

ALASKA STATE LEGISLATURE

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SENATOR BERTA GARDNER *SENATE DISTRICT H*

Sponsor Statement SJR 25

SJR 25 urges the Alaska Department of Law and the US Department of Justice to take court action to collect from Exxon the delinquent \$92 million oil spill “Reopener for Unknown Injury” claim submitted by the Murkowski Administration in 2006.

In the historic 1991 settlement of the State of Alaska and U.S. Government claims against Exxon for the 1989 Exxon Valdez oil spill, Exxon agreed to pay \$900 million in civil damages, \$100 million in criminal restitution, and a \$25 million criminal fine. Additionally, the Agreement and Consent Decree provided for a “Reopener for Unknown Injury” under which Exxon would pay up to \$100 million in the future for injuries unknown and unanticipated at the time of the settlement.

In 2006, the Murkowski Administration, at the urging of the Alaska Legislature, collaborated with the Bush administration to develop a restoration plan for unknown injuries, and presented a demand for payment to Exxon for \$92 million. Exxon rejected the claim and refused to honor its obligations as set forth in the 1991 agreement.

Meanwhile, state and federal studies confirm that a substantial amount of Exxon Valdez oil remains on beaches in substrates and the oil is nearly as toxic as it was the first few weeks after the spill. Birds, fish and mammals in the region continue to be affected.

Although the State of Alaska has continued to study lingering oil injuries, it has yet to begin work to remediate lingering oil, as promised in 2006, nor has it taken Exxon to court to collect the long-overdue claim.

On June 25th, 2010 Exxon unilaterally suspended the tolling agreement among the parties, under which the statute of limitations had been temporarily suspended. This action started the clock ticking, with potentially a 6-year limit. Therefor, we must pursue our claim in court before June 25th, 2016 or lose it forever.

After 25 years, it is time to give Alaskans closure on this issue. I look forward to your support on this resolution.