

CS FOR SENATE JOINT RESOLUTION NO. 18(RLS)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE

Offered: 5/16/99

Referred: Today's Calendar

Sponsor(s): SENATORS LINCOLN, Elton, Ellis

REPRESENTATIVES Kerttula, Smalley

A RESOLUTION

1 **Requesting Exxon Corporation to pay claimants for court-ordered damages resulting**
2 **from the Exxon Valdez oil spill.**

3 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **WHEREAS**, on March 24, 1989, at 12:04 a.m., the oil tanker Exxon Valdez grounded
5 on Bligh Reef in Prince William Sound resulting in a spill of 11,000,000 gallons of North
6 Slope crude oil along Alaska's shoreline; and

7 **WHEREAS**, immediately following the spill, executives of Exxon Corporation
8 promised the residents of the state that they would make Alaska whole again; and

9 **WHEREAS** the oil spill killed or affected seabirds, sea otters, harbor seals, bald
10 eagles, killer whales, salmon and herring eggs, and many tidal plants and animals, and has
11 caused long-term damage to the environment of Prince William Sound; and

12 **WHEREAS** the oil spill affected many communities; commercial, subsistence, and
13 sport fishermen; tourism operators; subsistence gatherers; large and small businesses; and
14 others in the area; and

15 **WHEREAS**, on September 16, 1994, an Alaska jury in the federal district court
16 returned verdicts against Exxon Corporation to help compensate those affected by the spill;

1 the verdicts provided for payment of damages in the amount of nearly \$5,300,000,000, of
2 which \$5,000,000,000 represents an award of punitive damages; and

3 **WHEREAS**, between 1994 and 1996, the federal district court judge denied numerous
4 motions by Exxon Corporation to overturn or adjust the verdicts, and the corporation continues
5 to file motions that delay settlement of the case; and

6 **WHEREAS**, between 1996 and today, Exxon Corporation filed two motions for new
7 trials that were denied by the federal court; and

8 **WHEREAS** oral arguments were held on May 3, 1999, on Exxon Corporation's appeal
9 of the denial for its second motion for a new trial and, pending the outcome of this appeal,
10 the company may file a petition for further review to the United States Supreme Court; and

11 **WHEREAS** Exxon Corporation has prospered financially in the 10 years since the oil
12 spill and is preparing to merge with Mobil Corporation to create the largest corporation in the
13 world; and

14 **WHEREAS**, a decade after the oil spill and five years after the damage judgment,
15 40,000 claimants are still waiting for payment of compensatory and punitive damages; 500
16 claimants have died since 1989; and

17 **WHEREAS** the majority of the claimants who are owed compensatory and punitive
18 damages are working men and women with families, homes, mortgages, and financial
19 obligations; and

20 **WHEREAS** the petroleum industry plays a vital role in providing revenue,
21 employment, and economic stability for the state; and

22 **WHEREAS** the Alaska State Legislature has encouraged development of the petroleum
23 industry through incentives and partnerships; and

24 **WHEREAS**, in order to foster partnerships between Exxon Corporation and the people
25 of Alaska, Exxon Corporation must make good on its promise to make Alaska whole again,
26 and pay its debt to the people of Alaska as prescribed by the court.

27 **BE IT RESOLVED** that the Alaska State Legislature urges the Exxon Corporation to
28 immediately pay the compensatory damages awarded in the court-ordered judgment, and to
29 pay the punitive damages, if affirmed by the Ninth Circuit Court of Appeals, without further
30 delay or appeal.

31 **COPIES** of this resolution shall be sent to the Honorable Bill Clinton, President of the

1 United States; the Honorable Al Gore, Jr., Vice-President of the United States and President
2 of the U.S. Senate; the Honorable Janet Reno, Attorney General of the United States; the
3 Honorable J. Dennis Hastert, Speaker of the U.S. House of Representatives; the Honorable
4 Trent Lott, Majority Leader of the U.S. Senate; Robert Pitofsky, Chairman of the Federal
5 Trade Commission; William J. Baer, Director, Bureau of Competition, Federal Trade
6 Commission; the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators,
7 the Honorable Don Young, U.S. Representative, members of the Alaska delegation in
8 Congress; and Lee R. Raymond, Chairman and Chief Executive Officer of Exxon Corporation.