THE WALL STREET JOURNAL

January 20, 2015

Eric Holder's Good Deed

The AG suspends an especially bad form of policing for profit.

It isn't often that we praise Eric Holder, but the Attorney General deserves it for reining in the increasingly abusive practice of "civil forfeiture," which is the polite term for policing for profit.

The Justice Department announced on Friday that it is suspending a program known as "adoption," whereby state and local officials seize property and then hand off the process and a share of the loot to the Justice Department. The federal government would keep 20% of the value of the seizure and send 80% back to the states, where it financed the police departments and prosecutors who seized the property in the first place.

The scheme became popular because it let state and local prosecutors evade state laws, which often require that the proceeds from civil forfeiture be kicked into a state's general fund. The practice has brought in an astonishing \$3 billion since 2008, covering about 55,000 seizures. Many of the targets are small businesses caught unfairly in some prosecution maw without the legal means to fight back.

According to the **Institute for Justice**, which tracks and litigates civil-forfeiture cases, 80% of people whose property is seized by the feds are never charged with a crime. The funds gathered by state and local law enforcement often exceed annual operating budgets, creating incentives for police to take property first, answer questions later. Mr. Holder said the suspension is part of a comprehensive review of civil asset-forfeiture practices, and Friday's order doesn't erase the problem by any stretch. The order explicitly allows forfeiture programs that occur in the context of federal-state joint task forces—such as when the Drug Enforcement Administration works with local cops—and makes no changes in forfeiture programs operated under state laws.

Mr. Holder's order is also merely a suspension, so some future Attorney General could presumably reinstate it. President Obama's nominee to succeed Mr. Holder, Loretta Lynch, has been a big civil-forfeiture practitioner. Someone in the Senate should ask her if she'll return Justice to bad practices as AG.

A long-term solution rests with Congress, which ought to address abuses nationwide. Senate Judiciary Chairman Chuck Grassley, Senator Mike Lee, and House Judiciary liberal John Conyers and conservative Jim Sensenbrenner have encouraged Justice to act, and we hope they can find a way to put a more thoroughgoing reform on Mr. Obama's desk in the current Congress.

It's true that Mr. Holder is responding to bipartisan pressure, and his partisan history suggests he wouldn't have acted if liberals and Democrats weren't joining small-government conservatives in pushing reforms. But whatever his political motive, this may be the best legacy he'll leave at Justice.