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MEMORANDUM

TO: INTERESTED PARTIES

**FROM: KAREN BUDD-FALEN
BUDD-FALEN LAW OFFICES, LLC**

DATE: OCTOBER 13, 2011

RE: MOVEMENT ON ATTORNEYS FEES BILL

Below please find a press release from the Western Legacy Alliance and New Mexico Cattle Growers Association announcing the exciting news that Congress is taking its first step to stop the flood of taxpayer money to radical environmental groups. We need your help to move this legislation forward.

*Western Legacy Alliance Takes
Taxpayer Fight To Congress – The First
Step to Stopping the Gravy Train*

Western Legacy Alliance (“WLA”) Chairman Jennifer Ellis, Blackfoot, Idaho, joined by Lowell Baier, Boone & Crockett and others, exposed the reality of taxpayer funded attorneys fees for “environmental” litigation before the U.S. House Judiciary Committee, Subcommittee on Courts, Commercial and Administrative Law, on October 11, 2011, during a hearing on H.R. 1996, the Government Savings Litigation Act.

H.R. 1996, which was introduced by Congresswoman Cynthia Lummis R-WY), will prohibit non-profit organizations with a net worth exceeding \$7 million from filing for Equal Access to Justice Act (“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. The legislation would also require an accounting of the money paid by the federal government for attorneys fees. Despite claims to the contrary, the legislation does not affect the ability of individual citizens and small businesses to utilize EAJA when defending themselves against the federal government, says WLA attorney Karen Budd-Falen, Cheyenne, Wyoming.

It was Budd-Falen’s research on behalf of WLA that uncovered the literally tens of millions of dollars that have been pouring into the coffers of multi-

millionaire groups like the Sierra Club, the Defenders of Wildlife, the Center for Biological Diversity and countless others.

The current EAJA is supposed to only allow plaintiffs to recover attorneys fees and other expenses from the federal government when they prevail or favorably settle cases against the government and only when the government's position was not substantially justified. Those suing the government, and winning, were only supposed to be put in the same place as they were before—but that is not how the law is being used now.

“Government funding of groups suing the federal government has literally become a cottage industry in the so-called environmental community,” according to Ellis, who traveled to Capitol Hill to testify on behalf of natural resources users. Budd-Falen's research indicates that over the past decade, just 12 environmental groups have filed more than 3,300 lawsuits, recovering more than \$37 million in “attorneys fees” funds.

“Because the federal government stopped keeping records on these payments in 1995,” Budd-Falen explained, “this is just the tip of the iceberg in payments. There are hundreds of groups who are using the courts to remove productive use of lands and getting paid for their actions, often regardless of whether they win or not. The mere filing of a suit often results in payments.”

“As a rancher, I pay for this litigation three times,” Ellis told the Committee.

“My tax dollars fund the federal lawyers and agencies to participate in this litigation; I am forced to hire an attorney to protect my own interests, and my tax dollars fund those using the courts to drive my family from the land.”

The October 11, 2011 hearing is just a small step in correcting a problem that has not only been costly for every American, but has been devastating to those who utilize and enjoy natural resources including energy production, mineral production, livestock production and recreation, said Budd-Falen. A similar measure has been introduced in the U.S. Senate. The bill must clear both Houses and gain the signature of the President before the problem will be solved.

The question now is whether the subcommittee will vote “yes” to move the bill to the full Judiciary Committee. Members of the subcommittee include:

Mr. Coble, Chairman - R - NC 6th District

Mr. Gowdy, Vice-Chairman - R - SC 4th District

Mr. Gallegly - R - CA 24th District

Mr. Franks - R - AZ 2nd District

Mr. Quayle - R - AZ 3rd District

Mr. Ross - R-FL 12th District

Mr. Cohen - D - TN 9th District

Mr. Johnson - D - GA 4th District

Mr. Watt - D - NC 12th District

Current House Sponsors and co-sponsors of the bill can be found at <http://thomas.loc.gov/cgi-bin/bdquery/z?d112:HR01996:@@P>

H.R. 1996 is supported by numerous state and national organizations

including the National Cattlemen's Beef Association, the American Sheep Industry Association, the Public Lands Council, the New Mexico Cattle Growers' Association, the New Mexico Wool Growers, Inc. and the New Mexico Federal Lands Council.

We need your support too. Please call and ask the Subcommittee members to vote to move H.R. 1996 to the full Committee or ask your Congressional representative to become a sponsor for this bill!

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