primarily made up of state party activists. He noted the importance of setting a date for determining who is a national member in AZ.

Bergland suggested that the discussion be divided into two parts: disaffiliation and a process for determining a new affiliate.

Neale moved to divide the question between disaffiliation and the proposed method for picking a new affiliate.

Tuniewicz seconded.

Dehn said that the purpose of the disaffiliation is to resolve the problem. He said that the likelihood of people supporting disaffiliation is dependent on the proposed solution that would follow disaffiliation.

The motion to divide passed.

The motion on disaffiliation passed with 14 affirmative votes: Bergland, Bisson, Butler, Dehn, Dixon, Franke, Fylstra, Givot, Hall, Lark, Neale, Ruwart, Schwarz, and Smith. Buttrick and Tuniewicz voted against the motion. Savyon abstained.

Givot was asked to read specific language for the second portion of the divided motion. He read:

That the national party shall notify all national members in AZ of the disaffiliation of the LP's Arizona affiliation, that the LNC is seeking applications for an Arizona affiliate, that the Chair and National director will set a deadline for receipt of such applications, that upon receipt of the applications all applicants will be asked to submit a list of names and address of who should vote on affiliate preference, that if all applicants do not agree on this list the list of national members in AZ as of August 15, 1999 will be used, that the national party will conduct that preference-

type mail ballot, and that the results of that mail ballot will be presented to the LNC for consideration in selecting the new Arizona affiliate.

Dasbach clarified that the 10 signatures required by the ByLaws must be those of national party members.

Dasbach said that signatures on the petitions to form an affiliate must be national members.

Dixon moved to amend that there be no attempt to agree on a mailing list, instead using the national list of AZ members of record 30 days hence.

Bisson seconded.

Lark asked both sides if adoption of Dixon's proposal would bias the result.

Zajac said that it would not bias the result.

Hancock said that the other side has the checking account and they have been known to buy proxies.

Neale moved to make the record date August 15, 1999 rather than 30 days hence.

Ruwart seconded.

The body accepted Neale's amendment as friendly.

Dehn asked for clarification as to whether the intent of the motion, if amended, is to allow only dues paying national members as of August 15, 1999 to vote in the proposed mail ballot.

Givot said that was the intention of his motion.

Bergland ruled that intention of the motion, if amended, is that only dues paying national members in AZ as of August 15, 1999 will participate in this process.

The amendment passed.

Tuniewicz said that he opposes the motion because it is too intrusive.

Neale said that since the LNC currently has no affiliate in AZ, there is no affiliate to intrude upon. He said that intrusiveness is a consideration only after there is an affiliate.

Fylstra said that he supports the current proposal as the best way to proceed at this time. He said that -- having disaffiliated the AZ affiliate -- it is very important that we provide a fair mechanism to proceed, given the history in AZ.

Buttrick said that this the best way to proceed at this time given that disaffiliation has already occurred.

Butler asked what the national office will do differently until such time as a new affiliate is selected.

Dasbach said that it is his intention to list the position of AZ state chair as vacant, that a notice of disaffiliation will be sent to AZ members, that a request for affiliation applications will be sent, that

applications will be received, that a mail ballot vote will be conducted, and that the results of that process will be before the LNC at its December 1999 meeting.

Savyon asked what could be done to allow AZ to send delegates to the 2000 national convention.

Dasbach said that if a new affiliate is selected by mail ballot prior to December 1, 1999, then AZ will have its full delegate allocation. He said that if this is not accomplished, a calculation can be done and the convention body will determine whether or not to suspend the rules to permit the AZ delegation to be seated as though the process had been completed prior to December 1. He expressed great confidence that the national convention would vote to do so.

Bergland asked Givot to reread the motion.

Givot read:

That the national party shall notify all dues-current national members as of August 15, 1999 with AZ mailing addresses of the disaffiliation of the LP's Arizona affiliation, that the LNC is soliciting applications for an Arizona affiliate, that the Chair and National Director will set a deadline for receipt of such applications, that upon receipt of the applications all applicants will be asked to submit a list of names and address of who should vote on affiliate preference, that the national party will conduct that preference-type mail ballot of those members, and that the results of that mail ballot will be presented to the LNC for consideration in selecting the new Arizona affiliate.

Main motion passed unanimously.

Neale asked if a deadline was set for submission of applications.

Dasbach said that he would set a deadline of 30 days from the date the letter is mailed to AZ members. He said that the entire process should be complete in time for the November 30 deadline. He suggested that the LNC may want to authorize that an LNC ballot be conducted electronically and that the LNC may want to shorten the 21-day period for that ballot.

Dasbach asked whether the LNC can conduct a telephonic meeting for the purpose of dealing with the issue of choosing an affiliate in AZ.

Bergland ruled that such a meeting could be held.

Item: Treatment of Presidential Candidates

Bisson proposed that there be a \$2,000 fee to list a candidate on our web site, with these accumulated fees given to the eventual nominees.

Franke seconded.

Dehn moved to amend the motion to read: that there be a \$2,000 fee to list a candidate on our web site, to be mentioned as a candidate in LP News, to have one's name spoken by LP headquarters staff, or to be mentioned in an LP press release, with these accumulated fees given to the eventual nominees.

Bisson withdrew his proposal with the consent of the seconder.

With the consent of the Committee, Dehn was permitted to make a presentation on the issue of treatment of presidential candidates.

He said that the issues to be addressed are:

- Who should be able to use of national LP resources? *
- How can LNC staff participate in presidential campaigns? *
- Who should be on a public list of candidates, including...
 - ...lists published in LP News?
 - ...lists sent by the national office?
 - ...lists on the web site?
 - ...lists given in Informal conversations or answers?
- Which names can be Incorporated into party publicity such as...
 - ...LP News?
 - ...convention publicity?
- Which names can appear on primary ballots?
- Who has access to convention activities such as...
 - ...debates?
 - ...nominating speeches? *

Dehn said that only the items marked with an asterisk (*) above are currently the subject of written policies or procedures.

Dehn said that whatever standards are set for determining who is a presidential candidate must be established so that they can be applied consistently in dealing with all of the issues identified above. He said that it makes no sense to have different rules for dealing with each of these issues.

Dehn said that he believes that almost everyone in the LP would agree that Harry Browne is a presidential candidate, but a few months ago the Chair ruled that for some purposes that Harry Browne is not yet a candidate. He said that if consistency is required, that the Chair's ruling would have required Bill Winter to consider Harry Browne not to be a candidate for purposes of LP News and for Dehn to consider Harry Browne not to be a candidate for purpose of the web site.

Dehn went on to discuss some of the ramifications of applying a standard rule to issues that do and issues that do not consume limited resources. He said that there are constraints that we may want to apply to some of these items but not necessarily to all of them.

Dehn said that there is also an issue of timing of the candidates' identification. He said that some issues may require identification long before the convention, for example, while others do not need to be decided until immediately before the convention.

Dehn said that in setting criteria, there are various factors that one might want to consider. He said that there is no one candidate who excels in all criteria. He said that, therefore, a rule which focuses on only one criterion may be extremely unfair.

Dehn said that whatever policy is adopted should not apply solely to one issue such as inclusion as a

candidate on the web site.

Dehn said that a lot of factors may go into determining who is a presidential candidate. He cited factors such as the formality of the campaign, credibility, notoriety, and degree of association with the LP. He said that there is probably no one person who is "best" in every category. As a result, he said that it would be difficult to reach agreement which criterion is the most important one. Therefore, he said, that focusing on any one criterion makes no sense.

Dehn suggested several possible rules for inclusion as a presidential candidate

- Include everybody
- Adopt a set of objective rules to determine inclusion
- Include nobody

Dehn said that including everybody is not a reasonable approach because it would include 100 million people.

Dehn said that including nobody defeats an institutional purpose. For example, not listing any candidates in LP News or the web site defeats the communications purpose of LP News and the web site. Second, the LNC needs to know who is a candidate to do such things as determine who can participate in LP-sponsored events.

Dehn said that this leaves the possible of including "somebody." This requires developing an objective rule. He said that depending on what rule is adopted, it could be closer to including everybody or closer to including nobody. He said that another important dimension of such a rule is how simple it is. He said that the more complicated it is, the harder it is to justify, the harder it is to explain to people, and the harder it is to apply to new cases as they arise.

Dehn said that he concludes that the rule should be as inclusive as possible, as simple as possible, and should apply equally to all issues. He said that he believes that there is no reason for the LNC to adopt a rule. He said that the LNC should trust the people who manage each area to do that.

Givot asked how letting the individual manager set his or her own criteria will lead to a consistent set of criteria.

Bergland asked Dehn if he wishes to make a motion.

Dehn said that he believes that the LNC should take no action on this topic. He declined to make a motion.

Dasbach asked for clarification from Dehn regarding the point that Givot raised. He also asked Dehn what mechanism he proposed to define a set of inclusive criteria for the four candidate lists. He said that he sees no conflict between the first two issues and the candidate lists. He asked how the first two issues can be determined if there is no consistency among the lists.

Dehn said that he has no problem applying an inclusive list to the first two issues. He said that as soon as the person is considered a candidate by any reasonable criteria, the LNC needs to start being concerned with those issues. He said that regarding the other issues, he can see that a smaller list might be more appropriate in some instances (e.g., LP News) whereas a larger list might be more appropriate in other instances (e.g., the web site).

Dixon said that within the list category there are three lists: the Winter list, the Dehn list and the Dasbach list. He asked whether these lists are currently identical.

Dasbach said that there are no formal lists issued by the national office. He said that what needs be dealt with between now and the election relates to the list he provided from the last convention which indicates how broad the "everybody" list might be.

Dixon said that an answer to his question would tell him whether action needs to be taken to make them the same.

Dehn said that, in the past, there have been past listings of candidates in LP News and will be again in the future. He said that there has been past controversy over which names are provided by the national office. He said that nobody except Dasbach and Bergland have complained about the list on the web site.

Dasbach said that he has received complaints about the list on the web site from individuals who believe that various people should not be on the web site list.

Tuniewicz referred to the minutes of the Executive Committee minutes of July 22, 1999 in which the Executive Committee established consensus among the Executive Committee to include no candidates on the web site.

Givot suggested that the staff and Executive Committee use Dehn's framework to develop a specific proposal incorporating simple and inclusive rules to be presented at the December 1999 LNC meeting.

Bergland said that he understood that it was the sense of the LNC that this should be done.

Dasbach asked whether the LNC wished to give some guidance to the Executive Committee before it drafts a proposed set of rules.

It was the sense of the body that LNC input to this process should be informal.

Item: Region 7 Resolution

Franke read the following letter:

A few months ago one of our valued members, Karl Wetzel, our state treasurer, passed away and left the proceeds of his life insurance policy to the Libertarian Party. As Karl was very active at the state and local level, as well as nationally, we believe it would be appropriate if the proceeds from his insurance policy were shared by both National and Missouri parties.

Specifically, we request funding for the following four projects totaling \$25,000:

- (1) Seed money to fund an Executive Director for the Missouri LP.
- (2) Funding for a Libertarian Party billboard on a major highway in the St. Louis area.
- (3) Funding for an LP "speaker's bureau" to help new local parties with

organizational meetings and to reach out to service groups, e.g., Lions, Kiwanis, Chamber of Commerce.

(4) Test a membership letter targeting young Missouri voters as they turn eighteen, including registering them to vote.

Submitted on behalf of the Missouri Libertarian Party,

/signed./ James Givens - Chairman - Missouri Libertarian Party

Dasbach said that he supports the request because it provides a specific plan for spending the money and measuring its effectiveness. He suggested that he be afforded some flexibility in the timing of the payment

Lark spoke in support of the proposal

Neale spoke in support of the proposal. He said that he does not feel it necessary for the LPMO to provide the details of how the money will be spent.

Franke moved that the LNC authorizes giving \$25,000 to the LPMO on a schedule agreed to by Dasbach and Givens.

Schwarz seconded.

The motion passed unanimously.

Item: Feedback for 2000 Convention

Dasbach asked LNC members for written responses to materials relating to the 2000 convention already distributed.

Item: Spring 2000 LNC Meeting

Givot presented a proposal to meet in Chicago. He said that the room cost is \$89.

Buttrick presented a proposal to meet in Phoenix. He said that the room cost is \$179.

Fylstra asked whether -- in light of the past controversy involving LPAZ -- whether the use of Buttrick's firm's conference room for the meetings would create an issue.

Buttrick said that, in his opinion, it would not.

Ruwart said that having the LNC meeting in Phoenix might generate some good will.

Neale said that he is concerned about the expense involved.

The Committee voted to hold the meeting in Chicago.

Item: Strategic Planning

Givot moved that the LNC hold meeting in late October or early November for the purpose of reviewing a draft strategic plan and adopting a strategic plan for 2000.

Neale seconded.

Dasbach suggested that the LNC members submit in writing what they believe should be included in a strategic plan.

Franke said that he preferred Dasbach's approach, and that he would not be able to attend an additional meeting.

Bergland said that he believes that he can draft an initial document which will have broad support based on written input from LNC members. He asked LNC members advise him of the form of the plan they would find helpful. He said that he expects an initial draft will be available for circulation by September 15.

Givot withdrew his motion.

Neale said that he preferred the alternative proposed by Bergland, reserving for later consideration, based on progress made using that method, whether or not an additional meeting is required.

The Committee recessed at 11:52 AM PDT.

The Committee reconvened at 12:18 PM PDT.

Item: National Parent/Student Mock Election

Lark updated the Committee in his work toward obtaining LP participation in mock elections of all sorts.

Item: Offer of Design Assistance

Lark informed the Committee that Jerome Cole and Ken Montone of LPOR have offered to assist the LP -- at no charge -- in redesigning its literature. He said that no LNC action was required.

Item: Internal Education Report

Ruwart informed the LNC that the national office has put forth a plan to educate new members with one or two mailings which include information on our position on certain issues as well as an explanation as to how the party functions.

Dasbach said that one would be modeled after the "Libertarian Solutions" columns in LP News. He said that the concept would be to turn these columns into a paperback book.

Dasbach said that a second item would be modeled after "Liberty Today" -- an outreach piece.

Dasbach said that the third item would explain how the national party functions and what goods and services are available from the national office.

Ruwart said that Fylstra, Smith, and Dehn have offered to assist in developing these materials.

Item: Fusion Proposal

Bergland reported that he continues to get proposals regarding fusion. He said that he is not responding to these. He asked Committee members if they believe he should act differently.

There was no response.

Dasbach said that in response to Jack Gargan's comments regarding Ron Paul being a presidential candidate. He said that he spoke to Ron Paul. He said that he hoped that if Paul were to run for any office, that he would do so as a Libertarian. He said that Paul made it clear that he is not interested in running for president until such time as he believes that he could win that election as a Libertarian.

Ruwart reported on her interactions with John Hagelin of the Natural Law Party after the Marrou/Lord campaign. She said that Hagelin changed his position on the issue of drug legalization as a result of their conversations. She said that Hagelin is in alignment with libertarian principles although she is not sure that his party is.

Dasbach said that prior to the December 1998 LNC meeting, he was contacted by someone from the Hagelin campaign who expressed some interest in fusion. He said that he provided information to that person, including the fact that LP membership is required to be nominated by the LP.

Butler said that he is unsure of the structural barriers to having someone seek our nomination if that person is already or likely to be nominated by another party. He said that he does not favor us soliciting members of other parties to run in our party.

Dasbach said that there are no structural barriers to fusion other than four states which do not permit a candidate to appear on more than one party's ballot at the presidential level.

Due to the lateness of the day, the Committee agreed to defer other non-action items.

Butler moved to adjourn.

Ruwart seconded.

The Committee voted unanimously to adjourn at 12:39 PM PDT.

