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MEMORANDUM

- TO: INTERESTED PARTIES
- FROM: KAREN BUDD-FALEN BUDD-FALEN LAW OFFICES, LLC
- DATE: NOVEMBER 21, 2011

RE: ATTORNEYS FEES REFORM PASSES THE U.S. HOUSE JUDICIARY COMMITTEE!!

Chalk one up for the good guys who are trying to bring transparency and accountability for the amount of taxpayer dollars paid in attorneys fees. The bill to return the Equal Access to Justice Act ("EAJA") to its original intent has crossed its first giant hurtle–passage through the House of Representatives Judiciary Committee!! Now we need your help to get this bill through the full U.S. House.

On November 17, 2011, the House of Representatives, Judiciary Committee passed the Governmental Litigation Savings Act ("GSLA"), bringing it one giant step closer to the President's desk. This bill, H.R. 1996, introduced by Congresswoman Cynthia Lummis (R-WY), will now go to the full House of Representatives for a vote. Court documents, including settlement agreements and voluntary consent decrees, have shown that literally tens of millions of dollars that have been pouring into the coffers of multimillionaire groups like the Sierra Club, the Defenders of Wildlife, the Center for Biological Diversity and countless others.

The purpose of the legislation is to bring accountability and transparency for the payment of attorneys fees to the American public. Since 1995, there has been no accounting of this money; money that by the smallest of estimates is in the hundreds of millions of dollars.

Additionally, the bill would bring EAJA back to its original Congressional intent of reimbursing the individual and small business for litigation against the federal government. While everyone recognizes and supports reimbursement of attorneys fees for veterans, social security recipients and others similarly situated, others who are not so deserving have twisted the law so that the American taxpayers are paying millions of dollars for cases where the only issue is the federal government's failure to meet a time deadline or jump through a procedural hoop. According to one of the groups who file this type of litigation, litigation is more a form of psychological warfare by causing stress to already stressed federal employees. "They feel like their careers are being mocked and destroyed -- and they are," the founder of the Center for Biological Diversity ("CBD") told a publication called the High Country News. The CBD and other environmental groups like them do not represent veterans or social security beneficiaries, or even people at all, yet they receive money that is never accounted for or tracked from the American taxpayers.

In addition to the requirements for transparency and accounting, the bill would prohibit non-profit organizations with a net worth exceeding \$7 million from filing for EAJA funds; require that EAJA filers show a "direct and personal monetary interest" in the action to be eligible for payment; and cap the attorneys fees environmental activists claim to be owed.

We have had great supporters in getting H.R. 1996 through the Judiciary Committee, but now is when the hard work begins. Now is the time for a call to action to bring this legislation to a vote by the full House of Representatives. <u>We need your</u> <u>support.</u> Please call or write and ask your legislator to request that H.R. 1996 be brought to the full House of Representatives. It is time to end the gravy train and to account for the tax dollars flooding out of Washington.

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