2018 ANNUAL REPORT



THE POWER OF PERSISTENCE IN POLITICS A MESSAGE FROM THE PRESIDENT

Libertas Institute is uniquely qualified to make a significant impact for freedom in Utah.

I'll be frank: this has been one of the most stressful years of my professional life. And it's the first time that my work has led to a physical threat against my family. I'm hoping it'll also be the last time that happens.

While we work on dozens of issues each year, and succeed in reforming laws that lead to a better protection of our rights—some of which you'll learn about in this report—it's no secret that one of our largest efforts has been to ensure patients aren't treated as criminals by legalizing the medicinal use of cannabis.

The failed efforts at the Capitol since 2013 led, as you know, to a ballot

initiative. And during 2018, patients and advocates worked hard to gather signatures, share stories, and persuade the public to support Proposition 2. That measure passed on election night, with a final vote count around 53%. It was an important validation of our collective hard work.

But we knew that we could win the battle, only to lose the war. We saw it happen with civil asset forfeiture in 2000, when the public passed a ballot initiative by 69%, only to watch the establishment chip away at it in years to come. We've been fighting ever since to fix forfeiture laws and restore the intent of that voter mandate nearly two decades ago. We didn't want that for patients. We didn't want them to have to be lobbyists for years to come. We didn't want to win the vote only to have the entire establishment—which strongly opposed Prop 2—undermine it.

So we negotiated, using the leverage of the strong public support to secure a broad program that never would have passed through the Legislature without the political pressure afforded by Prop 2. We ended up with strong patient protections and a workable framework that we can continue building in the future. We also secured the endorsement of the entire establishment, helping ensure the protection of this program.



Connor speaks to reporters about a new agreement on medical cannabis in Utah.

Five years in the making, this result demonstrates the power of persistence—the importance of supporting a group like Libertas Institute with the resources to work on important issues in a strategic and relentless way. This wouldn't have happened only with summertime soldiers in the fight for freedom; we can't make an impact with only volunteers on nights and weekends. In short, to continue making a significant impact for millions of Utahns, we need to expand our effort and apply the same persistence to so many other issues that top our list in the year to come: tax relief, education reform, privacy protections, occupational licensure reform, etc.

The positive results that freedom brings are hopeful, helpful, and

frankly, addictive. The more success we have, the more we want to continue. And so many people are counting on us to help them.

I hope you'll continue helping us, so we can do that. Let's be persistent, together.



Free range kids: Children can now play outside without adult supervision in Utah USA TODAY, March 27, 2018

You would think that we wouldn't need to get a law passed to make sure parents aren't punished for letting their children be children, but... you'd be wrong.

Consider the case of one mother whose 9-year-old daughter was taken away by the government for 17 days because she was playing at a park without parental supervision. Or another mother who was handcuffed and



arrested because her 8-year-old walked to school alone because she had overslept. There was also the family investigated by authorities twice for letting their two children, ages six and ten, walk home from the playground by themselves.

It's ridiculous—so we teamed up with Senator Lincoln Fillmore to pass the first-ever "Free Range" Parenting Law to deny the government the ability to charge parents with neglect for allowing their children, who are of sufficient age and maturity to avoid harm, to engage in independent activities.

Amazingly, the bill passed through every committee and chamber unanimously, even garnering support from the Division of Child and Family Services, whose director testified in both committees that the legislation essentially codified their agency's best practices and our community's culture.



It all started because we saw John Oliver's video online, and realized that there's a big problem with governments stacking late fees and interest on top of fines that accrue over time, punishing poor people for being poor.

People who violate the law should certainly be held accountable, but these compounding consequences for low level crimes should not be so financially debilitating that they ruin someone's life.

Not only does the original jurisdiction charge fees and interest as the fine goes unpaid, but so do the courts, the Office of State Debt Collection, and even third party



"If you have money, committing a municipal violation may pose you a minor inconvenience. If you don't, it can ruin your life."

debt collection agencies. What was once a \$50 parking ticket could become a \$200 charge with all of the fees and interest added on.

In another first-in-the-nation proposal, Libertas Institute developed model legislation and teamed up with Senator Dan McCay to impose caps on how much can be added on top of a fine. The law, which passed nearly unanimously by Utah's Legislature, now imposes a 25% cap on the initial assessed amount.

This new law brings huge relief to people being nickled and dimed by their own government.



'This is crazy,' sobs Utah hospital nurse as cop roughs her up, arrests her for doing her job

Now a well known incident, the controversial arrest of Nurse Wubbels in Salt Lake City on August 31, 2017, sparked national outrage after she refused to allow Salt Lake City Detective Jeff Payne to draw blood from an unconscious patient involved in a vehicle accident.

Wubbels pointed out that the victim was not under arrest and that the officer did not have a warrant. The officer, insisting he had proper authority, handcuffed the nurse and placed her in his police car; she was later released and charges were not filed against her.

As news spread around the country, we reached out to Representative Craig Hall and began working together to find a solution to this disturbing incident.



The resulting bill, which passed unanimously, clarified that an individual's blood can only be taken if they consented or if the officer obtained a warrant—or if a judicially recognized exception to a warrant exists. Property rights must be protected, especially when it pertains to our own bodies.

Proposition 2 goes into effect... Utah patients can legally use some kinds of medical cannabis

Following years of legislative advocacy at the Capitol, several Libertas Institute team members joined the Utah Patients Coalition alongside other advocates to secure passage of a ballot initiative by voters.

What became Proposition 2 was the result of hundreds of hours of legal drafting, hundreds of thousands of





dollars in fundraising, nearly two hundred thousand signatures gathered statewide, and focused message testing, strategy sessions, and public relations efforts to explain to the public the importance of legalizing medical cannabis.

Libertas Institute was invited to negotiations that resulted in modifications to Prop 2 that its opposition could support, thereby eliminating the opposition to ensure that the patient program could get implemented quickly.

The resulting agreement was enacted in a special session of the Legislature called by Governor Herbert just following the effective date of Prop 2. The public's vote for this important issue helped apply sufficient political pressure to get a broad program in place with support of Utah's establishment—a feat that would not have been accomplished without this vote.

Libertas Institute will remain highly engaged on this issue for years to come alongside the Utah Patients Coalition and other advocacy groups.

POLICE QUOTAS REPEALED

Law enforcement banned from incentivizing tickets

As the Utah Fraternal Order of Police pointed out prior to passage of our proposed legislation, "quotas absolutely exist." Most officers wouldn't speak about their experiences for fear of retribution, but many who have left the profession were willing to openly share compelling information about the use of guotas. This helped lead to a ban on the practice, joining 18 other states that have had similar restrictions on the books. This is a win for our state, as officers should focus on keeping the peace, not generating revenue for their city's budget.

COMPENSATORY SERVICE

A punishment option that doesn't require money

What happens when an individual can't afford to pay a fine? Perhaps they recently lost a job or are a single parent struggling to find the cash to buy food for their children. In situations such as these, paying a ticket is a low priority relative to other expenses. Now, those guilty of a minor offense will be notified about the opportunity to perform community service for a government agency or any non-profit in order to avoid having to pay money-and inevitably accrue late fees and interest. This alternative option is now standardized statewide.



For several years, we have been calling for a change to Utah's law that would allow food to be sold directly to informed consumers without being subject to heavy regulations designed for food sold in stores or at restaurants. This year, the Home Consumption and Homemade Food Act passed easily, exempting food producers from regulations, permits, inspections, labeling, and other requirements if their food is sold directly to a consumer who uses it for home consumption. This is an important step in confining regulations to their proper domain.

DRUGS, DRIVER LICENSES A repeal of suspending licenses for no good reason

LEGAL HOMEMADE FOOD *Regulations put on ice for food sold to consumers*

At the height of the drug war's influence on policy making, the federal government required states to implement a law to automatically suspend the driver license of anyone convicted of a drug charge. Utah implemented this law in 1991. On average, a staggering 8,453 Utahns have had their license suspended each year for non-driving-related drug offenses. Our proposed legislation to repeal this law passed by a significant vote margin. Now Utahns won't lose their ability to drive for a violation of law that has nothing to do with driving.



FREE MARKET FUN FOR CHILDREN FIRSTHAND EXPERIENCE FOR YOUNG ENTREPRENEURS

Following our successful effort to prohibit police and bureaucrats from shutting down small businesses operated by children who don't have a permit and license, we launched the Children's Entrepreneur Market-a summer program enabling young children to gain firsthand experience operating a business.

Think of it like a farmer's market but run entirely by children-hundreds of them! These micro-entrepreneurs sold food, crafts, toys, art, clothing, books, games, and much more! We held nine events throughout the valley this year and hope to expand further in the years to come with support from our sponsors.







Learning how the free market works is best done through direct application, which is why we have enjoyed supplementing our policy work with hands-on activities such as the Children's Entrepreneur Market. The rave reviews from the children and their parents have convinced us to continue this important program.



No man's life, liberty, or property are safe while the legislature is in session.

–JUDGE GIDEON TUCKER





OF LIBERTAS PROPOSALS BECOME UTAH LAW

Nonprofit public policy groups like Libertas Institute are often called "think tanks," but we consider ourselves a *do* tank. We don't just publish our opinions in whitepapers and articles and hope somebody does something about them. We recognize that opinions are a dime a dozen and even when backed by an influential group, they don't spring into life all on their own. That's why we engage in strategic outreach designed to take our ideas and actually turn them into policy. We've been around for seven years now, and in that time we have refined our approach, strengthened relationships, and honed in on a few different methods we can use—depending on the issue—to elicit support and create consensus among elected officials and the public. It's no easy task—after all, for each of our core areas of focus, there are entrenched and well-funded opponents. Even worse, we often fight against our own taxpayer dollars that are being used to lobby for more taxes, more control, etc. But we recognize the urgency of our work and the vacuum that would exist if we weren't in the trenches fighting for freedom in Utah.



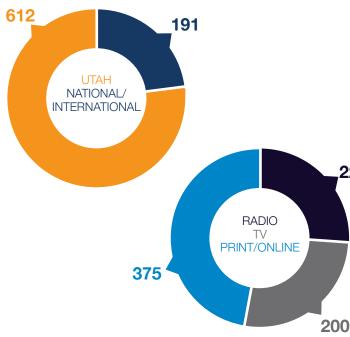
WHO REPORTED ON OUR WORK IN 2018?



MEDIA MENTIONS

Compared to last year, Libertas Institute's work received 224% more earned media coverage and we placed 22% more op-eds.

While much of our work is behind the scenes or on issues that are unlikely to attract media attention, we take advantage of strategic opportunities to influence public opinion and shape the debate on important topics.



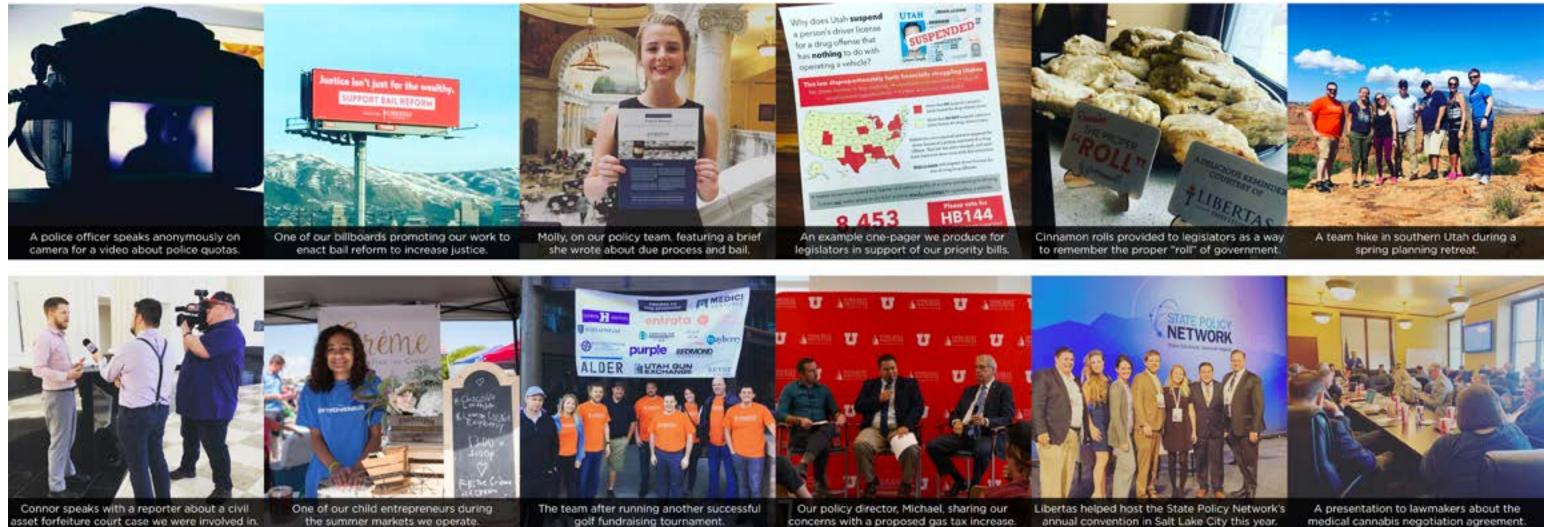


A SAMPLE OF OUR OP-EDS:

- Why are local governments competing with private business? (Salt Lake Tribune)
- Why you shouldn't fear the peer-to-peer economy (Deseret News)
- Civil forfeiture is worse than its proponents proclaim (Salt Lake Tribune)
- Can government be held accountable for harming you? (Salt Lake Tribune)
- New protections available for your digital privacy (Deseret News)
- Utah's constitution should protect your right to work (Salt Lake Tribune)

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medical cannabis negotiation agreement.

LIBERTAS INSTITUTE'S LATEST BOOKS REACHING NEW AUDIENCES WITH OUR MESSAGE

Our 8th and 9th books in our ac- over 350,000 copies! We are conclaimed "Tuttle Twins" children's series were published this year—and as of December 2018 we've now sold

vinced that more educational material for children is needed so parents and teachers can help children understand important principles. The following books have helped us reach new audiences and increase knowledge about the ideas of a free society.





The Tuttle Twins and the Fate of the Future

you're up against some tough competition.

The history of the world is a tale of some people bossing others around, but brave thinkers have always offered ideas for a better future where people use persuasion instead. And after Ethan and Emily watch a dystopian film portraying a future full of coercion, they realize that they need to learn how the fate of the future-and all of humanity-depends on thinking of ways we can work together peacefully to build a better society.

The Tuttle Twins and their Spectacular Show Business

While most people prefer the relative safety of working at a job for somebody else, others are more interested in the independence, excitement, and creative problem solving that are all part of starting your own business and being an entrepreneur. But as Ethan and Emily

Tuttle learn in their latest adventure, being an entrepreneur isn't easy-especially when





Court Unanimously Rules Against Govt in Forfeiture Case Utah Supreme Court Sides with Property Owner and Libertas Institute in Civil Asset Forfeiture Case Featuring Government Misconduct August 22, 2018

Utah voters in 2000 made clear, in passing Initiative B by 69% on the ballot, that the government's ability to use civil asset forfeiture to take property from Utahns should be severely restricted. But the government has continued to undermine these restrictions and find creative ways to confiscate property.

We filed an amicus brief in one such case that escalated to Utah's Supreme Court, where state law enforcement tried to illegally transfer the property to federal courts where it is easier to succeed—and, where there's a direct financial incentive for the law enforcement agency to get 80% of the resulting property.

The Court unanimously ruled in the property owner's favor, recognizing "overwhelmingly" that "one of the main goal of [Utah's forfeiture law] is to provide additional protections to property owners." With this ruling in place, we will be advocating for more legal protections for property owners against forfeitures in 2019.

DEFENDERS OF

LIBERTY AWARD

The following legislators achieved a Libertas Index

ranking of 85% or higher

during the 2018 session.



REPRESENTATIVES:

Brian Greene | Marc Roberts | John Knotwell Dan McCay | Kim Coleman | Jefferson Moss

SENATORS:

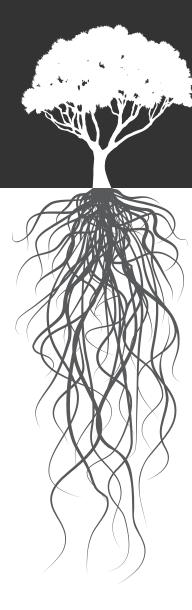
SENATE

52%

No senators received this year's award.

AVERAGE 2018 LIBERTAS INDEX RANKINGS

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.

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: 82% of our proposals have been signed into law.

LITIGATION

Asking permission to exercise our rights can only go so far-sometimes it is important to assert them. We engage 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.





2018 LIBERTAS INVITATIONAL

hit this year. We continued our tradition of creatively educating participants about our work-including participation from some of our young entrepreneurs who participate in our summertime markets (see inset photo).

Our annual golf fundraiser was a huge Our supporters appreciate the networking opportunity and the chance to have fun and compete for some big prizes while supporting our work. We're already looking forward to next year and hope you can join us!

"Libertas Institute's leadership was absolutely crucial to helping Utah pass the first 'Free-Range Parenting' law, shielding parents from charges of neglect just for giving their kids some old-fashioned independence. This success attracted national—even international attention, allowing me to discuss the issue of childhood freedom everywhere from The New York Times to Fox News, inspiring others to protect parental rights as well."

> -Lenore Skenazy, President, Let Grow, and founder of the Free-Range Kids movement







"My children absolutely LOVE the kids markets that Libertas Institute puts on each summer. It's so fun watching them learn about how to be little entrepreneurs and how to set prices, market their stuff, compete with other kids at nearby booths, and make money while having fun and helping others. THANK YOU to everybody involved who help support my children and so many others!"

-Sandy Harrison



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FUNDAMENTAL PRINCIPLES IS ESSENTIAL

FREQUENT

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THE SECURITY

TO

INDIVIDUAL RIGHTS

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