

IJ RECEIVES
CHARITY NAVIGATOR'S
HIGHEST RATING
FOUR STARS

Liberty & LAW

December 2014

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THE INSTITUTE FOR JUSTICE IS *The National Law Firm* for LIBERTY



By Chip Mellor

IJ is in the right place at the right time with the right strategy. The need for constitutional limits on government power has never been more urgent than it is right now. The U.S. Constitution sets the rules by which government must abide. Until the courts enforce those rules, we will be governed by the ambitions and avarice of politicians and their cronies inside and outside of government.

We are the advocates for liberty that must be present in federal and state courts if they are to fulfill their duty to enforce constitutional limits on government power and protect individual rights. The alternative offers no solace. Leaving liberty at the mercy of

ad hoc cases and random judicial decisions amounts to gambling against a stacked deck.

We know the weight of the adverse precedent we face, we know the tyranny of the status quo, and we know the resources and ruthlessness of the forces arrayed against us. The task is daunting, but the magnitude of the challenge is itself a call to action.

Every day, everyone committed to liberty answers—by

word and by deed—two questions that make possible our united resolve to prevail against all odds.

The two questions are quite simple. What can I do? What will I do?

Nat. Law Firm for Liberty continued on page 2

“We have 48 active cases. We are in court in 26 states and the District of Columbia. We are before six state supreme courts and have 11 federal appellate cases.”

Nat. Law Firm for Liberty continued from page 1

We all recognize that the range of what we *can* do is limited only if we lack the courage of our convictions, only if we succumb to cynicism or despair.

We all recognize that we *will* do our parts in securing the blessings of liberty. That we will not be bystanders. That we have chosen, and will choose, to act.

At IJ we answer those two questions by relentlessly pursuing the mission that has guided us since we opened our doors 23 years ago:

“Through strategic litigation, communications, activism, research and training, we advance a rule of law under which individuals can control their own destinies as free and responsible members of society.”

We are constitutional entrepreneurs and, like any successful entrepreneur, we must stay focused. As *Liberty & Law* readers know, we focus on our four pillars: economic liberty, property rights, school choice and free speech. These form the foundation of the American dream.

How are we doing? Over our lifetime and during the past year, we have made measurable, real-world progress in every pillar.

We have a success rate in our litigation of 70 percent, meaning we have earned victories either through court decisions or legislation during litigation that positively resolves the case. This is remarkable, given that all of our cases are uphill battles against entrenched precedent and powerful interests, like we faced in our challenge to Louisiana’s caskets-sales law. Readers will remember, in 2013, we won

a unanimous federal appellate decision in the 5th U.S. Circuit Court of Appeals, on behalf of the monks of Saint Joseph Abbey, striking down Louisiana’s protectionist law and setting a major economic liberty precedent.

Last year, we continued to score major victories in all four pillars.

In economic liberty, we won a unanimous decision from the U.S. Court of Appeals for the D.C. Circuit, the second-highest court in the nation, striking down the IRS’s unlawful attempt to license more than 350,000 tax preparers.

We also opened the Milwaukee taxi market and we didn’t need an app to do it.

As you will read in this issue, when it came to property rights, we ramped up our challenges to civil forfeiture and began doing what we previously did for eminent domain abuse, school choice and economic liberty. We took an important issue that affected tens of thousands of people but which languished in obscurity because the people affected lacked the means and the platform to make their plight known. And we put it on the national agenda. A milestone in this regard came when we beat the IRS’s effort to seize the assets of the Dehko family grocery store in Michigan.

IJ engaged in an unprecedented amount of school choice activity in the past two years, with six cases in litigation at one point. Although most remain in litigation, we won two unanimous state supreme court decisions that upheld school choice programs.

As a result, Indiana now has the potential to be the largest choice program in the nation.

In a unanimous decision, the New Hampshire Supreme Court expressly credited IJ for making the unique argument upon which its decision was based.

In our free speech pillar, we won another unanimous decision from the D.C. Circuit underscoring the important connection between free speech and economic liberty—an emerging area of constitutional law we call occupational speech. Our victory was on behalf of Bill Main and Tonia Edwards and their tour guide business, and *The Washington Post*, in an editorial, called their victory “a blow for common sense.”

We have been to the U.S. Supreme Court five times and emerged victorious four times—we’re proud of that record, but the important thing is that we are not done. With the cases and strategies we have underway, we are on the path to more.

We have more cases and more sophisticated, consequential cases than ever before.

As I write this article in early November, we have 48 active cases. We are in court in 26 states and the District of Columbia. We are before six state supreme courts and have 11 federal appellate cases.

IJ has truly become The National Law Firm for Liberty.

Led by our stellar communications team, we make every case and every project a platform to educate the public about the principles at stake. We have won 39 national awards for communications, and our work has been used for case studies in the leading PR textbooks.

Nat. Law Firm for Liberty continued on page 14

Real-World Results

70% success rate through **litigation** and **legislation**.

39 national awards for **communications**.

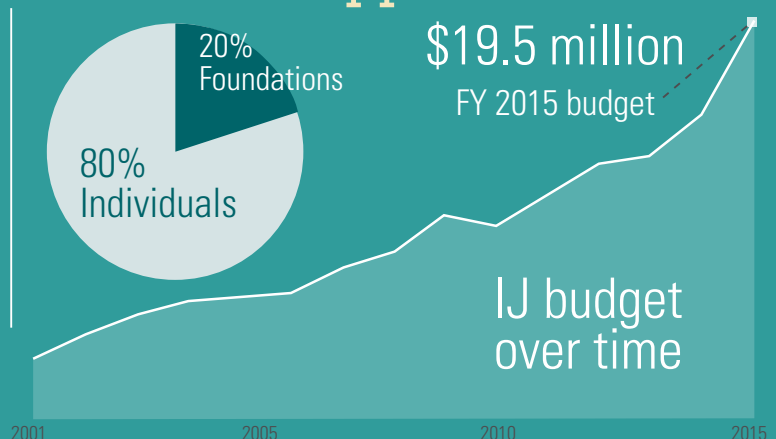
59 legislative reforms secured and 56 eminent domain projects stopped through IJ **activism**.

IJ **strategic research** cited by the U.S. Supreme Court and in more than 120 scholarly publications and peer-reviewed articles.

Support



\$19.5 million
FY 2015 budget



BILL AND REBECCA DUNN LIBERTY DEFENSE FUND



The need to limit government growth has never been more urgent.

Longtime IJ donors Bill and Rebecca Dunn are two extraordinary individuals with a passionate commitment to liberty. They recognize that IJ is uniquely positioned to protect individual rights and limit government power at a crucial time. They wish to inspire other donors who will make it possible for IJ to protect the rights of many more people for many more years to come.

The Bill and Rebecca Dunn Liberty Defense Fund is a \$5 million challenge grant that will provide a \$1 match for every \$2 of increased support of \$5,000 or more from existing IJ donors between now and June 30, 2016. New donors giving \$1,000 or more also will earn matching funds.

When the challenge is completed in June 2016, the Liberty Defense Fund will generate \$15 million for IJ to use in our fight for constitutional limits on government power. We are deeply grateful to Bill and Rebecca for their unwavering dedication to IJ and the cause of liberty.

Contributions made as part of multi-year pledges are treated more favorably than the

same contributions if made in each match year separately (see example at left).

Please help us make the most of this exciting opportunity. For information on how to leverage your support through the Bill and Rebecca Dunn Liberty Defense Fund, please contact Beth Stevens or Melanie Hildreth at IJ at the info below. ♦

EXAMPLES

Example 1: In 2013, a donor contributed \$5,000 to IJ. In 2014, the donor increases to \$25,000. The increase of \$20,000 earns \$10,000 in matching funds.

Example 2: In 2013, a donor contributed \$5,000 to IJ. In 2014, the donor pledges to give \$5,000 in each 2014, 2015 and by June 30, 2016. The pledge of \$15,000 represents an increase of \$10,000 and earns \$5,000 in matching funds.

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The National Law Firm
for LIBERTY



NATION WAKES UP TO HORROR OF CIVIL FORFEITURE

By Scott Bullock

Civil forfeiture is certainly hot right now. But all the recent attention and momentum that has been generated on this issue in the past year is not an accident. It is due to a strategic and concerted effort pursued by IJ during the last several years.

In 2010, we launched our initiative to challenge civil forfeiture—one of the gravest threats to private property rights in the nation today—with the publication of our path-breaking strategic research report, *Policing for Profit: The Abuse of Civil Asset Forfeiture Laws*. The report demonstrated just how widespread the problem had become. It graded every state forfeiture law (finding that only three states received a B or higher) and demonstrated that, when federal and state laws make forfeiture easier and more profitable, law enforcement engages in more of it.

We wanted to do with civil forfeiture what we did with eminent domain abuse—take a vitally important but relatively obscure issue that affected the property rights of tens of thousands of Americans

and bring it to national prominence using all components of IJ's program: cutting-edge litigation, media awareness, strategic research, grassroots activism and legislative change.

Right from the start, IJ pursued cutting-edge litigation with an aim toward fundamentally changing the law while also demonstrating the real-world consequences of these laws on ordinary property owners. We scored early victories by opening

“We wanted to do with civil forfeiture what we did with eminent domain abuse: take a vitally important but relatively obscure issue that affected the property rights of tens of thousands and bring it to national prominence using all components of IJ's program.”

up Georgia's aggressive forfeiture program to public scrutiny and by beating back a forfeiture attempt against the Motel Caswell by the U.S. Attorney's office in Boston. In August, we filed IJ's first class-action lawsuit, with which we aim to shut down Philadelphia's unconstitutional civil forfeiture machine. And, as told in another article in this newsletter, we recently announced two new suits challenging unjust currency seizures by the federal government.

The *Policing for Profit* report received significant attention from the outset, and media interest in civil forfeiture has grown exponentially since then, with IJ setting the terms of the debate and driving the story by working closely with national reporters and producers. This push in the court of public opinion resulted in a recent front-page article in *The New York Times*, about our two latest forfeiture lawsuits, generating even more interest in the issue. Additionally,

The Washington Post published a devastating four-part investigative series in September and October of this year. And, in October, HBO's John Oliver

aired a scathing and very funny 15-minute rant against civil forfeiture, which has already received more than 3.7 million views on YouTube.

Since the summer, nine major newspapers published editorials criticizing civil forfeiture. In an important op-ed in *The Washington Post*, two former heads of the U.S. Department of Justice's Asset Forfeiture Office called civil forfeiture a “complete corruption” and advocated the program's elimination.



Meanwhile, we continue to be the leaders in conducting important strategic research into how forfeiture affects property owners. We have published eight studies since *Policing for Profit*, with several more in the works.

And to help educate and mobilize members of the public, we have created a dedicated website, www.endforfeiture.com, which provides a central source of information for anyone interested in the topic and in learning how to fight this pernicious practice.

All of these efforts have caused political figures to start proposing change as well. This year, due to the work of IJ's Minnesota office, Minnesota enacted significantly increased protections for property owners facing civil forfeiture, while U.S. Rep. Tim Walberg and U.S. Sen. Rand Paul introduced legislation in Congress that would go a long way toward curbing many of the outrageous forfeiture policies pursued by the federal government.

Even with this encouraging progress, though, much work remains to be done.

We will not rest until civil forfeiture is either radically reformed or, ideally, abolished. Americans should not lose their property without being convicted of a crime. ♦

Scott Bullock is an IJ senior attorney and directs IJ's initiative against civil forfeiture.



CIVIL FORFEITURE BY THE NUMBERS

105 ARTICLES:

Since August, 105 articles from across the country have mentioned IJ's work on civil forfeiture, including seven op-eds written by IJ staff.

Some of the most popular national outlets to cover IJ's work include: *Rolling Stone*, *The New York Times*, *The Wall Street Journal*, *The Washington Post*, *BBC World News*, *Vox*, *National Law Journal*, *Slate*, *Business Insider*, *Gawker*, *Daily Mail*, *CNN*, the *Associated Press*, and *Investor's Business Daily*.

9 EDITORIALS:

Nine newspapers have editorialized in favor of ending or reforming civil forfeiture: *The Wall Street Journal*, *The Washington Post*, *The Washington Times*, *The Minneapolis Star Tribune*, *The Philadelphia Inquirer*, *Philadelphia Daily News*, *Deseret News*, *The Richmond-Times Dispatch* and *Investor's Business Daily*. *The Blaze* put together a half-hour investigative documentary on civil forfeiture for its news channel and highlights IJ's civil forfeiture cases in Michigan. The documentary also drew on additional IJ research and attorney interviews.

The Washington Post covered IJ's civil forfeiture strategy summit in Washington, D.C., which was attended by representatives from the ACLU, Drug Policy Alliance, National Association of Criminal Defense Lawyers, American Bar Association, Cato Institute, Marijuana Policy Project, Heritage Foundation, and Law Enforcement Against Prohibition, along with staffers from seven congressional offices.

We held a press conference to announce our Philadelphia lawsuit in August on Independence Mall, with Independence Hall and the federal courthouse in the background. The press conference was attended by the local ABC, CBS and FOX TV affiliates, CBS Radio, WHYY Radio, *Philadelphia City Paper*, *Philadelphia Daily News*, *The Philadelphia Inquirer*, *Metro* and the *Associated Press*.

24 IN 1 WEEK:

There were 24 print and online articles written about our Philadelphia forfeiture case within a week of the case's launch, including an article and supportive editorial in *Philadelphia Daily News* and a front-page article, supportive editorial and IJ op-ed in *The Philadelphia Inquirer*. *The Lead with Jake Tapper* on CNN aired a six-minute segment on the lawsuit.

The media coverage following the launch of the Philadelphia lawsuit prompted the District Attorney's Office to issue a rare public statement. It also forced the office to make the head of Philadelphia's civil forfeiture machine available for radio interviews, including a one-hour panel discussion on civil forfeiture on WHYY's *Radio Times with Marty Moss-Coane*, Philadelphia's most popular radio show.

Where in the World U.S. is

LIBERTY ^{IN} ACTION



Activism Manager **Melinda Haring**, above, rallies homeowners to fight for their rights. **Josh Craven**, president of Charlestown Pleasant Ridge Neighborhood Association, next page, stands up for his property and addresses the crowd at the Blighted Block Party in Charlestown, Ind.

By Christina Walsh

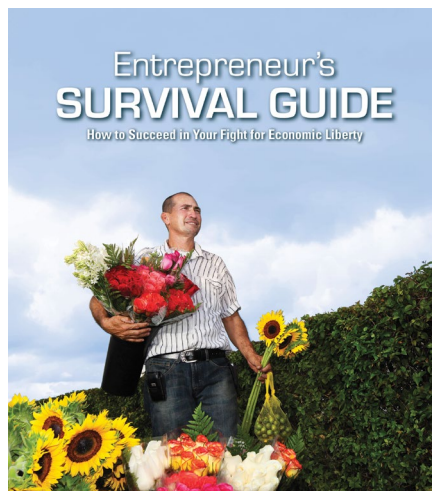
Liberty in Action, IJ's activism program, inspires property owners, entrepreneurs and activists across the country to stand up to the government to reclaim their constitutional rights. We have saved more than 16,000 homes, trained 2,000 local activists, formed 50 local organizations and have been involved in 150 communities. Recently, we've improved vending laws in 13 cities. We are equipping potential victims of government power with the tools they need to successfully fight landgrabs and burdensome regulations at the grassroots.

This summer, we traveled to Miami, where laws make it nearly impossible for hard-working traditional street vendors to earn a living. Some have even received \$500 tickets for small infractions like—*gasp*—standing still. At our meetings, which were held in both English and Spanish, we explained to the vendors they have the right to economic liberty. They were wide-eyed. They know that these laws are wrong, but they did not know that they

have rights that protect them from burdensome regulations. We formed the United Vendors of South Florida, and they are currently meeting with city commissioners.

We are also working with hair braiders in Louisville, Ky., who are required to take 1,800 hours of irrelevant coursework just to braid hair, a harmless practice taught to many of them by their mothers. The women we met, all recent immigrants, do not have the resources to obtain licenses, so they operate illegally out of their homes. All they want to do is open up shops and employ more people. Once we helped them understand their rights, they were eager to fight to change the law. We formed the Kentucky Hairbraiders Association, and we are currently reaching out to a potential bill sponsor.

Most recently we were in Charlestown, Ind., where the city wants to demolish an entire neighborhood of 354 homes to build newer homes and retail shopping. This neighborhood is home to many low- and moderate-income resi-



Download a copy of IJ's Entrepreneur's Survival Guide at ij.org/entrepreneurs-survival-guide.



Photo by Joel Sarrell / SPN

IJ Senior Attorney **Clark Neily** nominated **Patti Morrow**, center, for her work to keep the interior design industry free from licensing. **Helen Krieble**, right, of the Vernon K. Krieble Foundation, presented Morrow with the *Unsung Hero Award* at the recent State Policy Network annual meeting.

IJ Activist Receives *Unsung Hero Award*

By Clark Neily

You don't need to be an IJ client to change the world. And no one knows that better than Patti Morrow. If you want to impose anticompetitive licensing requirements on interior designers, you'll have to go through Patti. And you'd better think again.

I met Patti eight years ago when she was looking for help to resist a licensing bill that was being pushed in New Hampshire, her home state, by the American Society of Interior Designers (ASID). She made clear she was serious, and I flew up to help. Patti's perseverance marked the end of ASID's attempt to cartelize the New Hampshire interior design industry and the birth of an activist.

Patti has led a one-woman crusade to keep the industry free from burdensome licensing regulations. Since we met, not a single state has enacted a new licensing law for interior designers. But it has come at a price: Patti shut down her business, spent countless days away from her family and endured vicious personal attacks from ASID.

I was honored to nominate Patti for the Vernon K. Krieble Foundation's *Unsung Hero Award*, presented each year (along with a check for \$25,000) to a freedom entrepreneur who would otherwise go unacknowledged. I am thrilled to say she was this year's winner! Congratulations to Patti for a job well done, and many thanks to the Krieble Foundation for honoring our friend and colleague. ♦

Clark Neily is an IJ senior attorney.



Christina Walsh is IJ's director of activism and coalitions.



dents, retirees, veterans and the disabled. The homes have been proudly well-kept over the decades. To raise awareness about this unconstitutional landgrab and build community support, we hosted a "Blighted Block Party," where residents enjoyed games and food and heard about the threat to their neighborhood.

This fall, we released our "Entrepreneur's Survival Guide." This one-of-a-kind guide serves as a comprehensive roadmap for waging grassroots fights for economic liberty. It discusses organizing, working with the media, developing a legislative strategy, building a coalition, raising awareness and making noise through public demonstrations. We will soon release the guide in Spanish.

Our new Correspondents Program will increase our ability to identify activism opportunities. We are hand-picking student volunteers in target states and will train them to monitor local and state-level activity so they can alert us to abuses of power as they occur.

And we will soon launch our Know Your Rights project, which is dedicated to educating immigrant communities about the rights IJ fights to protect and the tools people need to prevent government abuse.

Liberty in Action will continue to equip activists nationwide with the knowledge and tools they need to stand up for themselves against the government. And we will be standing right next to them—with a bullhorn. ♦



The IRS seized IJ client **Carole Hinders'** entire bank account without warning and without charging her with a crime.



Ending Forfeiture: IJ Files Lawsuits in Iowa and New York

By Larry Salzman



As IJ supporters know, civil forfeiture laws allow the government to take cash, cars and other property merely *suspected* of being involved in a crime. The proceeds are then given to the very agencies that seize the money and property, creating an incentive to abuse the power. And the government is increasingly using these laws to treat legitimate small businesses like criminals just because they make frequent cash deposits at the bank. That is what happened to Carole Hinders, who owns a restaurant in Iowa, and Jeff Hirsch, whose family business operates on Long Island.

Carole owned and operated Mrs. Lady's Mexican Food, near Spirit Lake, Iowa, for more than 38 years. She started the restaurant with her mother, and, at 67 years old, worked there six days a week for decades. The restaurant was Carole's livelihood and employed about 15 people year-round and more during busy summer seasons. Mrs. Lady's only accepted cash, which means Carole made frequent trips to the bank to avoid having large sums of cash at the restaurant. In August 2013, two federal agents knocked on Carole's door to tell her the government had seized more than \$33,000 from her bank account, even though Carole did nothing wrong.



Jeff Hirsch and his brothers have been swept up in the nightmare known as civil forfeiture.



Watch the IJ video: IRS Seizes Innocent Grandma's Bank Account

Jeff and his brothers have run Bi-County Distributors for 27 years, selling candy and other goods to convenience stores on Long Island. It is common for their customers to pay cash on delivery, straight from the cash register; like Carole, it is not safe for them to keep substantial amounts of cash on hand and so they make frequent cash deposits. But one morning, the government seized more than \$446,000 from Jeff and his brothers.

Carole and Jeff were shocked to learn that their deposits triggered a secret review of their accounts by the IRS, which then recklessly seized all the money in those accounts without further investigation merely because they *suspected* their deposits to have "broken the law." Carole and Jeff received no warning from either their bank or the government that their money was taken. They were left scrambling to find ways to pay vendors and other bills.

Federal law requires banks to report to the U.S. Treasury cash transactions larger than \$10,000. It is illegal to deposit or

withdraw less than \$10,000 in cash for the purpose of evading these reports. The government calls this "structuring" cash deposits, which is a forfeitable offense.

But neither Carole nor the Hirsch brothers did anything wrong. It is not illegal to deposit less than \$10,000 in cash in the bank when you have legitimate business purposes for doing so, as Carole and the Hirsch brothers do, and when one has no specific intent to evade federal reporting requirements.

Worse, because civil forfeiture does not provide even the basic due process of a prompt hearing to contest wrongful seizures, the government has kept Carole's and the Hirsch brothers' money—for more than a year-and-a-half in Carole's case, and more than two-and-a-half years in the Hirsch brothers'—

without charging them with any crime or even alleging that they did anything wrong beyond making suspicious deposits. The seizures have put their businesses into tailspins, causing untold stress to both of their families. Carole has been unable to pay her bills for the first time in her life, and Jeff and his brothers owe hundreds of thousands of dollars to vendors.

Their stories have already attracted major media attention, including, as previously mentioned on page 4, a front-page story in the Sunday edition of *The New York Times*. Carole and the Hirsch family deserve better from their government.

That is why they have teamed up with IJ to fight back. We are forcing the government into court, in both Iowa and New York, not only to get Carole's and the Hirsch brothers' money back, but to create new legal precedent that will protect all Americans against civil forfeiture. ♦

Larry Salzman is an IJ attorney.



“Because civil forfeiture does not provide even the basic due process of a prompt hearing to contest wrongful seizures, the government has kept Carole’s and the Hirsch brothers’ money...without charging them with any crime or even alleging that they did anything wrong beyond making suspicious deposits.”




SOUTH SIDE PITCH

IJ Clinic Promotes Entrepreneurship On the South Side of Chicago

By Brooke Fallon

When you hear the words “South Side of Chicago,” you might not think “entrepreneurship” or “small business.” But at a recent IJ Clinic on Entrepreneurship event on the South Side, that is exactly what was on display. On October 1, we hosted the South Side Pitch, modeled after the popular TV show *Shark Tank*, to spotlight budding entrepreneurs in Chicago’s South Side. *Shark Tank* gives would-be entrepreneurs the chance to pitch their idea to a panel of potential backers. Each judge then decides whether to invest in the business or not.

Our event was similar. It gave South Side entrepreneurs the opportunity to pitch their business ideas to a panel of expert judges from the fields of law, finance and business to win cash and other prizes. It was part of our continuing campaign to change how South Siders view entrepreneurship: You don’t need to be Mark Zuckerberg to start a successful business—you just need a dream and the willingness to work hard. Entrepreneurship comes in many forms and each entrepreneur should be free to pursue their dreams.

We received almost 70 pitch applications from

community members hungry for their shot in the spotlight. It was clear that South Side residents are full of creativity, energy, ambition and goodwill, in spite of economic struggles. Many applicants were inspired to start their businesses because of needs that were not being met in their neighborhoods. To make a positive impact on their community, these entrepreneurs are applying their skills, unique life experiences and—as the introductory and keynote speeches emphasized—“hustle.”

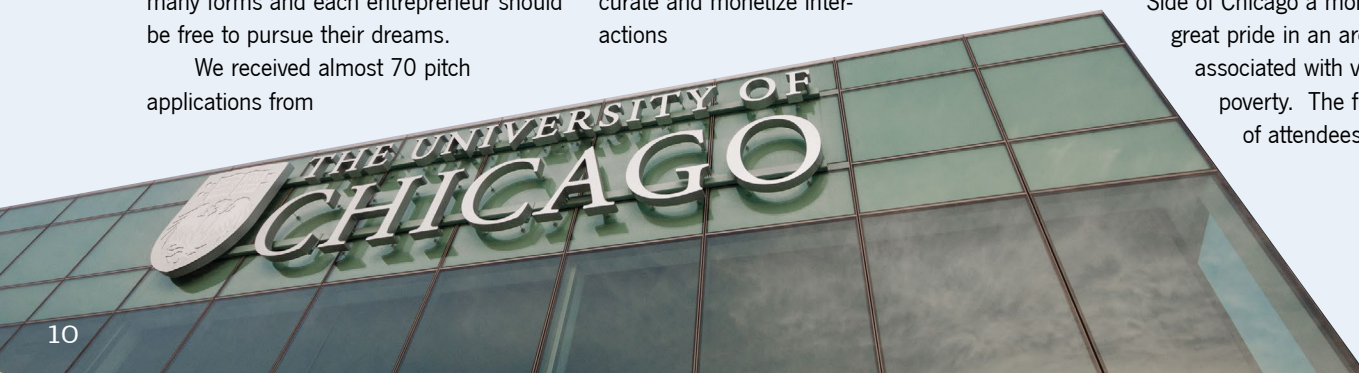
Our five finalists were no exception. Our first-place winner, LegacyComplete, is an online estate-planning business that aims to address the lack of legacy planning that the founder noticed in her own neighborhood. Our second-place winner, VestedWorld, founded by an IJ Clinic alum, is an online investment platform that connects businesses in underserved areas with potential investors and business-development services. Third-place winner LimeLightr, conceived by a local musician, is a website that enables hip-hop artists to curate and monetize interactions



South Side of Chicago entrepreneurs came together to promote their ideas and try to win cash and other prizes.

with fans. Rounding out our final five were Nature’s Little Recyclers, an innovative worm farm looking to reduce landfill waste and provide affordable compost to local urban farmers, and Urban Kitchen, an education center and store that connects people in food deserts with healthy options.

Not only did the South Side Pitch give entrepreneurs an opportunity to refine and reshape their business pitches and promote their businesses, it gave the South Side of Chicago a moment of great pride in an area often associated with violence and poverty. The full house of attendees departed



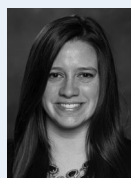
The journey to success is not always easy, but the IJ Clinic will continue to connect aspiring entrepreneurs with the resources and confidence they need to make their dreams a reality.



IJ Clinic's South Side Pitch gave entrepreneurs the chance to promote their ideas to the community.

with a sense of promise and hope in the entrepreneurs and in themselves. We were also inspired to turn this event into an annual tradition, with the expectation of reaching more people each year. The journey to success is not always easy, but the IJ Clinic will continue to connect aspiring entrepreneurs with the resources and confidence they need to make their dreams a reality, no matter their ZIP code. ♦

Brooke Fallon is the office and community relations manager for the IJ Clinic.



Thanks to IJ's willingness to never give up, families like **Cynthia Perry** and daughter **Faith** can continue to pick the best educational options.

IJ Perseveres in North Carolina

By **Renée Flaherty**

In January, IJ intervened to defend North Carolina's Opportunity Scholarship Program. Today, the program is up and running because of IJ's perseverance.

The Opportunity Scholarship Program provides scholarships of up to \$4,200 to low-income families across North Carolina to fund their children's education at a private school of their choice. Enacted in 2013, the program has had a tumultuous history since two anti-school-choice groups, led by the teachers' and school boards' associations, challenged it in two separate lawsuits. The challenges were aimed at crippling the program before it could be implemented, but IJ stepped in and would settle for nothing less than getting the program up and running this fall. IJ intervened on behalf of two families hoping to use the scholarships for their children.

In February of this year, the trial court issued a preliminary injunction halting implementation of the program. After the court of appeals refused to overturn the injunction, IJ succeeded at the North Carolina Supreme Court. But we experienced another setback in August when the trial court paused the program again. With children already in their new schools, IJ petitioned the court of appeals to allow the program to proceed during the appeal. The schools that had accepted the scholarship students were not getting paid, and the children's futures were at risk.

Fortunately, we succeeded again, and 1,878 students received scholarships. Hundreds of those children are now attending private schools. Because the state did not join IJ's petition, the program would have been halted and children removed from schools but for IJ's persistence in the face of multiple setbacks.

The tide is turning, and momentum is shifting in IJ's favor. In fact, in a rare move, the North Carolina Supreme Court stepped in on its own initiative in October to hear the cases without a decision by the court of appeals. This means that the state supreme court recognizes the importance of resolving the cases quickly, which bodes well for the program.

IJ's experience in North Carolina exemplifies why we intervene to defend school choice programs. IJ represents the interests of parents who would otherwise have no voice and who count on IJ to soldier on when all others would have accepted defeat.

We will not rest until a final victory in the North Carolina Supreme Court saves the Opportunity Scholarship Program and vindicates every parent's right to choose the best school for his or her child. ♦

Renée Flaherty is an IJ attorney.

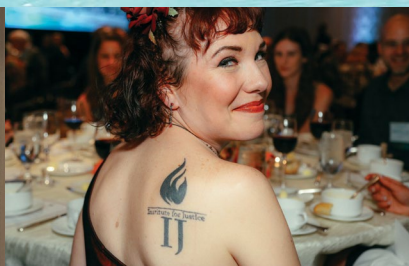


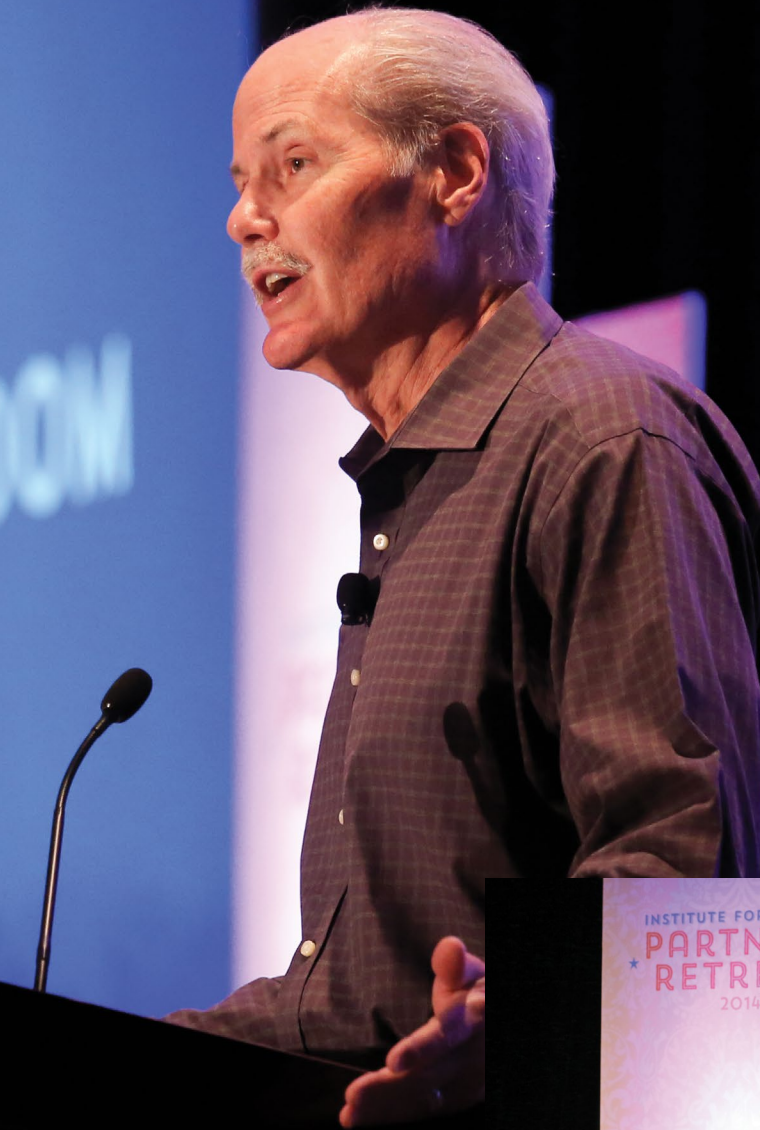
ALL IN FOR ★ PARTNERS ... 2014 ... RETREAT ★ FREEDOM

In October, nearly 200 IJ Partners, Four Pillars Society members, staff and clients gathered in Palm Beach, Fla., for IJ's fifth Partners Retreat. Attendees participated in a full day of exciting and creative presentations that delved into all dimensions of IJ's work. They learned how IJ's entrepreneurial spirit, passion and perseverance make possible dramatic victories for liberty and will enable us to save the U.S. Constitution and turn back the tide of government overreach. Nationally acclaimed speakers, including Dave Barry, John Stossel, Glenn Reynolds, Megan McArdle and Charles Murray, delighted the crowd.

But perhaps the most moving words that were spoken at the retreat were those of IJ's clients—14 of whom took the stage to share their stories of being on the front lines of the fight for freedom. Their infectious optimism left attendees inspired and confident that IJ has the vision to succeed in our important mission.

Please visit ij.org/PartnersClub for more information on becoming a Partner at the National Law Firm for Liberty. ♦





Nat. Law Firm for Liberty continued from **page 2**

Videos that we produce entirely in-house have nearly four million views and are frequently used by traditional news outlets and blogs.

Our strategic research is sophisticated social science research, used as expert testimony in court and in support of our litigation and communication efforts in the court of public opinion. It has never been impeached. It was even cited by Chief Justice Roberts in one of our Supreme Court victories

— *For 13 Years* —
**IJ RECEIVES
 CHARITY NAVIGATOR'S
 HIGHEST RATING**



For the 13th consecutive year, IJ has received Charity Navigator's highest four-star rating for financial management, accountability and transparency. This achievement underscores IJ's ability to continually operate at peak level and, according to Charity Navigator, means we are well-positioned to pursue and achieve long-term change.

With this rating, IJ remains *in the top one percent* of charities nationwide to earn four stars for 13 consecutive years. We sit in the #3 slot among those charities, a full two points ahead of the next-highest-rated organization. Charity Navigator is the world's largest and most utilized charity rating service, evaluating more than 6,500 nonprofits every year.

This achievement would not be possible without the commitment of everyone involved—our donors who provide the long-term financial support that makes our work possible; IJ lawyers and staff who keep our costs down; and our accounting and development teams that ensure we are accountable to our donors and the public. ♦

**For more information, visit
www.CharityNavigator.org.**



and has been cited as well in more than 120 scholarly publications and peer-reviewed articles.

In recent years, IJ activism secured legislative reforms 59 times, in areas ranging from eminent domain to interior design, and stopped 56 projects where eminent domain was being used for private gain.

For this fiscal year our budget is \$19.5 million, the most ambitious budget ever. It reflects 29 percent growth over the previous year. That is a 20 percent increase in program activity and staffing. And we have allocated nine percent to build out our headquarters office in Virginia, where we are taking over the whole floor of our building. By the end of this fiscal year on June 30, 2015, we will have a staff of 88, which includes 40 attorneys housed in seven offices across the nation.

We are able to accomplish all this because we are very fortunate to have more than 8,000 current donors. As has historically been the case, about 80 percent of our funding is from individuals and 20 percent foundations.

Only with such loyal and generous support are we able to generate the momentum, tackle the challenges and take the risks essential to success.

Now, let me ask you to reflect on something.

There is a clear need to defend the Constitution, and there is plenty to be done.

For more than 23 years, IJ has proved this can be done very effectively through strategic public interest litigation.

We have generated consistently excellent media coverage.

We have shown it is possible to secure funding in a principled way.

We have trained hundreds of law students and lawyers and supported other organizations as they did their own litigation.

So the question is: Why are there not more IJs...or even one more? Those who follow IJ closely will know the answer to that question. We combine talent, a clear mission, strategic litigation, heroic clients and your support to make history.

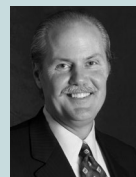
And we do this through IJ's culture—that intangible, but absolutely vital ingredient which enables IJ staff to do the impossible routinely and efficiently.

Our very first client, Taalib din Uqdah dubbed IJ the "Justice League" because we came to his rescue.

We are not superheroes. We just do what it takes to get the job done, and we can do this because all of our clients and supporters and so many others stand shoulder-to-shoulder with us.

For that, we are deeply grateful and enormously excited about what we will accomplish together. ♦

Chip Mellor is IJ's president and general counsel.



Volume 23 Issue 6

About the publication

Liberty & Law is published bimonthly by the Institute for Justice, which, through strategic litigation, training, communication, activism and research, 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 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.

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Quotable Quotes

**Fox News 25
Boston**



IJ Attorney Larry Salzman: “We need judges to be engaged in these cases and enforce constitutional limits on government power to seize property. Nobody in America should lose their property without being convicted, let alone even charged, with a crime. That’s what’s happened here and it needs to end.”

The New York Times

“How can this happen?” [IJ client Carole] Hinders said in a recent interview. ‘Who takes your money before they prove that you’ve done anything wrong with it?’

“The federal government does.”

USA Today

IJ Attorney Darpana Sheth on IJ’s Virginia Certificate of Need lawsuit: “Building a 21st century health care system will take experimentation. The last thing states should do is stand in the way of medical entrepreneurs.”

National Journal

“The braiders IJ represents agree that their lawsuits are about economic liberty. ‘I say that braiding freedom is the new civil-rights movement. But that’s not really hitting the hammer on the nail,’ says Isis Brantley, 56, a Dallas natural-hair-care guru. ‘Braiding freedom is to gain economic justice, economic liberation.’”

BBC News

“‘Campaigns do not belong to the candidates, they are a public conversation,’ [IJ Senior Attorney Paul Sherman] says. ‘Every individual and group that wants to should have the right to weigh in on that conversation.’

“He adds that while \$4bn spent on these mid-term elections may seem like a lot of money, in a nation of more than 200m people, it’s just a drop in the bucket. In 2012, he notes, Americans spent \$8bn celebrating Halloween.”

“The Institute for Justice’s stated goal is the end of civil forfeiture. As thousands of Philadelphians work through the system every year, they must wonder whether the libertarians have it right.”

—Slate



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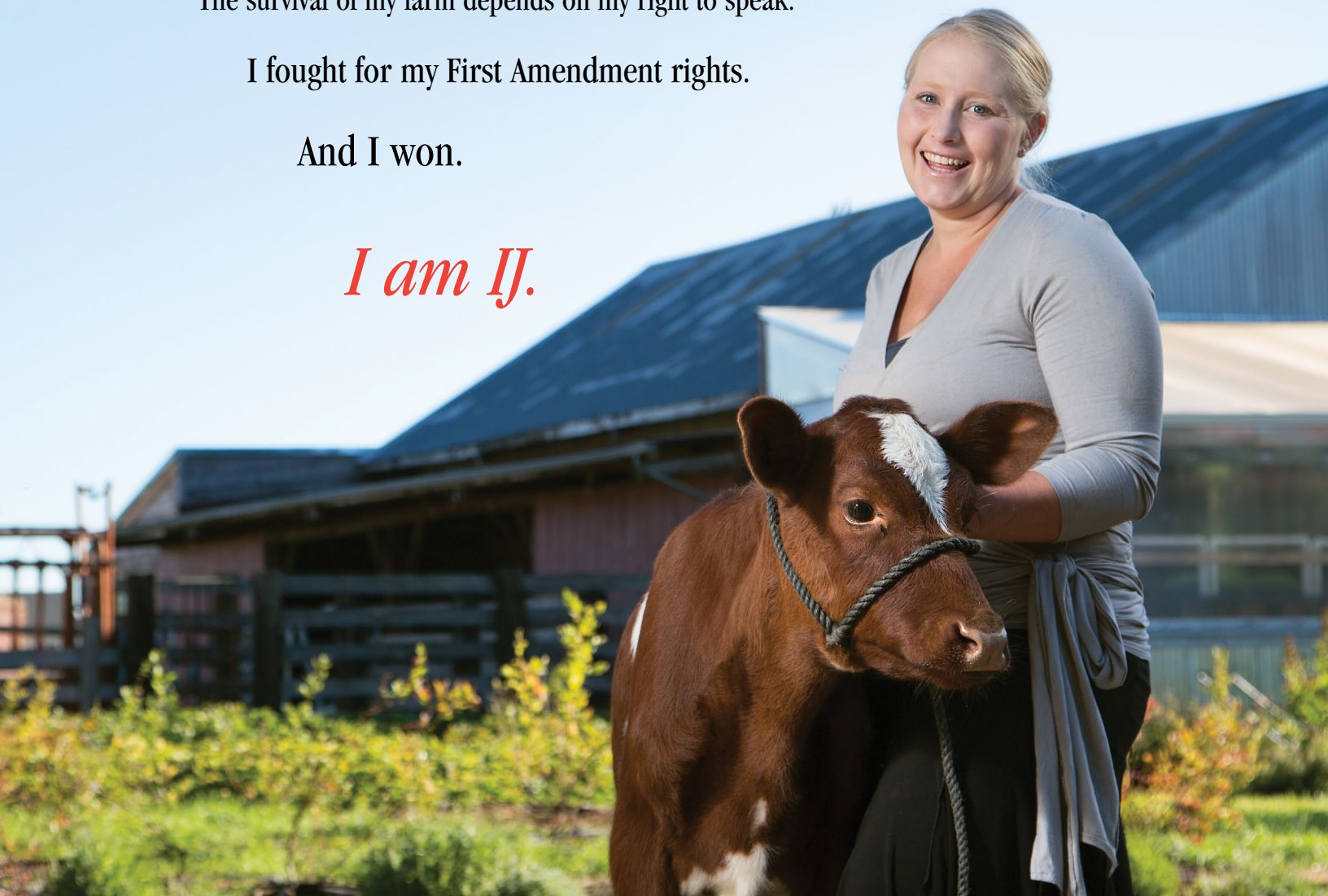
The state of Oregon said I couldn’t advertise my raw milk, even though it was perfectly legal to sell.

The survival of my farm depends on my right to speak.

I fought for my First Amendment rights.

And I won.

I am IJ.



*Christine Anderson
McMinnville, Oregon*

www.IJ.org

*Institute for Justice
First Amendment litigation*