

Think tank urges South Carolina to overhaul civil asset seizure laws

August 19, 2016

South Carolina should overhaul its civil asset forfeiture laws, which are being abused and need to be curbed, according to a report by the Cato Institute, a libertarian think tank.

The high rate of civil forfeiture -- the seizure of assets from those not convicted of any crime -- is a property rights issue, according to the co-author of the biennial report, "Freedom in the 50 States."

"Reforms are happening all over the country," co-author William Ruger, a research fellow at the Washington D.C.-based institute, told the *Palmetto Business Daily*. "Reforms like that will increase the state's standing in terms of personal freedom. It is a reform that conservatives can support because civil asset protection is protection of property rights."

The institute wants the state to make it more difficult for assets to be seized, while also reducing the percentage of assets going to law enforcement in order to minimize the incentive to seize.

The report said asset seizure abuse has not been curbed.

Law enforcement agencies in the state received \$22.7 million from civil asset seizures over five years to the end of 2015, according to a report published last week by the Institute for Justice, which advocates for limited government.

South Carolina ranks No. 15 in terms of regulatory, fiscal and personal freedoms, as calculated by the institute. It has risen five places since the think tank's last report on freedom in the 50 states, published in 2013. The report is based on data gathered to end fiscal year 2014.

The report also urges the state to abolish its price-gouging law, and all its sales below cost, minimum mark up and unfair sales laws. These reforms would have raised the state two places on economic freedom in 2014, according to the institute.

"These are unnecessary regulations," Ruger said.

Overall, Ruger said, the "regulatory space is pretty good, particularly in relation to land use freedoms."

The extent of occupational licensing is about average, though nurses enjoy only a little practice freedom, according to the report.

“South Carolina’s regulatory policy has improved noticeably over time. Much of that is due to tort reform and an improving civil liability system,” Ruger and co-author William Sorens concluded in the report. “Land-use freedom is extensive, and eminent domain reform has gone far.”

Local taxes are average, but state taxes are below the national average over the years from 2000–2014.

Labor law is generally good, according to the think tank’s measurements, with no state-level minimum wage and a right-to-work law,

The state has traditionally done better on economic than personal freedom, but the legalization of same-sex marriage, among other policy trends, turned that pattern upside down, according to the report.

Legalization of gay marriage was forced by federal courts in 2014, overturning a state law that banned all private contracts for gay couples. Ruger described legalization of gay marriage as a “plus for freedom.”

“Incarceration for victimless crime rates are basically average; cannabis laws are harsh but not as bad as some states; tobacco freedom is above average,” Ruger said.

Gun rights are reasonably broad, but probably below the level enjoyed in, for example, Pennsylvania. Open carry is illegal in most places; dealers are licensed; and the age for possession is stricter than the federal minimum.

“Private schools and home schools are tightly, even harshly, regulated, and only a modest tax benefit exists for school choice program,” the report found..

South Carolina has a net migration of 10.4 percent since 2000. Ruger argues that, generally, those states with greater freedoms as calculated by the Cato Institute have seen net inward migration, while more people are leaving, and less arriving, to states with more regulations and taxes.