



UNITED STATES HOUSE OF REPRESENTATIVES

JUDICIARY COMMITTEE

Chairman Lamar Smith (TX-21)

H.R. 1433, the Private Property Rights Protection Act

Sponsor: James Sensenbrenner (R-WI); Lead Cosponsor: Maxine Waters (D-CA)

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On April 7, 2011, Jim Sensenbrenner (R-WI) and Maxine Waters (D-CA) introduced the Private Property Rights Protection Act. This legislation overwhelmingly passed the House in the 109th Congress by a margin of 376 to 38, but did not receive consideration in the Senate. As eminent domain abuse continues to be a serious problem for private property owners across the country, it is once again time Congress takes up this legislation.

The Private Property Rights Protection Act protects the rights of private property owners by suspending the receipt of federal economic development funds for two years for any state or local government that uses eminent domain to transfer private property from one private owner to another for the purpose of economic development. It also gives property owners legal recourse to fight private economic development takings and prohibits the federal government from using eminent domain for private economic development. Thus, the bill limits the negative impact of the Supreme Court's decision in *Kelo v. City of New London*.

Although several states have passed legislation to limit their eminent domain power and courts in other states have barred private economic development takings under their state constitutions, the Private Property Rights Protection Act is needed to provide these protections to private property owners in every state. All American citizens need a means to protect themselves from eminent domain abuse and all state and local governments should be disincentivized from using eminent domain to transfer property from one private owner to another.

Too many Americans have lost homes and small businesses to eminent domain abuse, forced to watch as private developers replace them with luxury condominiums and other "upscale" uses. Family farms are wiped out by eminent domain to make way for shopping centers and big-box stores. And churches, generally entitled to tax-exempt status, are often seized through eminent domain to be replaced by more lucrative private development.

The federal government should not be a party to private-to-private transfers of property. It should not be spending the country's scarce economic development funds on projects that strip Americans of their constitutional rights. The Private Property Rights Protection Act ensures that federal economic development funds will not be spent on projects or in states that misuse the eminent domain power to seize property for private economic development.