

ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON FISHERIES

February 22, 2006
8:41 a.m.

MEMBERS PRESENT

Representative Gabrielle LeDoux, Co-Chair
Representative Bill Thomas, Co-Chair
Representative John Harris
Representative Peggy Wilson

MEMBERS ABSENT

Representative Jim Elkins
Representative Mary Kapsner
Representative Woodie Salmon

COMMITTEE CALENDAR

HOUSE JOINT RESOLUTION NO. 29

Urging the United States Department of Justice and the Alaska Department of Law to identify all natural resource damages from the Exxon Valdez oil spill that were unanticipated at the time of the 1991 settlement, to develop plans to remedy the damages, and to present the ExxonMobil Corporation with a request for the full \$100,000,000 that is available through the "Reopener for Unknown Injury" clause of the 1991 civil settlement to carry out these plans.

- MOVED HJR 29 OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HJR 29

SHORT TITLE: COLLECT MORE EXXON VALDEZ SPILL DAMAGES

SPONSOR(S): REPRESENTATIVE(S) CROFT

02/01/06	(H)	READ THE FIRST TIME - REFERRALS
02/01/06	(H)	FSH, RES
02/22/06	(H)	FSH AT 8:30 AM CAPITOL 124

WITNESS REGISTER

Eric Croft
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented HJR29, as prime sponsor.

ACTION NARRATIVE

CO-CHAIR GABRIELLE LEDOUX called the House Special Committee on Fisheries meeting to order at [8:41:37 AM](#). Representatives Harris, Thomas, and LeDoux were present at the call to order. Representative Wilson arrived as the meeting was in progress.

HJR 29-COLLECT MORE EXXON VALDEZ SPILL DAMAGES

[8:42:07 AM](#)

CO-CHAIR GABRIELLE LEDOUX announced that the only order of business would be HOUSE JOINT RESOLUTION NO. 29 Urging the United States Department of Justice and the Alaska Department of Law to identify all natural resource damages from the Exxon Valdez oil spill that were unanticipated at the time of the 1991 settlement, to develop plans to remedy the damages, and to present the ExxonMobil Corporation with a request for the full \$100,000,000 that is available through the "Reopener for Unknown Injury" clause of the 1991 civil settlement to carry out these plans.

REPRESENTATIVE CROFT, Alaska State Legislature, presented HJR 29, Version 24-LS1603\A, as prime sponsor, paraphrasing from the sponsor statement, which read as follows [original punctuation provided]:

HJR 29 urges the federal and state governments to request the \$100 million available for unforeseen and unanticipated damages stemming from the 1989 Exxon Valdez oil spill. The 1991 civil settlement contains a "Reopener for Unknown Injury" clause, which makes these funds available if additional impacts are discovered. Under the terms of the settlement, there is a limited window in which to apply for these funds, which closes on September 1, 2006. Plans for use of the funds must be submitted to Exxon 90 days in advance of the claim, or approximately June 1. This is unrelated to ongoing litigation regarding the punitive damages Exxon owes to individual Alaskans.

The resolution also requests an update from the Attorneys General of Alaska or the United States regarding the status of any reopener claim.

Since the spill and settlement, scientists funded by the initial payments have determined a number of unanticipated injuries to the spill zone. One major impact that did not become evident until after the settlement was the 1993 crash of the Prince William Sound herring population. Scientists have determined that crude oil affected the reproductive processes of the herring, which explains the delayed onset of the crash. Other significant discoveries regard lingering oil. A number of beaches in Prince William Sound still contain significant amounts of oil that has yet to biodegrade. Since the spill and settlement, scientists have also learned that they had underestimated the toxicity of crude oil to wildlife. These issues, among others, show the necessity of these additional restoration funds.

The Kenai Peninsula Borough, Kodiak Island Borough, and City of Cordova have passed resolutions in support of this action.

[8:46:13 AM](#)

REPRESENTATIVE HARRIS asked for an explanation of the procedure to be followed in order to pursue this clause and receive the funds.

[8:46:59 AM](#)

REPRESENTATIVE CROFT responded that the consent decree states: "Notwithstanding any other provision, Exxon shall pay additional sums if it meets the standard." Further, he read that the standard shall have been met when:

There has been a substantial impact on one or more populations, habitats, or species that is a substantial loss or substantial decline, that that was caused by the spill, and that the injury to the effected population or habitat could not reasonably have been known nor could it reasonably have been anticipated by a (indisc.) trustee from any information in the possession when we signed the agreement.

REPRESENTATIVE CROFT stressed that if a request for payment is not made to Exxon, then their obligation to pay any of this

money will end in September 2006. By making a request, he said that a negotiated agreement could be reached, but if Exxon refuses, the action would be handled in court as a breach of contract. Responding to a question, he said that the \$100 million is not automatic, but it is the cap. He stressed the need to prove the criteria to receive any amount, and that will be up to the scientists and lawyers.

[8:48:45 AM](#)

REPRESENTATIVE HARRIS inquired whether there is any indication that the administration is currently attempting an appeal to Exxon for more damage money based upon this action.

[8:49:11 AM](#)

REPRESENTATIVE CROFT there is a fair amount of work to prove these issues, despite the complications, and the state departments are working to establish proof of the standards. He stressed that this request should stand independently of other negotiations for the oil pipeline or a gas pipeline.

[8:50:30 AM](#)

REPRESENTATIVE HARRIS moved to report HJR 29, Version 24-LS1603\A, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HJR 29, Version A, was reported out of the House Special Committee on Fisheries.

[8:50:41 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Fisheries meeting was adjourned at [8:50:41 AM](#).