Will Clearwater raise white flag on Sciento

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By NED SEATON

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the organization's records.

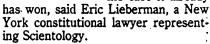
The touchy question facing city leaders: Hunker down for another potentially expensive battle, or fly the white flag?

The city's decade-long fight with the Church of Scientology has dealt primarily with an ordinance that would force the organization to turn over

records of how it uses its money. The ordinance never has been enforced, and the battle has cost the city more than \$230,000 in fees, mostly to pri-

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But that decision clearly has added to the momentum that Scientology has built in recent weeks. An appeals court late last month ruled that the city's ordinance is unconstitutional because it would involve "excessive (government) entanglement with reli-

"There is a message in both decisions that ought to be listened to," Lieberman said. "But I don't want to gloat or beat my own chest or the chest of my client, because the message is to put this conflict behind us.

City commissioners are scheduled to discuss their strategy in the case at a closed-door meeting Tuesday. Most will not discuss heir opinions before the meeting. If the city decides to push its case arther and loses, the cost will ontinue to rise.

Mayor Rita Garvey said she's inclined to fight:

"Obviously, I'm concerned about the cost, but there is a bigger principle at issue here: protection of people from being duped."

Garvey is the only commissionstill in office out of the group

that enacted the ordinances in 1983 and 1984. The rules came after four days of emotional testimony from former Scientologists, who alleged abuses within the organization.

Garvey said the rules were intended to allow city officials to investigate the ways any charitable organization uses its money — if enough people complain about the

organization.

"Any viable non-profit organization should be willing to open up its books to its donors," Garvey said. "If you're fighting to keep the books closed and keep parishioners from finding out where their money is going, is that the way you would want to operate?"

Scientology has led the fight against the ordinance, but a coalition of other churches has joined in, saying the rules would force them to keep elaborate records and could give government too much power.

The ruling issued Sept. 30 from the 11th Circuit Court of Appeals said the city could require charitable organizations to disclose such elements as its identity and where it had solicited money in the past five years.

The city had argued that religion is not above consumer protection and fraud laws, said Alan Zimmet, a private lawyer hired by the city in the case.

But the appeals court ruled that the heart of the ordinance, which requires charitable organizations to keep records of how they use donated money — and authorizes investigations by a city attorney if people complain — was unconstitutional.

And the ruling said a district court should decide if the city created the law with the discriminatory intent of kicking Scientology out of town. The appeals court ruling said there was "explicit evidence that the City Commission conducted its legislative process from beginning to end with the intention of singling out Scientology for bur-densome regulation."

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By NED SEATON
Times Staff Writer

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The city also will have to pay some legal fees for Scientology, the appeals court said. The church is asking for more than \$100,000. In addition, the organization is expected to ask for nearly \$300,000 in fees for other aspects of the case it already has won, said Eric Lieberman, a New York constitutional lawyer representing Scientology.

The fight over the so-called charitable solicitation ordinance is not directly affected by the recent IRS decision to give Scientology tax-exempt status.

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