June 2006

Volume 15 Issue 3

Inside This Issue

IJ-WA Speech Cases Before 9th Circuit And Washington Supreme Court

2

Ayn Rand's Heroes and Villains Come to Life

4

Rafting A River of Red Tape In Pennsylvania

6

One Year After *Kelo,* Fight Still Going Strong

8

Published Bimonthly by the Institute for Justice

visit us online: www.ij.org





By Lee McGrath

Salud! Prost! Cheers!

In any language we raise our glasses to the clients who joined with the Institute for Justice Minnesota Chapter (IJ-MN) to challenge a State law that prohibited wineries from advertising their direct shipping services and accepting wine orders over the Internet.

Charlie Quast, of Fieldstone Vineyards, Kim and Jon Hamilton, of White Winter Winery, and consumer Kimberly Crockett took on the State and those interested in maintaining the distribution cartel . . . and won! Thanks to their efforts, and IJ's toil in the legal vineyard, Minnesota consumers who enjoy surfing the web to find boutique wines may now legally use their mouse to place an order.

In a consent judgment entered on April 3, 2006, by the U.S. District Court for the District of Minnesota, the State of Minnesota acknowledged that it could not constitutionally prohibit wineries from truthfully advertising the direct shipment of wine. The State also conceded that it would violate the First Amendment if it enforced a law that forbade wineries across the country from accepting online orders from Minnesotans.

Extending to the Internet the holdings in the case of 44 Liquormart v. Rhode Island–a U.S. Speech Victory continued on page 10



Free Speech

Seeing Double in Washington State With Two Free Speech Cases

By William R. Maurer

he week of June 5, 2006, is a crucial week for the health of free speech in Washington state and the entire nation. That week, two teams of Institute for Justice attorneys will be in appellate courts in Washington state—one in the 9th U.S. Circuit Court of Appeals and one in the Washington Supreme Court—defending the radical notion that the Constitution protects all speech, regardless of whether the government likes the topic.

On June 6, IJ Senior Attorney Steve Simpson will be joined by Institute for Justice Washington Chapter (IJ-WA) staff attorney Jeanette Petersen in the 9th Circuit to argue that the court should affirm the U.S. District Court's decision in *Ballen v. City of Redmond*. In June 2004, the Honorable Marsha J. Pechman of the U.S. District Court for the Western District of Washington, held that the City of Redmond's ban on portable signs containing certain commercial messages, such as those about bagels, while permitting other commercial signs, is unconstitutional. The judge cleared the way for IJ-WA client Blazing

Bagels to communicate truthful information to poten-

tial

customers regarding the fact that the shop is open and bagels are for sale. The judge explained, "The different treatment under the ordinance is entirely based on a sign's content. There is no rational reason for such a distinction; there is no relationship between the content-based distinction and the safety and aesthetic goals. Rather than a reasonable fit, here there is an irrational fit." Redmond appealed the ruling, and the 9th Circuit in Seattle is now poised to hear arguments as to whether the government may constitutionally pick and choose which businesses may advertise in Redmond.

Two days later, on June 8, IJ-WA staff attorney Michael Bindas and I will be at the Washington Supreme Court arguing the case of San Juan County v. NoNewGasTax.com (now Yes912.com). This case underscores how so-called campaign finance laws at the state level are being used to stifle political debate. Last July, a Washington trial court ordered the Yes912.com committee (the campaign sponsoring an initiative to repeal a hefty gas tax increase) to report favorable discussions about the initiative on two talk radio shows as "in-kind contributions" subject to regulation under Washington's campaign finance laws. The supposed "in-kind contributions" were the hosts' on-air discussions of



The City of Redmond has limited IJ client **Dennis Ballen's** right of free speech.

the initiative-that is, pure political speech in the media on an issue of importance to all Washingtonians. According to the municipalities, all of whom stood to gain millions in revenue from the tax, such discussions were not free speech, but rather were financial contributions to the campaign. And because contributions are limited to \$5,000, in the last three weeks of the election, the talk show hosts were supposed to stop talking about the initiative. Because of the threat this decision posed to the unfettered exchange of ideas, the Institute for Justice Washington Chapter appealed the decision directly to the Washington Supreme Court. Under Washington law, the Supreme Court may directly review a trial court's decision if the case involves "a fundamental and urgent issue of broad public import which requires prompt and ultimate determination." In April, the Supreme Court accepted direct review.

"Although the subjects of speech in these two cases bagels and politics—are different, both cases are really about the same thing: whether the government can choose which messages you hear."

Although the subjects of speech in these two cases—bagels and politics—are different, both cases are really about the same thing: whether the government can choose which messages you hear. Whether the government's motivation is disdain for speech about commercial activities, as in *Ballen*, or the crass political bullying of a campaign the government does not like, as in *San Juan*, both cases present the issue of whether the government can ban, harass or oppress speakers simply because it does not like the message they convey.

Since its beginning, the Institute for Justice has fought for the right of Americans to express their opinions about whatever topic they want, be it bagels or taxes. Under the Constitution, the government has no role in choosing which topics are acceptable and which are not. For one week in June, whether Americans still have the right to speak freely on all subjects will be the topic of conversation in Washington courtrooms.◆

William R. Maurer is executive director of the Institute for Justice Washington Chapter.



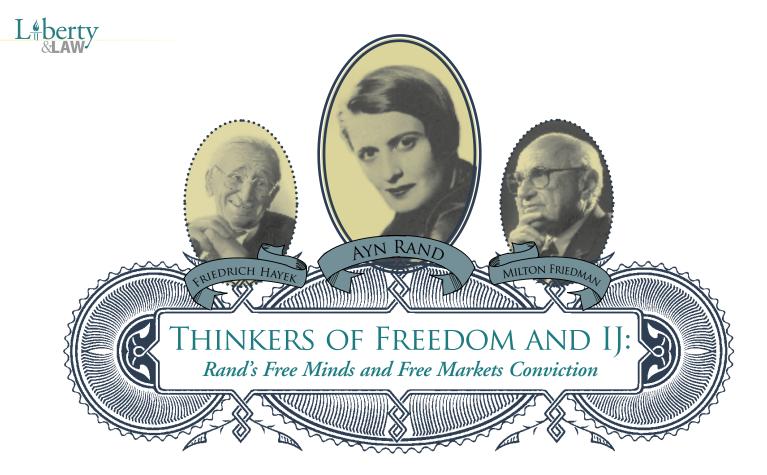
JOIN THE CASTLE COALITION TODAY



The Castle Coalition—IJ's nationwide grassroots organization made up of homeowners and activists seeking to end eminent domain abuse—is in the midst of its unprecedented membership drive. By increasing its membership, the Coalition will be able to activate, motivate and train greater numbers nationwide to take legislative and grassroots action against eminent domain abuse. A broader membership will help us repeat successes, like those in Sunset Hills, Mo., and Cheektowaga, N.Y., where Castle Coalition members helped defeat abusive eminent domain projects.

To increase our membership, the Castle Coalition is mobilizing its activists to sign up their neighbors, friends and relatives, and updating the website to streamline the sign-up process to make it easier than ever before. The Castle Coalition is currently designing an online ad to be posted on blogs and local websites in targeted communities, and will send a mailer to property owners in eminent domain abuse hotspots. With the help of its growing membership, the Coalition will stop taxhungry governments and land-hungry developers from seizing private property for their own private purposes. And together, we can all look forward to a day when once again, everyone's home is his or her castle.◆

Sign up for the Castle Coalition at www.castlecoalition.org/join



By Chip Mellor

The wisdom of the Founding Fathers lies at the heart of IJ's work. However, the insights of three intellectual giants of the 20th century—Milton Friedman, Friedrich Hayek and Ayn Rand—provide constant inspiration as well. What makes them so relevant to IJ is that we regularly see their predictions and observations about bureaucracy and government play out in the real world through the cases we take on. This is the second of three articles in *Liberty & Law* highlighting one of these individuals and offering examples of how the Institute for Justice's litigation directly addresses both the problems these titans identified and the solutions they offered.

Whether they have adopted her philosophy wholeheartedly or found her writings of more transitory interest, countless individuals working to secure liberty have found inspiration in the works of Ayn Rand. With her unique ability to depict the heroism, idealism and romance behind the creativity of the individual, Rand inspired readers to come to the defense of free minds and free markets. Her magnum opus, *Atlas Shrugged*, remains a bestseller a half century after its publication.

It should be no surprise then that, while we are not an Objectivist organization, Rand has had an important influence on the Institute for Justice. The nature of that influence plays out in a variety of ways. Let me illustrate.

In founding IJ, we announced that our approach to public interest law would be based on a long-term, philosophically and tactically consistent strategy. I had read Rand while in college and, among other things, was impressed with her discussion of why it is important to have a positive, consistent philosophy of life, and why philosophy in general should be of interest to all. So in founding the Institute for Justice, the idea that our work would be based on sound philosophical underpinnings was a natural outgrowth of this early encounter with Rand.

Rand also played a significant role in the intellectual development of many others at IJ. That is particularly noteworthy because it takes very special qualities of resolve and commitment to liberty's enduring principles for an individual to join and succeed at IJ. These must be combined with an idealism able to withstand the travails of the real world. It is no wonder then that many here credit Rand's call to action in defense of capitalism, the individual and freedom as a catalyst that sparked their determination to dedicate their lives and careers to making a difference in the struggle for liberty.

Like the Founding Fathers, Rand was influenced by Locke and clearly articulated a view of the individual and the state that is very consistent with our mission. In our cases, we are up against laws that violate the basic rights of our clients and many others like them. We hear from some liberals and some conservatives that courts must defer to legislative edict even when rights are violated. We disagree. Rand's writing echoes Madison and underscores the flaw of such deference. She says, "Individual rights are not subject to a public vote; a majority has no right to vote away the rights of a minority; the political function of rights is precisely to protect minorities from growing oppression by majorities...."

Likewise, Rand's views on the Constitution and property rights will sound familiar to all acquainted with IJ publications. For instance, she wrote of the Constitution that "it is not a charter for government power, but a charter of the citizens' protection *against* the government." All of our litigation is based on this premise. As for property rights, Rand writes not only of their philosophical importance, but also of their practical implications: "Without property rights, there is no way to solve or avoid a hopeless chaos of clashing views, interests, demands, desires and whims." Without exception, in our cases against eminent domain abuse, we see the truth of this insight.

And speaking of whims, Rand does a great job of depicting just how arbitrary, petty and downright evil those in power can be when allowed to control the lives of others by mere caprice. She writes, "When men are caught in the trap of non-objective law, when their work, future and livelihood are at the mercy of a bureaucrat's whim, when they have no way of knowing what unknown 'influence' will crack down on them for which unspecified offense, fear becomes their basic motive, if they remain in the industry at all" But it is when she depicts the type of people eager to exercise such bureaucratic whim that Rand brings home what we are up against. And it is uncanny how often we encounter opponents right out of Randian central casting. Consider the following.

Dr. Ferris in *Atlas Shrugged* said, "You'd better get it straight that it's not a bunch of boy scouts you're up against . . . [W]e're after power and we mean it." When the Institute for Justice defended commuter van entrepreneurs seeking to compete with New York City's public bus monopoly, the Transit Workers Union brought dozens of thick-necked members to demonstrate against us shouting with clenched fists raised high, "What do we want? Power! What do we do? Take it!"

Dr. Robert Stadler, also in *Atlas Shrugged* said, "Well that may be vicious, unjust, calamitous—but such is life in society. Somebody is always sacrificed as a rule unjustly, there is no other way to live among men." In the early days of the *Kelo* case, the head of the New London Development Corporation dismissed the concerns of homeowners by saying, "Anything that's working in our great nation is working because somebody left skin on the sidewalk."

With similar arrogance, the president of the National Education Association, who opposes school choice for kids trapped in terrible schools, said in a nationally broadcast debate, "We can't let those kids escape from the public schools."

Or consider Orren Boyle in *Atlas Shrugged*, who said, "After all, private property is a trusteeship held for the benefit of society as a whole." There has not been an eminent domain abuse case yet where this sentiment was not expressed in some fashion.

If Rand is known for her villains, her heroes are even more vividly portrayed. And here too we encounter real life examples, this time in our clients. When Shamille Peters speaks of a longtime dream to run her own floral shop, she is reminiscent of Dagny Taggart standing on the railroad tracks as a child and vowing to one day run a railroad. When Lonzo Archie stood up to the power structure of the State of Mississippi and refused to give up his home for a Nissan plant, he evoked the image of Hank Rearden when he refused to give up Rearden Metal to those who demanded it for the public good. And when taxicab entrepreneur Leroy Jones said he wanted nothing from others, just a chance to "do it myself," Howard Roark couldn't have said it better.

In coming years, as you read of IJ cases, we hope that the clash of principle versus expediency, heroes versus vil-

lains, and the rule of law versus bureaucratic whim, will be made as manifest as it is in the work of Ayn Rand. \blacklozenge



Chip Mellor is IJ's president and general counsel.



IJ's Bullock Addresses National Constitution Center

On April 10, 2006, IJ Senior Attorney Scott Bullock had the honor of presenting the fourth annual John M. Templeton, Jr. Lecture on Economic Liberties and the Constitution at the National Constitution Center on Philadelphia's Independence Mall. Bullock spoke on the U.S. Supreme Court's decision in *Kelo v. New London*, which he, along with Senior Attorney Dana Berliner, litigated from the trial court up to the U.S. Supreme Court. Renowned scholar and long-time IJ friend, Professor Doug Kmiec, moderated the event while Columbia University Professor Thomas Merrill provided commentary. In his lecture, Bullock called *Kelo* the most despised Supreme Court decision in recent memory and one that has created huge national momentum to change eminent domain laws to protect home and small business owners.◆



IJ-MN's McGrath Named One of Minnesota's Top New Lawyers

For those at the Institute for Justice, Executive Director Lee McGrath's outstanding legal and leadership skills have long been apparent. And with his ubiquitous appearances in the media, in the courthouse and in the state legislature as the spokesman for economic liberty and eminent domain reform, among other issues, it was inevitable that McGrath's talents would be noticed.

On March 27, 2006, *Minnesota Lawyer Magazine* honored Lee as one of the state's top 15 new lawyers. Among the criteria used to select the honorees were bar activities, public service work, winning complex or difficult cases, rising to a leadership position and demonstrating great promise. There is no doubt that each of these factors weighed heavily in Lee's favor. As a designated "Up and Coming Attorney for the Year of 2006," Lee and the Institute for Justice appropriately share honors with a select few lawyers who are associated with the most prominent law firms in the state.◆



IJ Challenges a Rafting Cartel

By Dave Roland

<u>#berty</u>

For some bureaucrats, it is never too late to restrict liberty.

For more than three decades, Summer's Best Two Weeks, a nonprofit summer camp located about an hour southeast of Pittsburgh, rafted in Ohiopyle State Park just like any other private group—without needing any special permission from Pennsylvania's Department of Conservation and Natural Resources. But in 2001, at the behest of the government-imposed cartel of commercial rafting outfitters, the Department decided that the camp must stay off of the water—unless, of course, it pays the outfitters to lead its campers down the river.

The Lower Youghiogheny ("yawki-GAY-nee") River in southwestern Pennsylvania is the most popular stretch of white water east of the Mississippi River. Ever since the park was established, the Department has encouraged the public's use and enjoyment of the river. As long as visitors have the proper equipment, the Department's rules let anyone round up as many as 59 friends and use the public facilities at Ohiopyle State Park to ride the famous rapids.

Every summer for more than 30 years, Summer's Best Two Weeks treated many of its campers to the thrill of white water rafting. The camp's rafting trips are led by experienced counselors who are committed to both the physical and spiritual well-being of the campers under their supervision. Under the camp's guidance, no camper has ever suffered a rafting injury more serious than the scrapes, bumps and bruises common to any outdoor activity. These challenging and uplifting trips serve as a rite of passage for the campers at Summer's Best Two Weeks and are frequently described as the most memorable, meaningful element of the camp's two-week program.

But instead of seeing happy campers, Ohiopyle's four state-licensed commercial outfitters only saw money floating down the river. As a result, they pressured the Department to abandon its previous written permission for the camp's trips. Despite the fact that at least four people have died in the past 10 years while on trips guided by the commercial outfitters, the Department now demands that Summer's Best Two Weeks either pay the cartel upward of \$30,000 to take its campers down the Lower Yough, or stay off the river entirely.



IJ President and General Counsel **Chip Mellor** speaks as (from left) IJ Attorney **Dave Roland** and clients **Kent Biery** and **Jim Welch** prepare to speak to the media.



of Red Tape

Summer's Best Two Weeks is both unwilling and unable to pay the outfitters for trips the camp has safely been handling itself for more than three decades—especially when everyone else is free to raft without interference from the outfitters. The Department's effort to impose a more dangerous, more expensive service on the public demonstrates precisely the kind of abuse of power, loss of rights and exclusion that follows whenever government creates a cartel.

Fortunately, the Institute for Justice is paddling to the rescue.

The Pennsylvania Constitution requires that restrictions on liberty bear a "real and substantial relationship" to a legitimate government purpose. When the court sees that the Department's decision serves only to protect the profits of private companies, we are certain that Summer's Best Two Weeks will be free to resume its traditional rite of passage, rafting on the Lower Yough without having to worry about a river of red tape.◆



One Year After *Kelo*, Reform Continues

By Jenifer Zeigler

The Castle Coalition has participated in a historic year of eminent domain reform. Indeed, eminent domain bills were filed in every state legislature that is in session this year. While many of these sessions are wind-



Fighting Eminent Domain Abuse in Long Branch, NJ

On March 24, 2006, the Institute for Justice held a rally at the Monmouth County Courthouse in Freehold, N.J., to protest the abuse of eminent domain in nearby Long Branch. The City of Long Branch is trying to use eminent domain to turn a beautiful beachfront neighborhood of working-class families and retirees over to private developers so they can build luxury condos for the wealthy. IJ Senior Attorney Scott Bullock (pictured) told the crowd that if this outrage is permitted, then no one's home is safe anywhere in New Jersey. The homeowners, including 93 year-old Al Viviano (in the wheelchair) and 80 year-old Anna DeFaria (holding the "Hands Off My Home" sign), were in court asking the judge to give them a chance to defend their homes and vindicate their constitutional property rights. IJ will do whatever it can to support the homeowners and assist their attorneys in their fight against the City and its pals in the development industry.

ing down, the dust has not yet settled. The terrible *Kelo* decision had the silver lining of making property rights a legislative priority at the state level. As this article goes to press, 22 state legislatures have passed stronger protections for property owners, and more states

will probably pass reforms before you read this.

Florida (pending governor's signature), South Dakota and Utah's reform bills are especially strong because of their sheer simplicity-removing eminent domain authority from redevelopment agencies. These states took the logical approach of simply taking away the power to abuse from those entities most often responsible for the abuse. Alabama and Pennsylvania crafted good eminent domain reforms that eliminated many means of abuse and redefined "blight" (a label that allows the use of eminent domain) to mean properties that are truly unsafe. Georgia, Indiana, Iowa and Kansas (the latter two are pending governors' signatures) went a step further by requiring blight designations to be made on a property-by-property basis-as opposed to allowing nice properties in an otherwise blighted neighborhood to be taken. Wisconsin did the same, although its protections apply only to residential properties.

Michigan passed a substantive constitutional amendment that will go to the voters in November. Georgia also passed a constitutional amendment that will go to the voters, but that state's real protections were contained in its statutory changes. New Hampshire's newly enacted constitutional amendment is not comprehensive, although the state is expected to pass strong statutory reform soon.

Alabama demonstrates how a state can improve upon its initial reforms. It

was the first state to curb eminent domain abuse in response to *Kelo*, yet it left open a significant blight loophole. Municipalities could still condemn entire neighborhoods if only some of the properties were "blighted," and the definition of blight was so vague and subjective that almost any property was at risk. The same was true for Texas, which enacted reform soon after Alabama did. The good news is that Alabama recently closed its loophole, and Texas will consider doing so next year.

Delaware, Idaho, Kentucky, Maine, Missouri (pending governor's signature), Nebraska, Ohio (moratorium), Vermont and West Virginia took steps in the right direction this year by passing some increased protections, but their legislation suffers from large loopholes that frustrate genuine reform. Most often the problem is that abuse can continue under an easily manipulated definition of "blighted area," but many states also only prohibited takings for economic development as the "sole" or "primary" reason for condemnation—an easy standard to abuse. Hopefully these states will follow the lead of Alabama and close those loopholes next year.

Voters may also see eminent domain reform on the ballot in Arizona, California, Colorado, Missouri, Montana, Nevada and Oklahoma. In these states, citizens filed eminent domain initiatives that will appear on the ballot if enough signatures are submitted.

It has been, to say the least, a busy legislative season, and it is not over yet. With the continued hard work of the Castle Coalition and property owners throughout the country, we will hopefully have even more successes to report.◆

Jenifer Zeigler is IJ's legislative attorney.



IJ's School Choice Team Marches Forward

By Lisa Knepper

On April 14, a remarkable thing happened at the Missouri Capitol. Lawmakers considering school choice legislation heard loud and clear—from the most important voices in the school choice debate: parents the bill was designed to help.

Chants of "Choice! Choice! Choice!" filled the halls as dozens of parents from impoverished St. Louis neighborhoods walked from office to office, explaining why they need educational options now and can wait no longer for the city's poorly performing public schools to improve.

These parents are tired of being taken for granted by the establishment. As Maxine Johnson told the *St. Louis Post-Dispatch*, she hopes school choice will force the public schools to compete for children like hers: "This is a challenge for public schools to come up to par."

The parents voiced support for a proposal to create \$40 million in tax credits for donations to private scholarship funds. The funds would provide scholarships for low-income, low-achieving students trapped in the state's worst school districts, St. Louis, Kansas City and Wellston, to attend private or public schools.

The "Day at the Capitol," led by Donayle Whitmore-Smith of School Choice Missouri and public housing advocate Bertha Gilkey, was the outgrowth of the Institute for Justice's latest grassroots campaign stop with Virginia Walden Ford. Virginia, executive director



Missouri parents came by the busload to the state house to let their representatives know they want school choice.

of D.C. Parents for School Choice, led the successful grassroots effort for school choice in the nation's capital and shares her lessons for parents in a new book, available at IJ's Freedom Market at **www.**

ij.org/freedommarket.

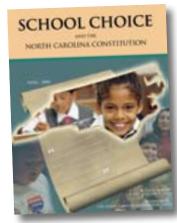
Since last fall, IJ has brought Virginia to five states—Missouri, Arizona, Iowa, Indiana and Illinois—to train and organize parents and community leaders to speak out for school choice.

The tour is just the beginning of IJ's efforts to build grassroots support for parental choice in key states with legislative promise, and as the experience in Missouri shows, it's starting to bear fruit.

While the teachers' unions and other well-funded special interests have their lobbyists working against school choice in Missouri, for the first time the playing field is a bit more level. And the state's nascent grassroots movement bodes well for next year's legislative session.

In the meantime, IJ continued

its work as "the lawyers for the school choice movement." In addition to reviewing proposed legislation, IJ provided legal counsel on the federal educational relief package for displaced hurricane victims. IJ is also involved in efforts in 14 states, including Florida, where an effort to place a constitutional amendment on the ballot to protect the state's school choice programs for disabled and low-income children fell one vote shy in the



state Senate. IJ will be prepared to defend parents in those programs should opponents file a legal challenge.

The Institute's team also produced a series of state-specific reports, as well as articles and presentations by IJ Senior Attorney Clark Neily for the American Legislative Exchange Council and the James Madison Institute, making clear that the Florida Supreme Court's illogical and unprincipled ruling striking down school choice is not a barrier to choice efforts elsewhere. In

> April, IJ Staff Attorney Dave Roland released a report on the constitutionality of school choice in North Carolina in partnership with the North Carolina Education Alliance, helping to set the stage for expanding educational options in that state (available at **www.ij.org**).

Unfortunately, also in April, Maine's highest court upheld the State's discriminatory exclusion of parents who choose religious schools from its "tuitioning" school choice program. IJ expects to ask the U.S. Supreme

Court to review the case and vindicate our clients' rights.

The long march to educational freedom has never

been easy. But with characteristic IJ resilience, we will fight for each step toward equal educational opportunity for all.◆



Lisa Knepper is IJ's director of communications.





FREEDOM

Above, a victory toast in Minnesota as **Jon Hamilton** of White Winter Winery, **John Mahoney** of Cannon River Winery, **Nick Dranias** of IJ-MN and **Charlie Quast** of Fieldstone Vineyards uncork freedom in honor of free speech. Top right, **Charlie Quast** of Fieldstone Vineyards and **Lee McGrath**. Visit IJ's Freedom Market at **www.ij.org/freedommarket** to pick up an IJ bottle opener (right).

Speech Victory continued from **page 1** Supreme Court case in which IJ filed one of its earliest amicus briefs—our lawsuit forced the State of Minnesota to recognize that it cannot prohibit wineries from truthfully informing consumers about the wines they can legally buy. Equally important, IJ made the State of Minnesota recognize that the First Amendment protects the right to communicate over the Internet.

"Minnesota conceded, in effect, that America cannot be an information economy if the government restricts the free flow of

the free flow of information between lawful businesses and consumers over the Internet," said Nick Dranias, IJ-MN's staff attorney. "Now wineries nationwide can promote their lawful products and freely exchange information about them—and Minnesota consumers can hear what they have to say."

In June 2005, Minnesota Gov. Tim Pawlenty signed legislation allowing in-state and out-of-state wineries to ship directly to consumers across the country and freeing Minnesota wine lovers to order from their favorite wineries, wherever they may be. The new legislation was signed shortly after a May 2005 U.S. Supreme Court ruling striking down state barriers that had prohibited wineries from direct shipping across state lines. The Institute for Justice litigated that U.S. Supreme Court case on behalf of Virginia and California vintners and New York state consumers. Unfortunately, as Minnesota tore down one barrier to free trade, it let another stand: the advertising and Internet speech ban. only immensely gratifying, it ensures that we can let our customers in Duluth and the rest of Minnesota know they have access to our product from the convenience of their own home—which is the key to our success."

"There is no question that combining e-commerce and direct shipping will allow us to grow our business substantially," said Charlie Quast, co-owner of Fieldstone Vineyards, located in Morgan, Minn., 115

> miles southwest of the Twin Cities. "This consent judgment confirms that the First Amendment stops the State

"America cannot be an information economy if the government restricts the free flow of information between lawful businesses and consumers over the Internet."

But now, less than six months after IJ-MN filed suit challenging this senseless restriction, family-run wineries like Fieldstone Vineyards and White Winter Winery are free to grow their businesses through e-commerce and effective marketing to distant customers like plaintiff Kim Crockett.

As Jon Hamilton, vice president of White Winter Winery, explained, "We are located in the north woods of Wisconsin. The State of Minnesota's acknowledgment that it cannot constitutionally force us to rely solely on word-of-mouth or foot traffic is not from cracking down on truthful marketing of our legal product or our Internet sales."

In addition, Crockett said, "Striking down the ban just makes sense because it is ridiculous that the State ever prohibited me from talking online about getting a legal product delivered in a perfectly legal way." We can all drink to that.●

Lee McGrath is executive director of the Institute for Justice Minnesota Chapter.



Volume 15 Issue 3

About the publication

Liberty & Law is published bimonthly by the Institute for Justice, which, through strategic litigation, training, communication and outreach, advances a rule of law under which individuals can control their destinies as free and responsible members of society. IJ litigates to secure economic liberty, school choice, private property rights, freedom of speech and other vital individual liberties, and to restore constitutional limits on the power of government. In addition, IJ trains law students, lawyers and policy activists in the tactics of public interest litigation.

Through these activities, IJ challenges the ideology of the welfare state and illustrates and extends the benefits of freedom to those whose full enjoyment of liberty is denied by government.

Editor: John E. Kramer Layout & Design: Don Wilson

How to reach us:

Institute for Justice 901 N. Glebe Road Suite 900 Arlington, VA 22203

General Information (703) 682-9320 Fax: (703) 682-9321

Extensions:

Donations	
Media	
P <mark>otential Cases</mark>	

Website: www.ij.org E-mail: general@ij.org

Quotable Quotes

PBS Horizon

Executive Director of IJ's Arizona Chapter Tim Keller: "Both development and redevelopment occur every day in Arizona and across the nation without the use of eminent domain Unfortunately the developers and cities and towns no longer know how to negotiate. They go in and they declare, 'We need every single parcel here,' and they don't make any exception."



NBC WBALT-TV



IJ Staff Attorney Jeff Rowes: "What we want is where our clients can own a funeral home just like any other business."

NBC KARE-TV

Executive Director of IJ's Minnesota Chapter Lee McGrath: "Minnesota has entered the Internet age, and these wineries can accept Internet orders and deliver product directly to consumers."



Newsweek

Syndicated Columnist George Will: "*Kelo* demonstrated that anyone who owns a modest home or small business owns it only at the sufferance of a local government that might, on a whim of rapacity, seize it to enrich a more attractive potential taxpayer. "

I am a small-scale landscaper, but the government demands I spend 3,000 hours to get a license to spray a weed killer that anyone can buy in a hardware store.

I am fighting big government's efforts to help big business by weeding out the little guys like me.

I am IJ.

Gary Rissmiller Tucson, Arizona

0.1102

"We never thought we'd be here. They just can't take your home away...they want to take it away from you and give it to somebody else to make everybody else happy. And I call that socialism."

11 13

-IJ Client Joy Gamble Fox News



Institute for Justice 901 N. Glebe Road

Suite 900 Arlington, VA 22203 Institute for Justice Economic liberty litigation

> NON-PROFIT ORG. U.S. POSTAGE Р A I D MERRIFIELD VA PERMIT NO. 6418