



September 28, 2005

Dear Representative:

Taxpayers for Common Sense (TCS), a non-partisan budget watchdog, has grave concerns regarding H.R. 3842, the Threatened and Endangered Species Recovery Act of 2005. As reported by the House, this bill would establish a new entitlement program that will not only burden taxpayers but require the creation of an unnecessary and complex federal spending program.

TCS believes that, as written, the true fiscal impacts of this bill are impossible to calculate, but are likely to be large. H.R. 3824 establishes a policy whereby landowners could file takings claims against the government for relatively unspecific future development plans. The bill's vague language is also likely to encourage serial filers, as there is nothing to prevent landowners from collecting multiple times on the same piece of land property. Additionally, H.R. 3824 would require federal taxpayers to pay even if the law affects only a small portion of a landowner's property and has little or no impact on the overall value of the remainder of that property. In fact, this legislation, as written, would almost always result in mandated payouts of taxpayer dollars, even if the value of the property had risen. In addition, the threshold for filing a claim and proving a taking under these new regulations would be extremely low, resulting in not only a near guaranteed payout from taxpayers to landowners, but also a likely flood of applications to take advantage of the windfall.

As we have seen countless times in the past, a loophole will always be exploited, and an enormous loophole will be exploited enormously. This legislation is rife with loopholes and vague wording that have the potential to cost taxpayers billions of dollars, and must be revised.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Ellis".

Steve Ellis  
Vice President for Programs