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July 6, 2011

The Honorable Kevin McCarthy
U.S. House of Representatives
326 Cannon House Office Building
Washington, DC 20515

Dear Representative McCarthy:

On behalf of California's 481 cities and 58 counties, the League of California Cities (League) and California State Association of Counties (CSAC) are writing to urge you to oppose H.R. 1433, the *Private Property Rights Implementation Act*. H.R. 1433 is a fundamental intrusion upon local government's authority over local land use decisions, and would preempt already existing California state law, which provides strict limitations on the use of eminent domain.

Eminent domain is a seldom-used but important tool that allows communities to condemn blighted properties and convert them to safe, affordable housing, to takeover and cleanup environmentally toxic areas, and to transform impoverished, economically depressed neighborhoods while providing jobs, businesses, housing and economic growth. California's local governments use eminent domain sparingly, judiciously and in compliance with state law, which was updated in 2008 when 62 percent of California voters approved eminent domain reform by enacting Proposition 99, the Home-Owners and Private Property Protection Act. While California law already limited the use of private property transfer for a public use and only when just compensation was paid to the property owner, Prop 99 made further prohibitions on the use of eminent domain by forbidding the taking of owner-occupied residences for the purpose of conveying them to a private party. HR 1433 would unnecessarily override our stringent state laws regarding eminent domain use.

HR 1433 would also punish state and local governments that utilize eminent domain by denying them federal economic development funding, just as these governments are working to rebuild their local economies in the wake of the national mortgage foreclosure crisis. In fact, many of California's cities and counties still maintain unemployment rates that are higher than the national average.

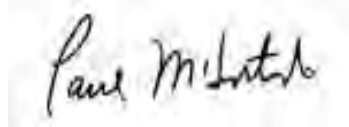
Finally, enactment of this legislation would expand the scope of municipal liability, impose a major new, unfunded financial burden on state and local governments, both in terms of added litigation expenses and potential damages awards, and create many new questions about the extent of local government liability. The existing rules, developed over many years, allow courts to strike a fair balance between takings claimants, neighboring property owners, and the public. There is no reason to alter these judicial standards. To do so would undermine the delicate balance that has been struck between the rights of private property owners and the rights of the public.

Thank you for your consideration of this important matter.

Sincerely,



Chris McKenzie
Executive Director
League of California Cities



Paul McIntosh
Executive Director
California State Association of Counties