

**NATIONAL EXECUTIVE COMMITTEE
OF
THE AMERICAN LEGION
October 14-15, 2020
Virtual**

**Resolution No. 34: Direct Membership Solicitation (DMS) Program Update
Origin: Membership & Post Activities Committee
Submitted by: Finance Commission**

WHEREAS, The American Legion Direct Membership Solicitation (DMS) program has recruited more than 4,000,000 qualified members since its inception in 1981; and

WHEREAS, The DMS program continues to operate successfully, benefiting The American Legion at all levels, and it is therefore desirous that the program continues; and

WHEREAS, It is imperative that the national organization recover the cost of the DMS program, since the national organization funds all acquisition costs of the DMS member; and

WHEREAS, Over the year's rules on handling DMS has changed several times and it is essential that an updated resolution with all approved procedures be published clarifying the program and handling of DMS members; and

WHEREAS, A local/traditional post is defined as one in the local community with an approved constitution and by-laws, approved charter, not administrative in nature and has a current slate of officers; and

WHEREAS, Resolution No. 16 (NEC, May 4-5, 2016), Subject: "Membership Credit be Given to Departments for Transferring First and Second Year Direct Mail Solicitation Members Into Local Posts" gave membership goal credit to the departments for engaging and transferring DMS members to local/traditional posts and this is incorporated in this updated resolution; and

WHEREAS, Under the current DMS program rules, the national organization retains all of the dues collected from such members when they initially join, and for two renewal cycles afterwards unless they transfer to a local/traditional post other than the department headquarters post, district/county headquarters post or any other administrative holding post; and

WHEREAS, In 2017, departments were allowed to see the contact information on encumbered members in myLegion.org in order to engage and transfer the members to a local/ traditional posts per Resolution No. 1, (NEC, May 10-11, 2017), Subject: "Make Contact Information for Newly Acquired DMS Members Immediately" and this provision is included in this updated resolution; and

WHEREAS, It is a known fact that member engagement increases the opportunity for the member to renew and all levels should establish a communication plan to enforce with the member the value of their membership; and

WHEREAS, Those DMS members who are in the department's headquarters post and have not renewed for their second renewal or transferred to a local/traditional post as defined above will be coded encumbered on the national membership data base; and

WHEREAS, Despite the best efforts of posts and departments to transfer DMS-acquired members to traditional posts expeditiously, it is inevitable that a certain percentage of DMS-acquired members will remain in department headquarters posts after two renewal cycles for the duration of their membership; and

WHEREAS, The departments and posts should share in the revenue generated by those DMS-acquired members who either will not or have not been transferred to a traditional post and remain after the two renewal cycles in the said department's headquarters; and

WHEREAS, It is fitting that any excess revenues be made available to departments once the total acquisition cost of DMS has been recovered; now, therefore, be it

RESOLVED, By the National Executive Committee of The American Legion in regular meeting assembled virtually on October 14-15, 2020, That The American Legion's Direct Membership Solicitation (DMS) program shall operate as follows:

- 1. The national organization bears the full acquisition cost of DMS solicitations;**
- 2. The national organization will place newly acquired DMS members into each department's headquarters post, coded as encumbered so that they can be readily identified by the national organization as that year's DMS-acquired members;**
- 3. national organization retains all of the dues collected from such members when they initially join, and for two renewal cycles afterwards unless they transfer to a local/traditional post other than the department headquarters post, district/county headquarters post or any other created administrative holding post;**
- 4. Departments can access contact information for newly acquired DMS members through myLegion.org with the intent to engage and transfer to a local/traditional post if a member so desires;**
- 5. Pursuant to Article V Section 3 of The American Legion National Constitution, the coded DMS members acquired in each membership year shall count toward the respective department's delegate strength 30 days out from the National Convention and shall be coded in such a way that the appropriate department receives credit for the member;**
- 6. Departments will receive immediate credit toward its national membership goals for DMS members who have paid dues for the upcoming year and transfers into a local/traditional post on or after July 1 of each membership year;**
- 7. During each membership year, the national organization shall contact the encumbered DMS members to engage, educate and enthuse them about their value of membership in The American Legion, and present them the opportunity to transfer, with their consent, to a local /traditional post;**
- 8. Those not transferred to a local/traditional post shall remain encumbered for two renewal cycles in the department's headquarters post during which time the national organization shall attempt to renew said member at a dues rate higher than any "DMS Introductory Offer" cited in the initial DMS mailing, and any revenues derived therein shall be retained by the national organization as per capita dues, and any excess amount shall also be retained to offset the cost of the entire DMS program;**
- 9. After the national organization has renewed any DMS-acquired member for the second time, that member will be turned over to the department, unencumbered, and the department shall retain all future membership revenues collected from that member except for the per capita dues owed to the national organization;**
- 10. The contact information on any coded DMS member who does not renew in any membership cycle (expired member) shall be made available to the respective department, and should the department reacquire said member, whether in a**

local/traditional post or the department's headquarters post, the department shall retain all dues revenue except that which may be owed to the local/traditional post or the per capita owed to the national organization; and, be it further

RESOLVED, That DMS members acquired for membership years 2021 and forward shall be retained as encumbered members by the national organization for no longer than two renewal cycles at which time they shall be turned over to their respective departments, unencumbered; and, be it further

RESOLVED, That any DMS-acquired member who has been transferred to a local/traditional post at any time during any renewal cycle shall thereafter be turned over to the respective departments, unencumbered, as soon as a legal transfer has been effected from the headquarters post; and, be it further

RESOLVED, That Resolution No. 14, (NEC, Oct. 13-14, 2010), Subject: "Affirmative Consent for Transfer" remains in full force and effect; and, be it further

RESOLVED, That Resolution No. 25, (NEC, Oct. 12-13, 2011, Subject: "Realignment of DMS Program") and Resolution No. 16 (NEC, May 4-5, 2016), Subject: "Membership Credit be Given to Departments for Transferring First and Second Year Direct Mail Solicitation Members Into Local Posts") and Resolution No. 1, (NEC, May 10-11, 2017), Subject: "Make Contact Information for Newly Acquired DMS Members Immediately") be, and are hereby, rescinded; and, be it finally

RESOLVED, That all departments are strongly urged and encouraged to make a good faith effort to engage, renew or transfer as many DMS-acquired members as possible from their department headquarters posts as it is in the best interests of the entire American Legion to do so.