



November 9, 2009

An Open Letter to the U.S. House of Representatives: Protect Taxpayers from Judgment-Evading Nations

Dear Representative:

Argentina's 2001 debt default and subsequent restructuring has cost U.S. taxpayers billions of dollars. Time continues to pass as Argentina refuses to recognize its outstanding debt obligations. For these reasons, the National Taxpayers Union (NTU) urges you to co-sponsor legislation that will remedy the failure of Argentina and other nations to repay these lawful debts.

Representative Eric Massa (D-NY) has introduced H.R. 2493, the Judgment Evading Foreign States Accountability Act of 2009 (JEFSFA), in the U.S. House of Representatives to encourage Argentina's repayment of its debt obligations. This legislation would deny Argentina and other foreign states that have been in default of U.S. court judgments exceeding \$100 million for more than two years access to U.S. capital markets. H.R. 2493 would also deny state-owned corporations of such nations that remain in default for more than three years access to U.S. capital markets.

NTU remains highly supportive of the free flow of international finance, and continues to advise caution against regulatory overreach. Private citizens should be free to weigh the risks and rewards in making international investment decisions. Nonetheless, legislation like JEFSFA will reduce the American taxpayer's burden for Argentina's economic irresponsibility. Steps taken by Congress will show the Argentine government that negligent financial decisions negatively affecting U.S. taxpayers will not be tolerated and must be redressed.

Hard-working U.S. citizens should not be forced to shoulder the burden of Argentina's fiscal carelessness. We encourage you to co-sponsor H.R. 2493, so that hearings may be held on this legislation and its provisions carefully examined. On behalf of our 362,000 members, we look forward to your action on this important matter.

Sincerely,

Pete Sepp
Vice President for Policy and Communications