

AMESSAGE FROM THE PRESIDENT

Five years ago, I had an idea. I thought perhaps it had some merit, but I could never envision what Libertas Institute has turned into today.

Thanks to the generosity and commitment of our supporters, and the leadership of our Board of Trustees, this organization has blossomed from a mere thought into a political force to be reckoned with—and, more importantly, a source of education and assistance for an ever-increasing audience.

The best part about my job? Without a doubt, it's the messages I receive from people whose lives our work has benefitted: the cancer-ridden single mom desperate to legally take medicinal cannabis and not worry about her children being taken; the small business owner thankful to have an advocate fighting against protectionism; the taxpayer grateful we're looking out for them; or the father of young children elated to use our Tuttle Twins books to share his values with his children in a fun, memorable way.

Sadly, the need for our work has never been greater. In every policy area where we begin to advocate for more freedom and a reduction in bureaucracy, we are met with opposition by well-funded (and often taxpayer-funded!) interests. Our small organization is a proverbial David fighting numerous Goliaths.

David had a good aim, and so do we. Did you know that 74% of the policies we have proposed have successfully been enacted into law? That's a record few other organizations, if any, can boast.

I was recently asked by a neighbor what my hobbies are. I chuckled and replied "fighting for freedom." I feel blessed every day that my passion has become my job, and that together with an amazing staff, I can spend my time and energy working to help Utahns, and people around the world, understand and embrace liberty.

To our donors who make our work possible—and on behalf of those we serve and support—I offer my sincere thanks.



PUSHING POLICIES TO PROTECT LIBERTY

While Libertas Institute engages on dozens of legislative issues spanning a wide range of policy areas, we dedicate more time and energy to a few core issues of significant importance. On these issues, we develop public policy briefs to highlight the problem and propose our solution. Here are our recent ones:



PROPERTY SHOULD NOT BE TAKEN FROM UTAHNS WHO HAVEN'T BEEN CHARGED WITH-LET ALONE CONVICTED OF—A CRIME.

Utah voters passed Initiative B in 2000 to protect property rights and due process by limiting the government's authority to take ownership of a person's property. Ever since then, police and prosecutors have attempted to undermine the expressed will of the voters.

Critics are correct to point out that civil asset forfeiture is legalized theft. At a minimum, it is a law in dire need of substantive reform.

MOBILE FOOD VENDORS SHOULD NOT BE SUBJECTED TO AN ARBITRARY MAZE OF REGULATIONS THAT DON'T PROTECT CONSUMERS.

Governments regularly struggle to apply antiquated laws to new businesses. Food truck owners have experienced this firsthand, with cities unaware of how to best classify and regulate mobile kitchens.

Unnecessary regulations should be eliminated-duplicative health and fire permits, prohibitions on operating near restaurants, mandates to change locations frequently, costly bonding, background checks, and more. Even worse, many cities in Utah completely ban food trucks.





THERE IS NO EVIDENCE THAT VEHICLE SAFETY INSPECTIONS LEAD TO FEWER CAR ACCIDENTS. THE PROGRAM SHOULD BE REPEALED.

The cost of vehicle safety inspections to Utah drivers grossly outweighs the intended or perceived (or perhaps even imaginary) benefits. Of the many studies performed on this issue, there is no conclusive evidence that vehicle safety inspections reduce mechanical-error car accidents.

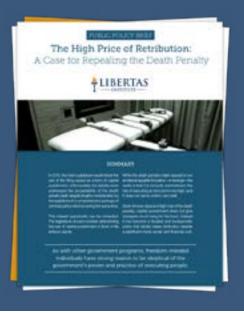
Utah drivers collectively pay over \$25 million annually due to this program—money that should be retained for them to use on actual vehicle maintenance.

JURIES SHOULD BE MADE AWARE OF THEIR POWER TO USE DISCRETION IN DETERMINING WHETHER A CRIMINAL CASE SHOULD PROCEED.

Agents of the government prosecute many cases where the application of the law is clearly unjust and the alleged criminal should not be found guilty. Jurors, as the final step in the system of justice, have the power to stop the process and set the defendant free—but are not told about it. People cannot exercise a power they do not know exists.

Jurors should be fully informed and their power of discretion preserved to ensure justice is served.

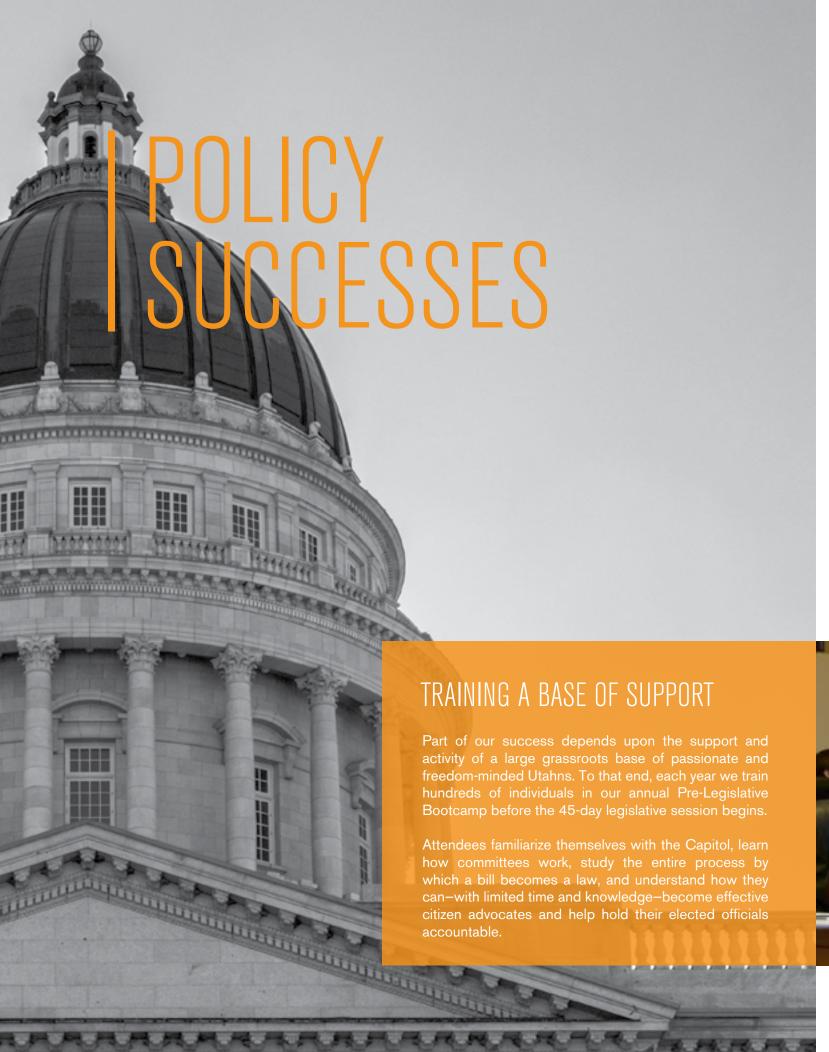




FREEDOM-MINDED INDIVIDUALS HAVE STRONG REASON TO BE SKEPTICAL OF THE STATE'S POWER AND PRACTICE OF EXECUTING PEOPLE.

While the death penalty might appeal to our emotional appetite for justice—or revenge—the reality is that it is not justly administered, the risk of executing an innocent is too high, and it does not serve victims well.

Given the low value and high cost of the death penalty, capital punishment does not give taxpayers much bang for the buck. Instead it has become a bloated and bureaucratic policy that blindly seeks retribution despite a significant moral, social, and financial cost.



INDEPENDENCE FOR INDEPENDENTS

Imagine being a 17-year-old Utahn in custody of the state for some alleged parental abuse that took place a year or two prior. You're about to turn 18, and you're excited-you can get out of the government system and get on with your life!

Except that wasn't the case before the 2016 legislative session; the law allowed courts to maintain custody of legal adults between the ages of 18 and 21 if a juvenile court had given custody to the state before the child turned 18.

This meant that 18-year-olds could not return home if they and their parents had wanted that to happen, should the judge have disagreed for any reason.

We proposed language and worked with Senator Al Jackson (95% Libertas Index ranking), who sponsored Senate BIII 79 to resolve the issue. Facing significant, early opposition from the Division of Child and Family Services along with other state agencies who work with children under custody of the state, we negotiated compromise language that resulted in what we sought after: independence for independents-legal adults who should be treated as such.

With the law now changed, a person can request removal from state custody if they are 18, if a parent signs their petition, and if the individual does not pose an immediate threat to themselves.

SENATE BILL 79











BODY CAMERAS FOR POLICE

Prior to our involvement in the body camera issue, each police department regulated itself-and some agencies had no policy at all governing the use of this new and potentially invasive technology.

Investing hundreds of hours of research and strategy, our policy team helped push for reforms that protect personal privacy and hold the government accountable while still enabling law enforcement to use this exciting tool to help document encounters and ensure that the truth is told about what occurs during their interactions with the public.

Representative Dan McCay (87% Libertas Index ranking) sponsored House Bill 300 to enact the change and set statewide regulations for the police use of body cameras.

SELF-RELIANCE TRAINING

People in poverty need more than a handoutthey need a hand up. Moreover, the best way to fight poverty is as a community of neighbors voluntarily helping those in need. Those caught in the cycle of poverty need the resources to which we collectively refer as "social capital." This includes personal skills and community connections that people use to deal with the challenges that come their way. Self-reliance is the only true way to break out of dependence.

With this in mind, we asked Senator Lincoln Fillmore (87% Libertas Index ranking) to sponsor Senate Bill 153 in order to incorporate self-reliance training in state social welfare programs. The new law requires applicants for social welfare benefits to receive training and education in self-reliance during the first three months of receiving benefits.



SUCESS

PUSHING BACK ON THE FEDS

The EPA recently finalized a new administrative rule to redefine "Waters of the United States" under its regulatory jurisdiction in a broad and expansive way. This attempted federal takeover of waters in the various states violates federalism and would vastly expand federal power over private property.

In a policy brief earlier this year, we explained the problems associated with this rule and proposed that the legislature pass a resolution resisting this rule. House Concurrent Resolution 1, sponsored by Representative Mike Noel (62% Libertas Index ranking), declares the legislature's opposition to this unlawful exercise of regulatory authority. The resolution also declares the legislature's support of Attorney General Sean Reyes' joining other states in a lawsuit on the issue.

HCR1 | HOUSE 64-5 | SENATE 25-0

DARK MONEY AND FREE ASSOCIATION

Throughout the country, activists and elected officials are part of a multi-faceted effort to limit free association by targeting so-called "dark money."

Presented to the public as an effort to control the political process through "shadowy" and deceptive donations, the reality is far more benign—and based on a principle under direct attack: the freedom of association.

This year, Libertas Institute found itself at the epicenter of the battle as plaintiff in a lawsuit against the state seeking to declare as unconstitutional a law enacted in 2013 that would compel organizations like ours to disclose detailed information about our donors in certain circumstances.

The government has no right to know about its citizens' private associations with one another, or with organizations, whether in the form of time spent as a volunteer or money donated to support an effort.

The state conceded our argument and agreed that the law was unconstitutional; our lawsuit helped protect free association in Utah.

THE HISTORY

House Bill 43, passed in the 2013 legislative session, forced non-profit organizations to abide by reporting requirements similar to those for candidates and PACs, compelling detailed disclosure of donors for publication in an online database. The bill was passed in response to a political consultant's seemingly illegal use of non-profit organizations to attack Representative Brad Daw (66% Libertas Index ranking) while hiding the source of the campaign's donors: the payday lending industry which Daw had attempted to regulate.

While the Legislature may have been well intentioned in passing HB43 in an attempt to halt situations similar to what happened to Daw, the fix turned out to be a situation of taking a sledgehammer to an issue where a scalpel was needed. While it makes sense to require disclosure from organizations whose primary or sole purpose is political—as they directly affect government processes and outcomes—the bill expanded the reporting requirements to include organizations whose political advocacy is infrequent and, more often than not, focused on advocacy and education.

That's why HB43 posed a problem. Organizations such as ours engage in a number of public interest activities, such as holding public

forums, publishing educational materials and conducting original research. This is our primary purpose; by law, political advocacy on our part can be and is only a limited aspect of our overall effort.

Now imagine our donors, who have no interest in supporting our lobbying efforts. Mr. Smith might give \$10,000 toward our general operations as a supporter of an aspect of our work, and neither he nor we intend to use that money for a political purpose. Nevertheless, under HB43, should our organizations spend more than \$750 in a given year on any unrelated political advocacy, we would have had to disclose Mr. Smith's identity and personal information.

As you might imagine, such a law chills speech about government. It forces our organizations to remain silent in order to protect the identity and wishes of our donors who support our non-political work. The United States Supreme Court has recognized that the First Amendment generally protects the anonymity of contributors to non-profit educational organizations lest an individual be subject to retaliation for supporting an organization that works on a controversial or unpopular topic. HB43 violated that position—and thus the Constitution—by attempting to force us to identify our contributors.

"The State Defendants and their agents, officers, and employees agree not to enforce the law... because imposing such requirements on Plaintiffs for engaging in constitutionally protected political advocacy and political issues advocacy is unconstitutional..."

CONSENT DECREE FROM OUR LAWSUIT

THE LAWSUIT

As co-plaintiff alongside the Utah Taxpayers Association, we argued that House Bill 43 was unconstitutional under the First and Fourteenth Amendments to the U.S. Constitution by seeking to compel non-profit organizations, for whom political activity is not a primary purpose, to disclose detailed information about their private donors.

In the settlement, the state recognizes and agrees that the law is "unconstitutional" as applied to our organizations, since political advocacy is not our major purpose. The state also agrees that House Bill 43 will not be enforced against organizations such as ours who engage "in constitutionally protected political advocacy and political issues advocacy."

The foundation of all morality is respect for the free choice and the free action of others.

-AUBERON HERBERT



LEGALIZED THEFT

Several years ago, the Utah Attorney General's office, Statewide Association of Prosecutors, and the Utah Chiefs of Police Association conspired to deceive the legislature into passing a bill that reformed civil asset forfeiture. This controversial legal tool, put simply, allows the government to permanently take property from a person who hasn't necessarily been charged with—let alone convicted of—a crime.

The sponsors of the bill told their colleagues it was

nothing more than "recodification" (a re-arranging of law, with no substantive changes) while knowing that it in fact contained several key provisions that eroded property rights and due process, making it easier for the government to take ownership of property.

In the year 2000, Utah voters overwhelmingly passed a ballot initiative designed to limit this power and put important safeguards in place—safeguards that the legislature unwittingly undermined in 2013 at the request of

government employees operating undetected.

This deception was uncovered by Libertas Institute, and largely overturned through our efforts a year later (despite significant opposition from the Attorney General's office). Ever since then, we have continued to advocate for other reforms to this practice—and we continue to be opposed by prosecutors.

Most recently, our policy team worked with Representative Brian Greene (99% Libertas Index ranking) to craft legislation in the 2016 session to reform forfeiture and impose reasonable controls to ensure that innocent people could quickly recover their property (or avoid its being taken in the first place). That bill was attacked by law enforcement executives around the state who heavily and intentionally misrepresented what the bill would actually have accomplished. The bill passed the House by a

large margin, but didn't make it out of the Senate committee.

Libertas Institute launched a multi-part educational effort in the months afterward designed to increase awareness of, and opposition to, this controversial practice. Through town halls, opeds, earned media, social media, direct mail, billboards, a petition, a poll, and more, we have positioned our organization as the champion of property rights and the chief contender against government employees looking to perpetuate this flawed policy.

The 2017 effort is primed for success, though it is not without opposition; prosecutors have been working behind closed doors to once again undermine our efforts in the legislative session to protect the status quo—and a policy that allows them to shirk their responsibility to build an actual case before confiscating property.



Libertas Institute commissioned a poll of 565 active Utah voters in March, which revealed that 86% oppose civil asset forfeiture.



HITTING MAILBOXES

Utah voters overwhelmingly oppose civil asset forfeiture when they learn about it. So we sent educational mailers to tens of thousands of active voters around the state to make them aware that their government takes property from innocent people.

Readers were directed to a petition website where two thousand of them registered their opposition to the status quo.



SHINING SOME LIGHT

In an effort to bring transparency—and its subsequent benefits in helping to uncover the truth—to the issue of civil asset forfeiture, Libertas Institute proposed legislation in the 2015 legislative session to require prosecutors to disclose detailed information about each forfeiture case.

The first-ever report was published in the fall of 2016, providing data for what we suspected: 94% of forfeiture cases were civil, not criminal; 97.5% of forfeiture cases pertained to alleged narcotic offenses; the median cash value seized was only \$1,324; and over 60% of cases were not contested by the property owner.



IN THE MEDIA



WHO REPORTED OUR WORK IN 2016

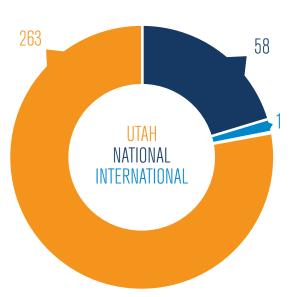


TRENDING UPWARD

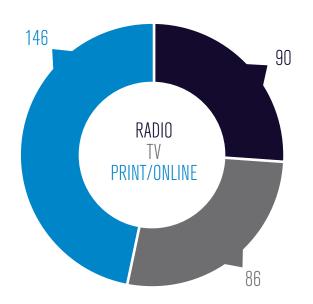
Year after year, Libertas Institute grows its earned media presence in our home state. We received 23% more media coverage in 2016 than in 2015, which also saw a large increase over the previous year.

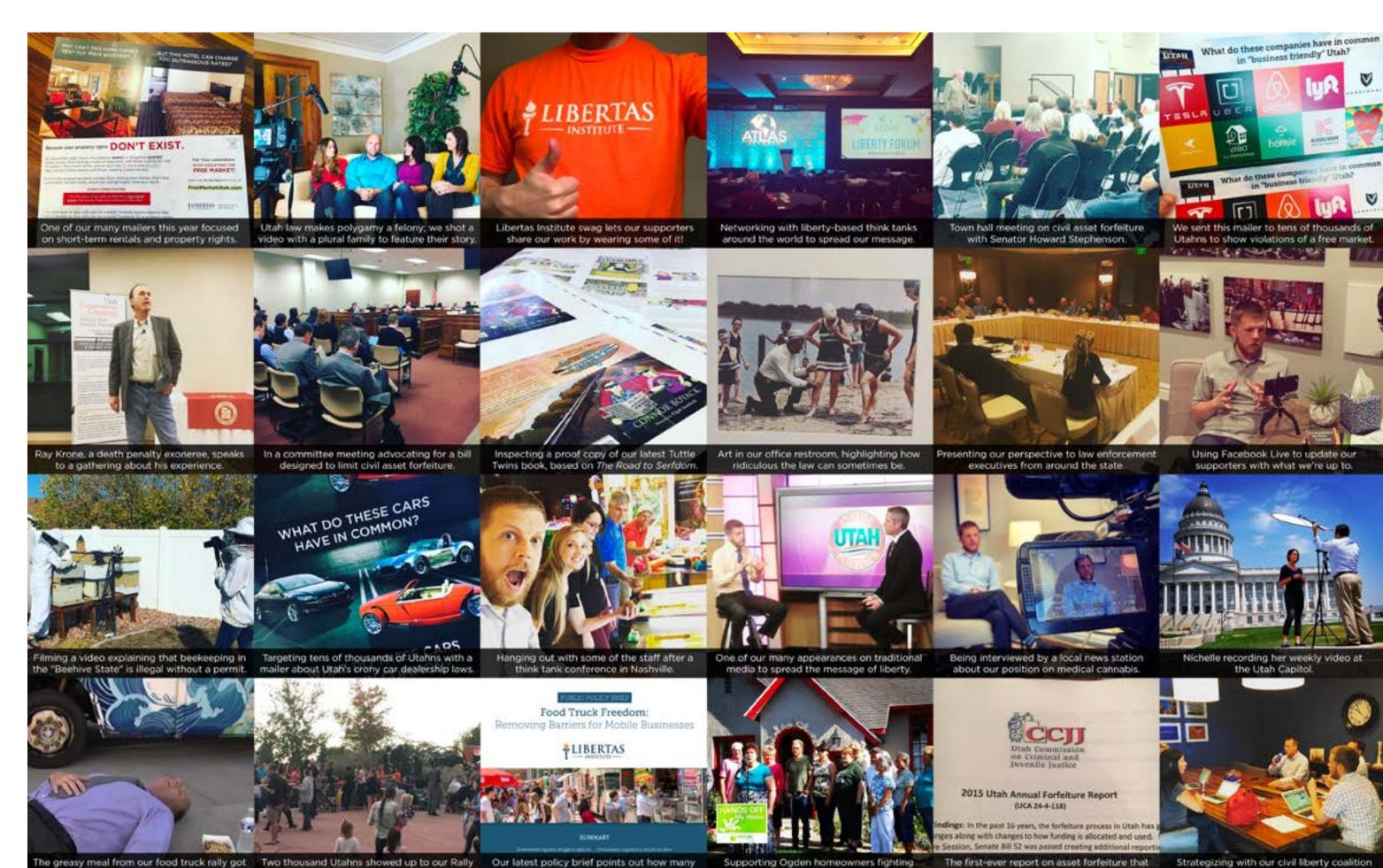
Our organization is now a sought-after voice for alternative views on public policy, often providing reporters with arguments and insight that rebut or contextualize what government officials are advocating. We take seriously our position as a voice for liberty and take advantage of any opportunity to spread the message widely.

MEDIA MENTIONS









burdens cities impose on food truck owners.

potential eminent domain by the city.

for Food Truck Freedom this summer.

to this reporter, who had fun in his story.

Strategizing with our civil liberty coalition partners on legislation for the next session.

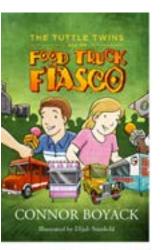
resulted from legislation we proposed.

OUR LATEST BOOKS

Our office has turned into a warehouse and shipping department—sending thousands and thousands of books to homes across the country and throughout the world.

Here's a list of the new titles we published in 2016.





THE TUTTLE TWINS AND THE FOOD TRUCK FIASCO

The oldest economic battle is repeating itself! Disruptive businesses must fight against their crony competitors—the ones with friends in government who try and protect their bottom line. Ethan and Emily Tuttle witness this battle firsthand with their food truck friends as they embark on a campaign to win public support and overturn the laws that shut them down.

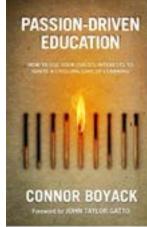
Incorporating key concepts from the classic *Economics in One Lesson* by Henry Hazlitt, this book helps young readers learn about business, regulations, economics, protectionism, competition, and other basic market principles. Learn alongside the Tuttle Twins how government harms the economy, and what one person—or two!—can do about it.



THE TUTTLE TWINS AND THE ROAD TO SURFDOM

History abounds with examples of government officials making decisions, well-intentioned or otherwise, that harm others. Unfortunately, these unintended consequences are never anticipated, and rarely considered once they occur. As the Tuttle twins find in their latest adventure, central planning can ruin people's lives.

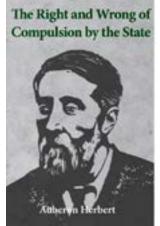
Nobel prize-winning economist F. A. Hayek's famous book *The Road to Serf-dom* comes to life in this edition, showing that when people get what they wish for, they often get much more than they bargained for. Read along as Ethan and Emily investigate a new road built to take travelers to a beach named Surfdom—and the disruption it brings to the community.



PASSION-DRIVEN EDUCATION

Why do parents subject their children to a process that disregards their interests, ignores their basic humanity, and subjects them to arbitrary mandates and micro-management? Your children deserve better than to be bored learning about subjects they aren't interested in and frustrated with endless busywork.

There is a better way—one that ensures your child sees learning as a joy and provides you, the parent, with a much less stressful way to educate and empower your son or daughter. In this book, Connor Boyack shares the exciting philosophy and empowering day-to-day steps involved in passion-driven education.



THE RIGHT AND WRONG OF COMPULSION

Auberon Herbert's persuasive ability stems from the method by which he formulated his arguments. Whereas many advocates focus on utilitarian benefits of free markets and individual liberty-highlighting the net positive impact freedom has in an attempt to endear others to our cause-Herbert focuses almost exclusively on the underlying moral questions.

Governments masquerade as the cure to the very problems they create. Our society is sick, infected with a glorification of force and a reliance upon coercive means to navigate through an uncertain future. Herbert calls upon us to renounce "the exercise of power by some men over others" to build a safe, happy, and prosperous society on a moral foundation.

FOOD TRUCK FREEDOM

While food trucks have exploded in popularity in the past several years, few are aware of how difficult it is to start a profitable business in this industry. Municipal policies discourage competition and inundate would-be entrepreneurs with redundant paperwork.

To raise awareness of this problem-and to point people towards a reasonable solution we have come up with-Libertas Institute hosted a "Rally for Food Truck Freedom" this summer at This Is The Place Heritage Park in Salt Lake City. Almost two thousand people attended the rally, featuring 13 food trucks and several news outlets reporting on the regulatory burdens these budding entrepreneurs face. We are dedicated to fixing the law to free up the market so they can have a chance to succeed!









DEFENDERS OF LIBERTY AWARD

The following legislators achieved a Libertas Index ranking of 85% or higher during the 2016 session.

REPRESENTATIVES:

Jake Anderegg | John Knotwell | Dan McCay Marc Roberts | Brian Greene | Kim Coleman Fred Cox | David Lifferth | Mike Kennedy Norm Thurston

SENATORS:

Al Jackson | Mark Madsen | David Hinkins Lincoln Fillmore

AVG. BILLS INTRODUCED PER LEGISLATOR



HOUSE

7 527 total

SENATE

10 292 total

BILLS INTRODUCED AND PASSED



PARTY BALANCE

HOUSE Republican

Democratic **13**





SENATE

Republican **24**

Democratic

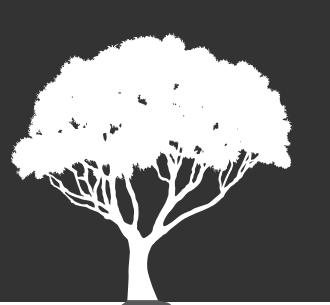
AVERAGE 2016 LIBERTAS INDEX RANKINGS







 ${\it Higher is better. Score is out of 100\%}$



"There are a thousand hacking at the branches of evil to one who is striking at the root."

—Henry David Thoreau



OUR HOLISTIC APPROACH

ACCOUNTABILITY

The average voter has no effective way to hold elected officials accountable. We have developed several tools to change this, and are already making some incumbents squirm as their informed constituents can better scrutinize their voting record and ask them tough questions.

LEGISLATION

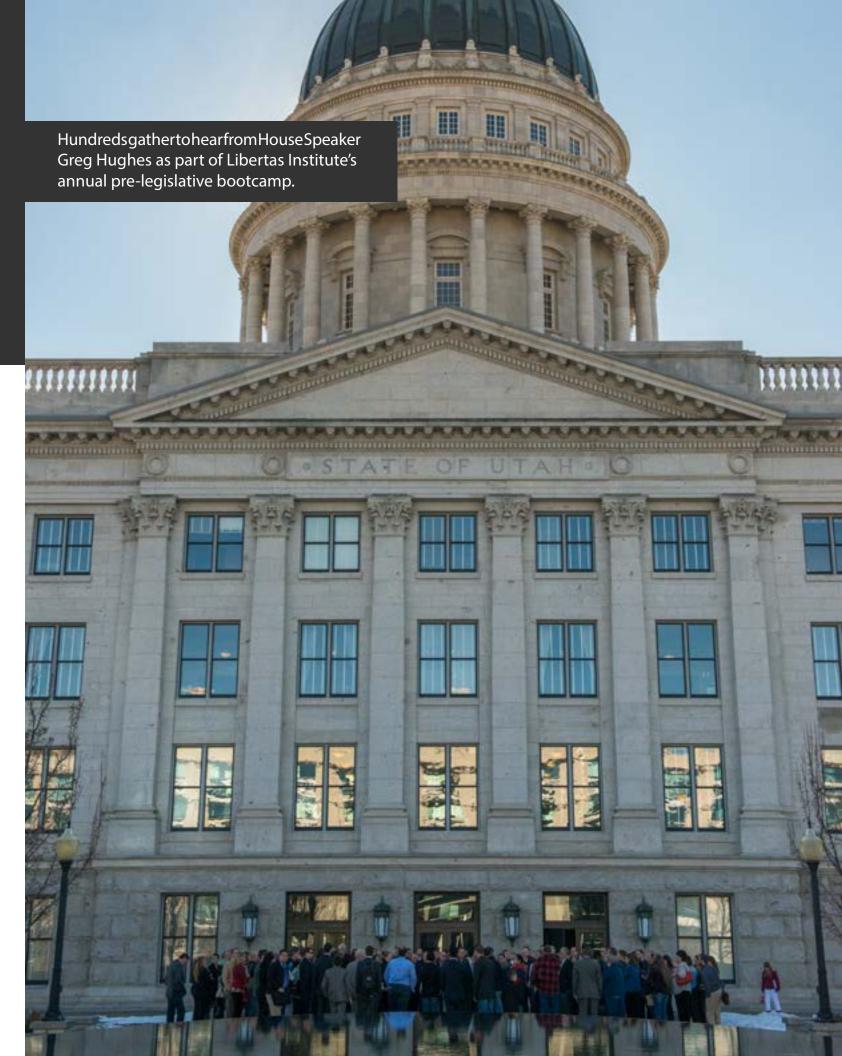
Each year, Libertas Institute offers, and advocates for, dozens of proposals for model legislation across a wide range of issues: parental rights, education reform, civil liberties, government transparency, taxes, etc. Our results speak for themselves: 74% of our proposals have been signed into law.

LITIGATION

Asking the legislature for permission to exercise our rights can only go so far—sometimes it is important to assert them. Libertas Institute engages in strategic public interest litigation to protect the constitutional rights of all Utahns, using the judicial branch to help hold government accountable.

EDUCATION

Through public events, media commentary, original research, and our various publications, we are effectively persuading Utahns to better understand—and defend—our cherished freedoms. We also educate and work with youth of all ages in order to lay a solid foundation for the future of freedom.





INTERNS



Our heavy workload necessitates a steady stream of interns to help research policy, file open records requests, analyze data, communicate with the public, and manage our advocacy and legislative processes. We've been very fortunate to find and work with some awesome interns during 2016!

During the legislative session, two part-time interns help us lobby elected officials, distribute printed material, observe committee meetings and take notes, and coordinate schedules. They also act as liaisons to our Citizen Sponsors–Utah citizens who have signed up to help lobby for or against legislation we have identified as important.

2017 will find us working on several ambitious projects, and the need for liberty-minded college students and graduates to help us with our work is constant. We love the help, and we also make sure to provide each intern with a valuable, enlightening, and motivational experience.

Know somebody who might be interested in an internship? Please have him or her send a resume and writing sample to info@libertasutah.org.



CHRISTINE STENQUIST

I'm a brain tumor patient and have suffered from chronic, debilitating pain for over 16 years. Different therapies and pharmaceuticals don't work—but cannabis does. Nobody was willing to talk about legalization, until I found Libertas Institute. I don't think there are enough words to accurately express the deepest gratitude I have for Connor Boyack and the organizational effort of Libertas Institute. This team was honest and direct with me in all our dealings. Though a bill didn't pass, the incredible ground work has been laid out. We have taken a taboo topic and made it mainstream in Utah! That is amazing work. That is leadership.

JOE DARGER

Libertas Institute proved to be invaluable in our efforts to defeat HB281, a bill that would have plural families throughout the state of Utah be felons once again. As citizens of a government that has historically made it illegal to "purport" who we are, fighting this bill proved daunting. We did not have the confidence or knowledge in the legislative process. Libertas brokered a meeting with the Attorney General's staff, provided valuable networking and lobbying input with key influencers, and they were critical in our navigating the procedures and processes of the bill's development in order to defeat the proposal.



KATHLEEN R.

Our family was dragged into truancy court this year because our daughter was struggling with class attendance due to bullying and severe anxiety. We told the judge we would be moving out of state, but she forbade us to relocate. We filed a homeschool affidavit to withdraw our daughter from public school, but the judge told the school district to ignore it. We had no clue what to do, and our attorney wasn't helping. Libertas Institute helped publicize our story, found us a new attorney, and we were able to get the judge removed from our case. With nobody else to turn to and facing a daunting legal process, I'm grateful that I found the Libertas team.

FREQUENT RECURRENCE

____ то ____

FUNDAMENTAL PRINCIPLES IS ESSENTIAL

____ TO ____

THE SECURITY

_____ OF _____

INDIVIDUAL RIGHTS

UTAH CONSTITUTION ARTICLE I, SEC 27