# In the

# United States Court of Appeals

for the Fourth Circuit

REBA MYERS, et al.,

Plaintiff-Appellant,

υ.

## ALEJANDRO MAYORKAS, Secretary, Department of Homeland Security; UNITED STATES OF AMERICA,

Defendants-Appellees.

ON APPEAL FROM THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF VIRGINIA

## APPELLANT'S PETITION FOR REHEARING EN BANC

Dan Alban Suranjan Sen INSTITUTE FOR JUSTICE 901 N. Glebe Rd., Ste. 900 Arlington, VA 22203 (703) 682-9320 dalban@ij.org ssen@ij.org Shane N. Waller
WALLER DEFENSE, PLLC
PO Box 503
Strasburg, VA 22657
(540) 251-9082
shane@wallerdefense.com

Counsel for Plaintiff-Appellant

Counsel for Plaintiff-Appellant

#### CORPORATE DISCLOSURE STATEMENT

Pursuant to Fed. R. App. 26.1 and Local Rule 26.1, Appellant Reba Myers makes the following disclosure:

- 1. Is party/amicus a publicly held corporation or other publicly held entity? **NO**
- 2. Does party/amicus have any parent corporations? **NO**
- 3. Is 10% or more of the stock of a party/amicus owned by a publicly held corporation or other publicly held entity? **NO**
- 4. Is there any other publicly held corporation or other publicly held entity that has a direct financial interest in the outcome of the litigation? **NO**
- 5. Is party a trade association? (amici curiae do not complete this question)? **NOT APPLICABLE**
- 6. Does this case arise out of a bankruptcy proceeding? **NO**
- 7. Is this a criminal case in which there was an organizational victim? **NO**

Dated: June 20, 2023 Respectfully submitted,

/s/ Dan Alban
Dan Alban
INSTITUTE FOR JUSTICE
901 N. Glebe Rd., Ste. 900
Arlington, VA 22203
(703) 682-9320
dalban@ij.org

Counsel for Plaintiff-Appellant

#### **RULE 35(b)(1) STATEMENT**

This is an exceptionally important case involving the statutory right of every person in this Circuit to be made whole after their property is wrongly seized by federal agents for the purpose of forfeiture. The Panel read this protection out of existence—by erroneously inserting the word "sole" into the statute, using an approach to statutory interpretation that directly conflicts with recent Supreme Court precedent. This Court should grant en banc review both to address these "questions of exceptional importance" and to correct the Panel decision's "conflict[] with a decision of the United States Supreme Court."

Two decades ago, a bipartisan Congress passed the Civil Asset Forfeiture Reform Act (CAFRA).<sup>2</sup> "In passing CAFRA, Congress was reacting to public outcry over the government's too-zealous pursuit of civil and criminal forfeiture." *United States v. Khan*, 497 F.3d 204, 208 (2d Cir. 2007). Amongst other things, CAFRA would address such outcry by "giv[ing] owners innocent of any wrongdoing the means to recover their property and make themselves whole." H.R. Rep. No. 106-192, at 11 (1999). One mechanism for doing that is known as CAFRA's "re-waiver provision."

<sup>&</sup>lt;sup>1</sup> Fed. R. App. P. 35(b)(1).

<sup>&</sup>lt;sup>2</sup> Pub. L. No. 106-185 (2000).

That provision expands the Federal Tort Claims Act's (FTCA) waiver of sovereign immunity allowing suits related to detentions of property—if the property was seized "for the purpose of forfeiture" and the claimant is not convicted of a related crime. 28 U.S.C. § 2680(c)(1).

The Panel's decision renders that provision a dead letter—to the detriment not only of Congress's express wishes but also of innocent property owners throughout this Circuit. It is undisputed that Petitioner's property was seized "for the purpose of forfeiture." It is also undisputed that Petitioner was not convicted of any crime relating to the seized property. Yet the Panel held that CAFRA's re-waiver provision does not apply—because the property was seized "for the purpose of forfeiture" in addition to some other purpose (here, "criminal investigation"). The only way the Panel could reach that result was by inserting the word "sole" into the statute. Compare 28 U.S.C. § 2680(c)(1) (sovereign immunity waived if seizure was "for the purpose of forfeiture"), with Myers v. Mayorkas, 67 F.4th 229, 237 (4th Cir. 2023) (sovereign immunity waived if seizure was "for the *sole* purpose of [] forfeiture" (emphasis in original)).

Under that reading, CAFRA's re-waiver provision will not help the people it was designed to make whole. Seizures of property "for the purpose of forfeiture" will *always* serve a second, investigatory purpose because such

seizures are premised on the property's involvement in unlawful activity subject to criminal investigation. In fact, under the erroneous "solepurpose" test endorsed by the Panel, a district court from this Circuit has already denied compensation in a case materially identical to the paradigmatic case that Congress expressly intended CAFRA to address. Compare H.R. Rep. No. 106-192, at 8-9 (1999) (discussing how CAFRA would allow an aircraft owner, after dismissal of drug-trafficking charges, to sue for damage to aircraft that was seized for the purpose of forfeiture), with Starr Indem. & Liab. Co. v. United States, No. CCB-18-3326, 2019 WL 4305529 (D. Md. Sept. 11, 2019) (holding that CAFRA does not allow an aircraft owner, after dismissal of drug-trafficking charges, to sue for damage to aircraft that was seized for the purpose of forfeiture). See also Myers, 67 F.4th at 233 (citing *Starr Indemnity* approvingly).

These are issues of important, systemic consequence—namely, whether Congress's protections for innocent, vulnerable Americans should be given effect in this Circuit. *See Manning v. Caldwell for City of Roanoke*, 930 F.3d 264, 272 (4th Cir. 2019) (granting en banc review because "whether a statutory scheme imposing criminal penalties on an untold number of chronically ill citizens is unconstitutionally vague" is "an issue of 'exceptional importance' to the Commonwealth of Virginia"). *See also United States v.* 

Williams, 447 F.2d 1285, 1287 (5th Cir. 1971) (granting en banc review because "the admissibility of expert witness testimony in criminal prosecutions" is "an important question"). This Court should grant en banc review to give meaning to the actual statutory text, which helps innocent owners "make themselves whole" after their property was (wrongly) seized for forfeiture.

Moreover, this Court should grant review to correct the Panel's error of assuming, in conflict with recent Supreme Court precedent, that there is singular significance in a statute's use of an indefinite versus definite article ("a" versus "the"). Following the Ninth Circuit, the Panel's textual analysis began and ended by noting that "the statute[] use[s] the definite phrase 'the purpose of forfeiture,' as opposed to an indefinite phrase 'a purpose of forfeiture." *Myers*, 67 F.4th at 235 (quoting *Foster v. United States*, 522 F.3d 1071, 1077 (9th Cir. 2008)). Yet the Supreme Court recently cautioned against resting textual analysis on the presence of an "indefinite" versus "definite" article. *Niz-Chavez v. Garland*, 141 S. Ct. 1474, 1481 (2021) ("The trouble with this [approach] is that everyone admits language doesn't always work this way."). This Court should grant en banc review to correct that conflict.

# **TABLE OF CONTENTS**

	Page
Corporat	e Disclosure Statementi
Rule 35(l	o)(1) Statementii
Table of 0	Contentsvi
Table of A	Authoritiesvii
Factual B	Background and Procedural Summary1
Argumen	ıt2
fo	AFRA's re-waiver provision applies to seizures "for the purpose of orfeiture" and not merely to seizures "for the <i>sole</i> purpose of orfeiture."
	he Panel decision neuters CAFRA's re-waiver provision, irectly frustrating its purpose
Conclusio	on14
Certificat	te of Service16
Certificat	te of Compliance17

# **TABLE OF AUTHORITIES**

CASES	Page(s)
Ali v. Fed. Bureau of Prisons, 552 U.S. 214 (2008)	11
Atl. Sounding Co. v. Townsend, 557 U.S. 404 (2009)	8
Encino Motorcars, LLC v. Navarro, 138 S. Ct. 1134 (2018)	10
Feres v. United States, 340 U.S. 135 (1950)	10
Foster v. United States, 522 F.3d 1071 (9th Cir. 2008)v.	, 3, 4, 9, 10
King v. Burwell, 576 U.S. 473 (2014)	6, 14
Kosak v. United States, 465 U.S. 848 (1984)	10
Manning v. Caldwell for City of Roanoke, 930 F.3d 264 (4th Cir. 2019) (en banc)	iv
Moncrieffe v. Holder, 569 U.S. 184 (2013)	4
Montclair v. Ramsdell, 107 U.S. 147 (1883)	6
Moskal v. United States, 498 U.S. 103 (1990)	6
Myers v. Mayorkas, 67 F.4th 229 (4th Cir. 2023)iii, iv, v, 2, 3,	4, 9, 10, 13

Myers v. Wolf, No. 5:20-cv-00068, 2021 WL 4286600 (W.D. Va. Sept. 21, 2021)2
Niz-Chavez v. Garland, 141 S. Ct. 1474 (2021)v, 4, 5, 9, 10
N.Y. State Dep't of Soc. Servs. v. Dublino, 413 U.S. 405 (1973)14
Smoke Shop, LLC v. United States, 761 F.3d 779 (7th Cir. 2014)3
Starr Indem. & Liab. Co. v. United States, No. CCB-18-3326, 2019 WL 4305529 (D. Md. Sept. 11, 2019) iv, 12, 13
Thornburg v. Gingles, 478 U.S. 30 (1986)11
United States v. Khan, 497 F.3d 204 (2d Cir. 2007)ii, 13
United States v. Menasche, 348 U.S. 528 (1955)6
<i>United States v. Williams</i> , 447 F.2d 1285 (5th Cir. 1971) (en banc)iv, v
STATUTES
18 U.S.C. § 981
28 U.S.C. § 2465
28 U.S.C. § 2680(c)11
28 U.S.C. § 2680(c)(1)iii, 2, 6
28 U.S.C. § 2680(c)(4)

31 U.S.C. § 3724	8
47 U.S.C. § 360(b)(1)	8
RULES	
Fed. R. App. P. 35(b)(1)	ii
OTHER AUTHORITIES	
H.R. Rep. No. 106-192 (1999)	ii, iv, 11, 12, 13
Pub. L. No. 106-185	ii
Pub. L. No. 106-185, § 3(b)(1)	8
Pub. L. No. 106-185, § 4(a)	
Pub. L. No. 106-185, § 5(a)	7, 13
Pub. L. No. 106-185, § 20(b)	7. 13

#### FACTUAL BACKGROUND AND PROCEDURAL SUMMARY

Reba Myers and her husband used to run a convenience store in Winchester, Virginia. JA1-9. One day, federal agents showed up at their door. See JA1-10. The agents suspected the Myerses' cigarette inventory was intended to be sold to smugglers who would transport the cigarettes to New York (to evade that state's higher tobacco taxes). JA2-9, 14-24. They presented Ms. Myers with two warrants—one for the seizure of cigarette packaging, and one for the seizure of cigarettes themselves. JA2-13; JA2-44. The agents executed those warrants, seizing 1,560 cartons of cigarettes (15,600 packs of 20 cigarettes each)—property worth approximately \$100,000. JA1-10-11. Although the seizure of "[c]igarette related packaging items" was supposedly for evidentiary purposes, it is undisputed that the seizure of the "cigarette inventory" itself was for the purpose of forfeiture. JA2-13; JA2-44.

Ms. Myers was charged with federal crimes related to evading tobacco taxes. JA2-69. While the case was pending, the government took no action to mitigate property loss from the detention of Ms. Myers's perishable cigarettes—they did not, for example, return the cigarettes to Ms. Myers after taking photographs to use as trial evidence, nor did they sell the cigarettes at auction before they expired. Nor did the government ever present the

cigarettes as evidence at trial in any capacity. *See* JA2-205-39 (government trial exhibit list).

Ultimately, the charges against Ms. Myers were dismissed with prejudice, and the government finally offered to return the cigarettes—which, years after their expiry date, were by then completely worthless. JA1-11–12. Ms. Myers refused the spoiled cigarettes and, instead, filed suit pursuant to the FTCA—which, as amended by CAFRA, waives the United States' sovereign immunity for claims relating to the detention of property that was seized "for the purpose of forfeiture." JA1-6–15. *See also* 28 U.S.C. § 2680(c)(1).

The district court held that CAFRA's re-waiver provision does not apply—solely because the seizure was "for the purpose of forfeiture" *in addition to* some other purpose (criminal investigation). *Myers v. Wolf*, No. 5:20-cv-00068, 2021 WL 4286600, at \*5 (W.D. Va. Sept. 21, 2021). The Panel upheld that decision, (mis)reading the statute as applying only to seizures "for the *sole* purpose of" forfeiture. *Myers*, 67 F.4th at 237 (emphasis in original). Ms. Myers seeks en banc review of that decision.

#### **ARGUMENT**

It is undisputed that Ms. Myers's cigarettes were seized "for the purpose of forfeiture." *See Myers*, 67 F.4th at 234. Nevertheless, the Panel

followed the Ninth Circuit to hold that CAFRA's re-waiver does not apply—solely because the seizure was "for the purpose of forfeiture" in addition to some other purpose (here, a "criminal investigative purpose"). *Ibid. See also Foster*, 522 F.3d 1071; *Smoke Shop, LLC v. United States*, 761 F.3d 779 (7th Cir. 2014) (following *Foster*). That holding directly contradicts both the ordinary meaning of the statutory text and the textual clues that bear on that meaning, and its reasoning conflicts with recent Supreme Court precedent.

Moreover, the Panel's holding defeats the very purpose for CAFRA's rewaiver provision: to make innocent owners whole after their property is (wrongly) seized for forfeiture. Attempting to justify its holding, the Panel points to reasons why Congress chose to retain sovereign immunity over claims relating to property detention by law-enforcement when passing FTCA—in 1946. But Congress *in the year 2000* had very different motivations when it expressly lifted such immunity when property is seized with forfeiture in mind. The Panel's decision, unless corrected, utterly frustrates Congress's explicit intent for owners like Ms. Myers to receive compensation for their property loss. This Court should grant en banc review to correct the Panel's grave error.

# I. CAFRA's re-waiver provision applies to seizures "for the purpose of forfeiture" and not merely to seizures "for the sole purpose of forfeiture."

Common sense dictates that property "seized for the purpose of forfeiture" is property "seized for the purpose of forfeiture," regardless of what other purposes the seizure might have served. All the textual and structural clues surrounding CAFRA's re-waiver provision reinforce that anodyne observation. Yet the Panel held otherwise—because "the statute[] use[s] the definite phrase 'the purpose of forfeiture,' as opposed to an indefinite phrase 'a purpose of forfeiture." *Myers*, 67 F.4th at 235 (quoting *Foster*, 522 F.3d at 1077). That holding is mistaken.

"When called on to resolve a dispute over a statute's meaning," courts first look to words' "ordinary meaning at the time Congress adopted them." Niz-Chavez v. Garland, 141 S. Ct. 1474, 1480 (2021). Here, the question is whether an ordinary person (as of the year 2000), exercising "common[]sense," would understand that property seized "for the purpose of forfeiture" was seized "for the purpose of forfeiture" even if it was seized "for the purpose of forfeiture" in addition to another purpose. See Moncrieffe v. Holder, 569 U.S. 184, 206 (2013) ("Once again we hold that the Government's approach defies the commonsense conception of these terms." (quotation marks omitted)).

The answer is yes, and there can be no serious contention otherwise. Suppose you give a friend permission to borrow your car—under the condition that she reimburse you for any damage to the interior if she borrows it "for the purpose of" transporting her dogs, which you have ample reason to believe are prone to destructive behavior. She borrows it, lets her dogs loose in the back, and they cause a complete mess. Would anybody accept her argument that "actually, I don't owe you a dime because I borrowed your car 'for the purpose of transporting my dogs *in addition to* 'the purpose of transporting myself"? Of course not; that would completely defeat the point of your condition—particularly given that every time she'd transport her dogs she could say, truthfully, that she is also transporting herself.

"[A]ll the textual and structural clues"<sup>3</sup> point to precisely the same answer: Congress intended CAFRA's re-waiver of sovereign immunity to apply when property is seized "for the purpose of forfeiture" as well as for an investigatory purpose. The first clue is within the same statutory provision, which provides other necessary criteria for re-waiver (beyond that the

<sup>&</sup>lt;sup>3</sup> After construing the ordinary meaning of a statutory phrase, courts "exhaust 'all the textual and structural clues' bearing on that meaning." *Niz-Chavez*, 141 S. Ct. at 1480.

seizure is "for the purpose of forfeiture"). Specifically, there is no re-waiver if the forfeiture would be "a sentence imposed upon conviction of a criminal offense," or if the claimant is "convicted of a crime for which the interest of the claimant in the property was subject to forfeiture under a Federal criminal forfeiture law." 28 U.S.C. § 2680(c)(1), (4). It is difficult to imagine what these provisions would accomplish if there would be no re-waiver anyway, given that property seized to be "a sentence imposed upon conviction of a criminal offense" or property for which someone is "convicted of a crime" would surely be property seized as part of an investigation (or some other purpose).4 On the contrary, these provisions establish Congress's awareness that seizures of forfeitable property take place in the context of investigations into wrongdoing. That is why, though Congress intended CAFRA to re-waive sovereign immunity even if property is seized for investigation (in addition to forfeiture), it identified these specific investigation-related situations where there would still be no liability.

The next set of clues is found elsewhere within CAFRA, which is only 15 pages long. See King v. Burwell, 576 U.S. 473, 497 (2014) (in interpreting

(quoting *United States v. Menasche*, 348 U.S. 528, 538-39 (1955), and Montclair v. Ramsdell, 107 U.S. 147, 152 (1883)).

<sup>&</sup>lt;sup>4</sup> It is long settled that courts should "give effect, if possible, to every clause and word of a statute." *Moskal v. United States*, 498 U.S. 103, 109–10 (1990)

a statutory provision, courts look to the "context and structure of the Act" implementing it). The Act's provisions—by expressly contemplating seizures that are incident to an investigation or an arrest—further demonstrate that Congress knew that seizures "for the purpose of forfeiture" will always have purposes beyond *solely* forfeiture:

- Agents are not personally liable "if it appears that there was reasonable cause for the seizure *or arrest*." Pub. L. No. 106-185, § 4(a) (emphasis added). *See also* 28 U.S.C. § 2465.
- Property may be seized without any warrant if "there is probable cause to believe that the property is subject to forfeiture and[] (i) the seizure is made pursuant to a lawful arrest or search; or (ii) another exception to the Fourth Amendment warrant requirement would apply." Pub. L. No. 106-185, § 5(a) (emphasis added). See also 18 U.S.C. § 981.
- These are "cases involving [allegations of] illegal goods, illegal services, unlawful activities, and telemarketing and health care fraud schemes," or are "cases involving lawful goods or lawful services that are sold or provided in an illegal manner." Pub. L. No. 106-185, § 20(b). *See also* 18 U.S.C. § 981.

- Even if the FTCA would not otherwise allow it, the government may settle "claim[s] for damage to, or loss of, privately owned property caused by *an investigative* or law enforcement officer" if the claim does not exceed \$50,000. Pub. L. No. 106-185, § 3(b)(1) (emphasis added). *See also* 31 U.S.C. § 3724.
- Successful claimants, after prevailing in a forfeiture proceeding concerning currency, may recover interest—"not including any period when the property reasonably was in use as evidence in an official proceeding or in conducting scientific tests for the purpose of collecting evidence." Pub. L. No. 106-185, § 4(a) (emphases added). See also 28 U.S.C. § 2465.

Had Congress still intended to limit the re-waiver provision to seizures "for the sole purpose" of forfeiture, it would have done so explicitly. The United States Code is replete with hundreds of examples of Congress doing just that. *See*, *e.g.*, 47 U.S.C. § 360(b)(1) (government may waive inspection "for the *sole* purpose of enabling a vessel to complete its voyage" (emphasis added)). "These provisions indicate that Congress knows how to restrict the [reach of liability provisions] when it wants to." *Atl. Sounding Co. v. Townsend*, 557 U.S. 404, 416–17 (2009) (quotation marks omitted) (allowing punitive damages given statutory silence and meaningful variation

across the code). There is an obvious conclusion here: Property "seized for the purpose of forfeiture" is property "seized for the purpose of forfeiture," regardless of other purposes the seizure might have served.

Nevertheless, the Panel inserted the word "sole" into the statute. *See Myers*, 67 F.4th at 237 ("[I]f the seizure and detention had been effected for the *sole* purpose of civil forfeiture, the suit would fall under the re-waiver provision." (emphasis in original)). Why? Because, as the Ninth Circuit observed, the phrase uses the "definite" article "the" instead of the "indefinite" article "a." *Myers*, 67 F.4th at 235. *See also Foster*, 522 F.3d at 1077. That approach to statutory interpretation—which even the Ninth Circuit acknowledged "risk[s] [] parsing the text too closely"5—has been recently repudiated by the Supreme Court.

Judges should not place undue importance on a statute's containing a "definite" versus "indefinite" article. *Niz-Chavez*, 141 S. Ct. at 1481. Whatever significance a grammarian might find in a "definite" article, "everyone admits language doesn't always work this way." *Ibid*. Consider again the hypothetical example of letting your friend borrow your car—would anyone say "you may borrow my car, but you'll owe me for interior damage if you borrow it 'for *a* purpose' of transporting your dogs"? Surely not. "At

<sup>&</sup>lt;sup>5</sup> Foster, 522 F.3d at 1077.

best," this distinction merely "demonstrate[s] [that] context matters." *Ibid*. And given the overwhelming evidence that Congress did *not* wish to limit CAFRA's re-waiver to seizures for the "sole" purpose of forfeiture, "it turns out that context does little to alter first impressions." *Ibid*.

# II. The Panel decision neuters CAFRA's re-waiver provision, directly frustrating its purpose.

After ignoring the ordinary meaning and context of CAFRA's re-waiver provision and erroneously inserting the word "sole" into the text, the Panel rested its analysis on congressional intent-specifically, the intent of the Congress that passed the FTCA in 1946. Myers, 67 F.4th at 235. See also Foster, 522 F.3d at 1076. Supposed congressional intent, of course, cannot overcome clear statutory text to the contrary. See Encino Motorcars, LLC v. Navarro, 138 S. Ct. 1134, 1143 (2018). Regardless, the Panel erred by considering the intent of the Congress that passed the FTCA—and not the Congress that passed CAFRA's exception to the FTCA fifty-four years later. In 1946, Congress passed the FTCA as "the culmination of a long effort to mitigate unjust consequences of sovereign immunity from suit." Feres v. United States, 340 U.S. 135, 139 (1950). That said, Congress did not wish to risk rendering federal law enforcement less effective by introducing blanket tort liability for their actions. See Kosak v. United States, 465 U.S. 848 (1984). See also Foster, 522 F.3d at 1078–79. Therefore, Congress retained the United States' sovereign immunity for claims relating to the detention of property by law enforcement. 28 U.S.C. § 2680(c). *See also Ali v. Fed. Bureau of Prisons*, 552 U.S. 214, 218 (2008).

Whatever Congress's motivations were in 1946, they are not the motivations Congress had in the year 2000. The Congress that passed CAFRA emphatically did wish to hamper law enforcement—that is, law enforcement's abuse of civil forfeiture laws. As the House Judiciary Committee Report explains, 6 Congress was alarmed that annual deposits in DOJ's Asset Forfeiture Fund had exploded from \$27 million in 1985 to \$449 million in 1998. H.R. Rep. No. 106-192, at 4 (1999). This includes revenues from the sale of "cigarettes seized from smugglers." Id. at 3 (emphasis added). Innocent persons' property was damaged, lost, or otherwise ruined without proof that they (or the property) committed a crime. *Ibid*. That's why Congress "designed [CAFRA] . . . to give owners innocent of any wrongdoing the means to recover their property and make themselves whole after wrongful government seizures." Id. at 11. Meanwhile, federal agencies would easily be able to avoid any liability at all—merely by refraining from pursuing policies of civil forfeiture, as agencies largely had done before the

<sup>&</sup>lt;sup>6</sup> The Supreme Court has "repeatedly recognized that the authoritative source for legislative intent lies in the Committee Reports on the bill." *Thornburg v. Gingles*, 478 U.S. 30, 43 n.7 (1986).

1990s (or, alternatively, by being careful when detaining property in the absence of a finding of wrongdoing).<sup>7</sup> See id. at 4.

The Committee "provide[d] a sampling of the types of abuses" that CAFRA would address. H.R. Rep. No. 106-192, at 6. One businessman testified that agents seized his aircraft on suspicion that his customer was trafficking drugs inside. *Id.* at 8. "Both he [and his customer] were arrested," though charges were later dropped. *Ibid*. When he finally received his aircraft, he discovered that DEA agents had caused \$100,000 of damage to it. *Ibid*. "Under federal law the agency [could not] be held liable for [that] damage." *Ibid*. Thus, "[f]or [him], there was no happy ending." *Id*. at 9.

Under the Panel's erroneous reading, Congress proceeded to pass legislation that would not help people like that man. It can hardly be argued that the agents who seized his aircraft did so for the "sole" purpose of forfeiture and not for any investigative purpose. Indeed, under the erroneous "sole-purpose" test later endorsed by the Panel, a district court from this Circuit has denied CAFRA's application to *materially identical facts. See Starr Indem. & Liab. Co. v. United States*, No. CCB-18-3326, 2019 WL 4305529, at \*4 (D. Md. Sept. 11, 2019) (no CAFRA re-waiver because

<sup>&</sup>lt;sup>7</sup> Here, the government's agents easily could have photographed Ms. Myers's cigarettes to use for evidence, then returned them; or they could have sold them, then returned the proceeds (with interest) to Ms. Myers after the trial.

seizure of aircraft was "for the purpose of" forfeiture and "for the purpose of" investigation). See also Myers, 67 F.4th at 233 (citing Starr Indemnity approvingly).

In fact, under the Panel's faulty construction, CAFRA's re-waiver provision does not help anybody. Dismissing Ms. Myers's claim, the Panel noted that "the government was engaged in a large criminal investigation." Myers, 67 F.4th at 235. But assuming that federal agents aren't just going around stealing people's property, these seizures will always be connected to some sort of criminal investigation—property may not be lawfully seized "for the purpose" of forfeiture unless it is purportedly linked to specified unlawful activity. See Pub. L. No. 106-185, § 20(b). See also 18 U.S.C. § 981. Moreover, many if not most seizures where forfeiture is a possibility are warrantless (Ms. Myers's case is unusual in that regard).<sup>8</sup> Thus, whatever purpose(s) a seizure served will often depend on the seizing agents' say-so. It is unfathomable that Congress intended CAFRA—a bipartisan Act in response to widespread public outcry over "opportunity for abuse and potentiality for corruption"—to be so easily sidestepped. H.R. Rep. 106-192, at 7. See also Khan, 497 F.3d at 208.

<sup>&</sup>lt;sup>8</sup> Indeed, CAFRA expressly allows seizures without a warrant. *See* Pub. L. No. 106-185, § 5(a). *See also* 18 U.S.C. § 981.

It is well-settled that courts, while keeping true to the statutory text, should interpret legislation in light of its purpose. *King*, 576 U.S. at 492–93. *See also N.Y. State Dep't of Soc. Servs. v. Dublino*, 413 U.S. 405, 419–20 (1973) ("We cannot interpret federal statutes to negate their own stated purposes."). By erroneously reading CAFRA's re-waiver to apply only to property seized "for the *sole* purpose" of forfeiture, the Panel has completely neutered the statute—and Congress's intention for it to protect owners, like Ms. Myers, whose property is seized "for the purpose of forfeiture" but who are never shown to have committed wrongdoing. This Court should grant rehearing to correct that grave error.

#### **CONCLUSION**

In 2000, Congress passed CAFRA to address the enormous risk of injustice posed by civil forfeiture. A key aspect was CAFRA's re-waiver provision, to protect innocent owners whose property is returned damaged, destroyed, or spoiled. The Panel's decision effectively deletes this provision, denying everyone in this Circuit this critical protection. The Panel reached that decision by inserting words into the statute, using an approach to statutory interpretation recently repudiated by the Supreme Court. For the reasons presented above, this Court should grant en banc review to correct the Panel's grave error.

Dated: June 20, 2023

Respectfully submitted,

/s/ Dan Alban
Dan Alban
INSTITUTE FOR JUSTICE
901 N. Glebe Rd., Ste. 900
Arlington, VA 22203
(703) 682-9320
dalban@ij.org

Suranjan Sen INSTITUTE FOR JUSTICE 901 N. Glebe Rd., Ste. 900 Arlington, VA 22203 (703) 682-9320 ssen@ij.org

Shane N. Waller WALLER DEFENSE, PLLC P.O. Box 503 Strasburg, VA 22657 (540) 251-9082 shane@wallerdefense.com

Counsel for Plaintiff-Appellant

#### **CERTIFICATE OF SERVICE**

I hereby certify that on this 20<sup>th</sup> day of June, 2023, an electronic copy of the foregoing Petition for Rehearing En Banc was filed with the Clerk of Court for the United States Court of Appeals for the Fourth Circuit using the appellate CM/ECF system and that service will be accomplished by the appellate CM/ECF system.

/s/ Dan Alban Counsel for Plaintiff-Appellant CERTIFICATE OF COMPLIANCE

This petition complies with the type-volume limitation of Federal 1.

Rule of Appellate Procedure 35(b)(2) because it contains 3,898 words, as

determined by the word-count function of Microsoft Word for Microsoft 365,

excluding the parts of the document exempted by Federal Rule of Appellate

Procedure 32(f).

This petition complies with the typeface and type style 2.

requirements of Federal Rule of Appellate Procedure 32(a)(5) and the type

style requirements of Federal Rule of Appellate Procedure 32(a)(6) because

it has been prepared in a proportionally spaced typeface using Microsoft

Word for Microsoft 365 in 14-point Georgia font.

Dated: June 20, 2023

/s/ Dan Alban

Counsel for Plaintiff-Appellant

17