



July 5, 2006

An Open Letter to the North Carolina General Assembly: Taxpayers Want Strong Protections Against Eminent Domain Abuse

Dear Legislator:

On behalf of the more than 10,700 North Carolina members of the National Taxpayers Union, I urge you to pass the strongest possible prohibition against using eminent domain powers for economic development. While the main statutory response (HB1965) to the eminent domain debate does offer some protection by narrowing the definition of “public use” to exclude economic development, we are concerned that any exemption for “blight” could be abused by localities intent on taking private property for development purposes. At the end of the day, a Constitutional Amendment would provide better protection against the rationale used in the *Kelo v. New London* case to justify forced private to private transfers of property. Eminent domain abuse is a looming threat to North Carolina property owners, and we ask you to act now to avoid future cases of improper takings.

In June of 2005, the nation’s highest court held that the city of New London, Connecticut was justified in seizing the property of Susette Kelo and her fellow homeowners on behalf of another private party. Despite the U.S. Constitution’s prohibition against taking private property for *public use* without just compensation, the Supreme Court’s 5-4 decision in *Kelo* permits the use of eminent domain for private to private transfers as long as government officials have a “plan” and believe that there will be some economic benefit from the taking. Thankfully, taxpayers still have some recourse, as the ruling stated, “nothing in our opinion precludes any State from placing further restrictions on its exercise of the takings power.”

Taxpayers must now rely on elected state officials to provide protection against misuse of eminent domain powers. While HB1965 offers some additional protection for property owners, we cannot lose sight of the fact that placing a statutory patch on such a critical problem is not a lasting policy solution. **North Carolinians deserve a Constitutional Amendment that establishes a strict definition of “public use.”**

We hope that you will help us defend the American Dream by passing an amended bill that removes blight loopholes, but we trust that you will soon take up a Constitutional Amendment that will properly enshrine the property rights of North Carolinians.

Sincerely,

Kristina Rasmussen
Senior Government Affairs Manager