

Statement of Congressman Doug Collins
Markup of H.R. 5283, the DUE PROCESS Act
House Judiciary Committee
May 25, 2016
Draft 1 – SRL

Mr. Chairman, I move to strike the last word.

The Gentleman from Georgia is recognized.

Mr. Chairman, I would like to ask unanimous consent to enter into the record a statement and letters from Andrew Clyde, a victim of civil asset forfeiture and a constituent in my district.

Without objection.

Andrew owns Clyde Armory in Athens, Georgia. This is a successful firearms business, but it was targeted by the IRS and Andrew fell victim to civil asset forfeiture.

Andrew is a combat veteran who grew this business in his community. He followed the law, paid his taxes on time, filed all the right paperwork—but that didn't stop several hundred thousand dollars from being seized from his business.

I think Andrew summed it up best when he testified before the Ways and Means Committee about this same issue: "I did not serve three combat tours in Iraq only to come home and be extorted."

What he doesn't say there—he was being extorted by his own government.

We are better than that. And I believe today's bill clarifies our laws to ensure that other hardworking, honest Americans are not the victim of overreach and ambiguous laws that make them vulnerable.

His full statement that explains his story will be in the record, but I want to highlight a few parts of it now.

In April of 2013, the IRS seized the nearly \$950,000 in Clyde Armory's bank account even though there was no evidence of criminal activity. Two IRS agents simply showed up at his business one day, and served him with a seizure warrant letting him know that his business bank account had been nearly drained. He was not aware of any laws he may have broken, unintentionally or not, and had practices in place to ensure his business was fully compliant with all laws.

He says of this day, "I have never been so afraid in my life, not even in combat."

Think about this. This is an Iraq combat veteran, who served three tours in a war zone. Yet he admits he trembled when the IRS agents left. He saw his business, which he has built from the

ground up, threatened for no discernible reason. Does this sound right to you?

Over the course of a few months, the case wound up in federal court. After legal fees and the eventual surrender of \$50,000 to the IRS to end the matter, nearly \$150,000 had been carved out of the \$950,000 seizure.

Andrew is lucky in many ways that his business was able to weather the toll of this seizure and so much operating capital. Many other businesses are not so lucky.

But they shouldn't have to rely on luck. The government shouldn't be able to swoop in in the middle of the night and take private property absent evidence of wrongdoing and due process. That is why I have worked so hard on this issue—to prevent this kind of federal intrusion of the worst form.

The Due Process Act takes steps to address this problem, which is why I am a proud cosponsor. The bill includes many provisions that I have worked to see addressed. The bill heightens the government's burden of proof in civil forfeiture proceedings, allows for the recovery of attorney's fees, and provides additional protections to innocent owners. Among other provisions, it also clarifies DOJ and IRS policy related to structuring and forfeiture. Each of these provisions, among others, could have prevented the situation Andrew Clyde found himself in.

However, and notably, Andrew Clyde won't be able to personally benefit from this bill, because the provisions are not retroactive. The government has wronged many people under asset forfeiture provisions, yet they won't see relief.

While I would like to see that changed, this bill is still a positive step that makes meaningful reforms.

And Andrew, while he would like relief, is very pleased that this bill takes steps in the right direction and prevents what happened to him from happening to others.

Andrew Clyde is a well-respected business man in Northeast Georgia. He sells weapons to law enforcement; he is a part of the community; he has admirably served his country; and he has always strived to follow the law. If he could have his assets seized, other businesses and law abiding citizens are clearly at risk.

In fact, days after he first told his story, stories of similar seizures started appearing in news outlets across the country.

This has to stop.

Today we have a step to ensure that Americans have the protections they deserve and are entitled to.

Thank you for moving this bill Mr. Chairman, on behalf of Andrew Clyde and victims of wrongful civil asset forfeiture across the country. I yield back the balance of my time.