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STATE OF FLORIDA
CITY OF CLEARWATER
PINELLAS COUNTY

CITY OF CLEARWATER COMMISSION HEARINGS RE:
THE CHURCH OF SCIENTOLOGY

Clearwater City Hall
Clearwater, Florida
Monday, May 10, 1982

RIZMAN COURT REPORTING
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1 City of Clearwater City Commission:

2 Charles LeCher, Mayor
3 Thomas Bustin, City Attorney
4 Anthony L. Shoemaker, City Manager
5 Rita Garvey, City Commissioner
6 Paul Hatchett, Vice Mayor
7 James Calderbank, City Commissioner
8 James Berfield, City Commissioner

9 Lucille Williams, City Clerk

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Clearwater, Florida
May 10, 1982
Morning Session

MR. LeCHER: Ladies and gentlemen, staff, take
your seats.

Ladies and gentlemen, bow our heads, please.

Lord, thank you for allowing us to have this great
county and to allow us to discuss different views and
complex situations, and allow us to discuss these views
in an order of calm and decorum. We hope to establish
good judgment to make the right decision here today.

Amen.

Will you rise for the Pledge led by Chief Sidney
Klein.

(Whereupon, the Pledge of Allegiance
was recited.)

MR. LeCHER: Ladies and gentlemen, we have heard a
great deal of testimony in the past few days concerning
the Church of Scientology. The city has presented its
witnesses and, as by the rules established earlier, we
are now giving the Church of Scientology the same oppor-
tunity as the city was given.

Is -- Mr. Johnson, you are here, sir. And you will
have forty-five minutes, the same as Mr. Flynn, for an

1 opening statement, and then you may present your witnesses.

2 MR. JOHNSON: Mr. Mayor, members of the City
3 Commission of the City of Clearwater, I'm Paul Johnson;
4 I represent in these proceedings the Church of Scien-
5 tology. With me is my law partner, J. Michael Hayes,
6 who, also, together with me, represents the Church in
7 these proceedings.

8 I'm now about to make an opening statement, which
9 you will recall I had requested that I be permitted to
10 make prior to the proceeding of testimony in these pro-
11 ceedings. You will also recall that since shortly after
12 I was retained by the Church of Scientology to assist
13 and to advise them legally concerning the pleadings -- or
14 these proceedings, I have attempted to make a presenta-
15 tion to the City Commission, beginning on April the
16 8th, but I have been unable to do so until this time.

17 Unfortunately, some of the things that I am going
18 to say now are moot because they would have been more
19 appropriate at the time I sought to say them back in
20 early April and, certainly, no later than May the 5th.
21 But I think it's necessary that I say them because I'm
22 being afforded the opportunity to say them. I think it
23 will be instructive; I think it will be material for your
24 further consideration as you go into Phase III, as I understand

1 Phase III to be described in the letter from Mr. Flynn
2 and in Mr. Flynn's preliminary report.

3 Much of what I had hoped to say comes too late to
4 be of assistance to you. But I don't consider it moot
5 because it has a direct relationship for what is about
6 to transpire here. So, with your indulgence, I will say
7 what I had hoped to say a month ago.

8 First of all, I was concerned about the legal
9 propriety and concerned about the fairness of your using
10 as a consultant attorney a gentleman who has a personal
11 financial interest in some twenty-seven lawsuits, by his
12 own admission, and has a close relationship with a number
13 of lawsuits that have been filed against the Church of
14 Scientology.

15 Although I have not been present during these pro-
16 ceedings, with the modern miracle of video tape, I have
17 seen what you all have seen, perhaps, without having to
18 spend the day over here at these chambers as you have had
19 to do. And so, I have -- all the testimony that's been
20 presented to you I have observed and I have observed the
21 manner in which it was presented.

22 And I have observed Mr. Flynn, seated in the same
23 position that Mr. Hayes is in, time after time have
24 whispered conferences with witnesses, apparently,

1 instructing witnesses -- or instructing things, but not
2 on the record, because they were not on the record of my
3 court reporter. And as I viewed the video tape, the
4 microphone was turned away as he spoke to the witness,
5 and I was not privy to what he was saying.

6 I have -- in my years of practicing law, which have
7 been many, I have practiced in about every type of forum
8 that is known to this country: legislative, administra-
9 tive, judicial. And I don't recall ever having seen an
10 attorney for an investigative body so deal with the wit-
11 ness. I've seen attorneys for witnesses who are com-
12 pelled to appear before investigative bodies who did not
13 wish to testify confer privately with counsel at the
14 table, but I have never seen an attorney for an investi-
15 gative body do that.

16 And so, I wanted to express to you - and I will not
17 take the time to express all my concerns - the propriety
18 of having an individual, who, by his own admission, has
19 a personal financial interest in a number of lawsuits
20 against the Church, a man who was permitted by your rules
21 of procedure in this matter to select what witnesses
22 would -- who would be presented, to select what they would
23 testify about, to select what documentary evidence was
24 presented. I felt that it lacked the objectivity that.

1 you would expect at any fact-finding inquiry, for the
2 person who presents the evidence to the fact finders
3 must have a -- at least a lack of conflict of interest.
4 There is a great deal of law on that subject; I will not
5 burden you with that at this time because it's too late
6 to talk about that. It's been done.

7 Next, I was concerned about the failure of your
8 rules promulgated to permit cross examination of the wit-
9 nesses that Mr. Flynn hand-picked and presented to you.
10 The reason I was concerned about the failure of cross
11 examination is that all of us that labor in simple jus-
12 tice know that cross examination has been described time
13 and time again by the leading experts in the field of
14 law and in how evidence is to be viewed -- it's been
15 called the searchlight of truth, because, only through
16 cross examination in an objective fashion - and not what
17 I have described as sweetheart-type questions, which, I
18 fear, was the nature of the questions propounded to these
19 witnesses - cross examination done objectively and
20 incisively can reach to the very reliability and the
21 heart of the witness' testimony in order to determine
22 that this witness really knows what he's talking about,
23 and how he knew it, and the circumstances under which he
24 observed it, and his interest or his bias, or any other

1 things that go to help the trier of fact in determining
2 how to receive any testimony that's presented.

3 And since the testimony was selected, hand-picked
4 by a person who has a lack of objectivity concerning the
5 Church, I felt all the more in the case that cross
6 examination would be helpful.

7 Now, I can perhaps -- although I don't agree, I
8 can perhaps understand that you would not want me to
9 cross examine the witnesses. You all don't know me; I
10 hope my reputation is such that I have never been accused
11 to be one who has tried to obstruct proceedings; I hope
12 my reputation is such I have never used improper tactics,
13 I've never abused witnesses. And those of you who know
14 me know that that's not my reputation and I try to follow
15 the rules.

16 However, if you didn't want me to cross examine
17 these witnesses, I would have proposed, when I had
18 asked to appear before you at the beginning of April,
19 that you seek an individual in the nature of an ombudsman
20 from the local Bar Association, to be selected by the
21 Bar, who would not take an interest either way, except
22 he would be skilled in arriving at the truth and veracity
23 of witnesses and he would ask questions designed to
24 bring out the details and the facts of the witness'

1 testimony. This is what I had hoped to present to you
2 had I been allowed to talk to you.

3 But then, again, on the other hand, you may say
4 that "Well, cross examination would delay these pro-
5 ceedings." You have set aside four days for the Church
6 of Scientology to present evidence if they choose, or if
7 I choose because the decision is going to be mine, because
8 that is my function as a lawyer. And I will relate that
9 decision to you soon. I will guarantee you that, had
10 you permitted cross examination even by me and not by an
11 ombudsman, it would not have taken more than a day -- or
12 a day and-a-half more to have raised certain points that
13 I would have raised on cross examination, which would
14 have been of great help to you in evaluating and con-
15 sidering the effect, impact, and reliability of the testi-
16 mony you received.

17 So, time, obviously, was not a problem. And this
18 is what I had proposed to present to you.

19 There's many examples I can give you of the effec-
20 tiveness of cross examination. I will -- I will just
21 give some examples: I -- as I viewed the video of
22 LaVenda Van Schaick, as she broke down and cried about
23 the death of her brother-in-law, David, it was a very
24 dramatic event; it was covered in all the news media. It

1 had great effect upon you and all those listening here.

2 But it would have been, perhaps, helpful to you in
3 evaluating whether her inference that the Church of
4 Scientology was somehow related to the death of her
5 brother-in-law -- whether or not he had been under
6 psychiatric treatment prior to coming into the Church,
7 how long he had been out of the Church, how many other
8 occasions he had attempted suicide. All of these matters
9 would have been very helpful to have asked on cross
10 examination to view her testimony.

11 As you present the testimony of Mr. Meister con-
12 cerning the tragedy eleven years ago in Morocco, many
13 thousands of miles away from here, in which he indicated
14 to you - and this was a clear indication - that the
15 Church of Scientology was somehow involved in the death
16 of his daughter. It would have been very helpful to you
17 to have an ombudsman or, perhaps, me to cross examine
18 him and ask about what her background was concerning the
19 use of drugs, concerning whether or not she had been
20 under psychiatric treatment prior to entering the Church
21 of Scientology, whether she was concerned about matters
22 that were going on his home in the United States, and
23 whether she had received information about a marital
24 problem between he and her mother and whether or not that

1 contributed or could have contributed to her death.

2 These are the sort of things -- this is such a --
3 and I hesitate to mention this, except it has such a
4 dramatic impact upon the news media. And the Church of
5 Scientology has been embarrassed and scandalized through-
6 out the United States because we've had national coverage
7 by -- I know, at least -- CBS, NBC, UPI, AP. And these
8 are things that have been disseminated throughout the
9 length and breadth of this country. It's been dissemi-
10 nated so, in the eyes of the reading public, the viewing
11 public, and the listening public, that the Church of
12 Scientology is somehow causing people to be killed or
13 to take their lives, without any attempt to go into the
14 circumstances surrounding this, which cross examination
15 could have been very helpful to you in evaluating it.

16 It would have been very helpful for Mr. DeWolfe,
17 who is now -- who is the former L. Ron Hubbard, testified,
18 a gentleman who has been out of the Church since 1959.
19 It would have been very helpful for you, whoever was
20 examining him, to read from a video-taped interview,
21 which, fortunately for the Church, Channel 10 ran last
22 night, in which he recanted his testimony against the
23 Church of Scientology that he gave under oath in the IRS
24 case, in which he admitted in the video tape that he had

1 lied under oath. Fortunately for us, Channel 10 did run
2 that.

3 But on -- certainly, whoever might have examined
4 him on cross examination, in the brief time allowed,
5 would have certainly asked him questions about it and,
6 perhaps, shown him on the monitor his own figure, his
7 own voice speaking these words, and asked how that fits
8 into his present testimony. Whoever examined him would
9 have asked him about his knowledge of the veracity of
10 Paulette Cooper, which, fortunately, again for the
11 Church, a very enterprising reporter from the Saint
12 Petersburg Times was able to determine and find out that
13 both Mrs. Cooper and Mr. DeWolfe stated publically that
14 neither of the other could be believed under oath.

15 This would have been very helpful to have been
16 brought out under cross examination. Fortunately for
17 the Church, there was a very aggressive reporter who did
18 a very good job. None of this would have come out in
19 the hearings had it not been for the news media.

20 These are -- Mr. Mayer -- well, I'll go on further.
21 Mr. Mayer, for example, who suggested that the City of
22 Clearwater was the center of illegal activities, such as
23 was suggested in the preliminary remarks by his honor,
24 the Mayor. It would have been helpful to have asked him

1 how much time he had been in Clearwater, who he talked
2 to here in Clearwater, and how he could justify those
3 statements. And, also, to ask him: Were it not true
4 that he was a paid consultant for the IRS in the IRS
5 litigation, and that he sat at counsel table during the
6 trial for the IRS versus Scientology as though he were
7 a party in that case? That would have been helpful for
8 you to know that. And that's the sort of questions that
9 would have been asked on cross examination.

10 So, I could go and on. I won't take up your time
11 and burden you. But this is just illustrative of the
12 lack of validity these proceedings have when you allow
13 an individual, who has an admitted financial, adverse
14 interest, to select and choose and to guide the witnesses
15 in their testimony without any objective, incisive
16 examination of the witness, and the only questions are
17 questions which I have characterized earlier as sweet-
18 heart-type of questions from the Commission.

19 Next, I had wanted in my preliminary remarks to
20 address this Commission concerning my concerns about the
21 jurisdiction of the City of Clearwater Commission and
22 urge you to limit your inquiry - and to establish rules
23 that would limit your inquiry - into matters under which
24 you have jurisdiction. When I say "jurisdiction," I'm

1 using the term, I guess, broadly. When I say jurisdic-
2 tion as to subject matter and when I say jurisdiction
3 as to territorial jurisdiction, that means within the
4 city limits within the City of Clearwater. That does
5 not mean Morocco; that does not mean Las Vegas; that
6 does not mean Boston; that does not mean all these other
7 areas that we've heard about to such extent as has been
8 broadcast and telecast and written about throughout the
9 length and breadth of this country about the Church of
10 Scientology, which has no relationship whatsoever to
11 what might have been done within the city limits of
12 Clearwater.

13 So, I would have liked to have discussed with you guide-
14 lines, which I was going to propose that you enact in
15 order to conduct these hearings so they would be meaning-
16 ful and not be suspect.

17 The -- for example, I have here what was described
18 in a document, which his honor, the Mayor, filed, as the
19 seven areas of municipal concern that you were going to
20 go into, and I have those areas here, which I felt, had
21 I been allowed to speak to you in my pre-proceeding
22 opening statement, perhaps, I would have urged you -- I
23 would have urged you - perhaps, you would have listened
24 to me - as to whether these are really the matters of

1 municipal concern or whether or not they are of concern to
2 other people who have axes to grind against the Church of
3 Scientology.

4 The first item of municipal concern as contained in
5 the presentation of the Mayor, which was filed publically
6 and which was a memorandum to the press from the City
7 Manager, dated May the 3rd, 1982, "Subject: Guidelines,"
8 a copy of which I have obtained, says the first item of
9 vital public interest and municipal concern was: "The
10 utilization of the City of Clearwater as a base to conduct
11 and perpetuate wholesale violations of state and federal
12 criminal laws, including larceny, breaking and entering,
13 robbery, perjury, conspiracy, kidnapping, extortion, and
14 blackmail, which is evidenced in the Consultant's Report."

15 Perhaps, matters were testified to which I did not
16 see on the video, but I am not aware that there was any
17 support of such a broad statement. And if there is
18 support of such a broad statement, we have a very effec-
19 tive and a fearless State Attorney in this county, James
20 Russell, who's never hesitated to take on the great public
21 officials; his reputation is above reproach.

22 If such crimes are in existence, is it not the sort
23 of thing that Mr. Russell can handle much more effectively
24 than you, because you don't have jurisdiction to prosecute

1 or to have your City Attorney prosecute for robbery,
2 perjury, conspiracy, kidnapping, blackmail, extortion.
3 That's a matter completely out of your jurisdiction, and
4 it's completely foreign to any appropriate investigation
5 which you might make. And I was going to suggest to you
6 that you not be drawn into such a matter.

7 The next item of municipal concern which you have
8 in your memorandum, which I wanted to speak to before you
9 started these proceedings, was: "The perpetration of
10 fraud through uniform secular, non-religious oral mis-
11 representations" to require people to pay money, et
12 cetera.

13 If there's fraud, this is either a crime, of which
14 your State Attorney has jurisdiction and not you, or
15 which Mr. Flynn is handling -- if it's a civil matter
16 fraud, he's handling so ably with the twenty-seven law-
17 suits which have been pending throughout the country that
18 he has filed and many others, including the ones which
19 were just reversed out in Portland, Oregon by the Supreme
20 Court out there in that far western state.

21 So, all these matters can be handled, either through
22 the appropriate officials or through the courts, which
23 are now being litigated by Mr. Flynn and others.

24 Your next item of municipal concern was: "The

1 utilization of charitable tax-exempt status to conduct
2 non-religious, non-charitable activities" in your city,
3 "without accountability to the proper taxing authority."

4 Well, ladies and gentlemen of the City Commission,
5 as you well know, there is litigation going on this very
6 moment in this county -- I say I know it because I am the
7 attorney in that litigation; I was brought into that case
8 last October. You know it because you wrote a letter
9 and passed a resolution in which you offered to become a
10 part of that litigation to take -- the City of Clearwater
11 would take a part in that litigation. And you passed a
12 resolution offering any help to the tax collector and the
13 tax or property appraisers.

14 So, that's a matter that you already know, and by
15 your own prior action by this Board in official session --
16 meeting, you have gone on record as wanting to enter that
17 lawsuit and support the people who are representing the
18 county. So, that's not a matter to be heard by the City
19 Commission because we have a court, we have a very able
20 judge before whom that case is now pending, Judge A. J. Driver,
21 a judge who's well recognized for his legal acumen and
22 ability. And that's to be tried under proper legal rules
23 and procedures and will not be tried in this type of pro-
24 ceeding before you.

1 Your next item was the unlicensed practice of
2 medicine. It would have been also interesting to have
3 been able to cross examine some of the witnesses about
4 whether they had seen doctors and what doctors they had
5 seen and suggest names of doctors that they had seen,
6 but that time has passed.

7 But if there is unlicensed practice of medicine,
8 that again is a matter for the State Attorney and not
9 for this Council because it's a crime; it's a felony.

10 Next, your item of municipal concern that you
11 allege that I wanted to talk to you about before you got
12 into these hearings was the implementation of policies
13 calling for flagrant physical and psychological abuse.

14 Here again, if it's physical, it's -- the State
15 Attorney has jurisdiction. If it's psychological, Mr.
16 Flynn's twenty-seven lawsuits and the other lawsuits will
17 take care of that.

18 The only testimony I recall about that was Mr.
19 Ray, the young man. I would have liked to have cross
20 examined him as to whether he was accused of stealing
21 from the Church of Scientology, and whether or not he
22 signed a statement admitting that he had stolen from
23 them. I would have liked to have cross examined him as
24 to whether he was under the influence of drugs and

1 admitted to the use of drugs, contrary to Scientology
2 policy. I would have liked to have cross examined him --
3 I would have liked to have shown him an affidavit which
4 he had signed admitting to theft and admitting to the use
5 of drugs.

6 But here again, these are matters for the State
7 Attorney and not matters for you, or matters for the law-
8 suits which are now pending.

9 Next, I would like to talk to you about your matter
10 of municipal concern of the minimal educational standards.
11 Pinellas County has one of the finest Boards of Public
12 Instruction and Superintendent of Public Instruction in
13 the State of Florida. There again, they are far better
14 able to determine what is appropriate educational
15 standard. We also have laws requiring that children be
16 educated, and if those laws are violated, there are
17 appropriate authorities, not the city proceedings, that
18 can handle that.

19 And, finally, number seven is the only area that I
20 see that might possibly have had some municipal concern
21 and that was the allegations of Mr. Flynn's report "of
22 overcrowded, insect-infested conditions in Scientology-
23 owned buildings."

24 And here again, it would have been very helpful to

1 have examined very carefully the young ladies and young
2 men who testified about that. This is particularly so --
3 as I was driving over here from Tampa - I always try to
4 listen to Paul Harvey on the eight-thirty broadcast - and
5 Paul Harvey stated this morning that roaches have been
6 with us since before the dinosaurs, and he was propound-
7 ing some type of matter that would help control roaches.

8 I've lived in Florida all my life; I've seen
9 roaches all my life. I don't think I live in a hovel;
10 I live in a home. I killed a roach yesterday in my
11 house. I have often found them there once or twice a
12 month. So, you talk about roaches in Florida -- that may
13 be very horrifying to someone from New Jersey or Las
14 Vegas or Boston, but it's not unheard of; they're very
15 indestructible.

16 But here again, we're talking about things that
17 happened many years ago, and it would have been very
18 helpful to have cross examined those individuals.

19 So, all these are concerns that I had wanted to
20 address you in order to give validity to these proceed-
21 ings, to avoid them being what I was afraid would become
22 either a Roman circus or would become a dress rehearsal
23 and public publication - and publicizing in local and
24 national media - of Mr. Flynn's lawsuits which are now

1 pending against the Church.

2 As a matter of fact, as you went through the items
3 of testimony, I looked at my notes concerning my know-
4 ledge - although I do not represent the Church in any
5 other matters except the tax case and these proceedings -
6 I noticed that many of the matters that he talked about
7 are now being litigated under proper -- the rules of
8 procedure in lawsuits throughout the nation.

9 The alleged misuse of the confessional folder,
10 sometimes referred to as the auditing file -- it's just
11 a part of the sacrament of the Church to use confession-
12 als. Whether you call it auditing or confessionals,
13 that's a matter of interpretation -- or a matter of
14 semantics. The alleged misuse is being litigated in the
15 Van Schaick case in Boston, McLean suit in Tampa, the
16 Burden suit in Tampa, the suits in Los Angeles in which
17 Mr. -- in which Mr. Flynn is working closely with him.

18 The matters of the Fair Game Doctrine which have
19 been -- which is not a doctrine of the Church from any-
20 thing that you've received testimony is being litigated
21 in all those twenty-seven suits filed by Mr. Flynn.

22 The matter of the children's education is being
23 litigated in the Burden case. The Burden case is right
24 across the bay in Tampa, and that will be litigated under

1 proper rules of procedure and under the rules of cross
2 examination to bring out the true facts of what is the
3 situation concerning these Scientology children.

4 The alleged fraud in the background of Mr. Hubbard,
5 that's being litigated in Boston in the Van Schaick case,
6 which is pending right now in Boston, also, the Los
7 Angeles cases and other cases.

8 So, all these matters that have been presented --
9 they had the effect in which the City of Clearwater Com-
10 mission has unwittingly helped Mr. Flynn in giving the
11 widest dissemination of his allegations against the
12 Church, and which, undoubtedly, will have an effect upon
13 the juries and others who hear these cases because they
14 will have been pre-conditioned by this matter that's gone
15 before the Commission and the fashion in which it's come
16 before the Commission.

17 I also had concerns, which I had hoped to talk to
18 you about, about the objectivity of the Commission. I
19 have read the numerous resolutions of the Commission in
20 which you called on various groups, such as the Congress
21 of the United States, the Justice Department, the Legis-
22 lature of the State of Florida, to investigate the
23 Church of Scientology. I have read the resolution in
24 which you offered to be a part of the suit against

1 Scientology, the City of Clearwater, and offered your
2 support. So, I was naturally concerned about the objec-
3 tivity of the Commission.

4 Even in the most heinous criminal case -- and my
5 practice is such that I understand criminal procedure;
6 I have tried a number of criminal cases on both sides,
7 both as State Attorney and as defense attorney. Even
8 in the most heinous criminal case, the defendant has the
9 presumption of innocence, the defendant has the right of
10 due process, he has the right to a fair hearing before an
11 impartial trier of fact presented by a prosecutor who
12 does not have any conflict of interest, who does not have
13 a personal interest in the outcome of the case. Unfor-
14 tunately, my concern was that this would not be afforded
15 the Church of Scientology.

16 And after viewing -- first, appearing here initially
17 to make what I thought was an agreement to make an open-
18 ing statement that I felt would be helpful to you, and I
19 want it to be made very clear because it's not been
20 carried in the newspaper, the media, that I was not at all
21 critical of Mr. Bustin. I understood us to have an agree-
22 ment, but he understood it differently. He's an honorable
23 man, well respected, and I know he believes what he
24 understood. But I understood us to have an agreement that

1 I would be allowed to make an opening statement, and I
2 appeared for that purpose to do the things and to tell
3 the things I told you about today, which, I think, would
4 have given validity to these proceedings and would have
5 helped you if your purpose, alleged purpose, is to see if
6 there is a need for legislation. Well, then, what I would
7 have proposed would have given validity to these hearings.

8 But I did not have the opportunity, and it comes
9 a little late now. So, I guess, in summary, what I'm
10 saying is that I believe in the American judicial system.
11 I've been a part of it for many years. I believe that
12 the fact that when we receive testimony, you receive it
13 in a certain fashion so that you can scrutinize it care-
14 fully to make sure it's not the result of some bias
15 or interest or prejudice or -- and that the trier of fact
16 has a right to go into details to ascertain the relia-
17 bility of this testimony. So, I believe in the American
18 judicial system.

19 And I don't believe that the rules that you have
20 laid out and the procedure which we -- had been announced
21 in this case -- and after viewing the tapes of what has
22 actually occurred in this proceeding, and after hearing
23 the questions by the Commissioners, which you put as
24 such questions as: "Would you classify this as Gestapo-

1 like conduct," coming from the mouth of one of the triers
2 of fact, suggesting that the conduct of the Church of
3 Scientology was Gestapo-like, I don't think that I want
4 to submit myself or submit my client to be tried in an
5 atmosphere of this type.

6 And for the reasons I have given you, I respect-
7 fully decline to present any testimony before you. And
8 the Church of Scientology will try their cases against
9 Mr. Flynn in the courts under the proper rules of evi-
10 dence; and I will continue trying our case against you,
11 which we are litigating under the proper rules of evi-
12 dence. So, I don't intend to be a part of these pro-
13 ceedings, because I don't think we'll be afforded a fair
14 hearing.

15 MR. CALDERBANK: Mr. Johnson, would you like to
16 converse at all about some of the rules?

17 MR. HATCHETT: Are you open to questions?

18 MR. JOHNSON: I've made my statement.

19 MR. LeCHER: Thank you. We appreciate your appear-
20 ing here.

21 Let's take five minutes so Mr. Johnson and his firm
22 can leave the hearings and the media may talk to Mr.
23 Johnson, if they so desire.

24 So, come back in five or ten minutes.

1 (Whereupon, a recess was taken.)

2 (Whereupon, the hearing resumed.)

3 MR. LeCHER: Ladies and gentlemen, members of the
4 press, audience, consultants, Commissioners, we will
5 present -- I'm very sorry to say that the Church of
6 Scientology has not agreed to participate any more than
7 they did this morning. We would have liked to have
8 questioned their witnesses as to the background of L.
9 Ron Hubbard, whether or not he is a nuclear physicist
10 and a medical doctor, did he, indeed, serve in combat,
11 did he, indeed, heal himself of war wounds. We would
12 have liked to have asked many questions of witnesses.

13 I will leave to Mr. Flynn, whom he has said is
14 biased -- I will let Mr. Flynn speak for himself; he has
15 a personal -- something personal in this case, and every-
16 one in the city has a personal interest in this case.

17 Many of the concerns he raised that should be
18 raised by the State's Attorney -- well, maybe he will now.
19 I have waited and the city has waited for seven years for
20 this to happen. This information should be helpful to
21 the State's Attorney for him to make the decision whether
22 he should take further action in enacting legislation.

23 Concerning the legality of the trial -- these
24 hearings, they've been operating like Mr. Johnson -- the

1 questions he raised have already been presented to the
2 Federal District Court in Tampa and they have found those
3 questions did not prevail, and we were given the okay to
4 proceed.

5 On cross examination -- we, on the City Commission,
6 also, asked the same questions that you out there, you,
7 the people, have been asking for many, many years. So,
8 we feel that we did ask the right questions.

9 Each witness has informed us, prior to Mr. Johnson's
10 statement, as to how they would be characterized, in some
11 cases the means, by information used in their confessional

12 As to robbery and blackmail and kidnapping not being
13 the concerns of the Commission, I feel that they are the
14 concerns of everybody here in Clearwater.

15 The tax issue was not directly discussed. We took
16 special care not to discuss the tax issue. The issue of
17 religion was discussed indirectly, and we took special
18 care not to discuss that.

19 I just wish they had chosen to participate. As I
20 said at the beginning of these hearings, the public has
21 a right to know and they still have that right to know.

22 As far as the legalities of this hearing, I would
23 like to ask Mr. Bustin, who is our City Attorney, to give
24 us his views on the issue.

1 MR. BUSTIN: Mayor, the only thing I wanted to say
2 is: I think you've got to, as was said before, get back
3 and look at this thing for what it really is, and that is
4 a legislative body looking into the factual data --
5 trying to gather factual data to decide whether or not to
6 pass legislation. We cannot confuse the functioning of
7 a legislative body with a trial.

8 We heard Mr. Johnson talk over and over again about
9 trial, trial conditions, criminal trial. No way in the
10 world can you equate the two together, and if you do, you
11 end up with a bad product. No way can a legislative
12 body function using the same rules that you would use in
13 a courtroom scene. It's just not possible. And I have
14 never watched a legislative body function in that way:
15 in Congress, in our state legislature, or anywhere else.

16 He raises a lot of questions about our areas of
17 concern. But I think what is quickly forgotten is that
18 this is a city which has power co-equal, literally, to
19 the State of Florida. Under the constitution of the
20 State of Florida, you are given what is called home rule
21 power, equal to the state, except where the state says
22 you may not.

23 Now, within the constitution, it says that you are
24 to be concerned with the health, safety, and welfare of

1 everyone in the City of Clearwater. And it seems to me
2 that - within the parameters of the broad grants of power
3 under the constitution that conditions affecting the
4 education, possible crimes, possible criminal conduct,
5 abuse of information - all of this stuff goes to the
6 health, the safety, and the welfare of the people who are
7 residing or are in this city. It would be a wierd
8 legislative body or a wierd local government that said --
9 expressed no interest in things like this that might be
10 going on or you're informed are going on in the city.

11 I think, if you look around, you'll see other
12 examples of cities looking -- well, the easiest example
13 is with drugs. If you took the example that you became
14 aware of a drug problem in your city and the only person
15 you could turn to was your State Attorney to handle it,
16 you would never solve any drug problem.

17 There are a lot of things that need to be looked
18 at, and those are the power areas in which you look at
19 them. I think this is a whole thing that's been for-
20 gotten.

21 It's not a question for the Commission what Mr.
22 Flynn is doing or not doing. The question you have to
23 decide is: From the factual information that you have
24 received in the last four days, whether that information

1 supports the adoption of legislation. It doesn't matter --
2 that's what you're judging. You're not judging Mr.
3 Flynn; you're judging that factual information. Does it
4 support some type or types of legislation? And I think
5 that has been obscured totally in the whole process.

6 In fact, I'm going to recommend that once the
7 materials -- there's so much and it's so voluminous,
8 that it be -- a transcript of it be prepared. Then,
9 I'm going to - in further assisting the Commission in
10 deciding this legislative issue - contact a constitutional
11 scholar I have in mind from another jurisdiction who will
12 look at the transcript, helping the City Commission make
13 a decision based on the legislative aspect, if the
14 Commission is so agreeable.

15 MR. LeCHER: Thank you, Mr. Bustin.

16 Before we start with Mr. Flynn - and has up to two
17 hours for summation, which is the rules of procedure that
18 was set forth the first day of these hearings - I would
19 like to give the Commissioners a short chance, and I hope
20 that they do not belabor too much, to discuss what has
21 gone on to now or discuss the presentation of Mr. Johnson
22 representing the Church of Scientology.

23 So, as is our custom, we'll alternate, and I believe
24 we start this time with Mr. Jim Calderbank.

1 MR. CALDERBANK: Well, I was just disappointed that
2 the Church of Scientology did not enter into the record
3 or participate in these hearings. Again, I reiterate
4 that I always looked at them as an information in
5 trial -- not in a trial manner, but in information
6 gathering. And I can't believe that the opinion or the
7 advice to the Church of Scientology would be: "Do not
8 take advantage of your four days to give your side of the
9 story or give the facts and bring the records forward."
10 I -- there must be some reason for that, but that advice
11 completely escapes me.

12 As far as Mr. Flynn -- in complex litigation, you
13 need a specialist. And Mr. Flynn or that law office,
14 at least -- and when we were going through looking at
15 not only city attorneys, we did have Mr. Logan go over
16 it before. But we needed someone that had the informa-
17 tion all ready, the documents from Washington collated.
18 We're not asking Mr. Flynn to make judgments; we're
19 asking Mr. Flynn to present us with the facts and
20 information, which I feel he did.

21 I'm surprised Mr. Johnson, being a local attorney,
22 would make comments as far as our jurisdiction here in
23 Clearwater and what the State Attorney's Office should
24 and should not do. It's just like robbery, burglary,

1 or even murder in this city -- we don't have jurisdiction
2 over that. The police investigate it, they pick people
3 up, but it's still up to the State Attorney's Office to try
4 them for that crime. So, that was a moot point.

5 And the comments about Mr. DeWolfe and Mr. Mayer,
6 Mr. Berfield very well and very vigorously questioned Mr.
7 DeWolfe about his recantation. To the best of my know-
8 ledge, Mr. DeWolfe told the Commission and told the
9 audience, the viewing audience, that he, indeed, did
10 recant part of his testimony to the IRS. However, what
11 Mr. Johnson did not comment on was which parts he recanted,
12 which were the personal opinions, not the facts, and
13 number two, the harassment to his family, to his children,
14 and the threats that he had received.

15 So, yes, Mr. DeWolfe recanted, but under Mr.
16 Berfield's questioning, I think the situation of the
17 recantation was better known to the Commission. And I
18 wish Mr. Johnson had stated that, also, for the audience.

19 In addition, Mr. Mayer, who was an IRS, quote,
20 unquote, consultant -- he also stated that he was a con-
21 sultant under our questioning et cetera, et cetera.

22 My only question would be how Mr. Johnson found
23 out about the intimate, personal details that he men-
24 tioned about Miss Van Schaick, who -- she came up of her

1 own free will. How he found out about the psychological,
2 or what he informed us was psychological and drug prob-
3 lems with regard to Miss Van Schaick.

4 Mr. Ray -- I can't understand where he would get
5 such confidential information.

6 And the last thing I have to say is, and I think
7 the Commission would feel the same way, that, with all
8 the information we have seen over the years, I think it
9 would be malfeasant, or we would be shirking our responsi-
10 bility, not to look into these areas. That's our job,
11 both legally and morally, as far as I'm concerned.

12 And if the -- some of the testimony was given that
13 Scientology has changed; I really wish in the last four
14 days that they had come up and shown it. And I just feel
15 the record is a little less complete because of the advice
16 not to participate.

17 And other than that, I think there were some
18 emotional comments put on the record, but the Commission
19 I don't think will consider that. When it gets down to
20 the record, I think we'll be looking at the objective
21 facts and see whether or not the record contains enough
22 information to go forward, if there's enough factual
23 evidence.

24 MR. LeCHER: Mr. Berfield, do you have any comments?

1 MR. BERFIELD: Yes, I do.

2 If there's been one moment of humor coming out of
3 this whole thing, it's the comment of counsel that we have
4 not cross examined the witnesses.

5 My office received a call wherein - I was not
6 present, but - I was chastised very vigorously, almost to
7 the point of being harsh with the witnesses. And this
8 particular woman said that I should never run for Dog-
9 catcher in the City of Clearwater because of my partiality
10 to the people in the Church of Scientology.

11 So, it's kind of unusual that one minute we're
12 being criticized for not asking strict questions or cross
13 questions, and the next minute we're being chastised for
14 it.

15 I think we have a responsibility to the people of
16 Clearwater, and that responsibility has come about from
17 so many years of people asking questions: "What's going
18 on?"

19 I view these hearings - not so much in light of all
20 the testimony that was given but - what patterns were
21 established? Were these patterns universal? Were they
22 across the United States? Were they a corporate type of
23 pattern? Sometimes it seemed like I was redundant in
24 asking the question whether or not this could happen in

1 Clearwater as well as in Las Vegas, and the testimony
2 seemed to substantiate that.

3 As Mr. Calderbank pointed out here, we're concerned
4 strictly with the facts. And those facts that come out
5 of here, as counsel mentioned, we may not have any
6 authority. But those facts should be related to the
7 people that do have the proper authority.

8 My biggest concern - and someone said it came out
9 in my voice the other day - has been what Mr. Johnson
10 chastised me for, and that was not proper coverage of
11 this thing by the news media. I had been truly hopeful
12 that the news media would take every word verbatim and
13 print it. If there was any concern about politics or
14 people running for office, they could have deleted the
15 names of the Commissioners and just put it down question
16 and what the answer was, and let the people of Clearwater
17 decide whether or not we have a problem. They have a lot
18 of intelligent people here in Clearwater, and they wanted
19 to know about it. And unless they were able to watch
20 Vision Cable, they have not gotten the full story
21 about this.

22 And I think if there is any injustice that came
23 out of this, there's where the injustice came.

24 MR. LeCHER: Thank you.

1 Mrs. Garvey, do you have any comments you'd like to
2 make?

3 MRS. GARVEY: There really isn't much that I need
4 to say that hasn't already been said.

5 Except one thing that Mr. Johnson mentioned was the
6 personal financial interest of this law firm that we have,
7 and it's my understanding that Mr. Johnson is paid by the
8 Church of Scientology, so I would assume that's a personal
9 financial interest, also.

10 MR. LeCHER: Mr. Hatchett.

11 MR. HATCHETT: Thank you.

12 I will take this time to say to the Commission that
13 these hearings were to listen for fraud and criminal con-
14 duct. Those are the basic areas. And I think we stuck
15 to that very well. And anything else, like, attacks on
16 their religion, we asked that to be deleted from the
17 record. And I think a good job was done with that fact
18 finding.

19 As Mr. Berfield stated, we were looking for situa-
20 tions of standard policy as a corporation, which you
21 heard.

22 I don't know how you can find out whether anything
23 is going on, since you can't put a policeman on every
24 corner and everybody watching everybody else, you know.

1 How do you find out what illegal acts are going on? You
2 find out when people step forward and complain; that's
3 when you find out. And it's been stated before that it's
4 our legal and personal responsibility as Commissioners
5 to be on top of that, and I believe that.

6 This city has not made any determination of any
7 testimony heard here today. And I was disturbed when
8 Mr. Johnson stated that we are prosecuting in a sense.
9 We made no determination of the facts we found; we
10 haven't even filtered them out yet. We just listened.

11 Now, Mr. Johnson stated certain things he wanted
12 to advise us before we went into the hearings. How would
13 you know what any witness was going to say, and how are
14 you going to advise us before that person has a chance
15 to tell us about it?

16 MR. LeCHER: Good point, Mr. Hatchett.

17 MR. HATCHETT: How are you going to know what
18 they're going to say? How are you going to advise us?

19 Our municipal concerns, I am for them, and I'm
20 going to stick to that.

21 Thank you.

22 MR. LeCHER: Tony Shoemaker, the City Manager.

23 MR. SHOEMAKER: Mr. Mayor and members of the
24 Commission, I don't really have anything to say. I think

1 you've said it very well.

2 The thing that rather puzzles me is that if the
3 City Commission and the city officials are not supposed
4 to be concerned about the health, safety, and welfare
5 of the city, what are we doing? I mean, what's our
6 purpose of being here?

7 Also, I'd like to inform you, as I think you know,
8 that, concerning criminal activities, the police depart-
9 ment is going to be very active and very involved and
10 very concerned about any types of criminal activities
11 that occur within the City of Clearwater.

12 And I don't really have anything else to say.

13 MR. LeCHER: One other small comment that I want to
14 make is one about Mr. Meister, his daughter who committed
15 suicide, and it was very dramatic at the time. And Mr.
16 Shoemaker mentioned the fact that we're not here to
17 determine whether -- how she died or what caused her
18 death, just -- that was not the issue here at hand.

19 To kind of narrow it down to what we're doing
20 here: If a local church is running an illegal or a
21 crooked or a fixed Bingo game in this city, we should
22 investigate it. So, why not investigate something of a
23 much larger scale?

24 Now, Mr. Flynn, you have been -- you are our hired

1 consultant. You -- they have made a few personal attacks
2 on you as to your motives, your financial arrangements
3 made with the city, and the twenty-seven lawsuits.

4 You can comment on that or you can ignore that
5 and get on to two hours of summation that was going to
6 be given to us, frankly, four days from now, but it's
7 going to be given a lot sooner than that.

8 MR. FLYNN: Mayor LeCher and members of the Commis-
9 sion, Mr. Shoemaker, and Mr. Bustin: I would like to
10 briefly respond to the attack against me because, pri-
11 marily, it has some relevance - as much as the other
12 evidence as I think my outline is going to show you - to
13 all -- everything that you heard for the past four days,
14 the four days during which we were in session.

15 My outline is going to take some period of time,
16 and we're going to have to go relatively slowly in order
17 to cover a lot of the points that I'm going to bring
18 up.

19 But at the outset, let me simply say this with
20 regard to a doctrine called the Fair Game Doctrine, which
21 is Exhibit 1, and Attack the Attacker, which is Exhibit
22 3: I would submit that in some small measure you have
23 just seen a representative of the Church employ those
24 two doctrines against me.

1 With regard to my financial interest versus my
2 personal interest, or whatever motivating factors moti-
3 vate Thomas Greene, to my left, Thomas Hoffman, to my
4 right, and Kevin Flynn, further to my left, so far we
5 have filed a number of lawsuits on behalf of people
6 across the United States. We have worked very hard try-
7 ing to obtain other counsel to assist us, and it's been
8 a very difficult job: litigation against the Church of
9 Scientology as well as litigation against many, many
10 lawyers paid by the Church of Scientology. To date,
11 other than what we have received from the City of Clear-
12 water and, perhaps, a very small amount from one client,
13 of all the people that have approached us, we have
14 received nothing. We anticipate litigation which could
15 go for approximately five years. For the most part, I
16 personally have expended all of my own funds to finance
17 that litigation, probably, in excess at this point of
18 three hundred thousand dollars.

19 I have spent a great deal of my time in the last
20 three years. The cases are on a contingent-fee basis, as
21 has been reported in the press on numerous occasions. My
22 clients have no money; there is simply no other way to
23 prosecute those cases. Without a contingent-fee arrange-
24 ment, I could not motivate any other lawyer to prosecute

1 those cases.

2 The Church of Scientology has filed an affidavit
3 recently in a case in Los Angeles, in which they state
4 they have paid their attorneys some four million dollars
5 to date to defend the cases that we have brought. In
6 connection with the Mary Sue Hubbard case, upon informa-
7 tion and belief, I understand that some three to six
8 million dollars was paid to those counsel in those cases.

9 So far, Mr. Hoffman, Mr. Greene, Mr. Flynn, and Mr.
10 Flynn have received virtually nothing, except what we
11 received from this city. And we have withstood three
12 years of excessive abuse, harassment, lawsuits - probably
13 now numbering in the range of nine, of which probably five
14 or six have been dismissed - unending Bar complaints. My
15 wife just received a telephone call late the other
16 evening, in which the individual said, "Is Michael there,"
17 to which she said, "No," and then she said -- and then
18 the caller said, "Thank you, dear," and hung up.

19 Well, those -- that is just a microcosmic view of
20 the type of things that we've withstood for three years.
21 And whatever motivating factors are within each -- all
22 four of us and the other lawyers that are involved, they
23 may be complex, but I can state for myself that the pri-
24 mary motivating factor is what this proceeding and all of

1 those lawsuits will be about, and that is, what the truth
2 is.

3 The nature of this proceeding, as the nature of any
4 proceeding involved with the tripartite system that the
5 United States enjoys: the executive, the congressional,
6 and the judiciary, is to determine what the facts are
7 and then to make decisions based on the facts available.
8 And all three branches of the government do that, and the
9 State of Florida does that on a daily basis.

10 This proceeding is to determine whether there is
11 sufficient facts for this Commission to proceed on ques-
12 tions that are vital to the City of Clearwater. They're
13 not vital to Las Vegas or vital to Los Angeles, but vital
14 to the City of Clearwater with regard to an international
15 organization that has deposited itself under guise in
16 your city, and is conducting operations of the type that
17 many witnesses have described, including Mr. Mayer.

18 The international facets of the organization are of
19 vital interest to the city, because there are people
20 internationally coming to your city, paying millions of
21 dollars based on policies, representations, publications,
22 basically, all of which have been issued by Mr. Hubbard
23 and distributed by his organization across the United
24 States, which as -- for instance, in the situation of Mr.

1 Hartwell, lured him, lured him, into the organization.
2 And when he was shown pictures of Clearwater and went out
3 and looked geographically to determine where Clearwater
4 was - and he ended up on a desert and then almost was
5 separated from his wife and subjected to Fair Game Doc-
6 trine and has lived through a horror for the last two or
7 three years - that is of some interest to the city, because
8 your city was held out by this organization, upon which
9 Mr. Hartwell relied. It so happens, he ended up in a
10 desert, and that's just one story out of thousands, per-
11 haps. But it has some peripheral connection to the
12 issues.

13 Mr. Bustin has basically covered the nature of
14 these proceedings.

15 I also did not have the opportunity to cross examine
16 if the Church of Scientology produced its witnesses. I
17 have tried a number of complex cases, and I have utilized
18 the tool of cross examination in the past, including
19 cases involving the Church of Scientology. And I for-
20 sook that opportunity so that not one but seven people,
21 seven people, from this city, who are the elected repre-
22 sentatives of the people of this city, at least in five
23 cases, would have the opportunity to ask those question.

24 If an ombudsman was selected to ask those questions,

1 I'm sure that Mrs. Garvey, Mr. Hatchett, Mayor LeCher,
2 Mr. Calderbank, and Mr. Berfield would have had many
3 questions that they would have liked to have asked but
4 might not have had the opportunity to, given the time
5 constraints. And it would have been - since this is an
6 investigative proceeding - a severe - in my judgment,
7 at least - diminution of the opportunity of your -- of
8 the people of the city to find out the truth of what the
9 organization is, because its elected representatives
10 would have been, for the most part, denied the oppor-
11 tunity to ask the questions that the people of City of
12 Clearwater elected them to ask.

13 Similarly, if I had conducted a cross examination
14 in a non-judicial proceeding - or in an investigative
15 proceeding, a legislative proceeding, which is non-
16 judicial - you people, also, would have been denied the
17 opportunity to ask a lot of questions that you may have
18 asked. Now, Michael Flynn may have asked questions that
19 Michael Flynn was interested in that he thought would
20 have brought out the truth, but this is investigative,
21 and the people of Clearwater, I'm sure, would have wanted
22 their elected representatives to ask the questions that
23 they elected them to ask, for which purpose they elected
24 them.

1 Now, the truth of a particular issue can come out
2 in many ways. It can come out in the press; it can come
3 out in a judicial proceeding; and it can come out in a
4 legislative proceeding upon which ordinances can be
5 enacted.

6 The Church of Scientology was given an equal forum
7 here and, yet, the Church of Scientology, at least, I
8 submit my personal judgment upon, from reading the news-
9 papers, has for many years had the opportunity to con-
10 duct its own public relations campaign. And I would
11 submit that, if there has been adverse media attention
12 to this organization in this city and elsewhere, it is
13 because of the conduct of that organization that has led
14 reporters to report what they had. But this was an
15 opportunity, as I said in my opening statement, for them
16 to come forward and present evidence or facts which would
17 rebut what has been published in the press, if the press
18 is inaccurate, and give them the opportunity to present
19 to you people and to the City of Clearwater, since it's
20 on Vision Cable, what the nature of their organization is.

21 Well, I submit, they chose not to participate
22 because, after the evidence that you heard, there is no
23 way that the Church of Scientology could put a witness
24 a witness stand and face seven people and keep his basic

1 integrity and look in the eyes of seven people, as my
2 witnesses were required to do, and answer the questions
3 that you people would have asked. If you put one exhibit
4 on the transparency/overhead projector, just one of many,
5 many exhibits on criminal activities -- Mr. Johnson said
6 there was no evidence of criminal activities. Well, we
7 simply did not have the time to go through the hundreds
8 of documents, which were submitted to you people, which
9 are just unending criminal operations in the City of
10 Clearwater. There was nothing on the video tape, except,
11 perhaps, some reading of things concerning breaking and
12 entering, larceny, smearing, framing, perjury, like
13 TRL, which you may recall is how to teach a witness to
14 lie, and things of that nature. I'm not sure that he
15 even saw the video tape. But there are many, many
16 exhibits that are before the Commission.

17 But in any event, if any one of those witnesses
18 appeared before you people and just one exhibit - you
19 can almost take any exhibit that's been introduced; take
20 any exhibit concerning the confidentiality of auditing -
21 and you put that on the overhead projector, and you
22 simply said to that witness - and I submit, this goes on
23 every piece of evidence that's been introduced - you sim-
24 ply said to the witness: "Mr. Witness, assuming that is

1 true - we're not telling you that it is true, we're just
2 telling you that we've heard some evidence, we've heard
3 from some people where auditing information has been
4 specifically used against people and has been used in, at
5 least, a manipulative way, perhaps, extortious, perhaps,
6 blackmail, but, at least, manipulative and slight -- a
7 little bit coercive - would you have paid money, Mr.
8 Witness, or would you have provided services, Mr. Witness,
9 to the Church of Scientology, if you had known for the
10 past fifteen years, if you want to make that assumption,
11 that the organization has been doing those things?"

12 Well, the witness, obviously, would have had to
13 have said, "No, I wouldn't have done it," otherwise he
14 would be participating in a conspiracy. He would have
15 to have said, "No." As soon as one witness said, "No,"
16 to one question of that type, you would have your fraud
17 case proved by their witnesses.

18 They could not produce witnesses. Instead they
19 chose to conduct what they've always conducted: a PR
20 campaign to further deceive. They don't fight their
21 battles in the courtroom; they don't fight their battles
22 in an investigative proceeding. They fight their battles
23 in the courtroom to delay the cases, I personally submit
24 to you, in my judgment. We would go into court with any

1 Scientology case tomorrow morning if we had the oppor-
2 tunity. But we won't get into some of the judicial
3 problems.

4 In any event, in this morning's newspaper and I
5 understand in yesterday's newspaper and in other news
6 publications, the Church of Scientology chose to publish
7 a full-page ad, at least in the Clearwater Sun, on what
8 the Church of Scientology says is what its program and
9 the nature of its organization is. And it says: "The
10 Church of Scientology wishes to thank L. Ron Hubbard
11 on the thirty-second anniversary of his bestseller," et
12 cetera, et cetera.

13 Well, their current open house, which we'll get
14 into, and their publication of something like this is
15 their response, not only to you people but to its member-
16 ship and worldwide, PR campaign. It's not subjecting
17 witnesses to seven people to cross examine. It's more of
18 deception.

19 And, specifically, I refer to, in this particular
20 advertisement, the following: "Walter Winchell first
21 hailed Dianetics prior to its publication." Well, since
22 it's prior to its publication, it would be sometime in
23 the 1950's; I would assume that it was sometime prior to
24 1950, a day or so before the publication. And I don't

1 know how much Walter Winchell knew about Dianetics at the
2 time, but, perhaps, he, also, was deceived. But, anyway,
3 they published the following quote: "There is something
4 new coming up in April called Dianetics, a new science
5 which works with the invariability of physical science
6 in the field of the human mind."

7 Well, one of the last exhibits, perhaps, the last
8 I put before the Commission was the case of Article or
9 Device, in which the Article or Device case said, in
10 essence: In any publication in which Dianetics, auditing,
11 Scientology, et cetera, et cetera is referred to, in
12 eleven-point leaded type, you have to put in that all
13 those things are not capable of curing any disease, pre-
14 venting any disease, et cetera, et cetera. And I won't
15 dig up the exhibit from that time, but that's basically
16 what it says. And eleven-point leaded type is large
17 type.

18 MR. CALDERBANK: Is that disclaimer on there?

19 MR. FLYNN: There is no disclaimer in this publica-
20 tion.

21 Mr. Johnson mentioned the Kristofferson case in
22 Oregon, and he said that -- one of my cases. I have
23 nothing to do with the Kristofferson case. That case
24 started before I ever heard of the Church of Scientology.

1 I have absolutely noting to do -- and if I was sworn in
2 by Mrs. Williams, I would so state under oath that I have
3 nothing to do with it.

4 The Kristofferson case has been reversed and
5 remanded for a new trial, based on the Article or Device
6 case, which Mr. Johnson did not tell you. He also didn't
7 tell you that the Article or Device case was first tried
8 before a jury and the Scientologists lost, and through --
9 I give their lawyers and their ability to hire lawyers --
10 I give that whole program incredible credit, because they
11 get very, very talented lawyers that they pay large sums
12 of money to who do a tremendous job. They succeeded in
13 getting that first Article or Device case reversed and
14 remanded for a new trial. And there was a second trial,
15 and the Scientologists lost again. And it went back up
16 to the Court of Appeals for the District of Columbia for
17 the second time, and they lost again. And the warning -
18 that was one of the last exhibits that I -- the judgment,
19 including the warning, was one of the last exhibits that
20 I filed before you in these proceedings - was the end
21 result of that case.

22 So, that case, through the talents of their counsel,
23 was also reversed and remanded and retried. And Nathan
24 Dodell, the individual for the government who participated

1 in those proceedings, could give you what -- the five
2 years of horror he lived through to litigate those two
3 cases, one case but two trials. And, perhaps, someone
4 on this Commission should contact Nathan Dodell in
5 Washington, D.C. and ask him what he went through to
6 litigate Article or Device.

7 The Article or Device case is of obvious signifi-
8 cance to this Commission and to the State of Florida.
9 And as you have seen in something published this morning,
10 there was no such disclaimer. I suggest to you the
11 deception continued right up to the publication of this
12 in the Clearwater Sun edition this morning and right up
13 to the failure of the Church of Scientology to present
14 any person before you under oath to answer your questions.
15 That is also a form of deception in conjunction with this
16 type of a publication.

17 One other point that was brought up was the fact
18 that somehow Mr. Johnson had information concerning Mr.
19 Ray and Ms. Van Schaick's brother-in-law, and he made
20 reference in his remarks to the psychiatric background
21 of those people and he suggested to you that Ms. Van
22 Schaick's brother-in-law, apparently, he says, had
23 committed suicide. I would suggest to you that that
24 statement, although Mr. Johnson was not under oath, has

1 at least inferentially, proved our case. Where did Mr.
2 Johnson get that information? Where did he get that
3 information? Where did he get the information about Miss
4 Meister's background?

5 He -- apparently, he's just been hired. He filed
6 a lawsuit one week before these proceedings began,
7 although, the lawsuit could have been filed when the
8 report was presented. And he told the court that he
9 didn't have -- he told the press that he didn't have the
10 opportunity to present a defense because he had just
11 come into the case one week beforehand.

12 Well, if that's true, I admire Mr. Johnson's
13 investigative talent, because I've been investigating
14 the Church of Scientology for three years at a great deal
15 of cost and I don't have the ability to come up with
16 that kind of information that quickly, when a witness
17 is on the witness stand just a few days before. And he
18 has covered the information quickly enough to present it
19 before you at nine o'clock on Monday morning. And, also,
20 included in there was Miss Meister's background and Mr.
21 Ray's background and, I believe, there was reference to
22 one other.

23 But in any event, I would seriously scrutinize that
24 type of statement as to where that information came from.

1 Let's assume that there was a psychiatric back-
2 ground. Well, if there was a psychiatric background and
3 any of those individuals, including Susan Meister, was
4 subjected to any of this processing in which a disclaimer
5 was not given, your case would be further proved, not
6 disproved. If, in fact, that person was ill and they
7 were subjected to R 245 or any other such things and that
8 had any degree of inducement or motivation in the suicide
9 of that individual, that would be a matter for your
10 serious scrutiny, because, then, you would also be
11 getting into the unlicensed practice of medicine if the
12 person was ill.

13 There are many such questions that have to be
14 answered in detail about the nature of this organization.
15 And when we present our final analysis, all of the facts
16 that are specific, non-hearsay facts on this record --
17 and I submit to you, those facts, as we will list them,
18 will be overwhelming in my personal and professional
19 judgment. You may have heard a lot of hearsay. And you
20 heard four days, and you may have thought that there was
21 some -- in some instances a lack of specificity, in some
22 instances testimony was too vague.

23 I submit - and I think, perhaps, even some reporter
24 alluded to that fact - I submit that to make that

1 judgment you have to know the issues, both the legal
2 issues and the factual issues in some detail, and study
3 them for, perhaps, a couple of years to determine whether
4 or not the specificity is there. Someone like Mr. Walters
5 getting on the witness stand and starting his testimony,
6 you could hear him and your minds could select facts as
7 the reporter's mind could do as he listened to him. But
8 you may miss very pertinent facts, which four days later,
9 after you -- the city and you people got a little educa-
10 tion - because it was your first opportunity, because you
11 people had the courage to do this - it was your first
12 opportunity to get educated. When you go back and look
13 at some of his testimony in the light of what you learned
14 four days later, you may see a lot more specificity than
15 you thought.

16 In -- just one little for instance comes to mind.
17 Miss Taverna testified that she observed - and you can
18 correct me if I'm wrong, and the video tape will correct
19 me if I'm wrong, and the written record will correct me
20 if I'm wrong - she observed a nine year old child sick,
21 who couldn't lift his head. And she observed the Medical
22 Officer pull out a book - it was a medical textbook - to
23 see what's wrong with this child. And then there was
24 some discussion about whether his ethics were in or out,

1 if I recall correctly. And the Medical Officer treated
2 the child from a non-licensed -- this Medical Officer,
3 not a medical doctor, prescribed treatment for a child
4 who couldn't even lift his head.

5 To me, that witness observing that fact is a pretty
6 specific piece of evidence, small piece but specific.

7 I believe she also testified that she saw children
8 carrying files throughout the day around the organization
9 in the age of ten to thirteen. And the record could
10 correct me if I'm wrong. It's a small, little piece.

11 But the rapidity of all of the -- the speed with
12 which all of these witnesses testified in the four days
13 in which they tried to get out pieces of information,
14 I think, will show that there are many such hundreds of
15 little pieces, such as these children throughout the day
16 carrying around files, working for the organization when
17 they should have been studying.

18 The next day in the newspaper there was a state-
19 ment, I believe, that said something to the effect there
20 was no evidence. Well, that's just one little piece of
21 evidence. And I'm not saying that the reporter even
22 necessarily was -- "On those subjects there was no evi-
23 dence," I believe, was the statement. I'm not suggestin
24 that that reporter was unfair. I'm simply suggesting

1 that he heard what he heard, at the level of education
2 that he was on about this subject, which, maybe, if he
3 heard it after studying it for two years, he would have
4 been listening a little more attentively. And the mind
5 tends to select - particularly, certain parts of our
6 society, namely, the media -- and I'm not attacking the
7 media, I'm just saying it's the nature of things.

8 In the nature of things, the more educated you are
9 about a subject, the more you know about it, the more
10 you will hear the details and the more you will key in on
11 the details and the significance of them. The less you
12 know about the subject, the more you'll tend to seek out
13 high-profile items and report those.

14 And I suggest to you that some of the most signifi-
15 cant testimony that's been heard in the last few days was
16 something that has never even been printed or mentioned.
17 Some of the most significant testimony -- Mr. Mayer was
18 obviously high in the organization and he knew a lot about
19 the organization. He was a particularly appealing witness
20 for that reason because he knew it from the top, and he
21 gave you a lot of facts which he knew. But some of the
22 most significant evidence came out of kids, like Kelley
23 and Ray, and very, very small items, which, when all put
24 together, should give you a picture of what this organization

1 is, what it has done, what its policies are, and how you
2 can predict how the policies will be implemented in this
3 city in the future that you have to deal with.

4 Some of the most significant evidence came from
5 individuals in the beginning of the hearings which was
6 put in a better light or a proper perspective as the
7 hearings progressed. But the facts, as we will go through
8 in a very limited degree today -- and I stress extremely
9 limited degree, because we don't have the tapes; we don't
10 have the audio tapes or the video tapes and we don't have
11 a transcript. And just from our own notes, we put
12 together, both what we expected them to say and what
13 they did say.

14 Witnesses in a judicial proceeding can be led by a
15 lawyer on direct examination. If this was a trial, I
16 could have gotten up and led any one of those witnesses
17 through the examination; it's called the direct examina-
18 tion. I could have asked each witness as to very specific
19 areas - and as Mr. Bustin and Mr. Berfield being attorneys
20 particularly know - I could have led them through ques-
21 tions on very specific areas, and I would have keyed in
22 on the issues that I wanted to key in on. And I submit
23 that that would have been an enormous advantage for me in
24 the presentation of this case. I did what most lawyers

1 will never tell you -- or will tell you not to allow your
2 witness to do, to just get up there and tell it like it
3 is and subject himself to seven people, and whatever comes
4 out comes out.

5 Now, in a direct examination, I could have shaped
6 the testimony a lot more. I specifically chose to just
7 allow the witness to get up there, and if the witness
8 lied, that's the witness' problem. The witnesses were
9 told not to lie. If the witness made a mistake, then,
10 that's the witness' problem. If the witnesses had dis-
11 crepancies or inconsistencies and you people brought out
12 those discrepancies or inconsistencies, then, they're on
13 the face of the record. But as I suggested to each one
14 of you before these hearings began, all witnesses, every
15 witness, will have mistakes and discrepancies of some
16 nature in his testimony. It's the nature of things; the
17 mind is simply not perfect. You will always have those
18 items.

19 Your job is to -- as any -- you're not really
20 triers of fact here; you're basically here to determine
21 whether there is enough facts to determine whether you
22 should do something about legislation which may be needed
23 in this city. You're not specifically finding facts,
24 although, in this case, we will suggest that you do. But

1 the law does not require you to do that. But in this
2 particular case, to be more protective of Scientologists'
3 interests, we will do that, but it's not required.

4 When you sift out that evidence, based on your
5 scrutinization of the individual who appeared before you,
6 as human beings using your common sense, you draw many
7 inferences, receive many facts, determine whether you
8 think the person may be shading that, lying about that,
9 telling the truth there, more open here, less open here;
10 you see all those little nuances. And, in fact, there are
11 seven of you who are seeing all those little nuances.
12 It's even more protective of your city than as if one
13 person, a judge, saw all those little nuances.

14 So, in sum, on those -- on the basic issue of the
15 nature of the proceedings, I would submit that the Scien-
16 tologists had a fair shot. They chose, for the reasons
17 I suggested, not to participate. And you people scruti-
18 nized the witnesses that I produced. You'll have the
19 record; you'll find the inconsistencies and discrepancies,
20 and you'll come to your own conclusion.

21 I would point out one further fact on one of Mr.
22 Johnson's statements. In most jurisdictions, as Mr.
23 Bustin and Mr. Berfield know, there is an exclusionary
24 rule of evidence. And I can't speak for Florida because

1 I'm not precisely familiar on this specific item of
2 Florida evidentiary law, but in most jurisdictions there
3 is a psychiatric exclusion of medical -- of psychiatric
4 records in a judicial proceeding.

5 If LaVenda Van Schaick's brother-in-law or Susan
6 Meister had a psychiatric condition, in a judicial pro-
7 ceeding in most jurisdictions, that would never have come
8 into evidence. And, yet, he stood before you and raised
9 that issue.

10 And I bring that up because that is a very important
11 point on a cross section of everything that you've -- on
12 a cross section of issues on everything that you've
13 heard. And that's the fact, in all the issues, relating
14 to the confidentiality of auditing.

15 With regard to this signed confession of Mr. Ray
16 for criminal activities and drug usage, well, I wonder
17 where they got the signed confession? One of the issues
18 that has been presented is the fact that before people
19 leave they have to sign their life away: they sign
20 releases, non-disclosures, waivers, all types of documents
21 like that. They sign documents which they don't know
22 the contents of when they come into the organization,
23 and they sign documents such as Tonja Burden signed on
24 December 17th, 1977, which are in evidence, after she

1 was taken to Las Vegas -- from Las Vegas to Los Angeles,
2 locked in a room, put on the E-Meter, and signed docu-
3 ments to this day she's not even sure what they are and
4 how many there are, which we are trying to procure.

5 Some of those types of documents have been put
6 into evidence, and I won't go over them all now because
7 I -- we simply don't have the time, but in my final
8 analysis I will. But I personally know from my three
9 years of investigation - and I suggest to you that that
10 evidence that I presented will show you - that anyone
11 who leaves the organization signs so many documents,
12 releasing and waiving everything, saying that he's the
13 one responsible, he's the one who committed crimes. It's
14 a regular, routine, everyday occurrence in that organiza-
15 tion when anyone tries to leave. It's of very important
16 interest before this Commission, because, when David Ray
17 tried to leave, I know - and he probably doesn't even
18 realize it - I know from the policy of the organization,
19 which we have put into evidence, that he signed things
20 and said he did things, which, as an eighteen-year old
21 child, he probably, to this day, doesn't know the con-
22 tents of.

23 And I would submit to you that a logical inference
24 would be that David A. Ray would not have signed such a

1 document that Mr. Johnson has said he's got in any other
2 proceeding. He'd only sign it for this Church. That in
3 itself is a legal issue of great significance to this
4 Commission, because what that individual did, according
5 to Mr. Johnson, is sign a statement that he was involved
6 in drug use and theft. And he signed it for the Church
7 in order to get out of the Church, and the Church brought
8 it in here before you and told you about it.

9 Perhaps, if the Church, as Mr. Johnson suggests --
10 the Pinellas County State's Attorney would be the appro-
11 priate individual to hold hearings or to convene grand
12 juries or to do whatever within his jurisdiction it is
13 to do, he should have brought the document to him.

14 And one other point: I believe Mr. Mayer told you
15 he was an IRS consultant. And I believe that Mr.
16 Johnson said that that fact could have been brought out
17 on cross examination.

18 Now, what we will do is we will -- I'm not sure
19 what time we started, so if you could just let me know
20 how much time we have left. We will get into, just very
21 peripherally, and I have to again --

22 MR. LeCHER: You have about an hour and-a-half, sir.

23 MR. FLYNN: Thank you, Mayor.

24 I have to very much emphasize that this presentation

1 of some of the evidence that we're going to go over and,
2 perhaps, some of the legal conclusions that can be drawn
3 therefrom is intended to be a very peripheral framework
4 and outline of what the interests of the city are, what
5 the city should inquire into in connection with the
6 evidence, and what ordinances can result from the evi-
7 dence. It's only intended to give you some idea of the
8 areas that you're -- you could be looking into, and to
9 collate and present to you some of the evidence as it
10 correlates to each other, to different pieces of evidence.

11 MR. LeCHER: Do we need the overhead?

12 MR. FLYNN: It basically will depend on the time;
13 we may need it. If I have enough time, I'll start
14 putting things on.

15 I tried to conduct our portion as expeditiously
16 as we could. I mean, there are hundreds of documents
17 that could be put into evidence, any one of which - for
18 instance, the document on drills and how to commit lar-
19 ceny, burglaries, and breaking and entering - we could
20 spend - it's a multi-page document - we could spend four
21 days on that document.

22 Now, in the final two hours that we've been allo-
23 cated, the two hours is both argument and the presenta-
24 tion of further evidence under the rules. And, in fact,

1 if the Scientologists had chosen to present further evi-
2 dence, then, I would have chosen to present further evi-
3 dence, also. In fact, I have a witness who I held for
4 that purpose, which I'm not going to take the time to go
5 into because, I would suggest to you, that there -- in
6 our investigative efforts in the last three years, there
7 are another fifty or a hundred such witnesses, if they had
8 the courage to come forward, who would come before you and
9 testify, also. But I am going to put in a few more pieces
10 of evidence.

11 Now, one of the items is a book called What Is
12 Scientology? And we're going to offer this into evidence -
13 and we'll do it when I conclude my presentation - for a
14 number of different reasons pertaining to the confidenti-
15 ality of auditing, the disclaimer that is required from
16 Article or Device, the representations that are made to
17 the members of the Church of Scientology. There is an
18 extensive biography in here of Mr. Hubbard.

19 Now, it's pertinent because this particular volume
20 is one of their largest collections of information about
21 what the organization is and how it presents itself. And
22 already in evidence, you have some biographies about Mr.
23 Hubbard, which is going to be one of the first areas I'm
24 going to address. You already have some evidence on that

1 subject and this is going to give you a little more.

2 I would submit that the biographical outline of
3 Mr. Hubbard in this document, as it has been changed
4 through the years to conform to specific facts in prior
5 biographies - which are still published, but aren't pub-
6 lished as much or disseminated, perhaps, as broadly as
7 this one - will show you what the organization has done
8 as they have learned about some of the representations
9 about Mr. Hubbard's background.

10 In the last thirty years, I would suggest to you,
11 the Guardian's Office is a particularly skillful intelli-
12 gence-gathering operation. And I would suggest to you
13 that they have learned some facts, which, at, perhaps,
14 another Commission hearing or at another date, could be
15 delved into -- gone into in considerable detail. But I
16 would suggest to you that the organization itself over
17 thirty years has learned something about Mr. Hubbard.
18 And I would suggest that the few biographies that we put
19 into evidence, together with this biography which we
20 saved, will show you how skillfully they have rewritten
21 their latest biography. And, yet, all of the suggestion
22 and all of the inferences that are made and the facts
23 that are set forth - the way the sentences are put
24 together - will show you that they are suggesting the same

1 things that they said in biographies years ago that are
2 already in evidence: namely, that he was a graduate of
3 George Washington University, Princeton University, four-
4 year combat veteran who healed his war wounds, that he
5 was crippled and blinded from the war and he healed those
6 wounds through the power of Dianetics and auditing, that
7 he's a nuclear physicist, that he has years of research
8 and case studies in his preparation of Dianetics, and
9 that those -- all those facts can be relied on.

10 I would suggest to you that the earlier biographies
11 specifically make those statements. The later biogra-
12 phies put the sentences together in such a way as to
13 suggest those statements and those inferences. And as
14 the witnesses testified on briefing courses, of which,
15 unfortunately, we don't have the video tapes - they're
16 shown to people in briefing courses that a number of wit-
17 nesses testified about, including Mr. Walters - on brief-
18 ing courses, they are told those things. But the public
19 doesn't get the briefing courses.

20 They're told specifically -- and it is common know-
21 ledge among Scientologists. As Mr. McKee said, he gave
22 him some poetic license because he's got an engineering
23 background, and he's a fairly mature, sophisticated man.
24 But you take an eighteen-year old kid who's over at the

1 Fort Harrison working seventeen, eighteen hours a day
2 for nine dollars and sixty cents a week, and the inferences
3 that he may draw as opposed to those that Mr. McKee may
4 draw are significantly different. And that's an impor-
5 tant fact for this Commission to consider.

6 In addition to that, just the very pattern of
7 change can suggest to you deception. And in courtrooms
8 across this country, it's done every day in a judicial
9 proceeding.

10 Among the things that this book says right at the
11 beginning is what is called Standing Order Number 1.
12 Lori Taverna testified on the SO 1 line. Well, at the
13 time, the SO 1 line, I'm sure, went over everyone's head.
14 The SO 1 line, as some of the documents will show, is
15 Standing Order Number 1.

16 Standing Order Number 1 of the Church of Scien-
17 tology is that everything that is written to Ron is
18 received by Ron, and it is designed to induce and to
19 motivate that individual to believe that L. Ron Hubbard,
20 the scientist, nuclear physicist, the man of great train-
21 ing and skill who has developed this technology is always
22 there, will always help, will always correct, and will
23 see to it that everything he's represented is true.

24 And one of the very first pages in the book is

1 Standing Order Number 1: "You Can Always Write to Ron."
2 In every org. you go in, including the Fort Harrison,
3 you'll find that right in the lobby, probably. I've never
4 been in the Fort Harrison, but I know it's in every
5 building. "All mail addressed to me shall be received by
6 me. I am always willing to help. By my own creed, a
7 being is only as valuable as he can serve others. Any
8 message addressed to me and sent to the address of the
9 nearest Scientology service listed in this book will be
10 forwarded to me directly."

11 Well, on the very first page, I would submit to you
12 that that's deception. I would submit to you that L.
13 Ron Hubbard doesn't know Tonja Burden -- well, did not
14 know that when Tonja Burden was complaining, as her affi-
15 davit states, which is an exhibit in this case, of the
16 conditions in the Cadet Org. in Los Angeles in 1973, where
17 the milk was laden with maggots, and she wrote as a thir-
18 teen-year old child, as her affidavit says, on SO 1, I
19 submit to you that Ron didn't do anything about it, as
20 her affidavit shows, which is in evidence.

21 In connection with the creed to which Mr. Hubbard
22 referred -- Mr. Hoffman has just indicated to me - and
23 this is not on file in the proceedings, but we will file
24 it to you - in one case they filed an affidavit, saying

1 that SO 1 is not quite accurate; the mail doesn't go to
2 Ron. And we will file that to you and mark it as an
3 exhibit.

4 Some of the things that Mr. Hubbard refers to in
5 his creed are the following: "That all men have an
6 inalienable right to think freely, to talk freely, to
7 write freely their own opinions and to counter or utter
8 or write upon the opinions of others." Well, there's
9 many things in this creed -- and I'm not going to go
10 through them all because I don't have the time, but
11 they're all of a similar type. But on just that one, I
12 would submit to you that you heard from Paulette Cooper
13 on her ability to write freely.

14 With regard to Mr. Hubbard's background, we've
15 heard a lot of evidence -- I think, virtually every
16 witness testified that to some degree or another they
17 relied on it or that they would have not -- that they
18 would not have joined if they knew that it had been falsi-
19 fied. Some said -- some gave testimony of more specific
20 reliance than others. Some people, like Mr. McKee said --
21 he gave him poetic license.

22 Well, I wonder -- you know, that was from Mr. McKee
23 and that was twenty-four years ago when he was a lot
24 younger. And memory tends to lapse a little bit, but

1 we'll take his testimony on its face, and, you know,
2 maybe he felt the poetic license over the years; maybe
3 he relied on it a little more strongly when he was
4 younger than he did now. And I would suggest to you that
5 that is an area for which you scrutinize every witness.
6 Just because they are witnesses presented by the con-
7 sultant doesn't mean you can't scrutinize as to whether
8 or not his memory twenty-four years ago would have been
9 a little bit better, whether it supports what the con-
10 sultant is alleging, or whether what the Scientologists
11 have failed to allege in coming before you would prove.

12 From both sides of the fence, as I think I tried to
13 instruct you at the outset, you can look at this evidence
14 impartially from many different directions, not just as
15 to whether it proves that Scientologists have done a cer-
16 tain thing.

17 But I believe most witnesses, Taverna, Kelley, Pace,
18 and Ray, Van Schaick, Peterson, Mayer, and Dardano, either
19 testified that they specifically relied on it, that they
20 generally relied on it, or that they would not have done
21 it if they'd known that it was false.

22 Now, his credentials about being a war hero -- well,
23 let's take being a war hero. Now, the chronology that we
24 put into evidence of Mr. Hubbard's Naval background shows

1 you his duty stations. It shows you where he was every
2 time he changed duty throughout the war. And we didn't
3 have the time to list them one by one in every three-
4 month change, but if you take the time and you read
5 through them, you'll see where Mr. Hubbard was. You'll
6 see that he was not Commander of Corps Vettes in the South
7 Pacific, as he says in one statement; you'll see that he
8 was not battling submarines in the north Atlantic, as he
9 says in another statement. Just that simple little docu-
10 ment will show you where he was during the time he was
11 in the Navy.

12 With regard to his wounds, we're going to put into
13 evidence a Veteran's Administration physical examination
14 of Mr. Hubbard that will give you his physical history
15 and what he suffered from while he was in World War II.
16 He didn't have any combat wounds. He had a duodenal
17 ulcer, primarily, for which he was treated at the Oak
18 Knoll Military Hospital, at least, on the face of the
19 records, for three months at the end of the war, shortly
20 after he was discharged from duty twenty-four hours after
21 the Coke bottle was found on board the USS ALGOL, which
22 a few days later, as I suggested to you, and I would fur-
23 ther say -- and at this point we have not put into evi-
24 dence anything as to where the ALGOL went; I'm not sure

1 it's even important.

2 But in any event, what is important is he was dis-
3 charged from duty twenty-four hours later after he found
4 the Coke bottle. And shortly thereafter, he ended up as
5 an in-patient for three months in a hospital. And then
6 shortly thereafter -- or some -- well, actually, it would
7 be a couple of years thereafter - which in itself is of
8 significance - he wrote a letter to the Veteran's Adminis-
9 tration saying he was mentally ill.

10 There are all types of issues as to how long he was
11 mentally ill, how mentally ill he was, and how much that
12 affected his judgment, not only during that period of time
13 but subsequently when he was writing Dianetics and when
14 he did his thirty years of case studies.

15 All of those pieces of evidence have many different
16 inferences that could be argued about. Inferences could
17 be drawn, legal inferences could be drawn and presented
18 to the trier of fact in a judicial proceeding. As an
19 investigative body, it's not even necessary. But it gives
20 you some indication, some specific facts upon which you
21 can draw inferences to derive some knowledge about his
22 background.

23 And I'm not suggesting that Mr. Hubbard's background
24 is the most important issue in this -- in these -- in this

1 proceeding. It's one of the more important issues
2 because everything stems from him. But I would suggest
3 to you that there are more important issues.

4 But the evidence that we've introduced, together
5 with DeWolfe's testimony -- well, DeWolfe recanted at
6 some point under duress, which he says, under duress.
7 Well, legally, under duress wouldn't even be a recanta-
8 tion, if, in fact, it was under duress, which is a
9 separate issue in itself. But even if you assumed that
10 it wasn't under duress and it was a retraction, then,
11 you would have to look into what he retracted.

12 Well, we didn't -- we haven't even bothered going
13 into that peripheral issue because it's so peripheral
14 in light of everything else. But I would -- I've read
15 the retraction, and I will say no -- nothing more about
16 it. I'd hoped the Church of Scientology had walked
17 into -- and presented evidence on the retraction. And
18 we left the issue open so they could present the retrac-
19 tion to you, which they chose not to do, so you could
20 read the retraction and see what it is, as Mr. Calderbank
21 very incisively pointed out what the retraction was. And
22 we'll leave that issue there.

23 But I suggest to the Church right now, if they're
24 listening, bring the retraction over.

1 MR. CALDERBANK: Would you enter that retraction
2 into evidence?

3 MR. FLYNN: If you people would like to see it,
4 we'll put in the retraction.

5 MR. CALDERBANK: Since the --

6 MR. FLYNN: Since it's been raised as an issue.
7 I would suggest to you, in light of everything else, it's
8 relatively peripheral. But we'll bring the retraction
9 in.

10 The -- even if he had retracted, there are issues
11 as to -- well, as in any judicial proceeding, you can
12 believe all of his evidence or none of his evidence; you
13 can believe part of it, accept part, discard part. The
14 issue for you with regard to Mr. DeWolfe, looking at him,
15 listening to him, where he openly told you that he had
16 made a retraction under oath, is to determine whether
17 what he said you thought was basically true. If he had
18 mistakes in dates, he had mistakes in dates. If he had
19 mistakes in subject matter, he had mistakes in subject
20 matter. If he didn't, he didn't.

21 Weighing it against everything else, it's for you
22 to correlate all those things and just determine whether,
23 basically, the thrust of his testimony that his father
24 was a fake was true or false in conjunction with all of

1 the other evidence. And as you may recall, he said
2 ninety-nine percent of it was false.

3 And as I previously suggested, there are a number
4 of exhibits in evidence which corroborate -- very
5 specifically corroborate his testimony. In some cases
6 it's of importance; in other cases it's of less importance.
7 And for the record, I would specifically refer to Exhibit
8 20, Exhibit 21, Exhibit 22, and Exhibit 23.

9 One other point: The reason that - as I suggested
10 in my opening - Mr. Hubbard's background is of signifi-
11 cance is because Scientology, as you have seen from the
12 mouths of the witnesses and from some of the publications,
13 is not presented to the people here in Clearwater as, I
14 would suggest to you, a belief in a mystical religious
15 subject. And I'm not going to get into religion here.
16 I was just picking up this particular news coverage this
17 morning, this publication. It's presented with "the
18 invariability of physical science." That's how it's
19 presented.

20 And Mr. Hubbard's background is designed to be pro-
21 moted in such a way as a nuclear physicist and, as I
22 suggested to you before, inferentially, a medical doctor,
23 at least inferentially. But definitely a nuclear physi-
24 cist.

1 In the -- this book, What Is Scientology?, if I
2 took the time to read it, would show to you the presenta-
3 tion is one of science, that these are specific items
4 that have been researched, evaluated, correlated, and
5 through the scientific method, demonstrated to be
6 scientifically accurate upon which scientific representa-
7 tions and guarantees and promises are made. Therefore,
8 the links in all of the publications about the subject
9 matter is irrevocably tied to Mr. Hubbard's background.

10 If they had someone from an ashram in India who
11 had never been to school in his life and who felt that
12 if you believed in whatever you want to believe in you'll
13 be cured, I would submit to you that that's none of our
14 business. But if you present an individual falsely to
15 induce people to think that it's not belief but it's
16 science upon which you can rely and upon which guarantees
17 can be made, then, that is something, as the Article or
18 Device case specifically says, you can deal with and you
19 can correct.

20 Also, Mr. Hoffman has pointed out to me, in
21 Dianetics: The Modern Science of Mental Health, purchased
22 by someone within your city in the last - now, probably -
23 seventy-two hours or, perhaps, three or four days ago --
24 the opening page after the outline or the table of

1 contents has the following statement: "Dianetics is an
2 exact science and its application is on the order of but
3 simpler than engineering."

4 MR. HATCHETT: Pardon me.

5 What page is that on?

6 MR. FLYNN: That's on page Roman numeral nine; it's
7 the first page after the table of contents, which is the
8 synopsis of the book.

9 And I would suggest to you that in the book, which
10 is an altogether additional issue, are many case studies,
11 which I don't have the time to go into. But it's filled
12 with case studies: years and years of case studies,
13 which --

14 MR. LeCHER: Mr. Flynn, is that published by
15 Valiant Press, by his own publishing company, or by a
16 recognized publisher of books?

17 MR. FLYNN: Most of the publications are by the
18 Church of Scientology of California. This particular
19 publication is by Bridge Publications, Inc., wholly owned
20 by the Church of Scientology in Los Angeles, California.

21 Regardless of who published it, it's disseminated
22 and sold by the Church of Scientology of California in
23 the City of Clearwater without the warning required by
24 the Article or Device case.

1 MR. CALDERBANK: We had testimony that Paulette
2 Cooper was sued for her book because they alleged that
3 it was false, misleading, et cetera, et cetera.

4 Why can't that Bridge Corporation be sued, also?

5 MR. FLYNN: Well, Paulette Cooper was sued and her
6 book was taken to England by the Church and she was sued
7 there. And both she and her publisher did not have the
8 financial wherewithal to defend it. So, to this day the
9 books are not on the market.

10 There were many lawsuits, as she testified, filed
11 against her. She could not financially withstand them,
12 and the book did not -- the publisher did not continue
13 with the publication of the book.

14 If that book had, in fact, been published and
15 people knew for the last thirty years -- or in this -- well, in
16 her case in the last twelve years or fourteen years what
17 this organization was about - the book twelve years --
18 for the last twelve years what this organization was
19 about, then, I would suggest to you that there would be
20 a lot more truth on the subject of Scientology than was
21 suppressed by all the lawsuits that prevented that publi-
22 cation from being published.

23 To answer your question directly: It was sued by
24 the Food and Drug Administration and Nathan Dodell. And

1 the Article or Device case did originate from that publi-
2 cation among others. And if you read the Article or
3 Device case, which, I believe, for the record, is 333
4 F. Supp. D.C., '71 - if you read that case - you will
5 see there's an appendix in the back of the case, and I
6 believe, and the record will correct me if I'm wrong, that
7 the first exhibit, the first exhibit, to pass on the court's
8 opinion is Dianetics: The Modern Science of Mental
9 Health and representations contained therein, which
10 resulted in that warning which was put in as an exhibit.

11 But to stop you, Jim Calderbank, or the City of
12 Clearwater, or LaVenda Van Schaick, or Paulette Cooper,
13 or George Meister, or Jack Clark, or someone, Brown
14 McKee, would have to bring a lawsuit, hire a lawyer, pay
15 the lawyer to bring the lawsuit to challenge the publica-
16 tion. And you heard testimony about how much money the
17 organization earns. You can draw your own inferences
18 as to your ability to fight an organization with that
19 money, that kind of money.

20 And, also, as I suggested to you before, you can
21 contact Nathan Dodell in the Food and Drug Administration
22 and find out from him personally what it took to litigate
23 that one case.

24 With regard to the confidentiality of auditing

1 information, which, in my professional judgment, is - at
2 least, from the point of view of basic human rights - one
3 of the fundamental issues before this Commission, it
4 may not be as concrete as whether there are ten or fif-
5 teen or twenty-five people in a room. But in terms of
6 what I suggest to be the insidiousness of this organiza-
7 tion and what I suggest to be the level of deception
8 practiced by this organization, it's one of the most funda-
9 mental issues to be considered by the Commission and
10 scrutinized as to what the Commission can do to inform
11 people who come to your city that their auditing informa-
12 tion - over the last whatever number of years the evi-
13 dence shows - has been used for the purposes the evidence
14 shows it has been used for, aside from the issues of --
15 the monetary issues, the money that's extracted, based on
16 the representations of what auditing does.

17 Aside from those issues, the information that is
18 on deposit about human beings over in that organization
19 and what that organization has done with that information
20 is a very significant issue for this city to consider.
21 I have seen, and the evidence is -- I put in some docu-
22 ments in evidence to show you people the types of things
23 that are in this information. And some of the documents
24 pertain to, as you will see, some political figures, not

1 in this city and not even in this state.

2 But when an individual is subjected to E-Meter
3 auditing or a security check and he's required to dis-
4 close every crime that he knows that he did, that his
5 mother did, his father did, his brothers and sisters did,
6 his uncle did, his best friend did, and at any point in time
7 that information becomes useful for either investigative
8 purposes by the organization or for direct review, they
9 can go investigate the uncle, the brother, the sister.
10 And if the information is given in specific enough detail
11 by the individual who's being audited, all they have to
12 do is go to those documents.

13 So, if they want to find out whether or not Paul
14 Hatchett's cousin, God forbid, did something in 1972 at
15 such and such a location, all they have to do is go to
16 that auditing information and then go check that place
17 at that time for whatever purpose they're looking into.

18 The possession of that kind of information in an
19 organization that uses it the way it uses it is a very
20 substantial issue before this Commission.

21 There are highly respected members of the clergy,
22 and there are churches throughout the United States,
23 and there are psychiatrists throughout the United States
24 and there are doctors throughout the United States, who

1 are -- and there are lawyers throughout the United States,
2 who are given highly confidential information that is
3 protected by very specific laws, wherein the lawyer,
4 the doctor, the psychiatrist, the clergyman cannot
5 disseminate that information without the permission of
6 the individual.

7 Well, this organization in this city, through laws,
8 I submit, in this city, which can be enforced directly in
9 this city to deal with this particular problem, which
10 is -- as you heard from the nature of the income that's
11 being derived in this city, at least equal to every other
12 organization around the United States, is of paramount
13 concern to Clearwater as opposed to Las Vegas, Nevada, or
14 Boston, Massachusetts, or even New York City, or even,
15 perhaps, Los Angeles, California. If, in fact, the evi-
16 dence is true that the income in Clearwater is equal to
17 every other place in the United States, including Los
18 Angeles, the magnitude of the problem that you are
19 deliberating upon becomes apparent. And the bulk of
20 information possessed by the organization in this city
21 about people around the world, who are paying money in
22 this city, becomes apparent.

23 And the use of that information and the way that
24 it's used, as has been demonstrated in very small degree,

1 I suggest, in the evidence that we presented - and there's
2 a lot of evidence, but based on the evidence that could
3 have been presented, I suggest to you it's been a very
4 small degree - something has got to be done. Something
5 has got to be done to protect a nineteen-year old David
6 Ray, when he wants to leave the organization, to not be
7 required to sign a statement saying he did all these
8 things to either lure him back in, into what could at
9 least -- at least be described as indentured servitude.
10 Or if he wanted to get out and he wanted to come to
11 Mayor LeCher or the Consumer Protection Officer in the
12 City of Clearwater, he should be able to come and say,
13 "This is what the organization did to me," without fear
14 that that organization or its attorneys are going to walk
15 in before an official body and say, "This is what David
16 Ray is."

17 The manipulation of people to prevent them from
18 exposing the truth, whatever peccadilloes are in their
19 background - when the truth of what an organization is
20 is much more significant and substantial than some minor
21 peccadillo - are two competing interests that this city
22 has got to substantially weigh.

23 Take, for instance, the testimony of Mr. Mayer. E
24 was sent out on eighteen missions, if I remember the

1 testimony correctly. And he read from a telex. He des-
2 cribed a situation in Manchester, England where he went
3 to a medical doctor and blackmailed him; that was basical-
4 ly what he said. If you go back over the record, I
5 suggest that that's what it will tell you. He went to
6 Scotland; he went to Hawaii and blackmailed some woman
7 with threats of bestiality that he had from her auditing
8 folder to get her to do a particular thing. In some
9 cases, I think, there were some instances -- evidence to
10 raise the stats, to get the income up.

11 Well, I would suggest to you, common sense would
12 indicate that if you are in charge of raising the stats
13 in Hawaii and someone of Mr. Mayer's ability - Mr. Mayer's
14 ability or whoever else runs this organization now -
15 comes to you with that type of information - and it's an
16 or else type thing and you're already working fifteen
17 to seventeen hours a day - maybe you would be induced to
18 be a little more vigorous to make a little more misrepre-
19 sentation or to do anything, like, convince him he's
20 loony to get money into that organization.

21 The suggestibility factors alone on that issue,
22 with an operative like Mr. Mayer or some of these other
23 skilled people coming with that information to a person
24 to get them to be a little more aggressive in their

1 solicitation practices in the collection of income, is
2 a substantial issue before this Commission, aside from
3 all the other issues with regard to the use of the
4 information for purposes of extortion, blackmail, manipu-
5 lation, or whatever.

6 In order to give you a flesh and blood example of
7 what this type of thing does, we specifically correlated
8 our evidence so that some people would be before you
9 such as Ernie Hartwell. Well, I heard Mr. Johnson say,
10 "What does Las Vegas, Nevada have to do with Clearwater,
11 Florida?" Well, I think it's quite apparent.

12 If they are making five hundred thousand a week
13 during one period, or a million dollars a week during
14 another period, or 2.3 million dollars at least once
15 here for auditing, based on slave labor - which is --
16 we'll get into at a later point in time - then - and
17 they're using it in the way that I suggested - if you can
18 see a flesh and blood example of that, then, you will
19 begin to realize that you're dealing with human beings
20 and not just pieces of paper, as one exhibit -- the one
21 exhibit on this issue we put on the transparency shows.

22 I mean, Ernie Hartwell is someone who was told
23 that he was going to come to Clearwater, Florida, and
24 he ended up in the desert giving them auditing information.

1 And when he realized how significantly he had been duped
2 and he tried to fight back to the degree that Ernie
3 Hartwell could fight back, you saw what -- you heard
4 from him what happened to him. You heard from Janie
5 Peterson, as an operative. And she was only, I suggest
6 to you, a Gopr, Guardian's Office Public Relations,
7 which is probably the most neuter branch of the Guar-
8 dian's Office. That's like Mr. Wilhere. I mean, those
9 are the people who go out and show the public what nice
10 guys we are. And the Guardian's Office B 1 Intelligence-
11 Gathering Division -- because of the high degree of com-
12 partmentalization, one, generally, has no idea what the
13 other's got. They are just told: "Go do this and go do
14 that with it."

15 But you heard Janie Peterson testify how, not only
16 in the case of the Hartwells, she went out and used that
17 information -- or the organization, not Janie Peterson,
18 the organization went out and used that information, took
19 it to the Las Vegas Review Journal, issued a press
20 release saying that he was a murderer - which is another
21 whole issue which we don't have the time for - taped his
22 conversations, edited the conversations, and then tried
23 to use those against him.

24 Took Tonja Burden's auditing files, which were,

1 according to her affidavit, as you will see, for some
2 two years and three or four months taken here in Clear-
3 water, Florida, while she coded and decoded telexes as
4 a fifteen-year old child for the GO, and put on L. Ron
5 Hubbard's pants, as her affidavit shows, and took off
6 his pants, and put his shirt on, and walked around
7 collecting his ashes, as her affidavit shows. And in the
8 interim, when she wasn't doing that, she was coding and
9 decoding telexes for a criminal conspiracy, only they
10 were double- and triple-coded so she didn't even know
11 what they were. And how their coding process works is
12 another whole issue, and one of our exhibits is "The
13 Correct Use of Codes."

14 But they took Tonja Burden's auditing information
15 and telexed it from Clearwater, Florida and sent it out
16 to the GO in Las Vegas. And the GO, as Mrs. Peterson
17 testified, used it out there, and, also, LaVenda Van
18 Schaick's.

19 Well, with regard to the Hartwells and Van Schaick,
20 those people appeared before you. They told you what
21 they did. Then, you saw them, and you saw the GO opera-
22 tive and what the GO operative did with it. That's a
23 real example, totally correlated as to how the informa-
24 tion is used.

1 But I would suggest to you that that example is
2 not just the -- as an investigative body, one of your
3 responsibilities, together with all the other information
4 in evidence before you, would be to infer from that how
5 widespread it is based on the policies, one of which was
6 introduced into evidence by Mary Sue Hubbard to use the
7 information. And I think you may recall the policy says
8 to use all Ethics, personnel, processing files. So, that
9 is just one example.

10 And a very significant point, very significant:
11 Mr. McKee testified that up in Connecticut, per policy,
12 he sent the files to Flag. And he didn't know what they
13 were doing with them. And if he'd known, he wouldn't
14 have spent twenty-four years in the organization, or
15 paid whatever amount - I don't believe he testified how
16 much he paid; I happen to know but - whatever he did pay,
17 assuming he did -- you can draw the inference from what
18 other people paid.

19 Some nineteen-year old child in Clearwater, whose
20 auditing files -- he began in Los Angeles, like, David
21 Ray, who didn't get that much auditing fortunately. But
22 I would suggest to you that, perhaps, Casey Kelley coming
23 from Oregon, LaVenda Van Schaick coming from Las Vegas
24 to Flag, and all of those auditing files being sent from

1 Las Vegas to Flag when she came here and now in the
2 possession of this organization here to be used in the
3 way they were used against Van Schaick, all of those
4 issues demonstrate what's being done with those -- that
5 auditing information.

6 And then --

7 MR. HATCHETT: Pardon me, please.

8 Didn't Mr. McKee say he stopped sending those from
9 Connecticut?

10 MR. FLYNN: I believe he says now that he has
11 stopped sending them. For a long period of time, he
12 testified that he did. But he now doesn't. He is now,
13 as he testified, disassociated from the organization.
14 He wouldn't be sending anything to them now. But for --
15 he -- I believe, he specifically testified for many years
16 that he did, but he's stopped now.

17 And I think he did say that he'd burn them now
18 before he would send them, now that he knows what he
19 knows, which is, of course, the whole fundamental issue
20 of deception, which is the fundamental issue underlying
21 the two ordinances that we have proposed dealing with
22 consumer fraud and charitable solicitation of funds.

23 And on that point, as our very minimal case study
24 shows -- or our preliminary case study shows, the Supreme

1 Court has constantly said over and over again - and they
2 just said it in connection with this Minnesota case
3 involving the Unification Church and the case in New
4 Mexico and the cases that are set forth in our preliminary
5 report, particularly, the Shoenberg case - the Supreme
6 Court said over and over again: When you're dealing with
7 charitable solicitation of funds in purported religious
8 organizations on their face, you can't -- if the record --
9 if the organization makes one hundred misrepresenta-
10 tions -- or makes one hundred representations, of which
11 ten are false and ninety are accurate, you can't com-
12 pletely shut down all of their solicitation; it's too
13 broad. You can't simply vest in a public official the
14 right to not grant the permit to solicit.

15 Cantwell v. Connecticut and every case since has
16 repeatedly stated you deal with the fraud; you don't ban
17 the entire solicitation practice or their right to
18 solicit until after an adjudication, and you deal with
19 the fraud. If the fraud permeates the entire solicitation
20 practice - after an adjudication - well, that's what
21 you'd be dealing with.

22 So, we have drafted our ordinances to comply with
23 the Supreme Court cases that deal with the fraud, not to
24 simply vest in a public official the right to deny a

1 permit, which is what every other Supreme Court case,
2 when they have struck down ordinances of that type, have
3 done. In the League of Mercy case in Jacksonville, when
4 they went to enact an ordinance -- I submit to you, it's
5 been upheld by the Florida courts. And, yet, in our pro-
6 fessional judgment, that particular ordinance is also
7 unconstitutional.

8 But an ordinance, as Cantwell v. Connecticut says,
9 Shoenberg -- every case virtually says: Deal with the
10 fraud. Don't ban completely the practice by simply
11 allowing a public official to say, "No, you can't do any
12 thing." Deal with what is fraudulent.

13 With regard to some of the issues, the legal issues,
14 that deal with the confidentiality of auditing informa-
15 tion, in terms of criminal activity, it permeates extor-
16 tion, blackmail. In terms of some civil responsibilities,
17 it permeates issues concerning invasion of privacy,
18 breach of fiduciary duty, breach of contract, fraud,
19 misrepresentation, and all of those issues. Most of
20 those things can be dealt with in a consumer protection
21 statute.

22 If there's a consumer protection ordinance that
23 specifically says you can't do it, you can't tell someone
24 that it's going to be held in confidence and then not hold

1 it in confidence, and then, if the person does it and
2 you have a lawsuit against him and an adjudication
3 punishable by a fifty-, a hundred-, and hundred and
4 fifty-thousand dollar fine, whatever is warranted, based
5 on the degree of harm or the degree of wrong, then,
6 every time it's done that penalty is imposed. That's a
7 very simple thing to regulate.

8 Then, arises the issue of some type of injunction:
9 If they do it in any pattern per policy, then, you can
10 prevent it possibly all together if there's strong enough
11 evidence. Or you can post, perhaps, a placard right
12 behind the registration desk, just like a warning on a
13 cigarette package, just like a warning in the Article or
14 Device case, that the organization has a practice of
15 doing it, and every time they do it a fine is levied,
16 where everyone who walks in the door sees in large,
17 capital letters, "This organization from such and such
18 to such and such has done the following with your audit-
19 ing information," or, perhaps, in a more legalistic
20 manner.

21 And as our audit suggests, all of this would not
22 be simply vested in a public official to go do it, which
23 would probably be unconstitutional, although, in some
24 instances it may not be, depending on various standards

1 that could be used, but it could easily follow an adjudi-
2 cation. And if the issue is compelling enough to the
3 community, as, I suggest, this issue is compelling enough,
4 perhaps, it could be treated expeditiously in the legal
5 process so that some corrective measures and remedial
6 processes can be invoked.

7 I would suggest to you that if that type of decep-
8 tion, along with the other types of deception that we've
9 talked about, is one of the ways they make money, it may
10 have some impact.

11 With regard to the evidence on this issue, I've
12 already gone over a little bit of it: there's a lot of
13 it in the exhibits, there's been a number of witnesses,
14 all of whom have testified that if they had known they
15 wouldn't have given the information or that they wouldn't
16 have paid the money. There is substantial evidence -
17 and we intended it to be so - on that issue for that
18 reason.

19 But even Mr. DeWolfe testified, if you wanted to
20 believe him, that as far back as 1954, his father was
21 bugging the auditing room. In terms of pattern, that
22 pattern, I would suggest to you, has been taking place
23 from 1954 right up to, at least, Janie Peterson's testi-
24 mony. And maybe, maybe, right up to today, if David Ray's

1 information came from where I -- at least I would suggest
2 it came from.

3 MR. CALDERBANK: Can we have Mr. Ray back to give
4 sworn testimony as to the information he put in the audit-
5 ing files, since he is not aware? Or can we take a
6 deposition --

7 MR. FLYNN: I think that's a much --

8 MR. CALDERBANK: -- on the west coast to find out
9 if Mr. Ray in fact, indeed, gave this information? That
10 would show the pattern, if one existed, up to the present
11 day, today, May 1982.

12 I'd like to request the Commission to take the
13 steps to have Mr. Ray's deposition concerning this issue.

14 MR. FLYNN: I would suggest to you that that level
15 of persistency is what will cure the problem.

16 MR. CALDERBANK: Mr. Flynn, you mentioned about the
17 auditing and the -- if the evidence and transcript and
18 record shows, indeed, there's a pattern or a need for some
19 kind of consumer protection, how do we -- after hearing
20 the testimony, how can we ascertain whether or not the
21 auditing or confidentiality is being broken on a regular,
22 day-to-day basis?

23 MR. FLYNN: I would suggest to you that the more
24 openness that is injected into this entire operation - the

1 more people are made aware that there is someone to go
2 to, the more they're made aware that things are not as
3 clandestine and secret as they're led to believe, the
4 more that the truth can penetrate on whatever way it can
5 penetrate - maybe it would start with a Paulette Cooper,
6 then, maybe it would go to a LaVenda Van Schaick or a Nan
7 McLean, and then to Janie Peterson, who, in my opinion,
8 was one of the most courageous witnesses for reasons known
9 to me to appear before you.

10 MR. LeCHER: That's Janie Peterson.

11 Commissioners -- you have just a limited amount of
12 time to speak, sir. And I would rather -- I would prefer
13 that we allow you the time, and if we still have questions
14 of you, we can ask it of you after your concluding
15 remarks when the time is ours.

16 MR. FLYNN: Thank you, Mayor.

17 I would suggest to you that more of Scott Mayer's,
18 as he suggested to you -- and on that point, Scott Mayer,
19 when he testified, dragged out some -- Scott Mayer is
20 a very thinking person, I would suggest. And he dragged
21 out some outlines and things that he thought you should
22 do. And Mr. Berfield asked him whether he had discussed
23 it with us in advance. Well, I tell you - and I would
24 go under oath - that I had no discussion with Mr. Mayer

1 in advance about his particular outline, but I was happy
2 to see that he had thought through some of those things
3 and presented them to you.

4 But there may be -- if more truth is injected into
5 this situation, which, for at least seven years in this
6 city, has basically been a matter of media attention --
7 if more truth was injected by whatever manner in whatever
8 way into this situation, there'd be more Scott Mayers and
9 more Janie Petersons and Tonja Burdens and LaVenda Van
10 Schaicks who have the courage to come forward.

11 So, in response to Mr. Calderbank: You may get
12 kids more willing to walk across the street in a little
13 less state of fear. Or maybe, if there was a little less
14 state of fear, they wouldn't even be there.

15 And if there was a notice behind a regging desk
16 or the cramming room that those legal options existed -
17 a notice posted by this city - maybe they'd begin at
18 least to look at it and to think about it. And the
19 regger or the crammer may say, "That's just a legal
20 problem. Forget about it; it's got nothing to do with
21 us." Well, he may think a little more, just a little.
22 And that one little thought at some point may induce him
23 to come forward.

24 Now, we're on our third area; there's, I think,

1 twelve. We'll have to move quickly.

2 With regard to deception of the overall nature,
3 purposes, organizational structure, what the organization
4 is, what is Scientology to someone who is first presented
5 with it, there are just unending issues. There are issues
6 concerning, primarily, I would suggest, the Fair Game
7 Doctrine.

8 Well, they say they cancelled it. You saw a can-
9 cellation. This policy letter -- this -- "What we're not
10 going to do anymore is we're not going to put on Ethics
11 Orders that the Fair Game Policy exists." That's what
12 it said: "We're not going to put it on Ethics Orders."
13 In other words, "We're not going to put it in writing."
14 It causes bad public relations.

15 "This policy does not cancel any treatment of an
16 SP," that's what it says. And I suggest the Church of
17 Scientology come in here right now with their version of
18 the cancellation. And I suggest to you that some of the
19 exhibits we put in, such as Exhibit 4 was a Fair Game
20 Declaration with a policy date in it, and the policy date
21 is 1965. And the second one -- there are two. There's
22 a long Fair Game Policy and a short one; they both inte-
23 grate with one another. They're Exhibits 1 and 2, as
24 you'll see. The cancellation is in 1968, two years after

1 those two were adopted. The Fair Game Declare that we
2 put into evidence is dated 8 June 1979, referring to the
3 policy in 1965.

4 I suggest to you that any common sense interpreta-
5 tion would tell you that it hasn't been cancelled.

6 Then, you get into the issue of conduct. Now,
7 those are pieces of paper, their own pieces of paper.

8 Then, you get into the question of conduct and the
9 inferences to be drawn from conduct, the inferences to
10 be drawn from Operation Snow White to penetrate every
11 national agency across this country, which is one of the
12 exhibits, and that took place in the 1970's. The can-
13 cellation was in 1968. Or Operation Normandy, or Opera-
14 tion Tacoless, against your former mayor, or Operation
15 Speedy Gonzales, or Keeler I, or Keeler II. Those took
16 place in the '75, '76, '77 era. Merrill Veneer, pursuant
17 to one of those operations, penetrated his -- your former
18 mayor's law firm in the seventies.

19 Or what they did to Tonja Burden to LaVenda Van
20 Schaick through the use of auditing information -- I mean,
21 the inferences to be drawn from what was done to them as
22 late as 1980, in terms of lying, cheating, or destroying.
23 There are very clear cut legal inferences, as any trier
24 of fact could find, from just the conduct alone. And the

1 conduct is substantial, right up to David -- Mr. Johnson
2 appearing in this room here today with David Ray's
3 information, if you decided to draw that inference.

4 Most witnesses, I believe, testified that they
5 wouldn't have joined the organization if they knew the
6 criminal operations were taking place. So, whether Fair
7 Game is cancelled or not cancelled, there's no question
8 that these criminal operations -- eleven people have been
9 convicted are in -- ten of whom are in jail, and the
10 eleventh, I'm sure, will -- it will be quite immediate
11 where she will go to jail.

12 Every witness, I believe, testified, or almost every
13 witness, that they would not have joined the organization,
14 paid money, provided labor, did whatever they did, move
15 beds for sixteen to eighteen hours a day, took invoices
16 like Casey Kelley did, whatever services provided or
17 monies paid, they wouldn't have done it if they had known
18 that this organization was breaking into places, pursuant
19 to their operations on how to break in, or infiltrating
20 the Clearwater Sun, or conducting all these other hundreds
21 of operations that have been put before you. They wouldn't
22 have done that if they had known the organization had a
23 policy to do such things.

24 And I believe, specifically, McKee of twenty-four

1 years gave some evidence on, at least inferentially, on
2 that issue, Kelley of three years, and Ray of six months.
3 That covers a long time span. If they knew that those
4 criminal operations were taking place, they wouldn't have
5 joined that organization.

6 That in itself is an organizational deception. What
7 the GO does, what it has done, what it continues to do,
8 the written policies it's got to do it is all organiza-
9 tional deception.

10 With regard to just some of the peripheral links
11 to Clearwater, you've got all of the operations in Clear-
12 water, which we haven't even discussed. And you've got
13 Project Owl, which came from Clearwater, originated by
14 Mitchell Hermann. You've got Burden's auditing files
15 going out to -- from Clearwater to Las Vegas, the Hartwell
16 enticement to come to Clearwater. All of those are types
17 of deception, which, had they known about the nature of
18 the organization - it's goals, purposes, et cetera - they
19 would never have joined.

20 Some of the financial issues, involving "It's a
21 crime to give anything away, Make money, make more money,"
22 the price lists, that Kelley testimony that nothing was
23 given away, all of those would suggest to you that there
24 is not a charitable purpose here. You can't give, for

1 instance, auditing, which is alleged to be for spiritual
2 travail, to a terminally ill person, if you remember the
3 testimony of Lori Taverna. I mean, that would give you
4 some inferential suggestion as to the charitable purposes
5 of this organization or whether it's just to acquire
6 money and what it does with its money.

7 If Casey Kelley thought that the money was being
8 used to infiltrate the City Commission's Office as opposed
9 to all the things that he thought it was being used for,
10 there's a level of deception that has been practiced right
11 there, which this Commission can consider. There's a
12 level of charitable purposes right there, which this
13 Commission can consider. And those types of things go
14 all the way down the evidentiary chain.

15 One specific example is Mr. Kelley couldn't get a
16 typewriter, but Mr. Mayer could travel to Hawaii and
17 accuse some poor victim of bestiality in order to get
18 her to raise the income. Or Janie Peterson couldn't get
19 paper, but Gary Clingler could be sent to Boston to tell
20 LaVenda Van Schaick that her husband was having an affair,
21 that her lawyer was going to be disbarred.

22 I would suggest to you that all of that evidence
23 would show you what the priority of the use of funds was
24 in deciding whether the priority related to charitable

1 purposes or other purposes. And the legal significance
2 on a potential charitable solicitation of funds ordinance
3 is broad ranging and will be discussed in whatever follow-
4 up report we present.

5 Then, you have issues concerning the use of telexes,
6 the evidence of crimes already before the Commission,
7 both documentary and testimonial, involve extortion,
8 blackmail, larceny, burglary, bugging, obstruction of
9 justice, conspiracy, smuggling, false swearing, perjury,
10 violation of IRS laws and Immigration and Customs laws,
11 to state a few.

12 Civil torts involve fraud, breach of contract,
13 invasion of privacy, emotional distress, breach of fiduci-
14 ary duties, and potentially the minimum wage laws, to state
15 a few.

16 The Article or Device warning has already been dis-
17 cussed to some degree. It's a fundamental issue in the
18 case. It has very specific legal significance. I won't
19 go into it in any more length at the present time. I
20 think every witness testified that if they had known there
21 was no scientific basis for this thing they wouldn't have
22 become involved, basically.

23 And the Article or Device warning, which is in
24 evidence, specifically requires that in eleven-point

1 leaded type to do that, which in some publications they
2 do, in some publications they do something narrower. But
3 in no publication that I have ever read have they ever
4 done it in full compliance with the court order. And
5 in this particular publication, What Is Scientology? --

6 MR. SHOEMAKER: Mr. Flynn, I might point out that
7 within the last year or two years a personalized copy
8 of that was given to each one of the City Commissioners,
9 to myself, as well as Mr. Bustin, the City Attorney.

10 MR. FLYNN: So, they were --

11 MR. SHOEMAKER: It was before you came along.

12 MR. LeCHER: That was my gift when I became Mayor.

13 MR. SHOEMAKER: It was a couple of years ago.

14 MR. FLYNN: I believe that the warning says on
15 the cover page or the title page. Well, the cover is
16 the cover, and the title page is there. That's the title
17 page.

18 And you can ask people that are familiar with pub-
19 lications -- I used to be the editor-in-chief of a law
20 review, so I know a little bit about publications. But
21 you can ask, perhaps, the reporters what the title -- what
22 the cover page and the title page is?

23 And then you turn to this page, and you see the
24 size of the print. And stuck in here - and I think you

1 can see the size of it - it -- "The E-Meter is not
2 intended or effective for the diagnosis, treatment, or
3 prevention of any disease."

4 Well, that is probably one-third, number one, of
5 what the warning said should be put in, and I won't dig
6 out the warning now, but it's a number of sentences and
7 it goes on in detail. That's a very shortened-down
8 version; it's not in eleven-point leaded type; it's not
9 where it's supposed to be. And I suggest to you that the
10 level of deception perpetrated by this organization in
11 placing it where it placed it, on this particular page
12 where they give the printing dates --

13 MRS. GARVEY: Not too many of us read those.

14 MR. FLYNN: -- is something that inferentially you
15 can consider.

16 The legal documents issue is an issue that we could
17 talk for two hours on.

18 There is evidence - we put them on - on releases,
19 waivers, freeloader's debt, things like that.

20 Kelley testified that he thought that he would only
21 have to pay the freeloader's debt if he tried to get
22 back in. Well, even that has some legal significance.
23 Ray testified that he was told he had a six thousand
24 dollar freeloader's debt. As the exhibits will show,

1 Tonja Burden, after December 17th, 1977, when she was
2 made to sign these disclosures, releases, and everything
3 else she signed, was sent a freeloader's debt. She was
4 out of the organization; she was not trying to get back
5 in the organization. She was out, and she was told that
6 she pay it.

7 And I suggest to you that if these hearings -- if
8 this Commission investigated it further and brought in
9 many witnesses on this particular issue -- you'll see affi-
10 davits on the issue that we submitted and you'll see other
11 documents that have been signed and have been introduced
12 as exhibits along this point. But you will find, I would
13 submit to you, that ninety percent of people getting out
14 of Scientology, who were staff members and received ser-
15 vices, believe that they owe that debt.

16 So, that alone is a legal issue that has serious
17 consequences in a consumer protection ordinance.

18 The Kelley marriage license, although, a small item,
19 is of some significance, because it relates to the Dis-
20 connect Policy. And the attitude -- and you've seen the
21 Disconnect Policy on the overhead transparency, that you
22 must divorce someone who is PTS to you, someone who is
23 against Scientology.

24 Well, they have a legal obligation - if they marry

1 people as ministers, as they hold themselves out to be -
2 to file with the clerk of this city - I would suppose,
3 I'm not precisely familiar --

4 MR. BUSTIN: The county.

5 MR. FLYNN: -- the county, that the marriage has
6 taken place. Well, in Kelley's situation, it didn't.
7 Well, that was one witness out of fifteen. Now, how
8 many more people do we know who've been married or not
9 married? I don't know. Maybe many more witnesses would
10 have a similar experience. There was some testimony
11 that there were many quickie marriages in the Church.

12 And the legal significance to the county or the
13 city on that issue alone is important. It also demon-
14 strates to some degree the effectiveness of the Dis-
15 connect Policy, which is a whole issue in itself.

16 There is a whole issue upon which no evidence has
17 been submitted on organizations, like ASI, Applied Scho-
18 lastics, Narcanon, the elderly society, Gerus, et cetera,
19 et cetera, their purposes and what they do. But inter-
20 twined with all that is the question of -- if these
21 women are having children and are married or not married,
22 the legal consequences to the children. There are
23 issues pertaining to whether or not -- who's supporting
24 the children, who's legally responsible to support the

1 child, whether they go on the welfare rolls.

2 In the City of Boston, because of our own particu-
3 lar investigatory efforts about how the staff lives in
4 the City of Boston, we have determined from many former
5 staff members how they live in terms of food stamps,
6 welfare, unemployment, and things like that.

7 That issue hasn't even been addressed in these
8 proceedings and the potential consequences to children,
9 or to the particular welfare program who are dealing with
10 children.

11 Things like that permeate all of these legal con-
12 siderations with regard to the way the Church treats the
13 WOG world and the legal requirements of the WOG world.

14 Then, for instance, to perpetrate the level of
15 deception that, I would submit, the evidence shows on
16 individuals, such as David Ray, and make him sign a
17 release and further perpetrate the deception that the
18 release is binding so he's afraid to go -- of even going
19 to a lawyer. He doesn't even think of going to one
20 because he thinks he's signed a release. I mean, this is
21 a nineteen-year old boy you're talking about. Most of
22 those kids, they wouldn't even know how to go to a
23 lawyer. And they think they've already signed a document
24 where all their rights are lost anyway. And we're not

1 talking about a document that gives them the right to
2 get into heaven or hell; we're talking about a right to
3 bring a lawsuit, pursuant -- essentially, through a con-
4 sumer protection ordinance over here in the Pinellas
5 County Courthouse to get their money back.

6 The conditions in the Fort Harrison building have
7 broad-ranging consequences for a lot of different reasons.
8 In some -- if there are four hundred staff members - and
9 it takes four hundred staff members to work sixteen to
10 eighteen hours a day, at nine dollars and sixty cents an
11 hour or seventeen dollars and twenty cents an hour,
12 whatever, to keep the organization going --

13 MRS. GARVEY: A week.

14 MR. FLYNN: A week, pardon me.

15 -- to keep the organization going -- well, if there
16 was an enforcement of an ordinance that said you could
17 only have 1.1 rooms -- persons per room or two persons
18 per room, and those people had to go elsewhere, or they
19 had to buy more buildings to house them, and they didn't
20 get such cheap labor to house them, because they now had
21 to have more buildings and more everything else, or
22 reduce staff, I think the financial impact, which deals
23 with the issue of deception, becomes apparent.

24 The testimony on that is significant. I believe

1 every year, right up to 1981 -- right up to the summer
2 of 1981, is covered. I believe Mayer testified that he
3 erected the bunks; Kelley, from '77 to '80, lived in a
4 room with fifty people; Van Schaick was here in '77 with
5 eight to ten people; Taverna and Pace were here in, I
6 believe, '79, June to December '79, with eight to ten
7 people; Ray was here in the summer of 1981. You heard
8 him describe the conditions - in let alone the staff
9 wards - in the RPF.

10 And I submit to you that one inference that could
11 be drawn as to the purpose of the RPF is even cheaper
12 labor. The guys that can't get their -- maybe the
13 staff -- some staff members, like Ray, moved the beds;
14 maybe the guys in the RPF cleaned the toilets. So, if
15 they had less people in the RPF because they couldn't
16 house them where they house them, maybe, they'd have to
17 house them elsewhere and pay more money to house them
18 elsewhere so they can get people to clean the toilets.

19 MRS. GARVEY: Well, they don't even pay for the
20 RPF.

21 MR. FLYNN: No. I was not relating it so much to
22 wages, which is an altogether -- another issue. If they
23 paid them the wages, they wouldn't have the labor force
24 to do it.

1 But even if you enforced an ordinance that says
2 you could only have two people per room, where would the
3 labor force go? And if the labor force is reduced, all
4 of the support technology that keeps this million dollars
5 a week flowing may be affected.

6 One -- one point of interest is that, in 1981, I
7 believe, David Ray testified, in the summer, he was
8 over -- he was over at the Fort Harrison. At that time -
9 and this is from my memory - the Scientologists, at least,
10 with regard to the Bank of Clearwater building, were
11 erecting on it - outside their building at some point
12 during that period - to try to spruce up their image,
13 their PR image, while David Ray was chest-deep in gar-
14 bage and living in a room with eight to ten people. I
15 would suggest to you, that may have something to do with
16 deception of this city.

17 With regard to -- and this is really not specifical-
18 ly relevant because it's the organizational policies,
19 not necessarily Hubbard's. If Hubbard adopted them in
20 the chain of command, that's for your consideration.
21 But if the organization was doing them on an organization-
22 wide level, that's all you need, regardless of who wrote
23 them.

24 But there is the SO 1 line, the Sea Org. -- the

1 Standing Order Number 1, where people like Tonja Burden
2 and Taverna and others could be made aware of the terri-
3 ble conditions. There is the Hartwell testimony where
4 they were on the ranch with Mr. Hubbard where all the
5 terrible conditions persisted. And that goes right to
6 the top of the organization. The inferences that could
7 be drawn there are of significance.

8 The medical issues are of obvious significance.
9 It's a whole area which could be investigated in itself.
10 Perhaps, it's appropriate for the AMA or for your local
11 investigative agency to do so.

12 There has been testimony, for instance, from Van
13 Schaick that she had to drink alcohol for the hepatitis
14 epidemic. There is the Affidavit of Garritano that he
15 was here; he got hepatitis. If you want to go up and
16 take his deposition or pay for him to come to this city,
17 that could be done.

18 Those epidemics and those problems should not be
19 treated by Medical Officers. The city should be aware
20 that they exist, and they should be given proper treat-
21 ment.

22 And as someone testified, there wasn't enough
23 money to go to the doctor. I believe it was David Ray
24 who was told that by the Medical Officer. There wasn't

1 enough money to go to the doctor, but there was enough
2 money to infiltrate and steal documents from agencies all
3 across the country, including, as the extensive exhibit
4 shows, documents in this city.

5 The education and the care of the children issue is
6 of significance. The testimony by Miss Van Schaick about
7 the death of that child, which is currently under investi-
8 gation, deserves to be looked into. I will state - and
9 this is not to be taken as part of the factual record
10 but only in terms of your consideration for pursuing the
11 investigation on this subject - we do have other evidence
12 that has nothing to do with LaVenda Van Schaick about
13 that situation. And when LaVenda Van Schaick testified
14 about it, for your information, we didn't even know that
15 she was going to testify about it, and we didn't know
16 that she had that information because our information
17 comes from other sources. And we were quite surprised
18 when we heard it.

19 The things, like, telling children and thirteen- and
20 fourteen-year old Cadet Org. members that the U.S. govern-
21 ment nerve gassed Jonestown people is of significant con-
22 cern, when those same twelve- and thirteen-year old chil-
23 dren are working day and night -- are working all day
24 and playing video games at night and not receiving an

1 education. Miss Taverna testified that in another city
2 her child didn't receive the proper education.

3 There is testimony to some degree about what some
4 of these children were doing here. The ideal testimony
5 would have been from a teacher who had been in the City
6 of Clearwater. We have that evidence in Los Angeles, and
7 we are -- we have hard, concrete evidence. We don't have
8 anyone who would come forward that was anywhere close to
9 a teacher or a nanny in Clearwater that we could have
10 presented to you. We do have that situation, and we
11 presented an affidavit on it with regard to the person's
12 knowledge of the conditions in Los Angeles. And you've
13 got Tonja Burden's testimony that she was here - in her
14 affidavit - for all those years and she never received
15 any. And you have Rosie Pace's testimony and Lori
16 Taverna's testimony, which relate to some degree to the
17 issue, at least, enough to, perhaps, suggest to you that
18 there should be some investigatory effort made in that
19 area.

20 We're going to have to -- there are the issues
21 of restraint, physical versus psychological. There's
22 some evidence of -- probably more evidence of a psycho-
23 logical type of restraint. But there is some evidence
24 of actual physical restraint, and I believe the record

1 will bear that out. David Ray got into a fist fight
2 because he wanted to go out for one day. Taverna was
3 asked to go with her Ethics Officer to physically restrain
4 someone. But I believe the bulk of the evidence shows
5 more of a psychological restraint than a physical restraint,
6 but there is some evidence of the latter.

7 The whole family disintegration issue, et cetera,
8 is an issue of broad-ranging consequences. To me,
9 personally, I would -- and professionally, I would view
10 it as an area of extremely vital concern. The Scien-
11 tologists would claim that it, perhaps, invades their
12 religious practices, so we won't pursue that for the
13 time -- for the present time.

14 The financial issues are, of course, significant.
15 The testimony -- I've already referred to some degree as
16 to how much they made. One of the reasons we brought
17 someone like Kelley, for instance, is because he actually
18 received the invoices. That's pretty hard evidence in
19 terms of accounting procedures and the type of evidence
20 that often can come into a judicial proceeding, which
21 this is not, on trying to prove how much money they get.
22 They could publish things in their -- on their bulletin
23 board, whatever, as, I believe, Taverna testified to, that
24 she saw some publications about one million per week.

1. But Kelley's testimony was pretty hard testimony
2 because he actually received the invoices and he knew
3 exactly what was coming in during the period that he was
4 doing that. And there was corroborative evidence on the
5 2.3 million dollar week.

6 Mayer testified about the twenty-five percent/
7 seventy-five percent breakdown and how Hubbard tries to
8 keep the expenses down to twenty-five percent. The
9 rice and beans issue, the labor force issue, the nine
10 dollars and sixty cents per hour or seventeen -- per week,
11 or seventeen dollars and twenty cents per week are all
12 issues that have to be considered in terms of the
13 deception, the ordinances, both charitable and consumer
14 protection, and the impact - as I've previously dis-
15 cussed - the impact on controlling to some degree, through
16 proper ordinances or enforcement of zoning provisions
17 or whatever, how that labor force lives would have --
18 could have a significant impact on financial considera-
19 tions.

20 The Clearwater connection has a lot of very spe-
21 cific items of evidence. I believe the overall -- and
22 I could run through them all. I believe they'll all be
23 borne out in the record, when it's created, and the lega-
24 inferences to be drawn therefrom.

1 I suggest to you, as I suggested at the outset,
2 the primary consideration is the organization, not the
3 individuals - not Hugh Wilhere or Janie Peterson or even
4 L. Ron Hubbard. The primary consideration is the organi-
5 zation, whether the organization has got policies doing
6 the types of things that some of these witnesses have
7 testified about and what can be done to deal with those
8 policies in your city to prevent them from happening
9 again, and, perhaps, even to correct abuses that have
10 been inflicted upon people in this city in the past, may-
11 be in the recent past, maybe in the more remote past, but
12 possibly to give them some degree of remedial protection.

13 Thank you.

14 MR. LeCHER: Does that conclude your summation,
15 sir?

16 MR. FLYNN: Yes, it does, Mayor.

17 MR. LeCHER: You were fifteen minutes early.

18 Ladies and gentlemen, we would -- I'd like to take
19 a break for lunch and then come back, and I'd like to
20 have us, the City Commission, decide what they want to
21 do, if anything, with respect to what has happened here today.

22 And so, we will take a break and come back -- do
23 you want to come back in an hour, please -- come back at
24 one o'clock. It is now five minutes after twelve.

1 We are recessed until one.

2 (Whereupon, the luncheon recess was
3 taken.)

4
5 Afternoon Session

6 MR. LeCHER: Ladies and gentlemen, please take your
7 seats. Staff, consultants, and press.

8 Welcome back to the Clearwater City Commission
9 Hearings, i.e. - excuse me - i.e., the Church of Scien-
10 tology.

11 We have heard close to five days of testimony. And
12 to the extent that -- these hearings had been an attempt
13 to find out to what extent the organization, in this
14 instance, the Church of Scientology, should be permitted
15 to engage in questionable business practices without
16 being restricted by city government. In the past, there's
17 been an assumption or justification the Church was
18 operated in their secular conduct, operated within a code
19 of ethics that required very little supervision by
20 government.

21 However, for the past five or six years, we have
22 heard louder and louder rumblings that the Church of
23 Scientology has disregarded such ethics, has violated
24 numerous city codes, as well as the basic rights, has

1 been engaged in profit-making endeavors for the personal
2 gain of individuals within the Church.

3 It was because of these charges that your Commis-
4 sion took it upon themselves to conduct these investiga-
5 tions with regard to secular conduct to determine if
6 further legislation is needed. Failure to abide by basic
7 and just codes of human safety, health, and welfare,
8 failure to cease activities that appear at this point to
9 be fraudulent and deceitful, leave the City of Clearwater
10 with no alternative but to work within the framework of
11 existing ordinances and those that are contemplated as
12 further guarantees for all our citizens' well being,
13 including the Scientologists who are here for certain
14 periods of time.

15 I had hoped that the Church would appear here today
16 to refute the testimony that was presented this past week.
17 The Commission had hoped that there would be sufficient
18 evidence submitted by both sides as would require much
19 serious thought and discussion on the part of the Mayor
20 and the Commission.

21 Since the Church of Scientology has not seen fit
22 to appear here to address the issues being investigated
23 against itself - and there have been many serious
24 charges that have been levied against them in the past

1 five days - they leave your Mayor and Commission no
2 alternative at this present date but to go to Step III.

3 I want to reiterate that this Commission has been
4 careful in refusing to listen to testimony that speaks of
5 the religious dogma of the Church of Scientology. We
6 were only interested in those practices that may adverse-
7 ly affect both the people who reside and visit Scien-
8 tology facilities in Clearwater, as well as those accusa-
9 tions, which, if found to be valid, have been used to
10 fraudulently dupe and deceive members of this Commission,
11 who are sworn to defend the laws of this country, the
12 State of Florida, and the Clearwater Municipal Code.

13 Nowhere, in any of those laws, is there an exemption
14 granted to an individual or a group because of it being
15 religious rather than secular. We will see that our
16 laws are enforced in a manner wherein everyone is treated
17 equally; no one or no one group will be given any special
18 treatment.

19 So, I hope that when the dust finally settles, we
20 will let our actions speak clearly. We consider each
21 and every citizen of Clearwater to be equal, and we expect
22 every citizen of Clearwater and every organization within
23 it, with respect to secular conduct, to adhere to the sa
24 set of rules, ethics, and protection of Clearwater and

1 its citizens.

2 That is my comment on these hearings.

3 And we will be gathering further information as to
4 exactly what we should do about this. It will be studied,
5 disseminated, and dispersed to other agencies.

6 My fellow Commissioners, if you have any final
7 thoughts or questions, I would like to yield to you at
8 this time.

9 MR. CALDERBANK: Mrs. Garvey --

10 MR. LeCHER: Mrs. Garvey.

11 MRS. GARVEY: I really don't think very much needs
12 to be said, except to thank the consultants for doing
13 a very, very good job. And I think they laid the ground-
14 work exceptionally well.

15 And, of course, also, thanks for the witnesses who
16 appeared. Without them -- without their courage, we
17 would have gotten nowhere.

18 And, I guess, the only question I have is: What's
19 our next step?

20 MR. LeCHER: Mr. Hatchett, do you have any parting
21 words?

22 MR. HATCHETT: I'm grateful to Mr. Flynn and his
23 staff. I feel grateful to this City Commission. I want
24 the general public to know that it took a courageous step

1 to make that decision, and it's not going to haunt me.
2 And I'm going to hang with it so long as it's legal and
3 I know it's right. I have a responsibility to this
4 charter and to the State of Florida to pursue it.

5 Thank you, again.

6 And the same as you, Mrs. Garvey, I'm going to
7 hang in there and ask for the next step.

8 MR. LeCHER: Before we get to Mr. Calderbank, I
9 just want to praise the Commission and the staff. These
10 hearings could have gotten out of hand. Someone could
11 have used it for personal gain or to monopolize it. I
12 think this Commission was very fair in the way they con-
13 ducted themselves in the investigation and, also, the
14 way they conducted themselves personally and professional-
15 ly here at this podium.

16 Mr. Calderbank.

17 MR. CALDERBANK: I was -- just to comment briefly
18 on our consultants: I read many, many times about the
19 brash attorney that was pulling in eighty thousand
20 dollars or thereabouts. And I think the citizens of
21 Clearwater should know what the eighty thousand dollars
22 went for: upwards of five attorneys working three
23 straight months in Boston. That went for not only their
24 expenses, but for the payments of secretaries, reprinting

1 of voluminous materials, documentation, collation of
2 everything that was -- had something to do with Clear-
3 water. And there was a lot of question in the city as
4 to where that money and -- why that sum of money. And
5 I think it was well spent. It was a little over one
6 percent of our total budget, but, I think, that was
7 probably the best percent that I've seen spent in a long,
8 long time.

9 We stayed away from belief and religion, and we,
10 as the Commission, recognize the freedom of belief in a
11 religion or exercise thereof is absolute, but the conduct
12 is not. And the Civil Liberties Union is out there.
13 And I think the hearings showed that, perhaps, there are
14 more civil liberties that may be being violated than just
15 what was reported in the paper, maybe the civil liberties
16 of some of the people in the Church.

17 And it's not the City of Clearwater against the
18 Church of Scientology at all. The way I see it is:
19 There are a thousand people, staff members, in that
20 building over there or in buildings in the city that are
21 citizens of Clearwater. And I look upon these hearings
22 as trying to protect them from the superiors or, per-
23 haps, the policies that are making them work twenty hours
24 a day, seven days a week, as testimony showed, for only

1 nine dollars and sixty cents, try to protect them from
2 contagious disease and get them good medical care, get
3 them good, sanitary living conditions. So, I don't see
4 it as city versus Church. I see it as us doing our
5 responsibility to even protect the staff members them-
6 selves.

7 And I'd like to see us move forward with the next
8 phase.

9 MR. LeCHER: Mr. Berfield, do you have any parting
10 comments?

11 MR. BERFIELD: Just a couple here. To those people
12 that appeared as witnesses, I would just hope that they
13 would leave not thinking that I was an adversary out to
14 cook their goose or anything like that. I think that we,
15 the people of Clearwater, owe them a debt of gratitude
16 that they would have the tenaciousness in putting them-
17 selves and their families on the line the way they did
18 and come forward and testify.

19 As to Mr. Flynn, I had not met him before this
20 hearing, and I read a great deal about him. This morning,
21 I think, he was unduly criticized for what appeared to be
22 some ethical conduct of his in coaching the witnesses.
23 As an attorney, what Mr. Flynn did was probably the most
24 dangerous thing that any attorney can do and that's just

1 let your witness go free. If you want to get killed in a
2 court case, just give them a narrative and they'll kill
3 you.

4 I also noticed that Mr. Flynn - and I was watching
5 very closely to make sure that the people and the people
6 of Clearwater were assured of all the facts out of this -
7 each time he would put his hand over the mike, it seemed
8 to relate to a question that might affect either pending
9 litigation or something that pertained to religion or
10 something along that line. And I could not hear exactly
11 what he said, but he wanted to ensure that justice did
12 prevail here. So, I think, in htat sense, Mr. Flynn, we
13 owe you a debt of gratitude, too.

14 I think the biggest thing we have to keep in mind
15 is that - and Mr. Calderbank hit on this - is that we
16 have a heavy responsibility to all the people of Clear-
17 water, whether they live in the Fort Harrison or they're
18 just citizens here - I shouldn't say, "just citizens" -
19 for their health, safety, and welfare. And that was
20 the purpose of these meetings.

21 And I think if there had been other situations that
22 have happened here in the United States - that had hear-
23 ings been conducted on them - people would have not said,
24 "How could that have happened" in whatever city it was.

1 And I think that was the biggest responsibility: to make
2 sure that something doesn't happen here in Clearwater.

3 MR. LeCHER: Thank you.

4 Before we get to final comments here from Mr.
5 Shoemaker and any thoughts that Mr. Bustin, the City
6 Attorney, would like to leave with us as possible instruc-
7 tions or his point of view from a legal perspective, I'd
8 like to waive the rules - and the Commissioners can
9 overrule me, if you want to, but - I'd like to have Mr.
10 Walters -- he asked me for permission to address the
11 Commission at this point.

12 So, unless there's any objection from my fellows,
13 I would like to have Mr. Walters come up and -- take the
14 microphone, sir.

15 MR. WALTERS: I just wanted to say - I consider my-
16 self still under oath - that I just wanted to know -- want
17 to let you know, the citizens know, the great change
18 that's occurred for myself and the witnesses. I'm speak-
19 ing for Janie and the Hartwells. We talked about this
20 this morning and again just having lunch in a nearby
21 place, where there were citizens coming up to us, two,
22 three, one time surrounded us, telling us -- thanking us
23 for coming here.

24 We came here scared. We've been dealing with the

1 harassment a long time, and we didn't know if you'd
2 believe us. We -- it was very hard for us to come here.
3 Janie Peterson almost didn't make it to the plane.

4 We got here. We found the accommodations very
5 nice. We were put under protection, which -- otherwise,
6 we would not have come here. The policemen that we met
7 were exceptional young guys, well trained.

8 I'd like to thank the Chief of Police for the
9 selection of the people. I can tell you if they were not
10 as good as we saw, we would have left immediately.

11 The hotel treated us pleasantly, courteously. If
12 that's a sign of the rest of the hotels you have here,
13 you've got better hotels than Las Vegas.

14 So, all in all, we came here scared. We end up
15 leaving with a little bit of courage and, let me tell
16 you, with a lot of respect and admiration for Mayor
17 LeCher, Mr. Calderbank, Mr. Berfield, Mr. Bustin, Mr.
18 Shoemaker, Mr. Hatchett, and Mrs. Garvey. You have a
19 lot to do with giving us the courage to speak out.

20 We -- meeting the people today outside -- I can
21 say last night I went out on the beach for the first
22 time without protection and met your citizens. We are
23 developing a fondness for the friendly people of Clear-
24 water. You have a great city, a city that cares. And

1 it was our privilege to be here.

2 Thank you.

3 MR. LeCHER: Thank you very much.

4 I'll waive the rules on applause at this point, too.

5 Mr. Shoemaker, do you have any final, parting
6 words for us?

7 MR. SHOEMAKER: Mayor LeCher and members of the
8 Commission, the city at this time doesn't have a commit-
9 ment to Mr. Flynn and his associates of eighty thousand
10 dollars, they have a commitment of seventy thousand
11 dollars for the first two phases of work. So, if you
12 will recall, the final step, Phase III, is actually
13 researching the record and preparing the facts of evi-
14 dence in the final form.

15 You had an awful lot of information given to you
16 in a very short period of time. There were a lot of
17 documents I know you haven't had a chance to look at
18 yet that were introduced in evidence.

19 I don't know whether you wish to proceed at this
20 point in terms of going ahead and asking Mr. Flynn to go
21 ahead and complete that Phase III, but it would be my
22 recommendation that you do so. I think --

23 MR. LeCHER: Would you --

24 MR. SHOEMAKER: -- he has done an excellent job.

1 MR. LeCHER: Mr. Shoemaker, would you just exactly
2 tell the people what Phase III really is?

3 MR. SHOEMAKER: Phase III is actually researching
4 all of the volumes of testimony, as well as the documents
5 that have been introduced into record, and preparing those
6 in a form where they can be used as facts of evidence
7 and be used for the development and the actual passage
8 of the related ordinances that the Commission will be
9 considering in the future concerning, basically, consumer
10 protection and charitable solicitations ordinances.

11 MR. LeCHER: Thank you.

12 I'd like to give the floor now to Mr. Bustin, who
13 has been sitting here, occasionally passing me notes and
14 grabbing my arm when we or I got too far into the reli-
15 gious beliefs. He has kept the City Commission kind of
16 on an even keel here to do our job much more effectively
17 and more correct than we may not -- may have done.

18 So, I'd like to give the floor to Mr. Bustin, who
19 has been the City Attorney for seven or eight years now,
20 at this point for comments.

21 MR. BUSTIN: Well, first, does Phase III include
22 a complete transcript of all the testimony?

23 MR. SHOEMAKER: It would -- I've already -- it
24 does include the expenses, so that would, in fact, be

1 related. It's the seventy thousand -- it's the total of
2 eighty thousand dollars, plus expenses and the expense
3 of the transcript --

4 MR. BUSTIN: I think that transcript, that documen-
5 tation, is going to be important to the Commission to be
6 here for your perusal individually, because I don't see
7 how you could --

8 MRS. GARVEY: Remember.

9 MR. BUSTIN: -- remember everything.

10 MR. SHOEMAKER: That's a very good point.

11 We should, also, instruct -- or I will instruct,
12 based upon the Commission's decision, to have this
13 actually typed up as a written transcript. That's a good
14 point.

15 MR. BUSTIN: My only parting comment is that: I
16 think - it's my observation for whatever it's worth - I
17 think the Commission has tried very hard to stay away
18 from anyone's beliefs in this proceeding. And I think
19 they have, in the main, done a very good job of it.

20 I think if everyone looks at the kind of conduct --
21 and I've been saying this over and over again, that we're
22 only interested in conduct. When you really get down and
23 look at this thing close and look at the type of conduct
24 we've been talking about that's been brought to you in

1 these proceedings, I think you can see why the city
2 would have an interest in - from a lawyer's perspective -
3 health, safety, and welfare arise by reason of that con-
4 duct. I think it would almost be dereliction of duty
5 to this city if we ignored it.

6 There was an interesting little point raised, and
7 I have to go back over it just a moment, because it
8 struck me when Mr. Johnson said something about the pro-
9 ceedings and Mr. Flynn sitting there with the witnesses
10 and talking to them.

11 The procedure was laid out quite well in these pro-
12 ceedings, and a copy of that procedure was provided to
13 him. And the very same procedure that he criticized Mr.
14 Flynn about was made fully available to Mr. Johnson. In
15 fact, he would have had the same opportunity to sit at
16 the table with his witnesses and talk to them. There's
17 no -- if anyone looks at the documents, there is no
18 restraint or constriction whatsoever --

19 MRS. GARVEY: He would have selected his own
20 witnesses.

21 MR. BUSTIN: Right, exactly.

22 There was no -- it just struck me. In fact, that
23 document went out to him on April 13th. And when I
24 heard that, it just struck me kind of funny.

1 MRS. GARVEY: At this point we'd be derelict in
2 our duty if we did not go on to Phase III?

3 MR. BUSTIN: Yes.

4 MR. LeCHER: All right.

5 Do we need a motion to --

6 MR. CALDERBANK: So moved.

7 MR. LeCHER: -- go on to Phase III and --

8 MR. CALDERBANK: I make a motion to continue on to
9 Phase III and have the city consultants, Mr. Flynn and
10 his associates, prepare the record and the analysis to
11 bring to the City Commission at --

12 MRS. GARVEY: I --

13 MR. CALDERBANK: What's the closest possible date?

14 MR. HATCHETT: Give us a time span.

15 MR. FLYNN: Well, I will endeavor to produce it as
16 quickly as I can. It's a -- it's a rather large task,
17 simply because of the legal issues applied to the facts -
18 and as most lawyers know, that's a very significant job -
19 and then applying that in such a way to create ordinances
20 that will both be effective, remedial, and produce the
21 desired result.

22 In terms of a time frame at the present time, I'm
23 reluctant to give it. We will do it as expeditiously as
24 we can, as we did with the report and the preparation for

1 these hearings. I believe we produced the report within
2 about two months or so, which was some two hundred pages
3 long and -- in length, and we produced these hearings
4 within about two months or so. And we worked, I'll tell
5 you, virtually non-stop with a large staff to do that.
6 And, in fact, we started preparing in advance of that,
7 because we learned that the city most likely was going to
8 go forward - and we knew they wanted to go forward
9 quickly - so we took it on our own to just start collating
10 some of the evidence to make sure that we could go for-
11 ward as quickly as we could.

12 I'd like to make a couple of final comments, if I
13 could?

14 MR. LeCHER: Yes, sir. You have the floor.

15 MR. LeCHER: With regard to -- I didn't address
16 the issue of -- that Mr. Johnson addressed of speaking
17 to my witnesses during the testimony. Of course, in
18 congressional investigations, it's done all the time and
19 there's absolutely nothing uncommon about it.

20 Secondly, as most of you Commissioners know, you
21 probably heard what I said to the witness, which was
22 most of the time just "Tell the truth," or "Explain
23 that," or "Confront that," or something of that type.
24 In one instance, I directly and quickly covered the

1 microphone when Mr. Mayer was testifying, and it was just
2 as about - if you go back and check the video tape - Mr.
3 Mayer was about to give the name of an individual. And
4 as you can imagine, there are many individuals who are
5 quite fearful of having their names brought out in
6 connection with just these investigations. And I thought
7 he was going to refer to a particular individual who had
8 expressed serious concerns to me about his safety, and
9 I thought - because of my knowing who Mr. Mayer is and
10 who he dealt with in the organization - he might mention
11 that person's name, who I have had dealings with and who
12 has specifically requested that his name never come out,
13 at this point in time at least.

14 And at that one point in time, I believe, if you
15 go back and check the video tape, you'll find that Mr.
16 Mayer, I thought, was about to mention the name. As it
17 turns out, it was a different name, and he went forward
18 and said it.

19 Other than that, I think, as most of the Commis-
20 sioners know, who have been sitting in front of me, I've
21 just told the witnesses, "Explore the area; Don't explore
22 it for constitutional grounds; Explain it," whatever.

23 And lastly, I'd like to thank each and every
24 Commissioner for giving us the opportunity to give you

1 what we perceive to be the facts.

2 I would particularly like to thank my associates,
3 Mr. Hoffman, my brother Kevin, and Tom Greene, who -- the
4 four of us have just worked unendingly for a long period
5 of time, and we've all worked together on an equal basis
6 and have put in an equal amount of time and effort into
7 our investigation of this organization, both on behalf
8 of you people and on behalf of our clients.

9 And most of the time, in the media, it's "Mr. Flynn
10 this" and "Mr. Flynn that," and most of the time next to
11 an eighty thousand dollar figure. And you don't see the
12 backdrop of what took place to produce those hearings.
13 I'm sure most of you realize now after seeing them that
14 it took a great deal of effort. And that effort was
15 expended on the part of all four of us and other staff
16 personnel back in Boston, but mostly on the part of the
17 four of us. And all they see is my name.

18 And so, I personally want to thank the three of
19 them, because I know how much they did. And in some
20 instances, I'm sure, that they did more than I did; and,
21 yet, they see my name in the newspaper. Fortunately,
22 it's also my name next to the figure, and so I get both
23 the attack and the criticism. But they did a great deal
24 of work, and they deserve a lot of appreciation for it.

1 And lastly, I'd simply like to say that there can
2 be something done. The facts show it. If the truth is
3 brought to bear on this organization and the organization
4 is exposed for what it is, the city can do something.
5 And remedial ordinances will be effective and it will
6 help people that have been harmed by this group, and the
7 deception can be stopped.

8 And I firmly believe -- and I wouldn't have worked
9 for three years on this project if I didn't think that
10 something could be done. And I think that more and more
11 people that are seriously interested can find the issues
12 raised by the Church of Scientology, and the areas of
13 deception that we've raised will in itself cause some-
14 thing fruitful and productive to be accomplished by
15 curing those problems and negating those abuses here in
16 the City of Clearwater. And I firmly believe it can
17 be done.

18 And I hope the Commission and the people of the
19 City of Clearwater feel strongly enough about the issue
20 to pursue it.

21 Thank you.

22 MR. LeCHER: In conclusion, I'd like to thank the
23 people.

24 We have a motion on the floor.

1 MRS. GARVEY: I second it.

2 MR. LeCHER: And seconded.

3 MR. CALDERBANK: A little discussion, too: I'd
4 like to -- as the record comes out, I'd like specific
5 recommendation on some areas that are not our jurisdic-
6 tion and would be federal jurisdiction --

7 MR. LeCHER: Yes.

8 MR. CALDERBANK: -- as to put together either a
9 complaint or a report or a compilation of data and who
10 we send that to.

11 In one instance, a person told us of being signed
12 up as a minister to avoid the draft; in another instance,
13 we heard of less than minimum wages and telexes for
14 criminal activities.

15 I'd like to see, as part of the record as as part
16 of Phase III, specific analysis of those areas that are
17 federal in nature and how to bring it to the agencies
18 that are responsible for it.

19 MR. LeCHER: We would assume that that would be
20 included, right, Mr. Flynn?

21 MR. FLYNN: It will be.

22 MR. BERFIELD: Mr. Shoemaker --

23 MR. SHOEMAKER: Yes.

24 MR. BERFIELD: -- one thing along that line: One

1 of the questions that was asked of me, and that would be
2 whether or not - and assuming the person were willing to
3 pay for it - copies of the transcript could be obtained?

4 MR. SHOEMAKER: Oh, absolutely.

5 MR. BERFIELD: And I think the other thing is we
6 need to do something along the same line that we did with
7 the original report and that's put it in the library, so
8 people can go in and see that in full.

9 MR. SHOEMAKER: That will certainly be my plan, and
10 we'll also have another copy down at the City Clerk's
11 Office for anyone that wants to peruse it.

12 But absolutely, once we get a copy of it, anyone
13 who - certainly, they'll have to pay for the cost of it -
14 but anyone who'd be interested in receiving it, would be
15 more than welcome to have it or just excerpts of it --

16 MRS. GARVEY: Yeah, just parts, sections.

17 MR. SHOEMAKER: -- can have it.

18 MR. CALDERBANK: And, in addition, I'd like - I
19 don't know whether this would be the time or the motion - to
20 make sure that we do get the sworn statement from Mr.
21 Ray regarding his criminal activities that were purported
22 by Mr. Johnson here at the table today and his psychia-
23 tric analysis, and whether or not that information was
24 given under confidentiality to the Church, so that we

1 may know whether or not, indeed, 1982, today, the last
2 day, it's being used in the same type of pattern that
3 the record tends to show.

4 So, I'd like to see the sworn statement from Mr.
5 Ray be gotten as quickly as possible.

6 Also, Mr. Flynn said about his associates -- and on
7 the Commission, each Commissioner has gotten a lot of
8 credit because we did something that, perhaps, has been
9 festering for years. But I think there is something that
10 the citizens ought to know, too, that Mr. Bustin, Mr.
11 Shoemaker, and the entire staff have been under just as
12 much fire as us and they don't get the same type of
13 credit.

14 The people will remember, a year ago, Mr. Bustin
15 was roundly criticized in the paper and attacked many
16 times. And I think that the people ought to know, like
17 the budget and everything else, that staff work is a
18 great -- it's a large deal of the work that goes on
19 here. And without Mr. Shoemaker and Mr. Bustin becoming
20 personally involved and committed to finding out the
21 truth, this hearing would not have come off today.

22 And I want to thank them.

23 MR. LeCHER: We've come a long way since the days
24 of late last year when there was a campaign calling for

1 information leading to the arrest and conviction of any
2 dishonest politician by the Church of Scientology.

3 We -- prior to the hearings beginning, we were
4 criticized by such groups as the ACLU, which, I believe,
5 has defended the American Nazi Party, we've been criti-
6 cized by the National Council of Churches, and other
7 groups whose names escape me at this point; they're
8 technical names.

9 And I want to thank the people of Clearwater, who,
10 apparently, have been behind us on this issue. And I
11 want to thank everyone out there for watching.

12 MRS. GARVEY: Just one comment --

13 MR. LeCHER: Go ahead.

14 MRS. GARVEY: -- I wanted to remind the public,
15 the citizens of Clearwater, that this is only the
16 beginning and we've got a long ways to go. And, hope-
17 fully, it'll whittle out and have an effect.

18 MR. LeCHER: Did we --

19 MR. BERFIELD: No. We --

20 MR. CALDERBANK: Call for the question.

21 MR. LeCHER: On the motion, which is --

22 MR. HATCHETT: Phase III.

23 MR. LeCHER: -- Phase III, to enter Phase III, all
24 those in favor say "Aye."

1 Opposed?

2 (Whereupon, the motion was voted
3 upon by the Commissioners and was
4 carried unanimously.)

5 MR. LeCHER: The motion carries.

6 This hearing is concluded.

7 (A book, entitled What Is Scien-
8 tology?, was marked as Exhibit No.
9 60, as of this date;

10 A copy of a Veteran's Administration
11 physical examination of L. Ron
12 Hubbard was marked as Exhibit No.
13 61, as of this date.)

14 (Whereupon, the hearing was con-
15 cluded.)

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C E R T I F I C A T I O N

I, Karen E. Rizman, a certified court reporter and
Notary Public, do hereby certify that the foregoing
hearing transcript of the City of Clearwater Commission
Hearings Re: The Church of Scientology, pages 4 through
141, is a true and accurate transcription of my dictated
tape recordings of the proceedings taken at the Clear-
water City Hall, Clearwater Florida, on Monday, May
10, 1982.

Karen E. Rizman
Karen E. Rizman

