

LNC Meeting

Las Vegas, NV

August 25-26, 2001

DRAFT

- Present:** Jim Lark, Chair
Deryl Martin (TN) - Treasurer
Steve Givot, Secretary (joined the meeting on August 26 during the first Executive Session)
- Ken Bisson (IN), At Large Representative
Lorenzo Gaztanaga (MD), At Large Representative
Elias Israel (MA), At Large Representative
Lois Kaneshiki (PA), At Large Representative
Jim Turney (VA), At Large Representative
- Ed Hoch (AK), Region 1 Representative
Mark Nelson (IA), Region 1 Representative
Joe Dehn (CA), Region 2 Representative
Scott Lieberman (CA), Region 2 Representative
Mark Rutherford (IN), Region 3 Representative
Dan Karlan (NJ), Region 6 Representative
Mike Dixon (IL), Region 7 Representative
- Ben Scherrey (GA), Region 4 Alternate
Carl Milsted, Jr. (VA) - Region 5 Alternate
- Also present:** Jim Dexter (UT), Region 1 Alternate
Tom Knapp (MO), Region 1 Alternate
Dan Wisnosky (NV), Region 2 Alternate
Tim Hagan (NV), Region 2 Alternate
Mark Cenci (ME), Region 6 Alternate
- Absent:** Michael "MG" Gilson de Lemos (FL), Region 4 Representative
Richard Schwarz (PA), Region 5 Representative
Greg Holmes (MI), Region 3 Alternate
Mary Ruwart (TX) - Region 7 Alternate
- Vacant:** Vice-Chair
- Staff:** Steve Dasbach, National Director
Ron Crickenberger, Political Director
Bill Winter, Communications Director
Bill Hall, General Counsel

Lark called the meeting to order at approximately 8:02 AM PDT.

Lark announced that Dehn would be acting in place of the Secretary until he arrives on Sunday.

Item: Credentials

Dasbach announced that Martin is now Treasurer, Dixon is the Region 7 Representative, Nelson is the Region 1E Representative, Rutherford is the Region 3 Representative, Holmes is the Region 3 Alternate, Knapp is the Region 1E Alternate, Karlan is the Region 6 Representative, and Cenci is the Region 6 Alternate.

Item: Check of Paperwork

Dasbach reviewed the paperwork in each member's notebook.

Item: Setting of Agenda

Dehn proposed adding consideration of two resolutions - relating to restrictive ballot access laws and the US situation in the Middle East - to the agenda.

The Committee approved elimination of some items and rearranging the sequence of some items and the addition of the two items proposed by Dehn.

Chair's Report

Lark thanked Dan Fylstra for his service as Vice-Chair. He said that Fylstra's resignation was a result of overwhelming business obligations

Lark thanked Sara Chambers, Barbara Goushaw, and Ken Lindell for their past service.

Lark welcomed the new members of the LNC.

Lark thanked the members of the Strategic Planning Team for their work. He thanked Givot for his work as SPT facilitator and acknowledged his efforts in preparing the SPT's final report.

Item: AZ Delegate Allocation for 2002 and 2004 National Conventions

Dixon introduced the topic. He said that he would like clarification of delegate allocation for 2002 and 2004 in light of certain "irregularities" in the AZ ballot in 2000.

Dixon said that he asked the Secretary how this would be handled. He said that the Secretary sought the opinion of the General Counsel. He said that the General Counsel interprets the Bylaws and Convention Rules and has ruled that LPAZ is not entitled to any delegate allocation based on the fact that the national party's nominees were not on the ballot in AZ in 2000.

Peter Schmerl - LPAZ Chair - agreed with the interpretation of the General Counsel that LPAZ is not entitled to a delegate allocation based on votes in AZ for the national party's presidential candidate in 2002.

Schmerl reviewed a recent AZ appeals court ruling which overturned a lower court ruling. The appeals court ruled that ALP, Inc. - the party's AZ affiliate - should be recognized by the state as representing the Libertarian Party in AZ.

Schmerl said that he hopes that the dispute within AZ is now over.

Kaneshiki asked whether ALP, Inc. now has the ability to place candidates on the ballot.

Schmerl said that AZ has a system of open primary elections. He said that the primary would determine which candidates are on the general election ballot. He said that with regard to the Libertarian Party's presidential candidate, ALP, Inc. now has the right to determine what name to place on the ballot.

Hall said that he has been involved in this matter for some time. He said that the narrow decision on this case related to who is entitled to receive a list of registered voters in Maricopa County. He said that there has yet to be a court decision on the broader issue of whether ALP, Inc. is empowered to direct the state as to the name of the candidates whose names should be placed on the AZ ballot for president and vice-president.

Hall said that he expects that a subsequent ruling on the broader issue would highly likely conform to this decision and vest the authority to place the names of the presidential and vice-presidential candidates submitted by ALP, Inc. on the AZ ballot.

Lark asked whether this decision resolved the question as to whether the state has the authority to determine the organization of political parties.

Schmerl said that this decision does not necessarily do that. He said that it does codify certain interactions between the state and the party, but that the party is free to determine much of how it operates.

Dixon said that the lack of a delegate allocation based on presidential vote resulted from two things: the incorrect action by the state in determining that ALP, Inc. did not represent the Libertarian Party in AZ and that the state refused to accept the petition to place the name of Harry Browne on the AZ ballot. He said that subsequent court decisions have indicated that both of these actions were inappropriate.

Nelson thanked Schmerl for this efforts and his perseverance.

Israel thanked Schmerl for his efforts to have the Libertarian Party in AZ respect the candidate selections made by the national convention.

Schmerl said that he has begun to make contact with ALP members. He said that he wants to include them in his organization.

Item: Treasurer's Report

Martin said that the two-week distribution requirement for written reports has resulted in the data in his written report being a bit stale.

Martin said that the month of June was financially "disastrous." He said that the party's breakeven point is about \$130,000 to \$140,000 in a month where there are two pay periods. He said that in months with three pay periods, this amount increases by about \$40,000. He said that the party just scraped by.

Martin said that revenues in June were slightly more than \$150,000. He said that in July revenues rose to \$217,000. He said that he hopes that June is the low point. He said that now that the work - and costs - associated with SPT are behind us, he hopes that the party has seen the low end of revenues and the high end of expenses. He said that through June, the LP's financial position has improved by \$27,000.

Martin said that there are some strategic decisions that have to be made arising out of the work of SPT.

Martin said that one can look directly at the financial statements to see what we planned on doing this year and where we have fallen short.

Martin said that outreach is well behind budgeted efforts. He said that we have not been doing outreach work.

Martin said that, until recently, we have not been telemarketing. He said that we have broken even so far.

Martin said that major donor fundraising results are about zero.

Martin said that in terms of doing prospecting that revenues will have to improve even over July's results in order to fund a 100,000 piece mailing. He said that alternative ways to finance outreach efforts will have to be developed if we are to do significant fundraising. He said that he wants to investigate a proposal made by Givot to use alternative means to do outreach by contracting with a private vendor to do outreach.

Karlan asked whether a similar approach could be used to perform other functions.

Martin said that he wants to consider this possibility.

Crickenberger asked why someone outside would sign up to be a vendor under such a proposal rather than just contribute the cost of the mailing.

Dixon said that there are several reasons. He said that losses would be tax deductible, which has value to investors. He said that there is a possibility of a positive return on the investment and a certainty of some return of invested capital.

Dasbach said that he believes that the FEC would find such an arrangement to be a loan or contribution. He said that the expected return on investment would be negative.

Martin said that he disagrees with Dasbach's assessment. He said that if we expect to lose money on recruiting, then we should not do it.

Dasbach said that contributors have a future value that exceeds their initial contribution.

Martin said that the arrangement to have outsiders perform this service would have to include some of that future revenue, thus making the expected return to them to be positive.

Kaneshiki asked whether the LP has set aside money to fulfill financial obligations under our contract with the National Director or under other contracts.

Martin said that he could calculate that amount but that he does not have it available. He said that he does not believe the amount is significant, but that he would look into it.

Kaneshiki asked if there are any financial obligations on the part of the LP if other employees leave.

Dasbach said that other than earned vacation time, there is no other financial obligation. He said that a liability for earned vacation is already on the books.

Martin said that he knows of no hidden liabilities that do not appear on the LP's books.

Kaneshiki asked for an explanation of the governance line of the financial reports. Dasbach said that this includes cost relating to LNC meetings, SPT, retaining general counsel, directors and officers liability insurance, and outside auditors.

Item: Discussion of LP Program

Gaztanaga presented a suggested outline for the LP Program. He said that he hopes that this outline will be pursued at future meetings. He asked that people review the outline after the meeting.

Gaztanaga said that he believes that the LP needs a slogan.

Gaztanaga said that he believes that the process would benefit from building a consensus among as many participants as possible.

Item: Treasurer's Report

(Secretary's Note: The Committee returned to this topic to provide additional information.)

Dasbach clarified that there is a contingent liability of up to \$40,000 should the LNC terminate the National Director's employment.

Lark said that he has sought the opinion of the outside auditors on the proper handling of such items on the LP's balance sheet.

Kaneshiki said that her concern is not regarding the balance sheet, but rather whether funding for such liabilities should be set aside.

Scherrey said that such liabilities would only arise if the LNC decided to terminate the National Director's employment it would then have to consider funding the associated costs. He said that the expense could not occur without LNC approval.

Martin said that this would only arise if the National Director were dismissed without cause. He said that he would personally fight against terminating the National Director's employment without cause. Thus, he said that he does not see that this contractual provision is likely to arise.

Dasbach said that smaller costs are incurred by the LP if the National Director is terminated for cause.

Kaneshiki said that there are other circumstances that might give rise to termination, such as a decision that a National Director is no longer needed.

Israel said that if the concern is that the cost of termination is deemed to be a deterrent to terminating the National Director, that he believes that there are far greater issues relating to such termination which have nothing to do with the cost specified in such an agreement.

Hall said that the current terms of the contract involve termination pay, reimbursements of moving costs, and reimbursement of rent.

Item: Region 1E Report

Nelson referred the Committee to his written report.

Nelson said that LPWI is setting up county organizations. He said that Ed Thompson will be running for governor. He said that the success of Jesse Ventura has motivated some states in his region to increase their efforts. He said that he was impressed with the office set up by LPMN.

Item: Region 1W Report

Hoch said that LPAK believes that they should be able to participate in the primary election. He said that LPAK intends to fight the state if the state disagrees.

Hoch said that LPWA is the most active group in his region. He said that about 60 candidates are running in WA.

Hoch said that LPHI that issues relating to native rights are coming up. He said that many of the 99 year leases issued by the former King of Hawaii are now expiring and issues are arising over how to proceed.

Hoch said that he got no report from LPOR or LPUT.

Hoch reported on LPMT.

Hoch reported that activists in CO have formed a political action committee to support Libertarian candidates there.

Item: Region 2CA Report

Dehn said that LPCA has a record number of candidates for an odd-numbered year due to a second implementation of Operation Breakthrough. He said that there are 92 candidates at the present time. He said that seven of these people have been elected.

Dehn said that there are 164 partisan offices up for election in 2002. He said that recruiter Ted Brown has a goal of recruiting candidates for 125 of these offices. He said that another round of Operation Breakthrough is planned for 2002 which may produce hundreds of candidates. He noted that redistricting has yet to be completed and that the filing date for 2002 partisan offices is approaching.

Dehn said that Executive Director Juan Ros has resigned. He said that David Malony - who has previously chaired the San Francisco region - has been hired to replace Ros.

Item: Region 2NV Report

Wisnosky said that Brendan Trainor was elected LPNV Chair and that Wisnosky was elected LPNV vice-chair. Pat Schlesinger was appointed Executive Director of LPNV.

Wisnosky said that Aaron Russo is investigating running for governor. He said that Russo has been running issue ads.

Wisnosky said that James Dan has announced that he will run for the same state representative seat he ran for in 2000. He disclosed that he has been appointed Dan's campaign manager.

Item: Region 3 Report

Rutherford reported that while driving home from a trip to MI, he passed a highway sign promoting LPMI.

Rutherford reported on efforts to ease ballot access in IN.

Rutherford thanked Lark for coming to IN on Memorial Day for an LPIN picnic. He said that Lark's visit was covered by the major newspaper in Indianapolis.

Item: Region 4 Report

Scherrey reported on a suit by LPGA's former Chair against LPGA. He said that a request was made to withdraw the lawsuit and use procedures specified in the LPGA to resolve the dispute.

Scherrey said that the LPGA chair was removed as a result. He said that the former LPGA Chair has now withdrawn the lawsuit with prejudice. He said that this episode is now over.

Item: Region 5 Report

Turney reported on the activities of LPVA candidates.

Gaztanaga reported on the activities of LPMD and its candidates, including Spear Lancaster, himself, and several others.

Item: Region 6 Report

Karlan reported on efforts to market the strategic plan.

Cenci reported on activities in ME.

Israel reported on activities of LPMA and its candidates. He said the recent membership growth activities have resulted in 5% growth in membership. He said that LPMA is conducting an event to train campus activists.

Cenci complimented LPMA on its newsletter. He said that it shows incredible change over the past few years.

Item: Region 7 Report

Dixon said that he has been spending his time mending fences within his region. He said that his goal over the coming weeks is to meet with the executive committee in each of his seven states.

Dixon reported on the candidacy of Russell Means for governor in NM.

Dixon said that Barry Hess is actively seeking the gubernatorial nomination in AZ.

Dixon mentioned the efforts of LPTN in their tax-fighting efforts.

Item: National Director's Report

Dasbach said that five of the past 10 conventions were held in or west of Denver, four were held in the East, and one was held in the Midwest. He said that there was a sense that of the next two national conventions, one should be held in the Midwest and one should be held in the South.

Dasbach reviewed hotel alternatives and dates in Atlanta. One proposal is for the weekend after Mother's Day at the Hyatt; the other is for Memorial Day weekend at the Marriott. He said that it is staff's intention - unless it receives direction otherwise - is to do site visits in Atlanta, bring the Chair and general counsel into the discussion, and to enter into a contract with the hotel that offers the best overall proposal.

Karlan asked whether further LNC review is expected.

Dasbach said that he understands that the LNC has authorized the staff to negotiate and execute a contract for the convention in Atlanta at the dates specified.

Kaneshiki asked what obligations the LP would have if it cancelled the convention contract.

Dasbach said that there are significant cancellation penalties involved in signing the contract. He reminded the committee that when the hotel in Washington cancelled a prior convention, the LP received a large check.

Nelson asked what days the Memorial Day weekend alternative would include.

Dasbach said that the convention would be held on Friday through Monday.

Lieberman said that there has been some past objection to holding conventions on holidays.

Dasbach said that holding the convention on a non-holiday weekend would likely increase room rates by \$20 to \$40.

Dixon reported on the requirements of TX law as to when delegates must be appointed. He said that this might give rise to a lawsuit challenging that law.

Karlan said that by the 2002 Indianapolis convention we should know the particulars for the 2004 convention.

Lieberman asked if the Marriott had the post-Mother's Day date available.

Dasbach said that it was not available at the Marriott.

Dasbach said that is it his intent to proceed to a contract absent direction to the contrary from the LNC.

Knapp asked whether any other southern cities - such as New Orleans or Memphis - were considered.

Dasbach said that the feedback he received showed consensus support for Atlanta. He said that he is not sure whether Memphis has a hotel with adequate facilities. He said that New Orleans is a particularly expensive city in which to hold a convention.

Kaneshiki said that she is concerned about a potential liability of \$120,000 if there is no Libertarian Party in existence in 2004. She said that this might sound "wacky" to some. She said that an investigation is underway. She said that John Famularo is not present at the meeting. She said that there is a possibility that the LP might not exist in the format that exists today. She asked what would happen if the LP was not in existence in 2004. She asked whom the hotel would "go after" if this happened.

Hall said that LNC, Inc. is a corporation. He said that if the corporation closes its doors and the corporation has no assets, that the other party is out of luck.

Dehn asked whether the LNC needs to set the date for the convention.

Dasbach said that he thought that had already been discussed.

Dehn moved that the 2004 LP national convention be held in Atlanta on either the weekend after Mother's Day or Memorial Day weekend.

Dixon seconded.

Scherrey said that LPGA definitely wants the convention to be held in GA. He said that he sees no requirement to set the date at this time.

Dasbach said that the LNC will not be meeting for some time. He said that this should be negotiated and signed soon. Therefore, he favors approval today.

Martin asked whether the size of the media market was a factor in selecting the convention site.

Dasbach said that the local media market was one of the factors. He said that other factors were being an airline hub, strength of the state party, and driving distance to LP members.

Dehn moved to substitute for his original motion that the LNC authorizes the staff to arrange the 2004 convention in the time frame of May 2004.

There was no objection to the substitution.

Dehn said that the purpose of his motion was to make it clear that May 2004 in Atlanta is acceptable to the LNC and that other dates or location would require LNC approval.

The motion passed without an objection. Kaneshiki abstained.

Dasbach said that work to improve the party's finances is in process. He said that completion of the strategic planning process will aid in this. He said that fundraising has suffered by the "period of limbo" during which the strategic plan was being developed. He said that, in general, individual projects provide a better basis for fundraising if seen as part of a broad plan for the future.

Dasbach said that when the strategic planning process is complete, more emphasis will have to be placed on development. He said that it is time for the LP to employ someone to head up the development effort. He said that there is a pool of candidates available who are capable of doing this for the LP. He said that Dixon is working on a final report regarding how to proceed in this regard. He said that there is sufficient room in the budget to fund this. He said that if the head of development does not bring in more incremental contributions than his employment costs, there is a problem.

Dasbach reported on telemarketing efforts. He said that the telemarketing effort increased monthly pledges by more than \$700 and produced one time pledges of more than \$10,000. He said that the amount of money already received has more than covered the costs of the effort. He said that attention will now be turned to collecting on these commitments.

Dasbach said that the interns employed over the summer did a good job of handling work that had accumulated over prior months. He said that he is sorry to see them leave.

Dasbach reported on annual accounting entries which were recommended by the auditors. He said that these items will remain on the books unchanged until the following year. He said that these do not affect the financial numbers such as cash and accounts payable that are used to monitor the party's financial health.

Kaneshiki asked about references in John Famularo's time line relating to a procedure manual. She asked if that procedure manual is still in existence.

Dasbach said that Dunbar maintains the procedure manual.

Kaneshiki asked what is covered in the procedure manual.

Dasbach said that the procedure manual defines the steps to carry out various office functions. He said that there is also documentation on how to send news releases, how to post to the web site and other operational procedures.

Kaneshiki asked if there is a set procedure to provide orientation to interns as they come to work for the LP.

Crickenberger said that this is not yet formalized. He said that some time is spent with each intern explaining office procedures.

Kaneshiki asked whether interns are given a copy of the LNC Policy Manual.

Crickenberger said that interns sign a confidentiality agreement. He said that they have not been given a copy of the LNC Policy Manual in the past.

Dasbach said that interns would probably be given a copy of the LNC Policy Manual in the future.

Kaneshiki asked whether Aaron Biterman has issued a letter of retraction relating to the letter he previously sent.

Dasbach explained what Biterman did. He said that Biterman sent out a copy of information already posted on the web site.

Crickenberger said that no retraction was sent. He said that he does not believe that LNC policy was violated. He said that an allegation was made that policy was violated. The allegation was that the national LP is prohibited from providing pre-nomination support for candidates. He said that listing them on the web site, covering them in LP News, and recruiting candidates all provide pre-nomination support for candidates. He said that this does not violate LNC policy because it does not treat any candidate preferentially.

Lark said that his understanding is that Biterman - on his own - tried to reach out to people without first checking with his supervisor. He said that he does not see this as a violation of LNC policy, but rather that Biterman sent out these materials without supervisory review.

Dasbach said that the first impression he got from the allegations was that Biterman had provided preferential treatment to some candidates. He said that - having read the letter - finds he that there was no preference expressed.

Kaneshiki asked if it is possible to receive copies of national party prospecting letters sufficiently prior to their mailing so that they can still be changed. She said that she would like to see them before they are sent.

Dasbach said that the time frames involved in producing these letters would make that impractical. He said that these letters are reviewed by the Chair before they are mailed. He said that anyone who does not want to receive these letters can request to be excluded from these mailings. He said that he receives few complaints about these letters.

Kaneshiki moved that the LNC be permitted to see any direct mail letters to be sent sufficiently prior to their mailing to allow LNC members three days to review draft letters and to stop the letter from being mailed.

Lark asked for clarification as to whether Kaneshiki intends the motion to call for delaying the mailing of a given letter if one LNC member objects to it being sent.

Kaneshiki was uncertain of her response to Lark's question.

Kaneshiki agreed to withdraw the motion with the understanding that she may reintroduce it at another time.

Kaneshiki asked whether Dasbach saw the telemarketing scripts prior to the script being used.

Dasbach said that the professional telemarketers draft a proposed script for informational purposes. He said that providing informational copies of telemarketing scripts or direct mail piece content is not a problem. He said that problems arise if it is necessary to delay use of such scripts until the LNC reviews and - through lack of objection or otherwise - approves them for use.

Turney suggested that these could be distributed to LNC members at the same time that they are sent to the Chair.

Bisson said that he is concerned that an LNC member who objects to a telemarketing script or letter will then send email to all LNC members and that the number of messages would quickly proliferate. He said that he trusts the Chair and the National Director to deal with such matters.

Dehn moved that the LNC adopts a policy that the text of all direct mail letters and telemarketing scripts be distributed to the LNC at least 24 hours prior to their use so that LNC members have an opportunity to point out any problems they have with these items.

?? seconded.

Dehn said that this motion would address Kaneshiki's concern without creating an unnecessary delay in using these scripts and letters. He said that LNC members could provide their input to the Chair. He said that this would also make sure that the Chair has ample time to conduct his review.

Israel said that this is meddlesome and unnecessary. He said that the same thing can be done by looking at the letters after they are sent.

Bisson said that this motion is a "slippery slope" which changes the governance structure of the LNC. He said that this places the LNC in a managerial role.

Gaztanaga said that this motion complicates a top-down approach.

Lark said that - instead of the motion before the LNC - it is possible for the LNC to suggest to the Chair how he might approach this.

Kaneshiki said that last year a letter was sent saying that Harry Browne would be on the ballot in all 50 states. She said that LNC review probably would have prevented this error from being made.

Scherrey asked Lark for examples of complaints about the letters being sent.

Lark said that it is inherent that some people in an organization of this size will always object to some aspects of the letters being sent. He said that having more eyes review the letters and scripts might help identify problems that he does not pick up.

Dexter said that Dehn's motion does not address the issue of the frequency of fundraising letters being sent. He said that this is an example of the worst form of micromanagement. He said that there already exists a committee which reviews materials and suggested that this committee review these items.

Dehn said that these sorts of items are specifically excluded from review by the existing committee.

The motion failed. Dehn and Kaneshiki voted for the motion. Bisson, Dixon, Gaztanaga, Hoch, Israel, Karlan, Lieberman, Martin, Milsted, Nelson, Rutherford, Scherrey, and Turney voted against the motion.

Item: Political Director's Report

Crickenberger said that all interns have returned to college.

Crickenberger said that 454 Libertarians are currently in office.

Crickenberger said that the new candidate recruiting manual is complete. He said that it incorporates much that was learned in the past year.

Crickenberger said that there are currently more than 350 candidates in 2001. He said that this exceeds the prior record for odd-numbered years. He noted special thanks to Aaron Starr for his efforts in CA and to Kaneshiki for her special efforts in PA. He said that more than half of the 2001 candidates are in CA and PA. He said that CA and PA used very different candidate recruiting techniques and that both have succeeded well.

Crickenberger said that 26 Libertarians have already won their elections.

Crickenberger commented on Fred Collins reelection. He said that he was unopposed in this election.

Crickenberger said that the party is well on track for its targeted number of candidates and number of wins for 2001.

Crickenberger said that several additional states - including IN and TX - are already setting aggressive candidate recruitment goals for 2002. He said that he expects to again run more than 218 candidates for the US House in 2002.

Crickenberger said that a slight ambiguity in AL law might have kept the LP off the ballot in 2002. He said that a favorable ruling from the AL Attorney General has resulted in the LP having ballot access in AL in 2002.

Crickenberger said that the highest ballot access hurdle for 2002 is in NC. He said that the party has completed this requirements to be on the ballot in NC in 2002. Crickenberger congratulated LPNC on its efforts to achieve this result. He said that LPNC raised an average of either \$50 or 50 signatures in getting on the ballot. He said that this will set a new standard for other affiliate parties.

Crickenberger expressed happiness that the situation in AZ seems to have been resolved.

Crickenberger said that completing the SPT process will free more funds for use in the OH ballot drive. He said that OH has 12,000 signatures thus far.

Crickenberger said that MI has gathered more than 15,000 signatures thus far.

Crickenberger said that it may be possible to stop the OH ballot drive. He said that this will be determined by a pending court case which might be resolved by the courts.

Kaneshiki said that she noticed more email communication from Marc Brandl. She said that she appreciates this additional communication.

Kaneshiki said that she would like to customize the campus organizing manual by state to get more people involved in the electoral process. She said that she would like campus organizations to be more politically active and less involved in specific issues.

Crickenberger said that affiliated parties are free to customize the campus organizing manual.

Dasbach said that the customization features of the web site permit customization of the online campus organizing manual.

Kaneshiki asked what is done with the original copies of letters which Marc Brandl responds to.

Crickenberger said that how a given letter is handled is determined by Brandl on a case-by-case basis.

Kaneshiki asked whether LNC members can be informed of "major complaints" received by mail.

Crickenberger said that he sees no reason to pass on all such letters. He said that letters are passed on selectively, when appropriate.

Kaneshiki asked for a copy of the congressional campaign treasurer requirements document developed by Steve Damerl.

Crickenberger said that he would send Kaneshiki a copy of that document.

Kaneshiki asked what the results were of a letter written by Aaron Biterman to past LP state officers who have left the LP.

Crickenberger said that he is not sure. He said that he has not looked at the responses. He said that there are only a few dozen letters. He said that, if it is wanted, he will pursue it. He said that the time required to track the responses of that letter are the same as tracking a letter with a larger response.

Item: Communications Director's Report

Winter said that media contacts are up slightly from the rates at the beginning of 2001 but down about 30% from 2000. He said the interviews are running about the same as 2000. He said the op ed publication is up substantially. He said that 2001 has already produced as many printed op ed pieces at all of 2000.

Winter said that he led a strategic planning process. He said that he has expanded the range of media outlets receiving news releases. He said that some new things have been tried. He said that some worked and some did not work.

Winter said that the LP's foreign policy news releases generally produce a relatively poor response. He said that there was an effort to make foreign policy releases more satiric. He said that effort failed.

Winter said that he and Getz will be networking with their peers at friendly organizations such as the Cato Institute to see what they can learn about what these other organizations do. He said that this will be tried before spending money on an outside consultant.

Winter said that he has been in somewhat of a "holding pattern" pending review and approval of the work of SPT. He said that part of this relates to the proposed effort to develop the LP brand.

Kaneshiki asked Winter if he has considered making national LP news releases available to state and local parties permitting them to put their own names on it.

Winter said that this is already being done. He said that some state and local parties are already using these releases with their own names and contact information.

Dasbach said that state and local parties are encouraged to do this.

Dehn raised a question about the news release regarding Iraq. He asked if there is a policy as to which news releases and announcements will be sent to whom.

Winter said that there was no idea whether the rather frivolous approach taken in this instance would be well received. He said that he believes that the LP does not yet know how to do this successfully. He said that - as far as he knows - there was no media attention paid to this.

Dehn said that he understands Winter's response to mean that the frivolous release was not distributed to the announcement list because the staff did not want the membership knowing what we were sending out. He said that he objects to that.

Nelson asked whether the LP was still using hard-faxing. He asked about how the news releases are being sent.

Winter said that the party uses an outside service to broadcast fax hard copies of LP news releases. He said that he is looking into sending faxes by email or perhaps setting up an in-house faxing capability to send out faxes which do not need to be faxed immediately.

Gaztanaga said that he likes the news releases that are being sent - particularly the one relating to Iraq. He said that the only flaw was not distributing it to the announcement list.

Knapp asked whether Winter is tracking the circulation of newspapers publishing the party's op ed pieces.

Winter said that this is tracked on a monthly basis.

Item: General Counsel's Report

Dehn asked whether Hall's report was considered to be privileged and confidential.

Hall said that portions of his report are privileged and confidential. He said that he would be happy to verbally review that portion of his report that does not include information that is privileged and confidential.

Dehn said that confidential reports should be kept to a minimum and suggested that the parts that need to be confidential could be put in an appendix.

Item: National Director's Report - Additional Discussion

Martin asked Dasbach for a quick review of the party's accounting system.

Dasbach said that the party has been getting "less than stellar" support from the vendor. He said that the vendor has announced that continued support will only be provided if a \$6,000 upgrade is purchased.

Dasbach said that as a result of this, the staff is exploring the possibility of switching to Quick Books software. He said that the biggest factor will be the need to enter in a full year's transactions to compare the outputs of the current accounting system with a replacement accounting system.

Dasbach said that his target is a switch over to the new accounting system in January.

Item: Communications Director's Report - Additional Discussion

Winter said that Karlan had informed him that Winter was in violation of the LP Policy Manual. He said that he had failed to report the full list of affiliate party contacts every three months. He said that he would ask the Committee to reconsider this policy. He said that expanded contact information is now available on the web site. He suggested reducing the frequency of including this in LP News be considered.

Nelson moved to amend the LNC Policy Manual Article 7, Section 1, Paragraph B 6 to require LP News to carry contact information at least once each year with information on where to find this information on the web site published each month at the editor's discretion.

Bisson seconded.

Dehn said that use of the web is great and that everyone should get such information online, but he expressed concern about new members of the LP who may not have occasion to visit the LP web site. He said that it is helpful that as new members start to get LP News, they see this information more often than once a year.

Karlan asked whether the same information is routinely distributed to state chairs.

Dasbach said that the reference to the web site in LP News can also include a telephone number to obtain such information.

Kaneshiki said that she feels that printing this information every three months may be too often, but that printing it once each year is probably not often enough.

The motion passed on a voice vote.

The committee recessed at 11:55 AM PDT.

The committee reconvened at 1:17 PM PDT.

Item: Consideration of the Report of the Strategic Planning Team

Lark expressed his appreciation to the entire strategic planning team, to SPT facilitator Givot, and to Nelson for volunteering to lead the presentation of SPT's recommendations.

Nelson explained his background and involvement in the LP in considerable detail. He said that during the SPT process, he has learned a great deal more about the other SPT participants. He said that with that increased knowledge of these people, he gained greater familiarity, greater understanding, and a greater willingness to listen to others. He said that this enables SPT to work out the "fuzziness" of their thinking, and to come to better understand the vocabulary of the other participants. He said that - in this sense - the SPT

process was a positively emotive process as well as a rational process.

Nelson said that SPT had learned two tools to help reach a consensus. He said that discussion of the third-rail issues employed both tools. He said that one tool is the use of "intentional dialog" technique. He said that the other tool was use of a one-to-five consensus building tool which helped people understand where the members of the group were during the process. He said that two of the third-rail issues were handled by having people representing opposing viewpoints write brief summaries of their differing viewpoints.

Nelson said that the process began with a SWOT analysis - identifying the perceived strengths, weakness, opportunities, and threats. He said that the SWOT analysis is the largest single portion of the SPT report. He said that he believes this is appropriate. He said that Givot told him that he was very pleased that the plan being recommended builds on the identified strengths, seeks to address the identified weaknesses, takes advantage of the identified opportunities, and seeks to defend against identified threats.

Nelson said that the first SPT meeting included a joint brainstorming session which produced more than 600 ideas. He said that after organizing those ideas, it became clear that most were tactical in nature - not broad strategic ideas.

Nelson said that SPT proceeded to develop goals for the party. He said that the first round of goals - developed in March in Chicago - ended up being mostly metrics: measurements of performance to be made in assessing progress in achieving even broader goals.

Nelson said that as SPT organized and structured the 800 ideas that were generated by the process, some level of detail may have been lost. He said that all of the ideas are included in the report to assure that they are not lost.

Nelson said that three things are missing in the proposed plan. He said that the first missing item is detail about resource allocation. He said that the second missing item is a prioritization of goals and strategies. He said that the third missing item is the lack of detail at the tactical level. He said that these are missing largely from lack of time and lack of information.

Nelson said that the essence of the plan is captured in the Executive Summary which lists the six goals and the 20 strategies recommended to achieve those goals. He said that many strategies support more than one goal. He said that various levels of the LP are identified as the level where each can be most effectively implemented.

Nelson reviewed some of the terms used by SPT.

Nelson then presented each of the goals recommended by SPT and the metrics and monitors proposed to measure achievement toward implementing each goal. He then presented each strategy and related each strategy to the goals they support.

Nelson identified the subclass for the national, state, and local LP organizations. He said that the national plan is well thought out and defines a limited set of activities that the national party should focus on implementing. He said that the state plan is the least well-defined - largely because of the tremendous variations that exist among affiliated state parties. He said that the local level plan is concise and builds on what can be done at the local level almost anywhere.

Nelson said that he believes that the concept developing the LP brand and changing the LP culture are two key concepts that were developed by SPT.

Martin said that he believes that SPT began its efforts with a great deal of distrust. He said that the process led to better understanding and appeared to resolve issues of trust among the group. He said that he believes this plan is "very doable" and that he looks forward to presenting this plan to affiliate parties.

Crickenberger said that he feels the plan - in its current form - lacks sufficient specific direction. He said that he feels the plan needs further work. He said that the plan affords him a great deal of flexibility as Political Director. He said that almost everything that he wanted to see in a strategic plan is present in the current plan. He expressed concern that so much else is in the plan.

Hoch said that this plan does not comprise "directions from God." He said that the plan encompasses the thinking of some dedicated Libertarians. He said that perhaps there is not enough clarity of detail as there should be.

Milsted said that the process included both pleasant surprises and frustrations. He said that he was very pleasantly surprised by the willingness of the SPT participants to focus on developing the state and local levels of the party. He said that the plan is still "too bulletized." He said that more work needs to be done to flesh out some of the ideas. He said that the champions for each plan will need to do that work.

Karlan empathized that the goals were not prioritized by SPT.

Israel said that the SPT report synthesizes a lot of good thinking. He said that this is not the plan that any one SPT participant would have written by himself or herself. He said that it represents the work of many people. He said that a major piece of work that needs to be done is translating this proposal into various projects - each with an associated cost - and that the LNC will have to make some prioritization of how to allocate scarce resources.

Gaztanaga said that he entered the process as one of the most skeptical people involved. He said that this changed throughout the process. He said that this highlights the need to change the LP culture. He said that it was significant that many SPT participants discovered that their choice of words had strong impact on how their ideas were being heard. He said that he also feels that people who felt that they disagreed actually had complementary opinions instead of conflicting opinions. He said that the strategic plan is a "shopping cart" of alternatives for the national, state, and local parties to choose from. He said that omitting many of these alternatives from the plan would have resulted in the plan becoming more of a "command" than a supermarket.

Dixon said that he likes the notion that the subclass for state and local parties is more of a toolbox than a specific plan. He said that the "wonder" of the matrix of alternative strategies in support of each goal is that it leaves each organization able to pick and choose to suit its particular circumstances - or to ignore the plan and develop its own plan if it wishes. He said that only when we get 51 affiliates doing 51 different things will we have 51 different successes.

Kaneshiki said that she agrees with Crickenberger. She said that last December, she and Givot were the two most vocal advocates for strategic planning. She said that was probably the last time that she and Givot were in agreement. She said that Givot subsequently said that it would prejudice the outcome if he were to disclose each step of the process. She said that - other than a general explanation that a consensus-building process

would be used to make decisions - the discussion of whether to hold open or closed meetings was the only hint of how the process would proceed.

Kaneshiki said that after the first SPT meeting, small "I" libertarian Joe Cadrin - who had substantial professional experience in strategic planning - expressed an opinion that at the end of the process we would not have started. She said that SPT went through the process backwards. She said that the need to develop the LP brand highlights that the work is not yet done. She said that the process was flawed and that it got the LNC back to the beginning without a strategic plan. She said that the strategic plan tends to focus on the national level rather than at other levels. She said that there were unstated assumptions made along the way which give rise to fears that the organization is a top-down organization.

Kaneshiki said that in PA, she does not need the national party to accomplish any of the goals or strategies included in the SPT report. She said that - depending on what level of the LP is asked to do each task - the results will be different. She said that much of the discussion was valuable. She said that this work was done by only 20 people in a room, not by 30,000 members. She said that she has serious reservations about the recommendations of SPT and how it will be implemented.

Scherrey said that he shares many of Kaneshiki's observations, but he comes to different conclusions. He said that the written report is not fully complete. He said that it is a cohesive document. He said that this was a large group to complete this much work in the time allotted. He said that the result of this effort is not that the LNC is back at the beginning. He said that rather this effort has defined the starting point and what needs to be done from that starting point. He said that SPT has created a vision to be implemented by the national party and a confederation of affiliate parties. He said that the next step is working to sell this plan and gain support for it. He said that the biggest single result - aside from defining a starting point - is that it built trust among the members of the team.

The Committee recessed at 2:23 PM PDT.

The committee reconvened at 2:47 PM PDT.

Item: Consideration of Strategic Planning Team Report

Lark said that most of his ideas about how to go about strategic planning were not adopted by the LNC in December. He said that he would have suggested an approach very different from the approach led by Givot. He said that strategic planning is hard work. He said that he believes that SPT worked nicely.

Lark said that the strategic plan is not complete because prioritization has not yet been done making tradeoffs to operate within the constraint of available resources.

Lark said that he found that there was great unease or discomfort on the part of many SPT participants early in the process. He said that Don Gorman made no secret of his concern that the result was preordained. He also expressed concerns about Givot as the facilitator. He said that he was touched by Gorman's comments in Seattle that he was quite pleased at what had happened, that contrary to his suspicions, things had worked out so much better, and that this had been a true effort at strategic planning which would have great buy-in. He said that he was heartened that Gorman had reached this conclusion.

Lark said that this process has not been perfect. He said that the LP must be doing strategic planning on a

broad basis. He said that we need to continue to do this on an ongoing basis. He said that the deliverable is more than the strategic plan proposal or the SPT's report. He said that part of the deliverable is the strategic planning process.

Dehn said that some people had commented on the extent to which the LNC may be telling affiliated state parties what to do. He said that SPT put a great deal of emphasis on what state and local parties might do and included such ideas in the process. He said that it is clear that the LNC is not dictating to affiliate parties. He said that the way the report is written, may almost be too apologetic. He said that this may even raise suspicion.

Dehn said that although our hearts are in the right place about the state and local level activities, the details at those levels are very superficial. He said that if he were a state level activist and not involved at the national level, he might conclude that the national party is only giving lip service to the state parties.

Dehn said that SPT did not follow through on continuing to involve state chairs throughout the process. He said that this was not done. He said that there was no feedback requested from state chairs in the middle of the process. He said that there was no formal effort to keep state chairs informed.

Dehn said that in a sense we are back at the beginning and in another sense we are not back at the beginning. He said that the process created a much stronger sense of working together. He said that the process has clearly defined what the important questions are and that now we have to answer them. He said that he believes that this is about two-thirds of the way to completion. He said that taking the current document to state parties for input at this point is not appropriate. He said that taking the current document to state parties will raise questions about how much of the work is yet to be done. He said that we should promote the positive things in the plan and describe it as a work in progress or a framework instead of a completed plan. He said that this will be more honest and will bring broader acceptance.

Dehn said that the combination of his remarks represents an opportunity. He said that the LNC should take advantage of the fact that the plan is not final and complete and sell the plan on that basis - soliciting feedback on that basis. He said that we also need feedback from HQ staff as to what reasonable metrics can be used in each of the time frames.

Martin said that the Treasury will become important in determining the extent to which the plan can be implemented. He thanked Givot for saving the party at least \$25,000 in developing the plan. He said that because of the nature of who Libertarians are, the plan had to be developed in the manner that it was. He said that the bottom-up process used by SPT was necessary to "heal the party." He said that a top-down process would have fallen apart "within 30 minutes."

Milsted said that he is concerned that "there is some dynamite here." He said that concepts such as maintaining a left-right balance are revolutionary to the LP. He said that such things do not cost a lot of money, but can yield a lot of payback. He said that developing quality presentations is another example of how a relatively small amount of money can be used most effectively. He said that what is missing from the plan is the "evangelism aspect." He said that this plan is not the same thing that the LP has been doing for years.

Nelson said that one thing that will make plan implementation effective is appointing a champion for each strategy.

Karlan said that the plan does a good job of identifying cultural issues that need to be addressed to succeed. He said that the plan also does a good job of developing the notion that there is no silver bullet. He said that even the plan, itself, is not a silver bullet. He said that in recognizing that the plan itself is not a silver bullet, opens the door to the hard work that will help the LP.

Dasbach said that describing the plan as a strategic framework is very good. He said that the strategic plan outlines where there is a broad consensus. He said that this should help all levels of the LP in developing more specific strategic plans which will integrate well with each other.

Dasbach said that to the extent that the strategic plan may not be complete, this should not keep the national party from going forward. He said that this framework is sufficient to place projects in a broad framework - making it easier to raise money to fund the project.

Dasbach said that the strategic plan is a "map." He said what we do not have in the plan is the passion to put forth extraordinary effort in the form of either personal effort or contributions. He said the strategic plan points to specific projects about which people can be passionate.

Gaztanaga said that he keeps hearing people suggest that we are not specific enough in this plan. He said that this effort needs to remain somewhat open-ended. He said that we need to remain patient. He said that it is not our nature to be patient. He said that the strategic plan presents a "great" frame for the party.

Kaneshiki asked each LNC member to review the resolution passed by LPPA in 1997 relating to decentralization. She said that it bears upon the experience of the 1996 convention and the Harry Browne campaign that followed. She said that she could not possibly endorse the concept of adopting a signature issue for the LP. She said that this is not because of her opinion on the particular issue chosen.

Scherrey said that he agrees with Dehn that we need to present the strategic plan as a work-in-progress and solicit input from various state parties on the strategic plan. He said that he has already spoken to groups within GA about SPT's work. He said that most of the feedback has been that people can't wait to see the document and respond. He agreed with Milsted that we need to be evangelical about the strategic plan. He agreed with Dasbach's sense that the strategic plan defines the map and lets affiliate parties know that to the extent that they choose to do something within the framework, you can expect of the national party. He said that it also sends a message that to the extent an affiliate party chooses to do something outside this framework, the affiliate is not doing something wrong, but these may be efforts where you cannot expect a great deal of support from the national party.

Winter said that there was nothing he disagreed with in the strategic plan. He said that he believes that the membership will react the same way. He said that to the extent that the plan advocates doing more of everything, the question of finding the resources to do all of these things must be addressed. He said that the typical cost of market research, production, and airing of advertising to develop a new brand probably spends more than \$20 million. He said that the Democrats and Republicans spent \$100 to \$200 million annually for the same purpose. He said that the big challenge is how we obtain the resources to fuel this plan at all levels.

Nelson asked what we have done and what we are doing is develop an LP brand.

Winter said that he does not believe that we have developed the LP brand. He said that every effort at each level of the party or by each campaign works to establish the LP brand. He said that this has not been integrated into a coherent plan to develop the LP brand. He said that branding is about developing opinions

on the part of customers as to what a product is about. He said that it is very important to recognize that it is the view of customers - not the owner of the brand - that define the brand. He said that the LP knows almost nothing about what the public thinks about the LP - what issues we are associated with and whether the public agrees with us on those issues. He said that first we need to learn what people think about us and about issues, and then we need to go about the task of presenting ourselves in a way to develop favorable reactions on the part of the public. He said that this is a very complicated procedure. He said that at this time we may not have the resources required to implement this strategy.

Dixon said that the important question to ask is whether this is something that we want and need to do without regard to the question of the resources required to do it.

Winter said that he believes that this is something we want and need to do.

Kaneshiki said that all of this can be achieved today by using candidates at the local level to do it. She outlined a number of issues that are strongly held by local constituents where she lives. She said that she can stress those issues locally to build a favorable brand. She said that in other parts of her state, other issues need to be used.

Winter said that branding is far more than issues. He said that branding relates to the emotional context in which a candidate or a party is viewed. He said that this is more a matter of image. He said that if each local candidate defines a different brand based on what issues have strong local support, then one does not have a single brand, but hundreds of brands. He said that this does not build a brand identity.

Lark said that some of this is already happening. He said that the word "libertarian" is already becoming "chic." He said that the term "libertarian" is becoming synonymous with "tolerant." He said that there are some efforts that can be undertaken without great cost.

Winter said that Lark's point is an excellent example. He said that tolerance is not an issue, but rather a word with considerable emotional content. He said that if tolerance were something that the public finds attractive, that we could integrate tolerance into our rhetoric when we discuss issues. He said that would help to develop a more cohesive brand.

Gaztanaga said that if each of us who has done something positive for the LP had waited to act until we were certain that we had all of the resources required to be successful, that we might not have started doing much of what we have done. He said success will come as a result of vision, will, and dedication. He said that eventually the resources will come. He said that if we are going to wait for the resources to be there before we start, we might as well go home.

Milsted said that the current image of the LP is "trusting computer scientists who don't believe in charity." He said that "armed economists on drugs" is probably a better image. He said that building an image that is built on "caring" would be better. He said that we have plenty of room for improvement.

Turney said that branding is a concern of his. He said that it is well outside of the LP that our image is created by organizations such as the CATO Institute. He said that the image those organizations are creating is a very good one. He agreed with Milsted. He said that his reading leads him to conclude that too much money is being spent to measure how a brand is perceived. He said that this does not mean that research spending is not required. He said that he believes it is less than would typically be required when introducing a new product. He said that brand awareness and brand consciousness is important as we do strategic planning. He

said that the idea of stressing tolerance is extremely valuable.

Bisson said that he is also interested in the idea of branding the LP. He cited a slogan used by LPIN: "Good people with great ideas." He said that our culture helps define who we are. He said that he is very impressed with the report. He said that he likes the degree of detail encompassed in the report's 200 pages as they express the degree of work and thoughtfulness that went into producing it. He said that he likes the toolbox analogy. He said that a variety of tools is required to get a given job done and that different tools will be selected by different people.

Rutherford said that Phil Miller and he are going to be meeting with four affiliate parties in the coming months. He said that he will be selling the plan as a toolbox.

Lieberman thanked those who participated on SPT. He said that he is generally pleased with the work of SPT. He said that about eight years ago Winter developed a document which - in less detail - provided a good outline of what needs to be done to succeed. He suggested that Goal 4 could be subsumed by Goal 3.

Nelson said that SPT spent many hours discussing that issue and chose to keep the two goals separate.

Lieberman questioned whether the party has adequate resources to achieve Goal 5. He said that other organizations are already doing this work. He said that candidates can do this. He said that the plan is a very good plan.

Israel said that SPT had discussed each of the points that Lieberman made. He said that there are good arguments on both sides.

Lark said that sometimes the LP sells itself short. He said that we sometimes underestimate how much we do and can do to introduce people to libertarian ideas. He said that he believes that the LP is one important tool in the effort to sell libertarian ideas to the public.

Bisson said that when selling this plan, it is important to avoid dismissing comments from outsiders by saying that their idea was discussed or considered. He said that those presenting the plan should respond more gently.

Cenci said that this marketing effort is a more sophisticated expansion of the prior "Success" series of training efforts. He said that he believes the activists in ME will approach this strategic plan as a helpful tool which will benefit them greatly. He asked staff what portion of the strategic plan is already being done at the national level, but perhaps not being done as effectively as it might be.

Dasbach said that much of what is in the strategic plan is a combination of more of what we are doing with new things such as the brand initiative. He said that the emphasis on marketing to youth is something that we just barely do now. He said that addressing internal cultural issues is a new effort. He said that some of the tracking efforts called for in the plan have never been attempted before.

Dexter said the strategic plan is a "magnificent document." He said that considering where we began it is "food for thought." He said that implementation will be different from state to state and difficult in some states. He said that the LP owes Givot a "standing ovation" for his efforts.

Hagan said that he had not yet read through the strategic plan. He said that it sounds like SPT thought

through the issues well. He said given the amount of effort that went into this, it should be easy to sell to state and local parties.

Wisnosky said that he attended the first two SPT meetings. He said that he thinks the process was put together very well. He said that communication among people with diverging viewpoints was handled well. He said that if he had drafted the plan document, it would have looked different, but that he thinks that overall it looks good. He said that he likes the branding idea. He said that he has some concerns about using the drug issue as the signature issue. He said that he is glad to see this process result in this proposal.

Israel moved that the LNC accepts the SPT work product, that the LNC begins the process of communicating its contents to our affiliates, that the LNC directs the staff to develop cost information on its components as an aid to discussion of prioritization with the aim of incorporating as much of this plan as possible into the budget to be approved in December 2001

Dixon seconded.

Israel said that there is a lot of great material here. He said that there is no doubt that doing most or all of it would be beneficial. He said that the next step is to make a concrete and realistic assessment of the resources required and our ability to acquire those resources and put them to use. He said that he would be very happy to be able to do all of these things. He said that he feels that we will have to make some choices as to what we can actually do.

Karlan said that additional editorial work needs to be done on the plan document itself. He said that the first category of editorial work is technical in nature: punctuation, spelling, and word choice. He said that the other two categories require assistance of the facilitator to make the required changes.

Israel suggested that language be modified to read: that the LNC accepts the SPT work product to be maintained as a living document by an editorial committee, that the LNC begins the process of communicating its contents to our affiliates, that the LNC directs the staff to develop cost information on its components as an aid to discussion of prioritization with the aim of incorporating as much of this plan as possible into the budget to be approved in December 2000.

Kaneshiki said that she is shocked that the committee has jumped from its prior discussion to this motion. She said that this motion is premature. She said that if this plan is adopted, she wants to know the procedure that is going to be use "to push this into the states." She said that she does not want this plan coming into her state without her state board's consent. She said that LPPA has its own ideas about how to do things in PA, "and this is not helping me." She said that she has no idea what is meant by expending resources and who is going to be expending them.

Lark asked Israel to respond, defining what he intends the motion to mean.

Israel said that his understanding of the process of communication is one in which no one would be forced to participate. He said that he expects the LP's affiliates to chart their own course.

Kaneshiki asked whether a representative would be touring her state and trying to sell this to her county chairs. She said that she wants to know how this will be sold to her activists.

Martin said that the relevant question is whether someone would be paid to do that. He said that nothing can

be done to stop someone from going to PA to sell the plan.

Dixon said that he believes that the problem the LNC is facing is that the majority of people in the room were present in Seattle when the marketing efforts were outlined. He said that Kaneshiki was not present at that meeting. He said that at that meeting, someone undertook the responsibility of trying to make a presentation of the strategic plan to appropriate people in each state.

Gaztanaga said that it was he and Gorman who undertook responsibility for presenting the plan in PA.

Lark said that he understood in Seattle that there was an implicit notion in the discussion in Seattle that the state party would be receptive to having a presentation of the strategic plan.

Dasbach said that he recalls that the discussion in Seattle was about making a presentation to the leadership of the affiliate party in each state.

Karlan said that he does not believe that there was consideration given to the possibility that the state party leadership would not want to hear such a presentation.

Kaneshiki said that she does not really understand regarding PA - which has a very large number of elected officials and is running more candidates than any other state - why the members of the LNC think that they can come into PA and show LPPA what to do. She said that LPPA has more ideas than it can possibly implement to do better. She said bringing this strategic plan to PA will only distract people there.

Bisson asked Kaneshiki whether she was considering banning the strategic plan document in PA.

Kaneshiki said that a resolution passed in 1996 already bans the document in principle.

Dehn said that it is not clear to him what this motion means. He said that to some extent it constitutes buy-in of something when we don't know what we are buying. He said that it makes acceptance somewhat meaningless. He said that he is not willing to accept whatever comes out of the editorial process without first seeing it.

The committee recessed at approximately 5:00 PM PDT

The committee reconvened at approximately 5:10 PM PDT

Israel offered substitute language: that the LNC accepts the SPT work product; that the LNC begins the process of communicating its contents to our affiliates and getting their feedback; that the LNC creates an editorial subcommittee to complete language, structure, and consistency corrections to the document; that the LNC directs the staff to develop cost information as an aid to discussion of prioritization with the aim of creating the finished plan and the resultant budget to be approved in December 2001.

Dehn seconded.

There was no objection to substituting this language for the prior language.

Israel said that his language responds to the objection that this was not yet the final strategic plan. He said that this rewording will make it clear that this is not the final strategic plan. He said that this rewording also gives the LNC an opportunity to incorporate feedback from affiliate parties into the final plan.

Lark asked how LNC members who are dissatisfied with one of the strategies included in the strategic plan would pursue their discontent.

Israel said that such concerns are probably best addressed in determining the prioritization of various aspects of the strategic plan.

Karlan said that he supports the motion. He asked whether certain things that he would like to add to the report were within the authority of the editorial committee.

Israel said that he believes that it is within the authority of the editorial committee to add such language. He said that if the editorial committee is uncertain about certain changes, they can come to the LNC for a decision.

Dehn said that the wording "accepting the work product" includes accepting the structure that SPT has developed to this point. He said that such acceptance includes agreement with the recommendation up to this point in their development. He said that changes that do not change the basic concepts expressed by SPT can be dealt with by the editorial committee.

Dehn said that this motion involves three separate processes that would go on simultaneously: communications, editing, and determination of resource requirements. He said that to the extent that information is available now, that information should be presented now and should be discussed.

Dasbach said that some of that information is available now. He said that if this motion is approved, that it is clear that the final plan is going to have the basic characteristics in this document. He said that if there is an objection to one of the goals or strategies, that objection should be made now. He said that getting such objections out of the way now will enable the staff to move forward with greater certainty.

Lark said that if this motion passes, he understands that the LNC now has a framework to operate, and that the LNC can then work to determine what portions of the plan to prioritize.

Israel said that he agrees with Lark.

Dehn said that it is important - to move things forward - that if the LNC passes this motion, that the assumption should be that the LNC accepts and endorses the goals and strategies presented "in concept." He said that this does not mean that emphasis will be given to all of these in the final plan.

Crickenberger said that he has no problem with the direction that this motion will take the LNC. He said that he does have concern about some of the wording in the discussion piece on paper candidates which is appended to the strategic plan document. He asked about the limits of the authority of the editorial committee.

Israel said that he considers the two discussion papers appended to the strategic planning document to be the work product of its authors and not the work product of SPT.

Dasbach said that he has a similar concern about the discussion piece on the spoiler strategy which is appended to the strategic plan document.

Scherrey said that these two discussion papers should not be considered the opinions of its authors but should be considered the opinions of either SPT or the LNC.

Bisson said that these two discussion papers should be presented in the final SPT report as the opinions of their authors.

Dasbach said that because SPT did not have adequate time to discuss the two papers, perhaps they should be open to discussion at the next LNC meeting.

Dehn said that no decision has to be made regarding adoption of the two discussion papers at this time. He said that this can be deferred until the time when the finished plan is considered.

Karlan said that the references to the discussion papers of the spoiler strategy and paper candidates note that the circumstances of a particular race determine the propriety of use of the spoiler strategy or paper candidates in that race. He said that, therefore, it is appropriate to consider these as part of the SPT's report.

Scherrey said that materials were removed from these reports to the extent that they do not reflect the viewpoints of SPT.

Milsted said that it would be a mistake to remove these discussion papers from the report.

Dasbach said that what concerns him is that there was no opportunity to discuss these reports prior to their inclusion in the report. He said that he wants to assure that an opportunity exists to review these discussion papers.

Lark said that - as a member of the editorial review committee - he disagrees with some of what is contained in these discussion papers. He said that he did not feel it appropriate for the editorial committee to rewrite the work of others.

Gaztanaga said perhaps there should be the possibility of a minority report.

Scherrey said that he appreciates Lark's concern about rewriting the discussion paper. He said that he - and he hopes Milsted - would appreciate assistance in rewriting the discussion papers to improve them.

Martin said that we have to begin by determining the purpose of the two discussion papers in the appendices. He said that it would help if there were an introduction which states where common ground was found.

Milsted said that it is not necessary to find a consensus on every point. He said that the introduction and conclusion should focus on areas of agreement found.

Scherrey said that he understood that the discussion papers would remain a part of the report.

Nelson said that he believes that they should remain as a part of the report, subject to some rewriting - as discussed.

Israel said that - unless a consensus is created - they should not be treated the same way as the rest of the report.

Dasbach said that the goal should be reaching a consensus.

Crickenberger said that he thinks that they should be kept as part of the report for the time being, with the goal of reaching a consensus on these issues.

The motion passed on a voice vote. Kaneshiki voted no.

The Committee recessed at 5:47 PM PDT.

The Committee reconvened at 8:05 AM PDT on August 26, 2001.

Item: Discussion of the Willis Matter

Lark said that during the April 2001 LNC meeting information was informally given to LNC members suggesting improprieties on the part of former National Director Perry Willis.

Lark said that he subsequently contacted Willis regarding this. He said that Willis replied acknowledging that the information provided was accurate and that he had, in fact, violated LNC policy.

Lark said that the Executive Committee met subsequent to receiving Willis' acknowledgment and adopted two resolutions.

Lark said that he conducted an inquiry into this matter. He said that the result of this inquiry has been provided to the Committee. He said that since sending his report to the LNC, he received additional replies which indicated no knowledge of wrongdoing. He said that conducting this inquiry took substantial amounts of his time.

Lark thanked internal auditor Bill Redpath for his assistance in reviewing records from the 1996 Browne campaign and certain LP vendor records.

Lark asked that the Committee recognize Jim Babka to deliver a message from Willis.

Kaneshiki objected

Bisson, Dehn, Dixon, Gaztanaga, Hoch, Israel, Karlan, Lieberman, Martin, Milsted, Nelson, Rutherford, and Scherrey voted to permit Babka to address the Committee.

Kaneshiki voted not to permit Babka to address the Committee.

Babka said that he received the following message by fax from Willis the day before:

To the members of the Libertarian National Committee:

As you gather this weekend to do important work for the party, I wish to express my heartfelt regret for the distraction, stress and anxiety that my violation of the LNC employment policy has caused you.

I was motivated by a driving passion to see the party succeed, and I continue to believe that the policy that I violated was counterproductive to that success. At the same time I recognize the necessity of an organization such as ours to operate as a team and that my personal vision of how things ought to be cannot always carry the day. Likewise I understand that the LNC must demand respect for its policies.

As a former employee, I submit that I should have respected the employment policy, and I apologize to each of you individually and as a group for not having done so. Due consideration for the thoughts and reactions of

many people - most notably Ken Bisson, Marshall Fritz, and Steve Dasbach - has helped me realize the full consequences of my willful disobedience and subsequent denial of that disobedience.

My great fear is that the current controversy may serve to undo all that we have accomplished in the past few years, and nothing could cause me greater remorse. So I expand my apology to cover the unintentional contribution I have made to the potential unraveling of our past successes.

It is my sincere hope that the party will soon be able to move forward again, and that all of us will be able to concentrate on productive work for our cause.

Again, my deepest and humblest apologies for the strain this has caused and for my role in it.

I wish you my best as you pursue the work that has been entrusted to you.

Sincerely,

Perry Willis

Lark asked Hall to brief the Committee on cautions they may wish to observe in discussing this matter.

Hall said that during the course of Lark's inquiry, Lark has been acting with the advice of counsel. He said that he has provided a number of written, confidential memos on this subject to the Committee.

Hall suggested that the Committee go into Executive Session for the purposes of obtaining a briefing from General Counsel.

Gorman said that there will be an election of a new Vice-Chair and perhaps the election of an At-Large Representative today. As a candidate for one or both of those offices, he requested that the agenda be changed to conduct those elections at the present time so that the newly elected person or persons could participate in the discussion of this matter.

Israel objected to the proposed agenda change.

Gaztanaga moved that the election of new LNC members take place immediately.

The motion failed on a voice vote.

The Committee went into Executive Session at 8:23 AM PDT.

Givot joined the meeting while in Executive Session.

The Committee returned from Executive Session at 9:15 AM PDT.

Lark indicated that someone had found a recording device in the meeting room during the Executive Session. He said that when the device was found, it was recording.

Bill Bradford said the recording device was his.

Lark returned the recording device to Bradford and said that the recording medium would not be returned. He

indicated that a blank recording medium will be sent to Bradford.

The Committee recessed at 9:20 AM PDT.

The Committee reconvened at 9:30 AM PDT

Israel moved adoption of the following resolution:

Whereas John Famularo has presented evidence to the Libertarian National Committee on April 21, 2001 that Perry Willis, while National Director of the Libertarian Party, performed work for the 1996 Harry Browne for President campaign in violation of LNC rules,

And whereas Perry Willis subsequently admitted that he had indeed performed such work, in contradiction to his previous statements,

And whereas no additional evidence has been presented to the Libertarian National Committee on this matter concerning Perry Willis or any other Libertarian.

Therefore, the Libertarian National Committee hereby censures Perry Willis for performing said work on the 1996 Harry Browne for President campaign while employed as Libertarian National Director, and for denying to his employer that he had done so.

We also resolve that neither the Libertarian National Committee nor the National Director shall engage Perry Willis directly as either an employee or a contractor for a minimum period of two (2) years.

We further resolve that Perry Willis and organizations with which he may be affiliated may only purchase advertising in LP News and/or rent the Libertarian national mailing list subject to the terms and conditions required by the LNC Policy Manual for external customers.

The Libertarian National Committee further resolves that this issue is closed, and no further action shall be taken unless additional credible evidence is presented to the committee.

Karlan seconded.

Israel said that the purpose of the resolution is to make clear that the violation of LNC policy is unconscionable, unallowable, and that we do not approve of it. He said that the motion is intended to address matters where we have direct evidence, but not allegations where we have only speculation of wild claims. He said that this is intended to demonstrate that the LNC will not employ Willis until a time when it can be shown that his trustworthiness has improved. He said that we do not intend to stop other organizations which may employ him. He said that the motion intends to put this matter behind us.

Cenci asked Israel to verify that there is no time limit during which Willis may purchase LP News ads or rent the mailing list and for the terms of dealing with the LNC as an "external customer."

Israel said that there is no time limit related to purchasing LP News ads or mailing list rentals. He said that LNC policy defines relations with external customers. He said that advertising purchases or mailing list rentals be done on a non-discriminatory basis and that the content of ads or mailings be reviewed and approved by the LP.

Dehn said that he considers the motion an insult to the work of the chair as well as others that have put time and effort into investigating this issue. He said that the statement that no other evidence has been presented is blatantly false. He said that other than the censure, he does not feel the proposed remedies are appropriate.

Dixon moved to add "or any business controlled or owned by him" after the name of Perry Willis in the fifth paragraph.

Israel and Karlan accepted the amendment as friendly. The motion now read:

Whereas John Famularo has presented evidence to the Libertarian National Committee on April 21, 2001 that Perry Willis, while National Director of the Libertarian Party, performed work for the 1996 Harry Browne for President campaign in violation of LNC rules,

And whereas Perry Willis subsequently admitted that he had indeed performed such work, in contradiction to his previous statements,

And whereas no additional evidence has been presented to the Libertarian National Committee on this matter concerning Perry Willis or any other Libertarian.

Therefore, the Libertarian National Committee hereby censures Perry Willis for performing said work on the 1996 Harry Browne for President campaign while employed as Libertarian National Director, and for denying to his employer that he had done so.

We also resolve that neither the Libertarian National Committee nor the National Director shall engage Perry Willis or any business controlled or owned by him directly as either an employee or a contractor for a minimum period of two (2) years.

We further resolve that Perry Willis and organizations with which he may be affiliated may only purchase advertising in LP News and/or rent the Libertarian national mailing list subject to the terms and conditions required by the LNC policy manual for external customers.

The Libertarian National Committee further resolves that this issue is closed, and no further action shall be taken unless additional credible evidence is presented to the committee.

Dixon moved to amend the time period expressed in the fifth paragraph to five years.

Nelson seconded the motion.

Dixon said that his reason to lengthen the time period is to stress the severity of Willis's actions as well as assuring that the time period encompassed a presidential election cycle.

Bisson said that he would like to avoid having anyone insulted. He asked Lark whether he shares Dehn's sentiment that passing this resolution would be insulting.

Lark said that he does not believe that it would be personally insulting if this resolution were to pass.

Milsted said that he is concerned that Willis has a practice of over promising which creates a lot of bad will. He said that he would like to stop this.

The amendment to change two years to five years passed on a voice vote. Dehn abstained because he thought the whole motion was "ridiculous."

The motion then read:

Whereas John Famularo has presented evidence to the Libertarian National Committee on April 21, 2001 that Perry Willis, while National Director of the Libertarian Party, performed work for the 1996 Harry Browne for President campaign in violation of LNC rules,

And whereas Perry Willis subsequently admitted that he had indeed performed such work, in contradiction to his previous statements,

And whereas no additional evidence has been presented to the Libertarian National Committee on this matter concerning Perry Willis or any other Libertarian.

Therefore, the Libertarian National Committee hereby censures Perry Willis for performing said work on the 1996 Harry Browne for President campaign while employed as Libertarian National Director, and for denying to his employer that he had done so.

We also resolve that neither the Libertarian National Committee nor the National Director shall engage Perry Willis or any business controlled or owned by him directly as either an employee or a contractor for a minimum period of five (5) years.

We further resolve that Perry Willis and organizations with which he may be affiliated may only purchase advertising in LP News and/or rent the Libertarian national mailing list subject to the terms and conditions required by the LNC policy manual for external customers.

The Libertarian National Committee further resolves that this issue is closed, and no further action shall be taken unless additional credible evidence is presented to the committee.

Givot moved that "on April 21, 2001" be removed. He said that this did not happen. He said that a piece of paper was dropped in front of some people. He said that - in his case - he was not even aware of this piece of paper until after the meeting ended.

Nelson seconded.

Givot said that - since that day - the suggestion has been made that the LNC was aware of the evidence provided by Famularo during the course of the April 2001 meeting. He said that this is incorrect. He said that when the LNC voted to proceed with the FEC lawsuit, it was not aware of this evidence.

Kaneshiki said that instead of specifying the date, the specific piece of evidence could be described in the resolution.

Givot's amendment was accepted as friendly by Israel and Karlan.

Whereas John Famularo has presented evidence to the Libertarian National Committee that Perry Willis, while National Director of the Libertarian Party, performed work for the 1996 Harry Browne for President campaign in violation of LNC rules,

And whereas Perry Willis subsequently admitted that he had indeed performed such work, in contradiction to his previous statements,

And whereas no additional evidence has been presented to the Libertarian National Committee on this matter concerning Perry Willis or any other Libertarian.

Therefore, the Libertarian National Committee hereby censures Perry Willis for performing said work on the 1996 Harry Browne for President campaign while employed as Libertarian National Director, and for denying to his employer that he had done so.

We also resolve that neither the Libertarian National Committee nor the National Director shall engage Perry Willis or any business controlled or owned by him directly as either an employee or a contractor for a minimum period of five (5) years.

We further resolve that Perry Willis and organizations with which he may be affiliated may only purchase advertising in LP News and/or rent the Libertarian national mailing list subject to the terms and conditions required by the LNC policy manual for external customers.

The Libertarian National Committee further resolves that this issue is closed, and no further action shall be taken unless additional credible evidence is presented to the committee.

Gaztanaga said that he agrees with Dehn. He said that there is something in the resolution that is "ridiculous." He moved to strike the third paragraph. He said that the third paragraph is a "conclusive paragraph" which does not belong in the resolution.

Scherrey seconded.

Gaztanaga said that this paragraph draws a conclusion for which we do not have sufficient evidence. He said Willis did something very wrong and that a mere slap on the hand for Willis will cause more problems down the road.

Israel said that if there is additional authoritative evidence that is extraordinarily credible, he is as willing as anyone to hear that evidence. He said that - absent such evidence - the committee should not pursue any other action. He said that the final paragraph leaves the door open to consider additional credible evidence if it is presented in the future.

Gaztanaga said that he has encouraged Famularo to present all of the evidence he has.

Bisson said that he looks at Israel's proposed resolution as a starting point for discussions.

Karlan said that Famularo provided evidence of Willis' actions so that it could be considered as part of the discussion of whether to join the lawsuit.

Kaneshiki said that she believes that Israel's resolution is premature. She referred to the time line which Famularo presented. She said that toward the end of the time line, there is documentation of Famularo's request for clarification of the investigation being undertaken. She listed dates of various communications between John Famularo and Jim Lark regarding the nature of the investigation.

Kaneshiki asked for a showing of hands of which LNC members had reviewed, in detail, the timeline

provided by Famularo.

(Secretary's Note: Almost every LNC member raised his or her hand in response to this request.)

Kaneshiki said that the reason that Famularo is not present at this meeting is that the issues involved in this are not as simple of Willis deceiving the LNC.

Kaneshiki said that the LNC has an obligation to determine whom the LP does business with. She asked for a discussion and an opportunity to ask questions about evidence rather than jumping to approval of a resolution.

Kaneshiki moved to table the resolution under consideration.

Scherrey asked Kaneshiki whether she has additional evidence to present that the committee has not already seen.

Kaneshiki said that she has no additional evidence to present.

Kaneshiki moved to table consideration of Israel's resolution until the LNC has a discussion of the rules of evidence and how the LNC wishes to proceed on this matter.

Kaneshiki's motion to table died for a lack of a second.

The amendment striking the third paragraph passed.

Dehn abstained.

Whereas John Famularo has presented evidence to the Libertarian National Committee that Perry Willis, while National Director of the Libertarian Party, performed work for the 1996 Harry Browne for President campaign in violation of LNC rules,

And whereas Perry Willis subsequently admitted that he had indeed performed such work, in contradiction to his previous statements,

Therefore, the Libertarian National Committee hereby censures Perry Willis for performing said work on the 1996 Harry Browne for President campaign while employed as Libertarian National Director, and for denying to his employer that he had done so.

We also resolve that neither the Libertarian National Committee nor the National Director shall engage Perry Willis or any business controlled or owned by him directly as either an employee or a contractor for a minimum period of five (5) years.

We further resolve that Perry Willis and organizations with which he may be affiliated may only purchase advertising in LP News and/or rent the Libertarian national mailing list subject to the terms and conditions required by the LNC policy manual for external customers.

The Libertarian National Committee further resolves that this issue is closed, and no further action shall be taken unless additional credible evidence is presented to the committee.

Dixon moved to amend the motion to read:

Whereas John Famularo has presented evidence to the Libertarian National Committee that Perry Willis, while National Director of the Libertarian Party, performed work for the 1996 Harry Browne for President campaign in violation of LNC rules,

And whereas Perry Willis subsequently admitted that he had indeed performed such work, in contradiction to his previous statements,

Therefore, the Libertarian National Committee hereby censures Perry Willis for performing said work on the 1996 Harry Browne for President campaign while employed as Libertarian National Director, and for denying to his employer that he had done so.

We also resolve that neither the Libertarian National Committee nor the National Director shall engage Perry Willis or any business owned or controlled by him (collectively "Willis organizations") directly as either an employee or a contractor for a minimum period of five (5) years. Willis organizations may not directly advertise in LP News and/or rent the Libertarian national mailing list during such time period.

We further resolve that organizations (other than Willis organizations) with which Willis organizations may be affiliated or act as campaign manager may only purchase advertising in LP News and/or rent the Libertarian national mailing list subject to the terms and conditions required in the LNC policy manual for external customers.

The Libertarian National Committee further resolves that this issue is closed, and no further action shall be taken unless additional credible evidence is presented to the Committee.

Givot seconded.

Givot asked who would decide whether a given organization is a "Willis organization." He said that if this amendment is adopted, there should be a determination now as to who will make such decisions.

Dixon said the LNC would decide.

Lieberman asked what access to advertising in LP News and renting the LP mailing list is currently given to the Monticello Group and Gene Cisewski.

Hall said that they cannot have direct control over the list, but they can work for organizations which rent the list.

Dasbach asked whether it was intended that a presidential campaign run by Willis could only rent the list on the same basis as any external organization.

Dixon said that is his intention that this would be the case.

Dasbach said that waiting for the LNC to make decisions on whether an organization is a "Willis organization" creates too long a delay. He suggested vesting authority to make such determinations in the Executive Committee or the Chair.

The Committee recessed at 10:17 AM PDT.

The Committee reconvened at 10:33 AM PDT.

The amendment inserting language relating to "Willis organization" passed on a voice vote.

Dehn abstained.

Scherrey moved to substitute the following resolution:

Whereas, Perry Willis had agreed, as part of his continued employment consideration as National Director and, in accordance with LNC policy, to no longer work on behalf of individual pre-nomination candidates for public office;

Whereas, Mr. Willis has for several years thereafter denied, and knowingly allowed others to deny on his behalf, performing such prohibited work;

Whereas, upon confrontation with evidence presented by John Famularo, Mr. Willis has since admitted to having continued to perform such prohibited work which he has hereunto been denied; and

Resolved, that said actions and allowance of actions have caused great damage to the integrity and credibility of the Libertarian Party, and the Libertarian National Committee, and those individuals who, upon his bad faith assurance, made honest efforts to defend his person against such accusations;

Resolved, that said actions are just grounds for termination for cause, and are a violation of the LP prohibition of initiation of use of force through fraud which Mr. Willis has affirmed as part of his membership in the LP;

Order, that Perry Willis is hereby CENSURED by this Libertarian National Committee for said violations and betrayals; and

Order, that the Libertarian Party immediately cease, and further prohibit entering into relationships with, the utilization of Libertarian Party assets for, and further associations or transactions with Mr. Willis, and organizations where Mr. Willis has significant governance of and/or financial interest.

Givot seconded.

Scherrey said that he believes that the sense of the body is that the motion currently on the floor is inadequate and that subsequent attempts to amend it fall short of what is needed. He said that his substitute motion is a strong motion which is based only on known facts.

Israel said that he opposes the motion because it goes far in excess of the precedents set in the Cisewski matter. He said that he believes that the LNC should use the Cisewski matter as a precedent and not exceed that precedent.

Givot said that, in the Cisewski matter, the infraction involved misuse of the mailing list, so distancing Cisewski from the mailing list was an appropriate consequence of Cisewski's actions.

Givot said that Willis was in the highest position of trust. He said that Willis abused that position of trust and permitted others to defend him when he knew he was, in fact, guilty. He said that he feels that Willis' breach was more egregious than Cisewski's breach. He said that he supports the substitute motion.

Dehn said that he supports the substitute as a better alternative.

Turney moved to amend to add the following language: Whereas there has been silence with respect to this matter by some leaders of the Libertarian Party, the LNC calls for David Bergland, Sharon Ayres, and Harry Browne to publicly denounce the violation of LNC policy by Perry Willis, and the justification for the violation, specifically, declaring "the best interest of the Libertarian Party" as the justification for the violation.

The motion was ruled out of order.

Turney said that if the substitute motion is selected for further consideration, he hopes to have an opportunity to introduce the language he put forth.

Gaztanaga said that from what he has observed, there seem to be one or two individuals in the party who seem to have a "birthright" to earn a living from the party. He said that he is not talking about those employed by the LP currently. He said that Scherrey's substitute motion addresses this.

The Committee recessed at 11:00 AM PDT.

The Committee reconvened at 12:15 PM PDT.

Gorman said that there are people leaving the party because of this matter. He said that others are staying within the party and are considering initiating lawsuits against the LNC if they perceive that this matter is "whitewashed."

Gorman proposed that the appearance of a whitewash can be avoided by setting up a panel of one pro-Willis person, one anti-Willis person, and a hired outside professional mediator or arbitrator to review the facts and recommend action to be taken.

Gorman also suggested that until each of several people from within the Browne campaign comes forward to provide whatever information they have, that the LNC should not do any business with any of these individuals.

The motion to substitute failed on a vote of eight to eight.

Dehn, Gaztanaga, Givot, Hoch, Kaneshiki, Milsted, Scherrey, and Turney voted in favor. Bisson, Dixon, Israel, Karlan, Lieberman, Martin, Nelson, and Rutherford voted against. Lark abstained.

The main motion, as amended, passed on a vote of 11 to three with three abstentions.

Bisson, Dixon, Hoch, Israel, Karlan, Lieberman, Martin, Milsted, Nelson, Rutherford, and Turney voted in favor. Gaztanaga, Kaneshiki, and Scherrey voted against. Dehn, Givot, and Lark abstained.

Knapp asked for permission of the Committee to record how he would have voted on this issue.

The Committee declined to permit recording this.

Givot moved adoption of the following resolution:

Whereas no later than 1998 John Famularo was in possession of and aware of evidence indicating that former National Director Perry Willis had violated LNC policy in 1996;

And whereas John Famularo freely chose to withhold that evidence from the officers and members of the Libertarian National Committee for at least three years;

Therefore, the Libertarian National Committee expresses its gratitude to John Famularo for bringing evidence of wrongdoing by Perry Willis to the attention of the Committee.

Furthermore, the Libertarian National Committee expresses its regret that John Famularo freely chose to withhold this information - an act which may have led the Committee and one or two national conventions to make different decisions than they may have made had Mr. Famularo made this information available when he first discovered it.

Turney seconded.

Givot said that there has been much discussion about this information and how it got to the LNC. He said that there has been some discussion that this Committee might not have wanted to know about this information. He said that the first part of the resolution addresses this by making it clear that the Committee sincerely wants people with information about wrongdoing to bring that information to the LNC. He said that a lot of the damage that has been done to the party is a result of the long delay in bringing this information to the Committee. He said that he thinks it is important to send both messages.

Martin said that he agrees with Givot. He said that this has no legal ramification other than to say that the Committee wants information about wrongdoing to be brought forward and not withheld.

Gaztanaga said that he agrees with the sentiment of the resolution. He said that he thinks that Famularo may have been waiting for a better audience to which to present the evidence. He said that there may be some evidence to suggest that this is the case.

Kaneshiki said that she finds the motion inappropriate. She said that she has worked with Famularo for two years. She said that the only reason that this information came forward when it did was that the LNC was considering participation in the FEC lawsuit. She said that the reason that the evidence was not presented to the LNC sooner is "because Mr. Famularo realized the political reality of the LNC that he was dealing with, that there was no way nothing would come of revealing the information anyway."

Givot said that Kaneshiki is impugning the integrity of the past LNC on which he served without any factual basis. He said that he deeply resents her comments. He said that she is completely unknowledgeable about that Committee. He said that did not attend meetings of the prior LNC. He said that to the extent to which she is impugning the integrity of that body, Kaneshiki does not know what she is talking about.

Bisson said that he does not believe that passing such a resolution will help move the party forward.

Israel said that he agrees that the Committee should encourage people to come forward if they have such information. He said that he is concerned that approving this resolution will be read as punishing a whistle blower.

Lieberman said that he will vote against this and any other motions on this matter. He said that the motion

already passed is sufficient and that he wants to move onto other items on the agenda.

Scherrey said that he will abstain, although he agrees with much of the resolution, because the LNC has already passed such a weak resolution. He said that he believes that Famularo has been disingenuous throughout this period.

Motion failed on a voice vote. Gaztanaga and Scherrey abstained.

Scherrey moved adoption of the following resolution:

Whereas, Harry Browne acted to and did finally achieve the nomination by the Libertarian Party for President of the United States in 1996;

Whereas, Mr. Browne contracted the services of the National Director at that time for purposes of this campaign and against LNC policy;

Whereas, when said violation of policy was made public, Mr. Browne did act to hide further such violations by funneling further contracts with Mr. Willis through Jack Dean's company;

Whereas, when asked to respond to inquiries by our Chair for purposes of investigating this matter, Mr. Browne refused to cooperate with said investigations;

Order that Harry Browne and Jack Dean are hereby admonished for their participating in aiding Mr. Willis to violate LNC policy and willfully seeking to impede said investigation, and

Call upon Mr. Browne, fellow campaign staff and committee members Sharon Ayers, David Bergland, Michael Cloud, contractor Jack Dean, and Chair of the LP in 1996 Steve Dasbach to publicly denounce this violation of LNC policy by Perry Willis and specifically his declaring "the best interests of the LP" as justification for the violation.

Turney seconded.

Scherrey said that there is insufficient evidence to implicate others, but we do have enough to call upon others to come forward and denounce Willis' actions.

Dasbach said that he has no problem publicly denouncing the violation of LNC policy by Perry Willis.

Bisson moved that Steve Dasbach not be listed in the resolution since he has now publicly denounced Willis' violation of policy.

Dasbach's name was removed as a friendly amendment. The motion now read:

Whereas, Harry Browne acted to and did finally achieve the nomination by the Libertarian Party for President of the United States in 1996;

Whereas, Mr. Browne contracted the services of the National Director at that time for purposes of this campaign and against LNC policy;

Whereas, when said violation of policy was made public, Mr. Browne did act to hide further such violations

by funneling further contracts with Mr. Willis through Jack Dean's company;

Whereas, when asked to respond to inquiries by our Chair for purposes of investigating this matter, Mr. Browne refused to cooperate with said investigations;

Order that Harry Browne and Jack Dean are hereby admonished for their participating in aiding Mr. Willis to violate LNC policy and willfully seeking to impede said investigation, and

Call upon Mr. Browne, fellow campaign staff and committee members Sharon Ayers, David Bergland, Michael Cloud, and contractor Jack Dean to publicly denounce this violation of LNC policy by Perry Willis and specifically his declaring "the best interests of the LP" as justification for the violation.

Lark said that there are two issues. He said that one relates to the actions of people in years long past. He said that the other issue relates to cooperation in the 2001 investigation. He said that he understands that this motion relates to the latter.

Martin said that he is concerned about the admonishment found in the next to last paragraph. He noted that there was not sufficient evidence to implicate people, yet the resolution seeks to admonish them for something for which we have insufficient evidence.

Martin moved to add the word "possibly" before "aiding" in the fifth paragraph.

Israel seconded.

Givot said that he finds admonishing people for possibly doing something wrong to be inconsistent. He said that if the Committee is going to admonish people, the Committee should set a standard of proof and use that standard of proof to determine whether these people did or did not aid Willis in his violation of policy.

Scherrey said that there is evidence that strongly suggests that Dean and Browne aided Willis.

Israel said that he believes that a reasonable person would conclude that Dean was a party to Willis' deception. He said that there is substantially less to support a claim that Browne was involved. He said that he would prefer for this resolution not to admonish Browne.

Kaneshiki said that proof of something is not required in order to decide not to do business with someone. She said that all that is required is reasonable suspicion in order not to do business with these people. She said that she believes that reasonable suspicion does exist. She said that proof beyond a reasonable doubt is not an appropriate standard to use to determine what action to take. She said that "having to stoop to this" resolution "is an insult to the intelligence of all of us."

Nelson said that he is concerned about the liability that might be incurred in adopting this resolution.

The Committee went into Executive Session at 1:04 PM PDT.

The Committee returned from Executive Session at 1:40 PM PDT.

Gaztanaga moved to amend Scherrey's motion to read:

Whereas, Harry Browne acted to and did finally achieve the nomination by the Libertarian Party for President

of the United States in 1996;

Whereas, Mr. Browne contracted for the services of the National Director Perry Willis at that time for purposes of this campaign and against LNC policy;

Whereas, it appears from the evidence submitted to this Committee that when said violation of policy was made public in late 1995, Mr. Browne then may have cooperated with Mr. Willis to hide further such violations by funneling further contracts with Mr. Willis through Jack Dean's company;

Whereas, when asked to respond to inquiries by our Chair for purposes of investigating this matter, Mr. Browne refused to cooperate with said investigation;

It is ordered that Harry Browne and Jack Dean are hereby admonished for their participation in aiding Mr. Willis to violate LNC policy and willfully seeking to impede said investigation, and

Call upon Mr. Browne, fellow campaign staff and committee members Sharon Ayers, David Bergland, Michael Cloud, and contractor Jack Dean to publicly denounce this violation of LNC policy by Perry Willis and specifically his declaring "the best interests of the LP" as justification for the violation.

Milsted seconded.

Gaztanaga said that he believes that this is a better wording to express the sense of the resolution.

Givot said that if the purpose of the resolution is to make a statement that we do not like this conduct, then the proposed language is fine. He said that if the Committee is trying to make a strong statement and set a precedent, then perhaps the Committee wants to consider not doing business with these people until they respond to the Chair's inquiry to the satisfaction of the Committee.

The amendment passed on voice vote.

The main motion passed on vote of 10 to six with one abstention.

Dehn, Dixon, Gaztanaga, Givot, Kaneshiki, Karlan, Milsted, Nelson, Scherrey and Turney voted in favor. Bisson, Hoch, Israel, Lieberman, Martin, and Rutherford voted against. Lark abstained.

Item: Approval of LNC Minutes

Dehn recommended correction of two typographical errors which were accepted.

The minutes of April 2001 approved on a voice vote.

Item: Election of Vice-Chair

Rutherford nominated Bisson.

Milsted nominated Gorman.

Each candidate was given two minutes to address the LNC.

On a paper ballot Bisson received 10 votes and Gorman received seven votes.

Bisson was elected Vice-Chair.

Item: Election of At-Large Representative

Lark declared that with the election of Bisson as Vice-Chair, there was a need to fill a vacancy in the position of LNC At-Large Representative.

Martin nominated Don Gorman.

Bisson nominated Chuck Williams (LPSC Chair),

On a paper ballot, Gorman received 13 votes and Williams received four votes.

Gorman was elected as an At-Large Representative

Item: Possible Opening of a Seat on the Executive Committee

Martin moved that the LNC appoint one additional member to the Executive Committee to create a body of seven members.

The motion passed without objection.

Karlan nominated Israel.

Scherrey nominated Gorman.

On a paper ballot, Israel received 10 votes and Gorman received eight votes.

Israel was elected to the Executive Committee.

Item: Contract for the National Director

Dixon moved to postpone this matter to the next LNC meeting.

Nelson seconded.

Givot said that the proposed contract is only for one year. He said that if a decision is postponed until December, he sees little point in adopting a contract for the remaining period.

Kaneshiki said that the contract has not been presented to the LNC. She said that there is inadequate time to review the proposed contract.

Gorman said that he has inadequate background information to vote on a proposed contract today.

Milsted said that the National Director has worked without a contract for some time. He said that he prefers to delay consideration.

The motion passed on a voice vote.

Lark raised questions about who should have access to a copy of the proposed employment contract.

Dehn said that during the "negotiation period" prior to proposing a contract it should not be publicly available.

Givot said that he does not believe that the actual contract should be available beyond the LNC members.

Israel moved to reaffirm the prior practice whereby a copy of the proposed contract should be available to LNC members while adoption of the contract is being deliberated but that copies of the contract would not be retained by LNC members after deliberation is complete and that copies of the contract would never be available publicly.

Givot seconded.

Nelson asked if he is correct that if the Executive Committee receives copies of the contract that copies would also be available to the full LNC.

Lark confirmed that this is his understanding as well.

Dasbach said that it would be helpful if LNC members could be given copies of the proposed contract to take with them.

Israel withdrew his motion with Givot's consent.

Nelson moved that a true copy of the proposed employment contract will be provided to each LNC member sufficiently prior to the meeting at which it will be considered with each LNC member expected to maintain the contract as confidential.

Givot seconded.

Kaneshiki said that the LNC should have a policy about confidentiality of such information.

Givot offered to work with interested LNC members to draft a proposed policy regarding confidentiality.

The motion passed on a voice vote.

Nelson moved that at no time should the true text of the contract be made available to the public.

Givot seconded.

Milsted said that while keeping such matters confidential may be a common practice, it is not necessarily a good practice.

Kaneshiki said that making the terms of the contract public can let members know what incentives the National Director may have to perform in certain ways.

Israel asked Kaneshiki why people would not have that information by accessing the general terms of the contract which are available in the LNC minutes.

Gorman said that he has problems with excluding the membership and the public from seeing a contract approved by the LNC.

Scherrey said that he is undecided. He said that it is not necessary for this to be determined at this time.

Givot said that his experience in other organizations is that governing boards rarely see employment contracts. He said that details of such contracts are generally delegated to smaller compensation committees. He said that the governing board generally is told of the major contractual terms such as salary, incentives, benefits, termination provisions, etc.

Lieberman said that, in general, he believes that contracts should not be public. He said that the general terms of the National Director's contract can be made available.

The motion failed on a vote of seven to eight with three abstentions.

Bisson, Dixon, Givot, Israel, Lieberman, Nelson, and Rutherford voted in favor. Dehn, Gaztanaga, Gorman, Hoch, Kaneshiki, Karlan, Milsted, and Scherrey voted against. Lark, Martin, and Turney abstained.

Item: Resolution on Restrictive Ballot Access Laws

Dehn moved adoption of the following resolution:

Whereas, the Libertarian Party Platform declares that restrictive laws in many states deny ballot access to candidates and groups and further deny voters their right to consider legitimate alternatives, and

Whereas, the Platform further declares that no state has an interest to protect in this area except for the fair and efficient conduct of elections, and

Whereas, such laws have repeatedly been used to deny voters the choice of voting for Libertarian candidates, and,

Whereas, it is in the common interest of all parties that are challenging the dominance of the "two-party system" to make it easier for alternatives to be presented to the voters,

Therefore, be it resolved,

That the Libertarian National Committee calls for the immediate repeal of all laws which impose restrictions beyond the absolute minimum required to allow the fair conduct of elections, and

That the Libertarian National Committee finds that any restrictions which would prevent the appearance on the ballot of a Libertarian candidate or any other candidate or party which has any measurable degree of voter support are, ipso facto, too severe, and

That the Libertarian National Committee condemns the invocation of such laws by any person for the purpose of keeping a candidate of any party off the ballot, and

That the Libertarian National Committee directs that no employee or agent of the Libertarian Party shall directly or indirectly attempt, and that no party resources be used in any attempt, to use such laws to keep any candidate of any party off the ballot, and

That the Libertarian National Committee urges all state affiliates of the Libertarian Party to adopt this same policy with respect to their employees, agents, and resources.

Nelson seconded.

Dehn said that the purpose of the resolution is to state that the Libertarian Party is against restrictive ballot access laws, and that it does not support the use of these laws to keep others off the ballot. He said that last year, certain Libertarian Party organizations attempted to use restrictive ballot access laws to keep both major and a minor party candidates off the ballot. He said that one purpose of the resolution is to state that we apply our own principles to our own behavior.

Martin asked Dehn who determines the extent to which a state can go to protect the ballot.

Dehn said that is subjective.

Crickenberger said that while the Platform says that no state should do this, it does not say that no candidate should do this. He said that there is no right to be on the ballot except for Libertarians because all others would use the power of the ballot to take away our rights. He said that because they do not have the right to take away our rights, they do not have a right to be on the ballot.

Lieberman asked whether it would be permissible for a Libertarian to work to attempt to have fraudulent signatures disqualified from consideration.

Dehn said that he believes that it would be wrong to challenge signatures known to be fraudulent because the signatures should not be required in the first instance.

Israel said that he personally challenged the signatures of a Republican candidate in MA because they were clearly fraudulent. He said that the proposed resolution makes no sense to him because it would call for him to accept fraudulent signatures submitted by another party.

Gaztanaga asked Dehn whether he understood that Lieberman was speaking about illegal conduct.

Dehn said that he understood that to be the case.

Gorman said that he agrees with Israel and Crickenberger.

Kaneshiki moved to amend next to last paragraph to delete the words ", and that no party resources be used in any attempt," and to add the words "in any case where that candidate has accepted funding to support its campaign from the national office."

Turney seconded.

The amendment failed on a voice vote.

The main motion failed on a voice vote.

Item: Rescinding Prior LNC Approval to Participate in FEC Lawsuit

Givot moved to rescind the motion passed at the April 2001 LNC meeting which called for LNC participation in the FEC lawsuit.

Gorman seconded.

Israel said that actions such as this should be judged by the merits of the lawsuit.

Nelson asked for clarification of the intent of the motion.

Givot said that it was his intention that anyone who felt for any reason that the LP should not participate in this lawsuit with these co-plaintiffs at this time could express their viewpoint by voting for the motion.

Nelson said that he feels that the motion would benefit from stating the reasons for not participating in the lawsuit.

Scherrey said that actions should consider who will be involved in them.

Milsted said that the lawsuit was a bad idea.

The motion passed by a voice vote.

Scherrey voted in favor of the motion.

Item: Resolution Regarding United States Involvement in the Middle East

Gaztanaga moved adoption of the following resolution:

In light of the escalating conflict between the state of Israel and Palestinians, and the possibility of a larger war involving Egypt, Syria, Lebanon, Iraq and other Arab and Muslim nations, the Libertarian Party reiterates its position that the United States government should immediately and permanently end all military aid to Israel, the Palestinian Authority, Egypt, and all other nationals in the Middle East likely to be involved in such a conflict and to remove all United States troops from the region.

This resolution will be repeated and explained in a Libertarian Party press release sent to U.S. and foreign media contacts and duly reported in LP News.

Hoch seconded.

Israel said that for years there were no resolutions offered when Palestinians and others were attacking Jews in Israel. He said that the timing on considering this resolution is poor because of this.

Dasbach said that he has concerns about the portion of the resolution which speaks to how the party will publicize the resolution.

Knapp said that the resolution was drafted by Carol Moore. He said that although he and Moore disagree on many of the issues in the Middle East, they agree that the US should get its troops and financial support for both sides out of the region.

The last sentence of the proposed resolution was removed by unanimous consent.

Scherrey said that Winter has reported that the party's news releases regarding foreign policy generally receive the least amount of publicity. He said that if this resolution were implemented as US foreign policy, the State of Israel would cease to exist within three months. He said that - right or wrong - he believes that the US helped create the State of Israel. He said that he believes that this creates a sense of obligation on the part of the US to continue to assure the right of the State of Israel to exist.

Bisson said that he sees an implication in the resolution that it is acceptable to continue to give aid to nations not involved in this conflict.

The motion failed on a voice vote.

Item: Future Meetings

Givot moved that an LNC meeting be held on October 20 and 21 for further discussion of the strategic plan.

Martin seconded.

Martin indicated that a new reserve policy would also be up for consideration.

Givot indicated that the national director's contract would also be on that agenda pursuant to the decision made today.

After further discussion, Givot moved to substitute that the next LNC meeting would be hold on October 13 and 14 in Atlanta.

The motion to substitute passed without objection.

The main motion passed without objection.

Item: Comments for the Good of the Party

Barry Hess indicated that he learned much from attending the meeting. He said that he is planning to run a very strong campaign for governor in AZ, and he asked the LNC for its support.

Item: Report on Media Contacts

At the request of the committee, Winter reported on unusual media contacts.

The Committee adjourned at 4:19 PM PDT.

