

Liberty for America

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Crusading for Liberty Since 2008

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NSA State Secret Police Are Watching You

The Guardian reports based on leaked secret documents that the NSA is in fact collecting every bit of call data on every Verizon phone call, foreign or domestic: who called, all numbers on the call, how long the call lasted. As noted in prior issues, the size of the NSA disk farms makes clear that the voice content of those calls is also being recorded.

Readers curious why Congress has been so inert in the face of these revelations might want to consider that Congress is composed of human beings much like the rest of us. Not a few of them have issues with alcohol, consume controlled narcotic substances beyond college student tobacco, have unconventional sexual preferences that they might not want made public, have children, spouses, or close relatives performing acts that might be criminal, etc.

As an example we need go no farther than Senator Feinstein's husband, as studied by Yves Smith's reporting: nakedcapitalism.com/2013/09/senator-diane-feinsteins-husband-selling-post-offices-to-cronies-on-the-cheap.html

The gentleman's firm is selling post office properties at what are said to be rather low prices. One could say that we have here an example of cronyism and corruption. One might also say that the gentleman could be used to provide a hook in to the Senator so that she will function as an NSA mouthpiece.

That's why NSA secret police tactics are destroying our country.

That's why we need a Libertarian Party Federal government, for systematic prosecution of secret police security agency crimes against our Republic.

And, last but not least, that's why we need a completely new LNC, one that would try to take advantage of the platinum opportunity we have been offered.

De-Elect Di-Fi

Some readers will note that Senator Feinstein is 80, is some years out from re-election, and therefore may be able to fade gracefully from the scene. We say that her age and possible retirement are not significant. America needs a California Libertarian Senate campaign, starting now, targeted at defeating her.

There are three reasons why one might run for office. The first, which should never be forgotten, is to win election. The second is to educate the public as to your party and its positions. Here we have a third, namely a political

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Libertarians Across America

Sarvis, Kaplan Finish Third

Libertarian candidates for Governor made impressive showings in Virginia and New Jersey statewide elections.



In Virginia, Libertarian Robert Sarvis scored 6.5% of the vote. Sarvis's vote total set a Virginia record for a statewide Libertarian candidate. Polling indicates that his votes came considerably more from the winning Democrat in the race than from the losing

Republican in the race.

In New Jersey, long-time Libertarian activist Ken Kaplan finished third in a field of eight, beating out the Greens and other parties. Kaplan's 0.6% of the vote was noteworthy in a runaway Republican victory and very low voter turnout.



Great News forwarded us from MI State Chair Mary

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Where Your Money Went

This month we have a series of reports. The 2012 NatCon did or did not make money. Opinions differ. We report both of them. We also have limited coverage of the LNC Audit Committee report on LNC activities. Parts are set to be rather controversial. For Gary Johnson 2012 we reach the month of June 2012. We have reports on the most recent couple of months of LNC spending.

2012 NatCon Made Money

We begin with an innocuous document that reached us through several of our LNC sources. It was a report on the finances of the 2010 and 2012 national conventions. The 2010 convention brought in \$107,846 from selling 666 memberships; the 2013 convention brought in \$170,514, or almost \$63,000 by selling 713 memberships. It is noteworthy that the number of minimum-price memberships climbed from 175 in 2010 to 360 in 2012. While the number of Gold packages increased by 78 between the two years, the number of Silver packages fell by 40, and the number of Bronze packages fell by 175. The net of all those changes, even though more members attended in 2012 than in 2010, was that the number of people buying packages fell by 138.

The convention had other sources of income. Besides the Banquet, noted separately below: Bind-

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Editorials

campaign is an opportunity to perform a public shaming of an incumbent who has disgraced the Senate and is a disgrace to her country. Election and Education may take a while. Public shaming can happen now.

Reject Congressman Paul

This newspaper has repeatedly warned Libertarians that Congressman Paul is not the libertarian he affects to be. Paul's stands on the menace of immigration, on the so-called "states rights" doctrine, on abortion, on equality before the law for gays and lesbians, and on physical reality (evolution denial, global warming) are much the opposite of libertarian. Paul's



willingness to pose in front of the flag of slavery while giving a speech defending revisionist fables about the Civil War (with a hat tip to Charles Johnson's Little Green Footballs web site: littlegreenfootballs.com/article/39801_Video-

Ron_Paul_Gives_Speech_on_Civil_War_in_Front_of_Giant_Confederate_Flag; <http://www.youtube.com/watch?v=B85TJyKyKw>) should raise further suspicions.

Now Paul has stabbed in the back every one of his Libertarian Party supporters. In the recent gubernatorial race in Virginia, Paul has endorsed Republican Cuccinelli for Governor. Politico.com reports "*Ken Cuccinelli has always stood for smaller government and limited government,*" writes Paul. "*He has consistently and unapologetically worked with the Liberty movement in Virginia.*" Paul went on to say that Libertarians who supported our candidate are "*insane*".

Paul's claim that Cuccinelli stands for limited government is a conservative fibbing point. We'll consider some of Cuccinelli's more outrageous giant-government stands below. We first remind readers that toward the end of the Sarvis campaign conservative after conservative put out the claim that their Republican was more libertarian than Robert Sarvis, a concerted effort to save a campaign ship whose bow and stern were both well below water. Paul's statements should be seen as one more thread in that larger conservative tapestry.

Let us recall Cuccinelli's anything-but-libertarian stands on few issues. There was the unconstitutional statute he advocated on sodomy, deceitfully opening to sound like a law protecting animals: "*§ 18.2-361. Crimes against nature; penalty A. If any person carnally knows in any manner any brute animal, or carnally knows any male or female person by the anus or by or with the mouth, or voluntarily submits to such carnal knowledge, he or she shall be guilty of a Class 6 felony, except as provided in subsection B.*" but actually criminalizing what some married couples are said to do in the privacy of their bedrooms. Readers will not be surprised to learn that Cuccinelli also opposes marriage equality.

There was his stand on abortion. The Washington Times, an oft-conservative outlet unlikely to distort his views via exaggeration to damage his name, reported "*He opposes abortion in all cases including rape and incest. The only time Cuccinelli*

supports abortion is when the life of the mother is in jeopardy. Supports new restrictions making abortion clinics follow hospital codes. Supports "personhood" legislation defining life as starting at fertilization. Supports requirement for a woman to have an ultrasound before being allowed to have an abortion."

Cuccinelli used his office as Attorney General to persecute University of Virginia climate research Michael Mann, a witch hunt that was finally shut down by the state Supreme Court after costing the university's defense nearly \$600,000 in legal fees. Science and Technology are the Glory of the Republic. Real libertarians respect physical reality, which is the opposite of conservative reality denial.

That's the man that Republican Ron Paul urged people to support. Congressman Paul has shown us his true colors. Good Libertarians should shun him.

States' Wrongs

If you meet States' Righters who say states can ignore the Constitution on abortion rights, ask them if they will support States Rights for my state when it ignores the Constitution and bans private firearms ownership. Stand back! Their heads may explode! Libertarians support liberty, not that opposite, the States' Rights doctrine.

State/Local News Buzuma: Two Libertarians were elected in Michigan.

Erwin Haas was elected Commissioner for the city of Kentwood Ward 2. Andy LeCureaux was re-elected to the Hazel Park City Council. It's interesting to note that Erwin Haas ousted the favored corporate money backed incumbent by 68 votes. He did it with very little money and media attention. This speaks volumes. Voters were tired of the status quo. Sometimes it's just enough not to be the incumbent.

We have received a report from Roger Fritz: We had a win on Tuesday. I was re-elected as Mayor of Roland (Iowa). I've served two terms, was done, told everybody I was done, didn't file to get on the ballot, and was still elected via write in. Doh! Non-partisan of course, but I'm still a LPIA member. I don't typically go to LP stuff, because of limited time, so my "political time" is spent on mayor stuff. But just wanted to throw that out there.

In other Virginia races, Laura Delhomme running for House of Delegates received 22% in a two-person race, while five other candidates received 3-6% in three-way races.

A press release from LPPA Chair Steve Sheets reports: Libertarians in Pennsylvania have had success here in 2013 ... In York, the incumbent had to spend \$50,000 in a last ditch effort

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to save her job against David Moser who, together with Manuel Gomez spent less than \$200 on their entire campaign! Shawn Felty WON up in Schuylkill County! Matt Shutter WON in Carbon County! Nicholas Hillman led a group in Bucks County to victory as well! Nicholas Hillman is now a judge of elections for Warminster, and in the same location, we have two inspectors of elections which puts Libertarians in charge! Brandon Magoon won a write in campaign in Erie, There were some school board victories, and I am probably missing a number more success stories!

“We have had Libertarians with more than 30% of the vote, and this is saying something very positive about our candidates, and it is saying something about the R’s and D’s It is saying that money is no longer enough! Our message is gaining momentum, David Moser and Manuel Gomez are really doing an awesome job organizing the Libertarians in York, and they have such an uphill battle against that machine that is so unbelievably entrenched! Drew Bingaman ran into the same problem in Sunbury. However, this was not a defeat of Libertarians; this was a wakeup call telling us all that we need to double our efforts! We need to build the party, gain some volunteers, and go to work!

“I am so proud to have been elected to serve the Libertarians in Pennsylvania, because in this capacity, I have had the privilege to see our members demonstrating that they can achieve any goal, (and this one in particular,) from so many directions. It is truly awesome to see that there are so many right ways to the correct answer!

“The PEOPLE are telling us that they want something the Republicans and Democrats are not offering, and once they believe that they can elect Libertarians as opposed to the lesser evil, the entire political landscape of Pennsylvania and the rest of the United States will change!

“Ladies and Gentlemen, none of us know exactly what the future holds, but more of us are beginning to see the possibility of a brighter future with the power in the hands of the people instead of an elite group who believes it knows better than the people how best to run our country. I am hopeful that future comes sooner rather than later, but I am more positive now that it will indeed come!”



Libertarian National Committee Vice Chair R Lee Wright is running for Governor of Texas. The announcement was scheduled for Saturday, November 2nd in Grapevine Texas at the Love & War Restaurant. His Web pages are seen here: leewrights.nation-builder.com/about

Arkansas Libertarian Party is on the Ballot

(Little Rock, AR) The Libertarian Party of Arkansas (LPAR) is officially a recognized political party for the second time in history and will now be able to run candidates for office in 2014.

Last month the party submitted signatures to the Secretary of State’s office in order to fulfill the requirement of collecting at least 10,000 valid signatures from registered voters in the state. According to Martha Adcock at the Secretary of State’s office, more than 12,000 of the 16,000 submitted signatures were verified as signatures of registered AR voters.

During the 2012 general election, more than 100,000 votes were cast for Libertarian candidates in AR. However, the Libertarian Party was required to re-petition the state after Gary Johnson, the Libertarian presidential candidate, did not receive three percent of the vote in 2012.

Dozens of potential candidates have already come forward, hoping to receive the party’s nomination to run for office in 2014. Frank Gilbert of Tull, Glen Schwarz of Little Rock and Shawn Hipskind of Alexander have all announced that they plan to seek the party’s nomination for Governor.

The LPAR will nominate candidates at their convention, scheduled for February 21-23 in Little Rock.

“While we are excited about the prospect of running candidates in 2014, I must say, this has been an exhausting process,” said Jessica Paxton, LPAR Chairman. “The ballot access laws in our great state were written by Democrats and Republicans who have a vested interest in imposing crippling requirements on anyone who dares to challenge them.”

Libertarians advocate lower taxes, more personal freedom and less government intervention.

“A major issue here is that hundreds of thousands of voters cast their ballot for third party and independent candidates every two years here in Arkansas,” said Paxton. “And the powers that be are trying to silence that dissenting voice by requiring this petition process that costs tens of thousands of dollars, takes thousands of man-hours and then, by the time we have access to the ballot, our resources have been exhausted before campaigning even begins.”

The LPAR is now seeking candidates to run for office in 2014. “Whether running for city council or congress, we want liberty-loving Arkansans to take advantage of our efforts and represent true freedom on the ballot,” says Debbie Standiford, Chairman of the Pulaski County Libertarian Party.

If the Libertarian Gubernatorial nominee earns three percent of the vote in the 2014 election, the party will automatically retain ballot access for 2016. If less than three percent is earned, the party will have to again submit 10,000 signatures to the Secretary of State’s office for verification, a process that cost the

LPAR almost \$40,000.

In 2011, for the first time in party history, the LPAR submitted enough signatures to the Secretary of State to be a certified political party. In 2012, 15 Libertarian candidates appeared on ballots across Arkansas and received more than 100,000 votes. Frank Gilbert, former mayor of Tull, AR, became the state's first elected Libertarian when he was elected Constable of Dekalb Township. Gary Johnson, the party's presidential nominee, tripled the Libertarian vote totals from 2008. Johnson received 16,276 votes, or 1.52 percent. Falling short of the three percent needed to retain ballot access for 2014, the LPAR lost ballot access after the 2012 general election.

In the fall of 2013, the LPAR again circulated a petition in order to obtain ballot access for the 2014 election. The party collected 16,505 signatures and submitted those to the Secretary of State on October 15, 2013. The Secretary of State verified that the LPAR met ballot access requirements on November 1, 2013.

An interesting question from Knut Scott Lindsley on the Ask a Libertarian Facebook group: Question: Considering the often lackluster performance of Libertarians who are typically active three months prior to an election, what can be done to gather real momentum during the off season? Kudos to Knut for this extremely important message!

Long time activist Jim Babb and friends raised \$3000 for a Billboard campaign in DC. The message of the campaign is the virtue of jury nullification. The \$3K is for 3 subway ads: One illuminated "diorama" ad and two tall pylon ads, for four

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Liberty for America will be performing political acts, and other activities that the Federal government calls "Federal Election Activity" and hence FEC-reportable. We must therefore funnel dues to our PAC, "Liberty for America". Dues will not be used to support candidates.

Your Donations are not tax deductible. Federal law requires us to request the occupation and employer of donors of \$200 or more in a year. Paid for by Liberty for America. Your donations may be used in relation to a Federal Election. We can only accept donations made by American citizens with their own money.

Welcome to Liberty for America!

A magazine. A web site. An organization.
Liberty for America has had several inquiries on launching **Liberty for America** Chapters across America. A draft set of state/regional By-Laws appears on the **LibertyforAmerica.Com** web site.

weeks. There is the possibility of a crowdfunding effort .

Missouri Libertarians took advantage of a halloween festival to set up a table, hand out candy to children, and meet their parents. Libertarian State Representative candidate Bob Underwood has reported on his web site http://www.electbobunderwood.org/rep_2012/report.pdf a detailed statistical analysis of his 2012 election campaign, where he had support, where his supporters got their news, etc.

The Tax Foundation — a corporate/business leaning organization — has reported the relative ranks of various states on their tax levels. You can see the report here. taxfoundation.org/article/2014-state-business-tax-climate-index My own Massachusetts ranks square in the middle at 25th out of the 50 states.

The Libertarian Party of Louisiana has launched a registration drive. Their target is 9000 registered Libertarians by the start of 2014, meaning they need 500 more registrations.

The Nevada Libertarian Party State Convention is at Saturday, November 16 at 8:00am at the Suncoast in Las Vegas, Nevada. The Comstock Libertarians Facebook page is reporting actively on political activities, including the oft-neglected judge re-appointment elections. The 2014 Libertarian Party of Colorado State Convention, with the theme "Reclaiming Liberty", will be the weekend of March 28th-30th.

The Maricopa County Arizona LP meets the second Monday of each month! Where? China Village Restaurant, 2710 E. Indian School Rd., Phoenix, AZ 85016

We are seeing circulated widely links to an article by 2004 LPIN gubernatorial candidate Kenn Gividen Ten Simple Things You Can Do to Advance Libertarianism. lpin.org/2011/03/22/10-simple-things-you-can-do-to-advance-libertarianism/ It is definitely worth reading. Gividen has since moved on from the Libertarian Party and now has very different political positions, but the advice here is equally sound for partisans of any party.

The Libertarian Party of Alabama has a remarkable new web front end, definitely worth seeing at lpalabama.org. Click on any of the lapel buttons and see what happens. The Libertarian Party of Alaska also has new (since your editor last looked) material on their page, namely the recording of a spectacular debate "The house would repeal the 2nd Amendment". The Arizona and California LPs also appear in recent times to have enhanced their web sites.

Where Your Money Went

er sponsorships and suite purchases climbed by \$12,000 between the two years. Other donations came to a bit under \$3000. The net result was that 2010 income was \$110,662.06, while 2012 income was \$185,226.20.

There was also a banquet. We are advised that 2012 banquet donations were dedicated to ballot access expense. Banquet donations fell by \$23,676 between the two years, from \$61,750 to \$38,074.

There were also the expenses. The full lists are a bit tedious. The \$7800+ for 2012 speakers refers largely to their travel expenses. Nonetheless, the 2010 convention cost \$103,738.88 while the 2012 convention cost \$161,911.70.

The net result, based on attributed direct costs, is that the 2010 convention made not quite \$7000, plus \$61,750 from the banquet, while the 2012 convention made \$23,314.50 plus the \$38,074 from the banquet.

That's the report we received from some of our sources. Readers should note that the attributed direct costs, in the report we received, included lodging, meals, and travel for the staff, but included no part of their salary. This appears to be a not utterly significant omission.

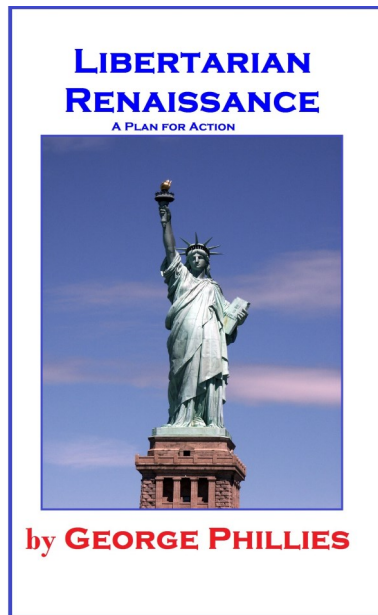
2012 NatCon Lost Money

Some of our other sources say just the opposite. The LNC has an Audit Committee, elected by the LNC. In response to discussions of convention expenses, our sources report that Dan Wiener forwarded a message, said to be from Aaron Star, on this topic. We quote:

"In answer to the question about how one accounts for the costs of operating a national convention and how one might set an appropriate registration fee to help cover those costs:

LNC members may have heard various figures bandied about as to how much conventions have made or lost in the past. Sometimes those figures neglect to include the costs of staff and overhead, or attempt to reclassify convention costs as something other than a convention cost. To get a more realistic gauge as to what it really costs to put on a convention, LNC members may want to refer to the draft audited financial statements prepared by our outside CPA firm and presented at the July LNC meeting. There they will find that the 2012 convention brought in revenues of \$185,226 (including the funds donated at the banquet) and cost \$257,136, so we actually lost nearly \$72,000.

The \$257,136 of convention costs is comprised of \$161,912 in direct costs, \$35,833 in payroll for staff time dedicated to planning and running the convention, and \$59,391 for its share of the overhead cost. There is a great deal of staff time spent running a convention, and that is time they can't spend doing other things. By the way, the Torch Club reception costs are being reported as part of fundraising costs, not part of the convention costs.



Libertarian Renaissance

George Phillipies has created and published a new edition of the New Path Plan for saving our party.

Libertarian Renaissance is an update of the 2010 edition with new information.

The volume is available on

Amazon Kindle
amazon.com/Libertarian-Renaissance-Essays-Liberty-ebook/dp/B00E1SVGAK and

Smashwords
smashwords.com/books/view/339159

for ninety-nine cents.

The decision as to whether the LNC should charge a registration fee will probably be a political decision. If there is a consensus among board members that a registration fee ought to be charged, they should be mindful that the additional revenue from the \$99 TANSTAAFL fee charged in 2012 was still not sufficient to cover all the costs of the convention, especially if you believe that people donating at the banquet were not giving for the purpose of underwriting the cost of others attending.

Please feel free to forward this to other members of the LNC, if you believe this would be helpful."

Your Editor observes: *Overhead* is a fundamental concept in cost accounting. You take the expenses that did happen, that are not said to be a direct cost of one activity or another, and spread the costs you have not allocated over the costs you have allocated, so that all the money you spent is blamed on *some* activity.

Note that the new analysis of convention costs includes staff salaries and things associated with having staff.

Audit Committee Report — Potential Firestorm

We are advised by new and different sources that the LNC has received a report from its Audit Committee on 2012. We quote from what we were supplied as part of the report:

Members of the Libertarian National Committee,

This is the first of two emails from the Audit Committee. This first email includes one section of the Second Interim Report of the Audit Committee. This report section presents some issues that came up during our work that are not particularly flattering. We do address these issues and make recommendations.

The second email you will receive from us includes the remaining section of the report. That report section addresses a potential controversy with an outside regulatory body. We recommend that it remain confidential until the matter is favorably resolved.

The Audit Committee especially thanks Chairman Neale for his support and patience. Chairman Neale recognized that the questions we brought up raised serious concerns. There were times when staff was being dismissive of our requests, and it was largely due to Chairman Neale's backing that we were able to examine requested documentation and receive answers to questions.

I have blind copied the Party's CPA firm so that our outside professionals are aware of these issues and know that we are seeking to address them. We recommend that Chairman Neale provide these documents to the Party's legal counsel and FEC consultant.

We are available to answer questions should you have any. Thank you."

The signature claimed to be Aaron Starr's, but we have no direct way of confirming this.

LNC Chair Geoff Neale had a vigorous response to the report. We quote from our sources, who say that Neale wrote:

"I previously informed you that I was setting up a special discussion list to discuss the reports and findings of the Audit Committee. That list is being set up right now, and the only administrator and moderator of this group is David Blau.

In order to be a part of this discussion list, you must specifically request to participate, and agree to hold the discussions confidential until we as a group have decided how much of the discussions will be made public. This list will be deleted after we have finished our discussions related to the 2012 audit. It will not be considered appropriate for discussions on the list to move beyond the realm of the findings of the Audit Committee and our deliberations on appropriate actions resulting from our discussions.

If we cannot discuss this issue in a confidential manner through this method, or individual members decide to disclose the Audit Committee findings in advance of the LNC being able to come to a decision, I feel that we on the LNC will be faced with a potential firestorm of various levels of outrage from our members. [Ed: Italics added.] Because we are not scheduled to meet for another eight weeks, and because the time we have in Dallas is not long enough to tackle all of our work anyway, I may feel compelled to call a special meeting of the LNC to resolve the Audit in a more expeditious manner. I reserve that right that is granted me by the Bylaws, but sincerely hope that we can avoid it. Keeping this information confidential will give us the time to come to our conclusions without a special meeting.

Or perhaps enough of you believe that this is a special circumstance that calls for a special meeting. If so, communicate that

to all of us. As of right now, I have received requests from: James Lark, Vicki Kirkland, Norm Olsen, Lee Wrights, Paulie Frankel, Mark Hinkle, Scott Lieberman, Sam Goldstein, Dianna Visek, Dan Wiener, Of course David Blau and myself are already on this list. No one outside of the LNC will be included on this list.

Geoffrey Neale"

Members will need to ask their LNC Representatives what is going on with this.

Johnson 2012

We advance to a discussion of the Johnson 2012 finances. Johnson 2012 raised for June 2012 over \$124,000, mostly from post-convention Libertarian Party donors, and used most of the money to pay off his Republican campaign debts. \$30,000 of this money came from Federal revenue sharing.

These transactions are covered by the "July" FEC report. In that month, the Johnson had income of \$124,104, spent \$119,617, and contrary to what was believed in June 2012 by his donors had debts of \$1,045,874.

For the month, reported disbursements include \$150 to Media Temple for web site hosting, \$2757 to the Libertarian Party of Nevada for "reimbursement of convention expenses", \$3459 to Zions Bank for Merchant Service expenses, and the remaining dozen+ payments to Political Advisors. Remarkably, despite individual payments like \$6926.71 and \$2394.94, the total came out to a pleasantly event \$113,250. Electronically-generated FEC reports occasionally do odd things; readers may notice a \$4100 that does not quite fit.

Reported debts for the period include \$52,966 to Jonathan Bydlak, \$7781 to Daines Goodwin, \$92,920 to EH2 Consulting, \$3166 to Hackstaff Law Group, and \$16,313 to the Law Office of Douglas C Herbert.

'And where did the money go.? Media Temple and Zions banks appear to correspond to current transactions and activities, the LP of Nevada did something for Johnson, and the remaining money went to Political Advisors.

\$79,923.29 of the money to Political Advisors paid off Debt Line #46829, which were October 2011 Republican nominating campaign expenses. Those costs included

Senior political officer, 50 hours at \$325.00 per hour totalling \$16,250

Mid-level management 158.77 hours at \$95.00 per hour totalling \$15,083

Mid-level management 365 hours at \$125.00 per hour totalling \$45,626

Press Relations 164 hours at \$110.00 per hour totalling \$18,040.

60 hours of creative advertising at \$225.00 per hour for a total of \$13,500.

That's about four FTE staff members. Also in here was

\$10,703.79 of ‘outside subcontracts as per agreement’.

An additional \$6926.71 was paid toward the \$103646 of debts owed for line 46830. Line 46830 was salaries and wages for campaign staff for November 2011, still money paid in support of Johnson’s Republican Presidential Campaign. Those debts, finally being paid off in some part in June, were

Line #46830 for \$103,646.39. The invoice is said to be dated "November". None of this debt was paid in this quarter, in which it was incurred. Costs included:

Senior Political Advisor 50 hours at \$16,250 (\$325.00/hour)
Creative Advertising \$10800 for 48 hours (\$225.00/hour)
Press relations \$10,578 for 96.17 hours (\$110.00/hour)
Mid-level Management \$47,832 for 382.66 hours (\$125.00/hour, same as last month)
Mid-level Management \$7943 for 83.6 hours (\$95/ hour, same as last month)
“Outside subcontracts per agreement” \$9529

We finally reach a payment for general campaign expenses.

An additional payment of \$19,794 was made to discharge debt line 47034. These were expenditures made in the period May 5 -31, 2012, the general campaign season. The debts were as per invoice

Senior Political Advisor Zero hours for zero dollars
Creative Advertising \$11,250 for 50 hours (\$225.00/hour)
Mid-level Management \$11,296 for 375.65 hours (\$30/hour)
Mid-level Management \$4200 for “1400” hours (Here we suspect a typo)
“Outside subcontracts per agreement” \$3000

A payment of \$6605 was made against debt line 47035. These are actual costs of campaigning:

Travel, staff and candidate \$9033
Ad Placement, web \$516
EMail Marketing Costs \$517
Shipping \$1114

Then there are the new debts for June, covered by lines 47107 and 47108. There are no indications of any new costs corresponding to other media. These costs are

Line 47107 totalling \$38,923.72

Senior Political Advisor Zero hours for zero dollars
Creative Advertising \$11250 for 50 hours (\$225.00/hour)
Mid-level Management \$18102 for 600.43 hours (\$30/ hour)
Mid-level Management \$600 for 20 hours (\$30/ hour)
Mid-level Management \$4800 for 160 hours (\$30/ hour)
“Outside subcontracts per agreement” \$3110

Line 47108 totalling \$25,271.84

Travel, staff and candidate \$8961
Ad Placement, web \$1818
EMail Marketing Costs \$1698
Miscellaneous/supplies/office \$596
Vehicle-Lease Wrap \$3958
Shipping \$3420
Printing \$4820

Libertarian National Committee

The National Party had 13485 members at the end of October, a slight increase from the 13429 members of last month, but a decline of almost 600 from a year ago. The number of non-member donors also fell, from 1213 a year ago to 831 this year. The decrease in the combined number of members and non-member donors over the past year is barely less than 1000.

For September, the Libertarian National Committee had income of \$103,215 and expenditures of \$103,520, leaving its cash-on-hand total untouched at just over \$377,000. The income total was bolstered by six \$1000 donors and a \$2500 donor. The Treasurer’s report indicates that general income is down but project income is up, by similar amounts.

Where was that money spent?

The LNC spent \$24,618 to pay seven people described as employees, and two people described as ‘Administrative Support Services’. One of the Support people is reported to be in New Hampshire. \$1500 went to the FEC filing consultant; \$6500 went to the party attorney, half of that for filing an appeal to the Supreme Court.

There are also costs of having employees, such withholding taxes, insurance, social security and medicare taxes, and employee 401(K) plans, not to mention fees to processing houses for paying the employees. These came to \$17,504. That’s slightly more than a 70% charge on top of the direct salary paid to the employees. All things considered, that’s not an unreasonable or surprising number. Flying the staff around the country was another \$1128.

Rent and office and things for the office, and also a shredding service, clearing accumulated paperwork from many years ago, came to \$14,995. Information Technology was way down from a few years ago, all the way to \$4655. Printing and associated mailing, with postage attached to the office costs, came to \$27,129. Bank and merchant charges were \$2963.

Items identifiable as Facebook and email ads were last, but hardly least in our hearts, at \$1833.

Other LNC Discussion

We have had forwarded to us what we believe to be an authentic and accurate record of LNC by-mail debates over the past few months. We are here covering what we believe to be some of the more salient items. In identifying particular items as coming from particular people, we rely on the accuracy of the files that we were sent.

In addition, most LNC members in responding to discussions have not advanced to the idea of deleting most of the earlier discussion thread, so the amount of original content in the longer discussions is rather small, not to mention difficult to find.

July 25 — Jillian Mack resigned from the LNC, effective im-

mediately, for personal reasons.

July 28 — Neale asked for a policy manual change allowing the Executive Committee to vote by email, as opposed to having a phone meeting as is now required. The issue is that it is sometimes hard to find a time when all members of the EC can pick up the phone, thereby postponing urgent action items with respect to e.g. ballot access. On the same date, the LNC received a series of recommendations from the Audit Committee on changes in policy with respect to financial transactions.

With respect to Neale’s motion to allow the Executive Committee to vote by email, Diana Visek forwarded a letter said to be from Alicia Mattson, opposing Neale’s motion on parliamentary grounds, namely that Roberts deprecates the use of mail ballots, so therefore a Bylaws amendment by the National Convention would be needed to allow their use. Neale agreed that Visek was correct, and dropped the proposal.

There then arose the issue that the LNC can appoint any number of members to the Executive Committee, but if the Executive Committee has more than nine members on it, Party Bylaws require it to meet in person, not by phone or email. [There is here a Party Bylaw in prime need of deletion, since the Bylaw has the net effect of paralyzing the larger convention committees.]

July 28—a motion went forward to authorize up to \$3500 for further litigation on the Michigan matter.

There followed an extremely prolonged discussion, mostly involving Neale and Starchild, about Starchild’s motion to amend a motion that had been put up for a mail vote. Roberts’ rules do not work that well in a by-mail discussion and voting arrangement.

August LNC Discussion

Mark Hinkle made a series of extremely cogent remarks on some of the proposed rules changes on finances. We quote one:

“Dear LNC, Since we’re a non-profit and don’t pay income taxes on our donations, what do we care what is depreciated?”

Please explain why we’re doing this when there is no tax benefit for going through this exercise?

Or, is there?

What problem are we trying to fix here?”

In response to efforts of the Republican Party to inflict Top Two Ballot schemes on various states, Regional Rep Norm Olsen offered a motion that in original draft read:

The National Committee hereby declares opposition to implementation of Top Two Primaries, and any variations thereof, to be a major political objective of our party and therefore resolve to take the following actions:

1. *The recently established budget line named 'Arizona Res-*

cue Fund" shall be renamed to Two Top Primary Offense Fund"(TTOF);

2. *The chair shall direct the Executive Director and the Political Director to jointly develop and submit to the committee for review and approval long term plans consisting of strategies, tactics, objectives, schedules, and timelines for*

- a. *opposing future implementations of Top Two and,*
- b. *bringing the deficiencies of the Top Two system to the attention of the electorates afflicted with same;*

3. *The chair shall direct staff to immediately begin work immediately on a fundraising effort to be implemented within the next 30 days, such effort to include at a minimum:*

- a. *A permanent web page dedicated to soliciting donations to the TTOF,*
- b. *Periodic communications urging members and non-members alike to visit above mentioned web page,*
- c. *Solicitation of donations from significant donors of the matching variety which would match donations made to TOFF on the web page.*

4. *The chair shall direct staff and the Executive committee to apply a high level of priority to the TOFF during 2014 budget deliberations.”*

The LNC had an extended argument on using robocalling as a campaign method. There are legal restrictions in some states.

The LNC advanced to an argument about floor fees at conventions. Every time this happens, Starchild launches into his idea that we should seek cheaper convention venues. However, he never identifies any, an arguing position with which other LNC members have lost patience. The August 2013 exchange was more emphatic on the patience issue.

We quote one discussion on floor fees said in the report we received to be from Geoff Neale:

“Every time we have a convention, we want to know whether we lost money or not. The answer is often based upon a moving target of what determines profitability.

First example: for most conventions, the money raised at the banquet was considered to NOT be convention revenue for purposes of profitability. However, I’ve been told that in St. Louis it was.

Second example: the Atlanta Convention was charged a 10% cost factor against all revenues to cover staff costs. This is the only time I’m aware of that this was done. The convention still made money, but that was NOT how it was booked. The 10% cost surcharge was more than 14% of the booked revenue, meaning the revenues were not booked properly. Staff expenses which were supposed to be booked against the 10% surcharge was not. No wonder the convention that made over \$20K showed a loss on our books.

Another example: the cost of Torch Club and Pledge receptions has often been considered a convention expense, and it is not. Very few of the attendees can attend these events, so the cost should not be borne by the whole convention. In fact, these events are and should be considered major donor or pledge ex-

penses, and be borne by the LNC, not the convention. Events like this that are held at times and places other than conventions would not be booked as convention expenses.

Why am I bringing this up? If we do not establish standards for how we account for the convention expenses, how do we expect the convention organizers to budget to a profit? After all, if staff orders expensive food for the Torch Club reception, why should the success of the convention be affected?

This may seem a moot point to some of you, since we have usually run our own conventions. I do not think we should. I think we should outsource, as we used to, before 1996. The LNC at that time decided to run the convention, since every convention from the beginning of the LP up until Salt Lake City was run by individuals or groups. The Seattle convention was financially successful, so the thought was that by bringing the convention in house, and getting staff to do it, that we'd make money. What a mistake.

We lost our asses on the conventions run by staff. We actually had people working just about full time for months ahead of time, yet we never measured or recognized the cost of that staff time. Staff must be involved in conventions, but their role should be limited to a minimum level, regardless of who runs it.

However, the number one reason I want to set down rules is because I want us to define who is paying for what.

It is not as simple as breaking down the contract to hotel, catering and meeting space. It is not as simple as saying that we pay for the meeting space by booking hotel rooms. It is not as simple as saying that the packages pay for the meeting space and the catering.

If the only thing we were doing was to hold a single banquet event, we'd pay catering costs for that, but the room comes with the catering. We would still have to pay for the sound and other stuff. Any meal event revenue should cover the expenses for that event. That's called package sales. Likewise, package sales pay for the breakout rooms, speaker expenses, equipment, etc.

If we go through every BOE (banquet event order), and determine which costs actually went to the floor business portion of our expenses, and decided minor things like whether or not delegates should pay for copies of the Bylaws and Platform, I think that we would determine that the incremental cost of the actual convention floor is nowhere near \$60K. Indeed, even though we may get great benefit from having nice staging so that we look good on C-Span or whoever shows up, I think it is equally valid to view the "image" portion of the floor expenses to legitimately be considered as either media or outreach. It is NOT essential to conduct the business of the convention.

It is my opinion that the real incremental expenses for providing a meeting space with a basic stage (which usually costs nothing extra), sound, lighting, and copies of necessary reports to probably be in the \$25 per delegate range.

It is my opinion that the call for "free" access is proportional to the extremity of the price we ask for people to pay. In Atlanta, we had VERY few people who did not pay anything, but our "basic" delegate package was not very high. With that, the delegate got a binder, name badge, and even could go to the opening reception. The higher the "delegate package" is, the more people object. Why not? The prices charged have been disproportionate to the related costs.

It's like the comment I frequently make about music piracy. The rate of piracy is the free market's way of telling you your prices are too high. Lower your prices to a reasonable level, and so many more people will pay that you'll get higher revenues.

I recently bought a 20-year-old album on CD at Walmart for \$5. The same album is on sale at Amazon and iTunes for \$12.99 electronically. We've been doing the same thing with our conventions. It's stupid."

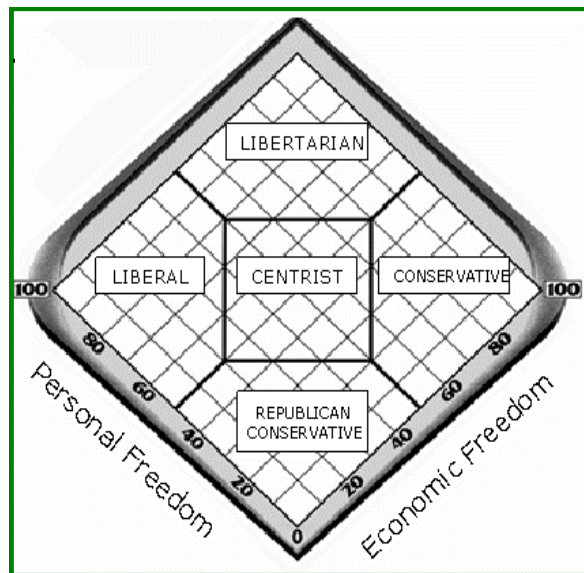
That's the sound advice of our National Chair.

Technology

Several state and local parties — I have at hand samples from Kansas, Colorado, and Maricopa County — have taken to issuing email newsletters that actually appear on the screen as a vertical column, with links after the first or second paragraph. These email newsletters appear optimized to the layout one can readily read on-screen.

Libertarians Around the World

There is now a Libertarian Party of South Africa, visible through its Facebook Group. They write: *We believe that the only just system is that in which every person enjoys unfettered individual liberty as a natural right, limited only by the need to respect the equal right of others to such liberty.*



A Redesigned Nolan Chart—matching contemporary American political reality.

Liberty for America

Liberty for America is not currently a political party.

To subscribe: <http://LibertyForAmerica.com>

Liberty for America has a Federal PAC —we actually support
real Libertarians when they run for Federal office.

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LNC In Action

Technology

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