



2019 ANNUAL REPORT



LIBERTY JUSTICE CENTER

LETTER FROM OUR PRESIDENT

Because of our generous donors, the Liberty Justice Center has seen rich growth over the past year.

Founded with the vision of restraining government, we defend constitutional rights and empower individual citizens through precedent-setting litigation. The best example of that mission was when we restored the First Amendment rights of 5 million public sector workers through our 2018 U.S. Supreme Court case, *Janus v. AFSCME*.

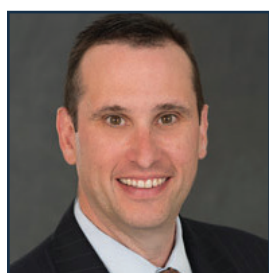
In 2019, our community of donors worked to ensure the *Janus* decision was fully implemented. They also provided the resources to file critical litigation defending donor privacy laws, challenging unconstitutional campaign finance laws, protecting educational choice across the nation and stopping politicians from picking winners and losers by favoring a politically privileged few.

In order to leverage our past success and expand our impact, the Liberty Justice Center has grown, adding three new attorneys. We have filed cases in 15 states, focused on precedent-setting casework.

With the support of our donors, we defend individuals across the nation and have become known as an organization that stands up for private citizens.

In the enclosed report, you will read about how our donors protect citizens' rights through post-*Janus* enforcement, privacy protection lawsuits and litigation to defend school choice.

Thank you for making this work possible.



A stylized, handwritten signature in black ink, consisting of a large, looped 'P' followed by a long horizontal stroke.

Patrick J. Hughes
President and Co-Founder
Liberty Justice Center



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WHO WE ARE



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EXPANDING OUR REACH

The case we are most known for — Janus v. AFSCME — restored the First Amendment rights of free speech and freedom of association to more than 5 million public sector workers nationwide.

In that case, we stopped government union leaders from siphoning away millions of dollars from public sector workers and using that money for their own political agenda. Now, the Left is trying to hold on to their power by stopping worker freedom, coordinating a campaign of donor intimidation and using powerful teachers' unions to block education reform. We are fighting back using our pillars of litigation:

Worker freedom

The Liberty Justice Center is defending workers' First Amendment rights with our three-pronged litigation strategy. We are also working on legal theories that question additional instances where the government forces private individuals to join or support private organizations.

Citizen privacy

Under the guise of "transparency," politicians are using the power of the government to intimidate individuals and stifle free speech. This puts private citizens at risk of retaliation or retribution for supporting causes they believe in. The Liberty Justice Center is defending privacy for all Americans.

School choice

The right to a quality education has long been a priority at the Liberty Justice Center. Our attorneys are actively pursuing strategic litigation in states with the greatest opposition to school choice.

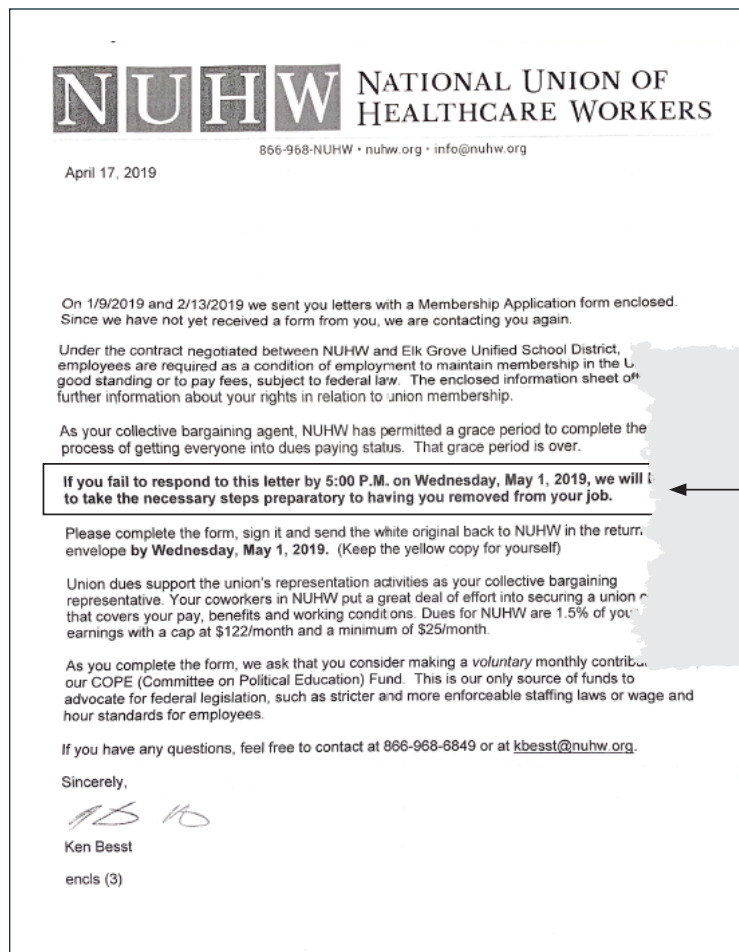
Economic liberty

The Liberty Justice Center has a record of defending economic liberty and challenging unconstitutional campaign finance laws, violations of commercial free speech and overreaching government regulations. We file litigation fighting political privilege.

SOLIDIFYING WORKER FREEDOM

For decades, government union leadership derived power from their ability to forcibly siphon money from the paychecks of public sector workers and then spend that money on policy and political advocacy.

But all that changed when the U.S. Supreme Court ruled in *Janus v. AFSCME* that public sector workers could no longer be forced to pay money to a union just to keep their jobs.



This is illegal!

If you fail to respond to this letter by 5:00 P.M. on Wednesday, May 1, 2019, we will begin to take the necessary steps preparatory to having you removed from your job.

In the first year after the *Janus* ruling, policy experts conservatively estimate we saved \$150 million for public sector workers — and stopped that money from going directly into the pockets of government unions.

Given this victory, it is no surprise that government union leaders are doing everything they can to obstruct the *Janus* decision and skirt the law in order to preserve their power and influence.

Government union leaders are actively denying workers their rights and flat-out ignoring the Supreme Court ruling. Continued litigation is needed to ensure the ruling is respected and fully implemented. The Liberty Justice Center has casework doing just that. We ended 2019 with 96 signed clients and filed lawsuits defending worker freedom across 11 states.

Our strategy follows three tracks:

1

JANUS OBSTRUCTION CASES:

Government union leaders and their political allies are refusing to let public sector employees exercise their newly restored constitutional rights. They are locking workers into union contracts and continuing to deduct union dues. We have filed cases across the country to ensure every public sector employee can exercise their First Amendment rights.

We filed lawsuits in California, Hawaii, Illinois, New Mexico, Ohio, Oregon and Pennsylvania on behalf of public sector employees who are facing illegal barriers to exercising their Janus rights. Each of these cases specifically challenges unconstitutional restrictions in violation of Janus.

Here's just one example: Prior to the Supreme Court's Janus ruling, Cara O'Callaghan was required to pay money to Teamsters Local 2010, the union at her workplace, just to keep her job. Weeks before the Janus ruling, a union representative visited Cara's office and pressured her into signing a union card — with a five-year contract.

Cara felt duped when she read about the Janus decision just a few weeks later.

"Now I understood why that union representative had come around and pressured everybody to join the union. Because of the Janus ruling, I had a choice to not pay if I had stayed an active fee payer. Now that I was a member of the union, I had no choice."

– Cara O'Callaghan



Cara O'Callaghan, a government worker in California, turned to the Liberty Justice Center for help when the Teamsters refused to let her out of her contract. We filed a federal lawsuit on her behalf.

2

JANUS RIGHTS CASES:

The Supreme Court's decision means every employee in the public sector must be made aware of their Janus rights, which include the right not to join or pay a union. Government employers have an obligation to share information about Janus rights with new employees.

We are filing litigation to create a national requirement to inform public sector employees of their rights before they sign a union membership card.

We filed a case in Minnesota fighting for workers' constitutional rights. After taking a new job, our client was approached multiple times at work by a union representative who wanted her to join the union. On one such occasion, she was pulled out of an office training and coerced into signing a membership card, without any knowledge of the cost of membership or that she had a choice to not join the union.

The next day, she found out membership would cost the equivalent of one paycheck. She was undergoing cancer treatments and was on a tight budget. She immediately and repeatedly contacted the union to cancel her membership. Every request was blatantly ignored or denied. The union representative told her she was locked into a 12-month contract, preventing her from exercising her Janus rights.

In January 2020, our attorneys obtained a settlement in which the union not only let her out of the contract, but also paid back five months of dues that they had taken. This case shows that all workers must be informed of their Janus rights before they sign a union membership card.

3

CLASS-ACTION LAWSUITS:



Senior Attorney Brian Kelsey (center) with lead plaintiff David Schasberger (right) and Mark Janus (left) at a press conference in Pennsylvania announcing the *Schasberger v. AFSCME Council 13* class-action lawsuit.

Once the High Court agreed to hear Janus, government unions were put on notice that nonmember "fair share" fees could be ruled unconstitutional. However, unions continued to take money from unwilling workers.

Union leaders talked openly about the Janus case potentially rendering fair share fees illegal and yet they continued taking — and spending — workers' money. These funds should be returned to workers. We are filing class-action lawsuits to recover millions of dollars for public sector workers.



Senior Attorney Brian Kelsey goes on Fox 45 Baltimore to announce a class-action lawsuit defending the rights of 10,000 public sector workers in *Mattos v. AFSCME Council 3*.

The Janus decision ruled it illegal to require public sector employees to pay union fees as a condition of employment. In September 2019, we filed a lawsuit on behalf of 19 Maryland state employees who were forced to pay fees prior to the Court’s ruling. These workers are demanding a refund of their union “agency” fees. This refund could recover as much as \$7 million.

After news of this case was featured in the Washington Examiner, Washington Times and Fox 45 Baltimore, we heard from nearly 50 additional public sector workers in Maryland, either asking to sign on to the class-action lawsuit or requesting our assistance in leaving their unions.

Class-action cases filed across the country			
Case Name	State	Estimated Recovery	Estimated Class Size
Schaszberger V. AFSCME COUNCIL 13	PA	\$3 million	10,000
Mattos V. AFSCME COUNCIL 3	MD	\$7 million	10,000
Wenzig V. SEIU LOCAL 668	PA	\$1 million	2,000
Solomon V. AFSCME DC 37	NY	\$7 million	7,000
Leitch V. AFSCME	IL	\$2 million	2,700

We filed 5 class-action lawsuits with the potential to recover as much as \$20 million from government unions.

MAKING WORKERS' VOICES HEARD

IN 2019, WE FILED CASES FOR INDIVIDUAL WORKERS

1,400	Public sector workers asking for help
96	Signed clients
20	Cases filed across 11 states

More individuals are seeking help from the Liberty Justice Center as we fight for public sector workers' constitutional rights.

We have a dedicated team focused on client engagement. This allows our staff to personally connect with every individual who contacts us while our attorneys focus on litigation.

Because of the personal relationships we develop, every client is heard. This empowers public sector workers to tell their stories.

Our staff helped Shalea Oliver, a caseworker at the Pennsylvania Department of Human Services, fight for her rights.

After the Janus ruling, Shalea sought to resign from her workplace's union. Unfortunately, the Commonwealth of Pennsylvania continued to take money from Shalea's paychecks on behalf of the union, SEIU Local 668, for nearly six months — a direct violation of her First Amendment rights.

Shalea wrote to us in September 2019. At first, Shalea's co-workers advised her not to publicly speak out against the union for fear of retribution. But after working with our staff, Shalea felt empowered. She saw the stories told by other public sector employees who faced similar barriers, and she knew she had to tell her story, too.

The Inquirer

OPINION

Stuck in my union: Even after Janus ruling, issues with organized labor persist | Opinion

Updated: April 18, 2019 - 10:00 AM

[Shalea Oliver, For the Inquirer](#)



Our staff empowered Pennsylvania state worker Shalea Oliver to write a powerful op-ed in the Philadelphia Inquirer, encouraging other workers to stand up for their rights.

THE RESULTS OF VICTORY

The Janus victory freed workers from their unions.

The University Professional and Technical Employees, Communications Workers of America, Local 9119, AFL-CIO

lost 30% of its revenue after Janus.

The Freedom Foundation found that an estimated

400,000 agency fee payers were freed from paying union membership as a result of Janus.

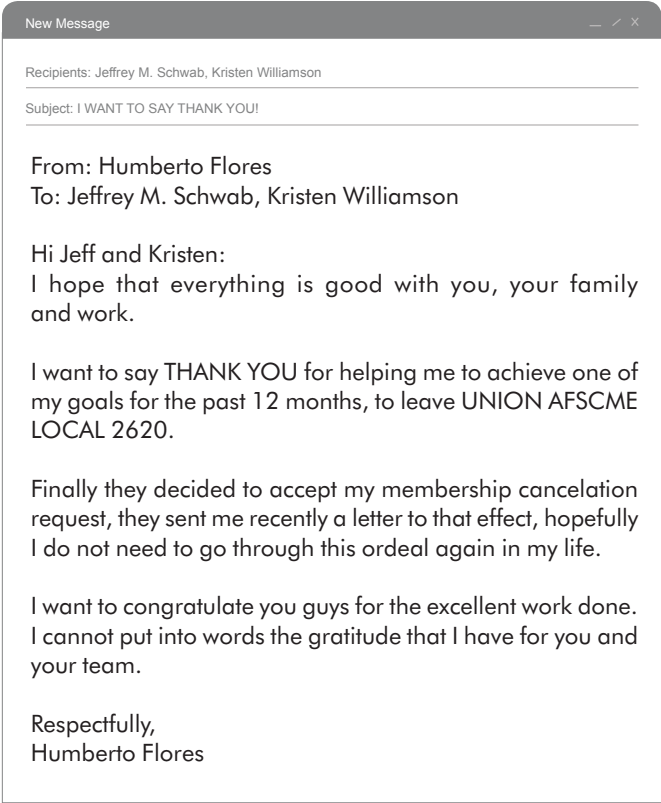
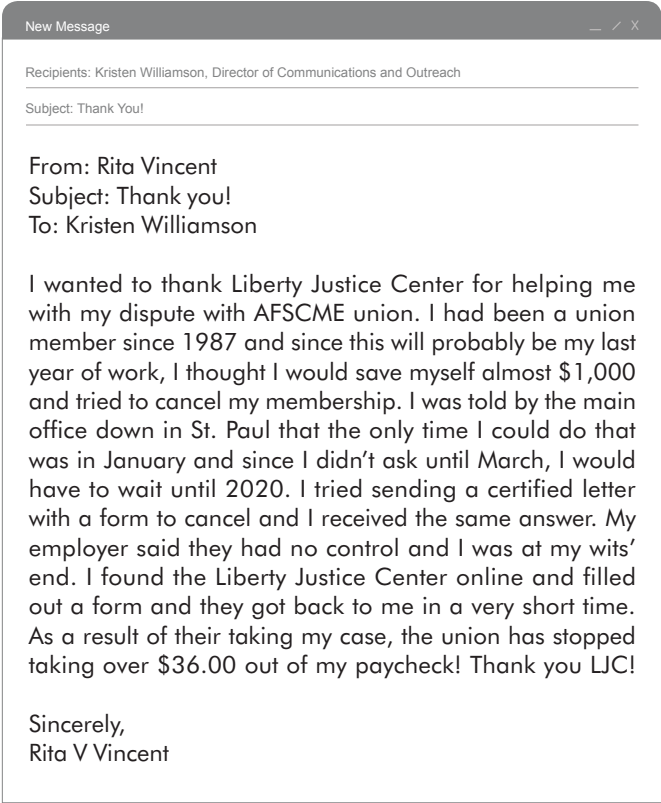
According to the California Policy Center, the state has seen a

12% drop in government union membership in 2019 alone, amounting to a

\$162 million loss in annual revenue for the unions in California.

In 2019, three Pennsylvania government unions, representing approximately

22,500 public sector workers, started allowing members to opt out at any time of the year — not just within a window period.



Public sector workers thanked Liberty Justice Center staff for getting them out of unconstitutional union contracts.

STANDING UP FOR PRIVACY



Privacy at the voting booth is a cornerstone of our democracy. Yet, laws are being passed across the country as part of a coordinated, national strategy to infringe on Americans' right to privacy and chill free speech.

In Janus, the Liberty Justice Center defended Americans' right to choose what causes they support with their money. In 2019, we defended Americans' right to support causes they believe in without fear of retribution or harassment.

States across the country are passing laws that will strip away citizens' privacy. Politicians and their allies are passing laws to infringe on Americans' right to privacy and chill free speech.

These coordinated attacks are currently focused on issue advocacy campaigns, but they will not stop there. Politicians on the Left are introducing a toxic narrative that will threaten nonprofit and religious organizations.

Our work is vital to stopping this. Americans have the right to support any organization they choose. However, laws across the country expose individuals' personal information and the values they choose to express through charitable giving.

The Liberty Justice Center is defending this essential right for all Americans. We are prepared to take our fight all the way to the Supreme Court.

The Liberty Justice Center filed four cases defending privacy.

Illinois Opportunity Project v. Bullock

In Illinois Opportunity Project v. Bullock, we filed the first — and only — case challenging an executive order signed in 2018 by Montana Gov. Steve Bullock. That order requires companies bidding on state contracts to publicly report which issue advocacy organizations they support.

The executive order puts additional burdens on private organizations without doing anything to prevent corruption in the state contract bidding process. The order effectively ensures organizations seeking a state contract are silenced and unable to disagree with the governor.

Illinois Opportunity Project v. Holden

In Illinois Opportunity Project v. Holden, we are protecting citizens' privacy in New Jersey. In June, New Jersey Gov. Phil Murphy signed into law a proposal requiring advocacy organizations to submit to the New Jersey Election Law Enforcement Commission personal information about those who support them. The law exempts business groups and unions from the same level of scrutiny.

We won a court order, temporarily blocking aspects of this unconstitutional law. Our case to permanently block the measure proceeds.

Gaspee Project v. Maderos

In Gaspee Project v. Maderos, we are fighting a Rhode Island law requiring civil-society organizations to report their donors when they engage in issue advocacy. We are suing on behalf of a local and a national 501(c)(4) for an injunction to protect their First Amendment rights.

Rio Grande Foundation v. Oliver

In 2018, New Mexico passed a law forcing civil-society organizations to turn over their donor lists when they engage in issue advocacy. In Rio Grande Foundation v. Oliver, the Liberty Justice Center became the first organization to sue on behalf of a local 501(c)(3) and a national 501(c)(4) to protect donor privacy from intrusive government reporting.

The Liberty Justice Center filed federal cases on behalf of local 501(c)3 nonprofits, as well as local and national 501(c)(4) organizations to protect donor privacy from intrusive government reporting.

FIGHTING A UNION STRONGHOLD

Since the Janus decision, government unions have adjusted their tactics, but they have the same goal: To increase membership and use their money to exert political power.

As families across the nation successfully fight for access to educational alternatives in their states, teachers' unions and their political allies are responding with laws that counter these wins and limit families' abilities to choose the educational solutions that best meet their children's needs.

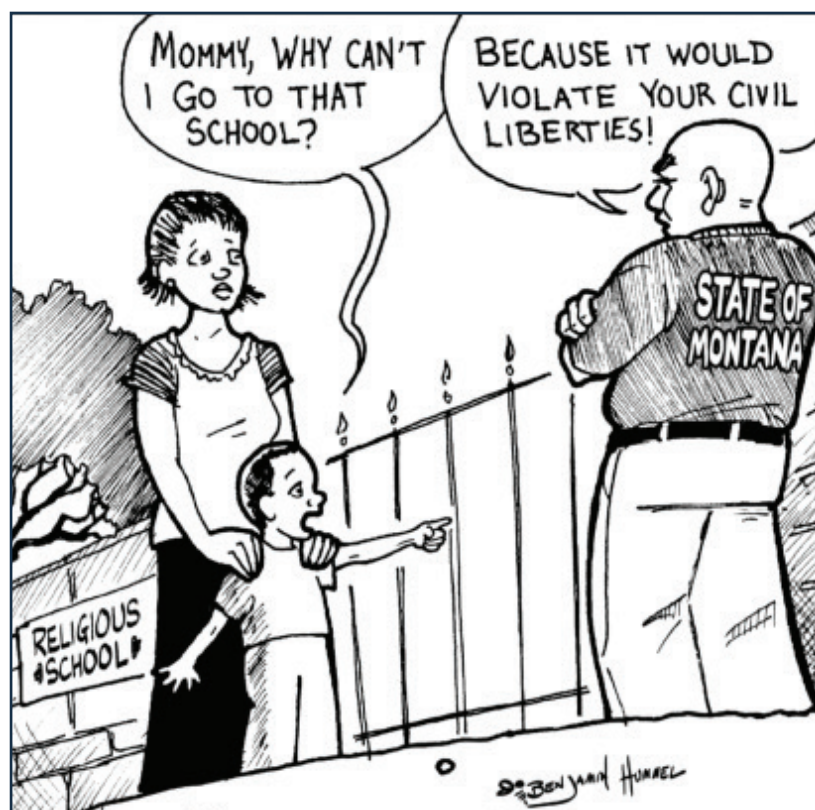
The right to educational choice has long been a priority of the Liberty Justice Center, and now we are defending families' rights to school choice in key states across the country.



In partnership with the American Federation for Children, the Liberty Justice Center stood up for Native American families in Arizona who were threatened with steep penalties for their use of Education Savings Accounts, or ESAs. A newly elected superintendent sent letters in spring 2019 demanding families using ESA funds for a private Christian school on their reservation disenroll their children for the coming school year and pay back thousands of dollars, which these families had already paid out in tuition.

The Liberty Justice Center sent a letter to the superintendent explaining why her actions violated the doctrine of equitable estoppel, forcing her to reverse course and back down on her demand.

Again, in partnership with the American Federation for Children, we wrote and submitted a key brief in support of *Espinoza v. Montana*, a landmark case before the U.S. Supreme Court. We are asking the court to protect the rights of students using state-supported scholarships to enroll in religious schools.



In October 2019, the Arizona Department of Education failed to deposit scholarship funds on time for more than 100 Arizona families. As a result, families found themselves without the funds needed to pay for curriculum resources or their school tuition.

The Liberty Justice Center stepped in and filed a lawsuit to create a mechanism of accountability. Because of our legal action, the Department of Education publicly acknowledged its backlog, admitting they failed students.

Now the bureaucrats, state legislature and news media are on notice to ensure this does not happen again or they will face further legal action.

Arizona Daily Star

T [tucson.com](https://www.tucson.com)

Legal claim filed against Arizona over delayed education voucher funding

PHOENIX - A dispute over funding to administer the state's voucher program may be spilling over into court.

By Howard Fischer | November 15, 2019

The Arizona Department of Education has not been living up to the promises it's made families in the state. The Liberty Justice Center created a mechanism of accountability to ensure these promises are met.

UPHOLDING ECONOMIC LIBERTY

In 2019, the Liberty Justice Center challenged unconstitutional campaign finance laws, violations of commercial free speech and overreaching government regulations.

We began 2019 with a victory. The City of Chicago passed an amendment in direct response to a Liberty Justice Center lawsuit: *Vugo v. City of Chicago*. In that case, we challenged Chicago's ban on commercial advertising in ride-sharing vehicles. But the fight didn't end there.

After working with our attorneys, Vugo asked us to continue fighting for their free speech rights nationally, challenging other advertising bans on ride-share vehicles in other cities.

We filed a cert petition before the U.S. Supreme Court – asking the Court to hear this case and review unconstitutional bans like these nationwide.



Vugo is a Midwest-based tech startup that allows drivers for ride-sharing services such as Uber and Lyft to make extra money by displaying advertising and other media on a tablet in their vehicles.



The Liberty Justice Center fought Chicago's ban on commercial advertising in ride-sharing vehicles.

"We at Vugo are grateful to the Liberty Justice Center for representing us. The City of Chicago's reversal on the rideshare advertising issue is a victory for rideshare drivers, the rideshare advertising industry and entrepreneurs and startups throughout the United States." – James Bellefeuille

Our attorneys are defending freedom of the press in the case *MacIver Institute v. Evers*.



Wisconsin Gov. Tony Evers' administration has denied coverage to journalists who may report negative press. These journalists turned to the Liberty Justice Center for help.

Since taking office in January 2019, Wisconsin Gov. Tony Evers' administration blocked journalists from the MacIver Institute, a conservative think tank in Wisconsin, from participating in a press briefing with other reporters. As a result of this exclusion, it's been practically impossible for MacIver journalists to do their jobs.

Liberty Justice Center attorneys filed a federal lawsuit against Gov. Evers for violating the First and Fourteenth amendments to the U.S. Constitution. Daniel Suhr, lead attorney in this case, explains:

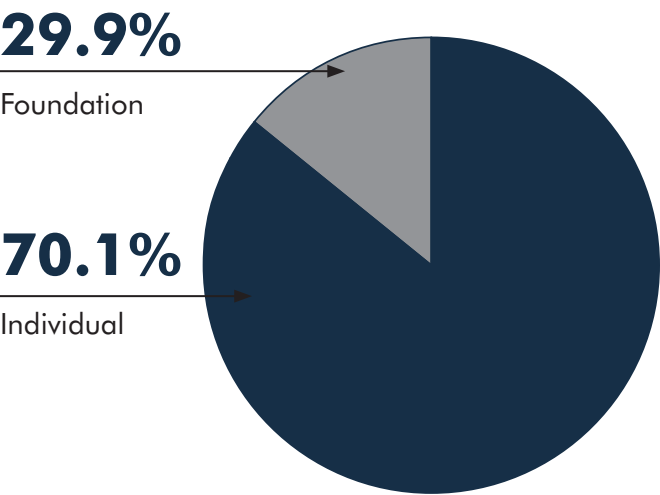
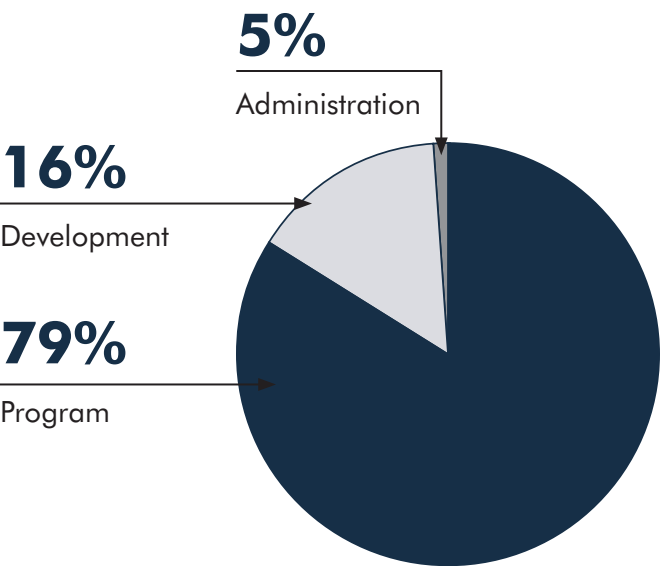
"The First Amendment guarantees freedom of the press. This means government officials can't pick and choose which reporters cover their public events. Gov. Evers has spent the past eight months excluding MacIver journalists from his press briefings. That's wrong. The First Amendment exists to protect journalists who are challenging people in power. This is the foundation of a free society."

FINANCIAL INFORMATION

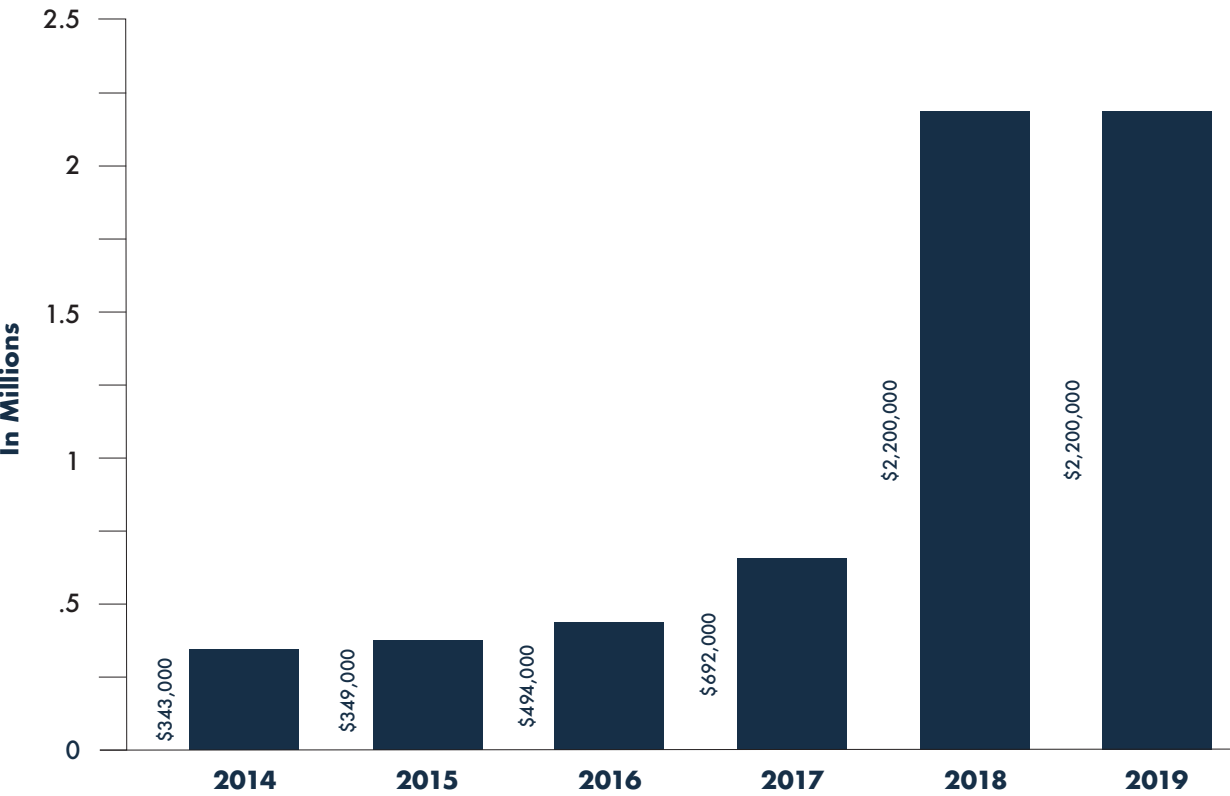
The Liberty Justice Center is grateful for the generous support we received, which allowed us to expand our impact across the nation.

2019 TOTAL EXPENSES: \$2,215,867

2019 TOTAL REVENUE: \$2,232,882



ANNUAL REVENUE

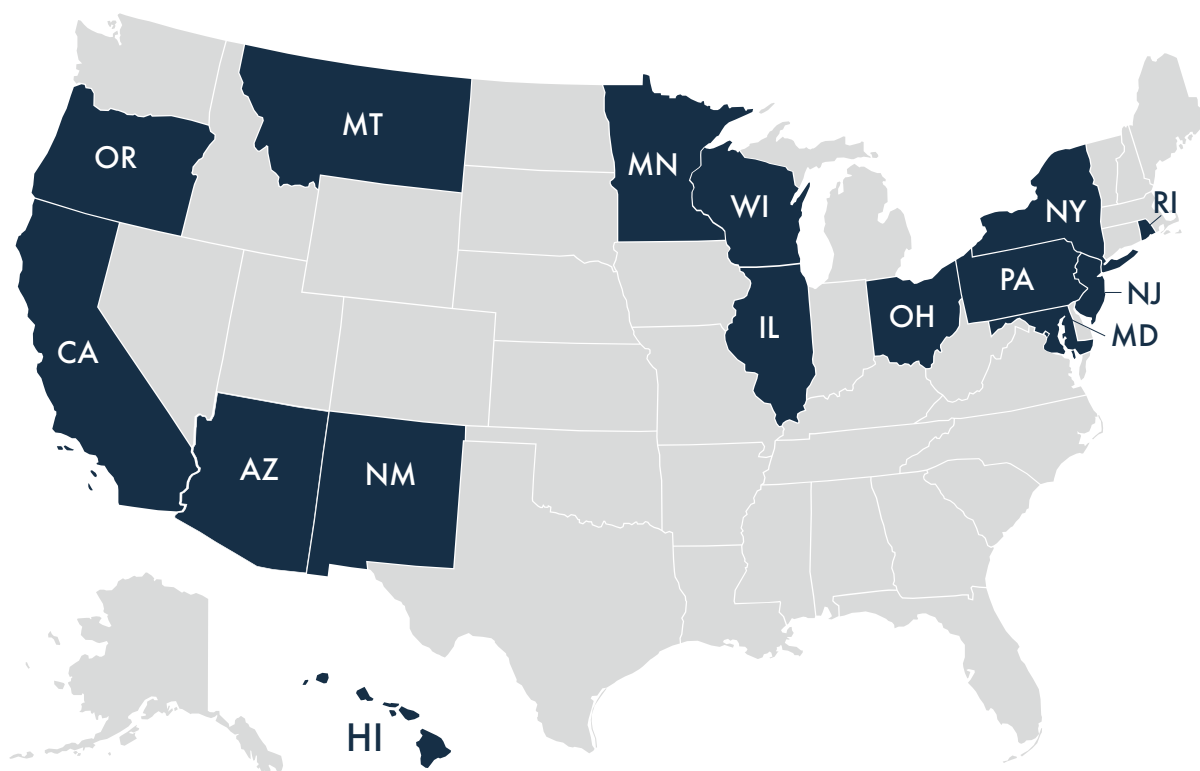


A LOOK AHEAD

The Liberty Justice Center has been able to scale up our work thanks to our generous partners across the country.

Because of our community of donors, we file strategic litigation that creates national precedent. We then use that precedent to further advance freedom.

Since the Liberty Justice Center's Janus victory, we have filed casework across the country. At the start of 2019, we had litigation in one state. By December, we had cases in 15 states nationwide.



The Liberty Justice Center has filed casework in 15 states across the country.

Thank you for making this transformational impact possible.

We are scaling up litigation to ensure the Janus ruling is properly enforced. We assist public sector workers in understanding their Janus rights. Because of our donors, we also have the resources to protect all Americans' rights to privacy and are able to defend families' educational choices.

The Liberty Justice Center is a 501(c)(3) charitable organization. Our generous donors ensure none of our clients pay for litigation services.

If you'd like to speak more about how you can advance this impact in 2020, contact our Director of Development Laurel Abraham at labraham@libertyjusticecenter.org or 815-830-4811.



LIBERTY JUSTICE CENTER

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