

SJR

18

FISCAL NOTE

No. 1
 Bill Version: SJR 18
 (S) Publish Date: 4-9-99

STATE OF ALASKA
 1998 LEGISLATIVE SESSION

Revision Date (Note if correction) 04/07/99 Dept. Affected _____
 Title Exxon Valdez Damage Claims BRU _____
 Component _____
 Sponsor Senator Lincoln
 Requester Senate Judiciary Committee Component Serial No. _____

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY98) cost: 0.0

POSITIONS

POSITIONS	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This resolution is anticipated to have no fiscal impact on state agencies.

Prepared by Sue Mossgrove *Sm* Phone 465-3717
 Division Senate Judiciary Committee Date 4/7/99
 Approved by Senator Taylor Date 4/7/99
 Agency Chair, Senate Judiciary

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TEN-YEAR TIMELINE OF EXXON VALDEZ LITIGATION

- March 24, 1989: Exxon Valdez grounds on Bligh Reef and spills 11 million gallons of crude oil.
- May 2, 1994: Trial begins in federal court - +5 years after spill.
- September 16, 1994: Jury in federal court returns \$5 billion punitive damages verdict in Phase III of case.
- September 30, 1994: Exxon files 12 motions to overturn the jury verdicts.
- October 3, 1994: Exxon files 3 motions to overturn the jury verdicts.
- January 27, 1995: Judge Holland denies Exxon's motions to overturn the jury verdicts (Order 267).
- February 7, 1995: Exxon files motion asking to depose the jurors and a motion to adjust the Phase IIA verdict.
- February 7, 1995: Exxon files motion to reconsider the order re: chum price and to reconsider order re: UCI setnetter harvest.
- May 5, 1995: Judge Holland denies Exxon's motion to reconsider the jury verdict regarding chum salmon price.
- June 13 and 14, 1995: Judge Holland conducts jury interviews.
- July 12, 1995: Exxon files motion to depose Juror Rita Wilson and Reporter Natalie Phillips.
- July 12, 1995: Exxon seeks access to Jurors Murray and Dean original juror questionnaires filed under seal.
- August 11, 1995: Judge Holland denied Exxon's motion for the juror questionnaires.
- August 16, 1995: Judge Holland denied Exxon's motion to depose Wilson and Phillips.
- September 6, 1995: Exxon files motion for a new trial claiming juror misconduct and coercion.
- October 24, 1995: Exxon files motion to amend the Phase 11(a) findings and adjust verdict re: UCI setnetters.
- October 24, 1995: Exxon files motion attacking punitive damages verdict.

- November 13,1995: Exxon opposes Plaintiffs' motion to finalize the Phase IIA verdict.
- February 14,1996: Plaintiffs are served with a complaint for declaratory relief from the Seattle Seven seeking a percentage of plaintiffs' damages on behalf of Exxon
- February 20,1996: Judge Holland denies Exxon's motion for new trial based on possible juror misconduct and coercion (Order 308).
- March 6, 1996: Seattle Seven intervene in litigation on behalf of Exxon.
- March 18, 1996: Exxon files motion attacking punitive damage verdict and Seattle Seven object to Plan of Allocation acting on Exxon's behalf.
- April 5, 1996: Judge Holland denied Exxon's fourth attack on the UCI setnetter verdict (Order 316).
- June 11, 1996: Judge Holland approves Plan of Allocation and denounces Seattle Seven/Exxon scheme (Order 317).
- June 18,1996: Exxon files motion to reconsider Court's order re: Seattle Seven.
- August 6,1996: Judge Holland rejects Exxon's attempt to attack the punitive damages verdict based on credits claimed from the Seattle Seven releases (Order 326).
- September 6,1996: Judge Holland denies Exxon's motion to reconsider order re: Seattle Seven finding that Exxon perpetuated a deception upon the court and the jury (Order 327).
- September 24,1996: Judgment finally entered on federal court jury verdicts, including \$5 Billion punitive damages award - +7 years after spill -- +2 years after verdict.
- September 30,1996: Exxon and Seattle Seven file joint notice of appeal on Seattle Seven kickback.
- October 8, 1996: Exxon files motion to alter or amend the judgment and files its bill of costs against certain plaintiffs.
- November: 20, 1996: Judge Holland dismisses the Seattle Seven complaint with prejudice.

- December 19, 1996: Seattle Seven and Exxon file appeal challenging dismissal of complaint.
- January 17, 1997: Judge Holland issues order on Exxon's Motion to Amend Judgment (Order 332).
- February 12, 1997: Exxon files notice of appeal to Ninth Circuit.
- March 18, 1997: Plaintiffs filed motion for approval of Plans of Distribution.
- September 23, 1997: Exxon moved for a new trial on the ground of "newly discovered" evidence.
- January 5, 1998: The Ninth Circuit issued a limited remand to permit the district court to consider Exxon's motion for new trial.
- March 16, 1998: Exxon deposed Juror Rita Wilson.
- July 31, 1998: Judge Holland denied Exxon's second motion for a new trial (Order 339).
- August 7, 1998: Exxon filed an appeal on the denial of the second motion for a new trial.
- November 27, 1998: Exxon files its final brief in its second motion for a new trial.
- May 3, 1999: The U.S. Court of Appeals for the Ninth Circuit, sitting in Seattle, hears Exxon's appeal.

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March 25, 1999

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Attorney General of Washington

VICE PRESIDENT
ANDREW KETTERER
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IMMEDIATE PAST PRESIDENT
JAMES E. DOYLE
Attorney General of Wisconsin

Lee R. Raymond
Chairman and CEO
Exxon Corporation
225 East John Carpenter Freeway
Irving, TX 75062

Dear Mr. Raymond:

The Exxon Valdez oil spill occurred 10 years ago. We, the undersigned Attorneys General, urge the Exxon Corporation to end the protracted litigation over the spill and honor the unanimous judgment of the jury in the lawsuit that followed. Substantial volumes of crude oil are shipped by supertankers every day off the coasts of our nation. Major oil spills from supertankers seriously harm the marine environment and the local communities and individuals that depend on the sea for their livelihood.

In September 1994 a unanimous federal jury found Exxon Corporation liable for the Exxon Valdez oil spill and awarded damages of \$5.5 billion to 40 thousand people injured by the spill, including Alaska native people, commercial fishermen, small business people, and land owners, as well as local governments and other entities injured by the spill. It has now been 10 years since the spill that devastated Prince William Sound and Exxon Corporation has not yet paid its debts to those who suffered from the spill.


Each year Exxon delays payment of its obligation it earns an estimated \$400 million from the difference between the statutory interest rate on judgments of 6 percent and the company's internal rate of return of about 14%. The U.S. District Judge who heard the case clearly recognized: "Exxon can more profitably employ its capital elsewhere, even at the risk of paying great amounts of interest on the prospective judgment in this case. Put more simply, the court is concerned that delay in paying plaintiff's judgment will profit Exxon." In the meantime, each year many of the individuals who have been awaiting compensation die, and many continue to live in dire economic straits. Exxon must do the right thing and honor its obligations to the people its action have injured.

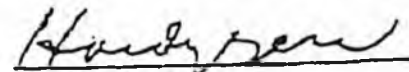
Exxon's use of its economic strength to delay, and in many cases to deny, justice to the 40 thousand people it has injured by the Exxon Valdez spill raises a significant concern. As State

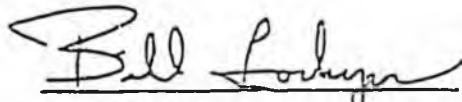
Lee R. Raymond
March 25, 1999
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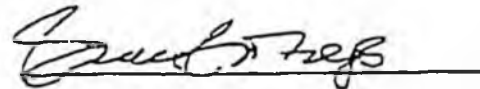
Attorneys General we have limited jurisdiction to deal with such an abuse of the legal system. However, as our state's chief legal officers, we call upon the Exxon Corporation to acknowledge its corporate responsibility to the people, businesses, and communities affected by the spill by paying the federal jury verdict awarded five years ago.

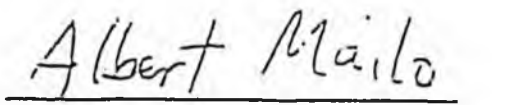
Very truly yours,

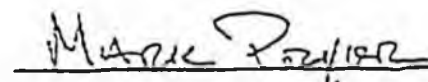

Christine O. Gregoire
Attorney General of Washington

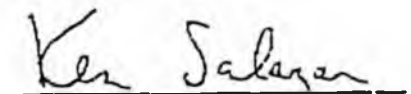

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Attorney General of Oregon



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Attorney General of California

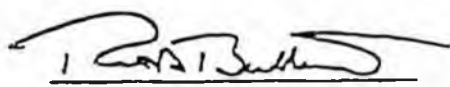

Bruce M. Botelho
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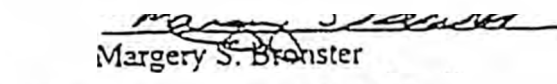

Toetagata Albert Mailo
Attorney General of American Samoa

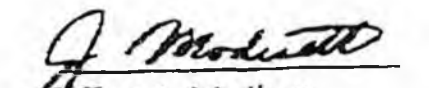

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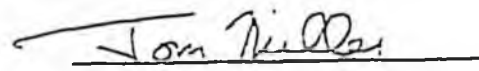

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Attorney General of Colorado


Richard Blumenthal
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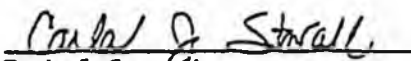

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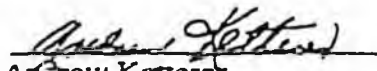

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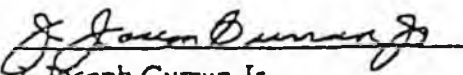

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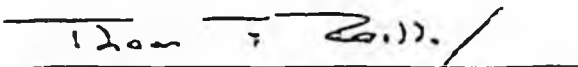
Lee R. Raymond
March 25, 1999
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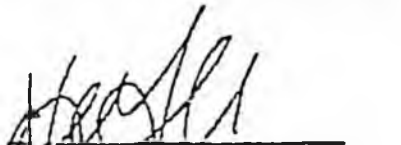

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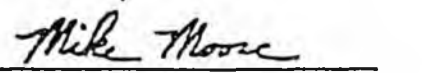

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Attorney General of Maine

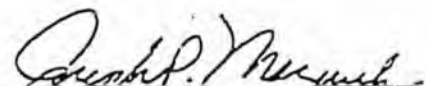

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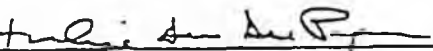

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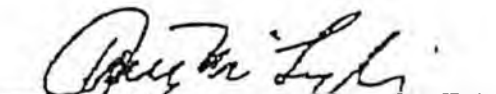

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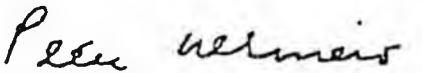

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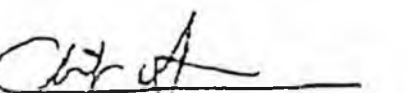

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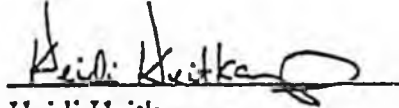
Lee R. Raymond

March 25, 1999

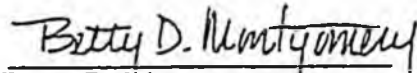
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Michael F. Easley
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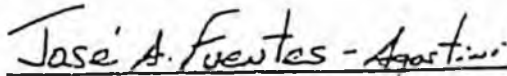
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Betty D. Montgomery
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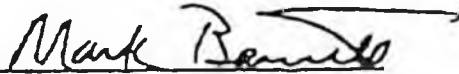
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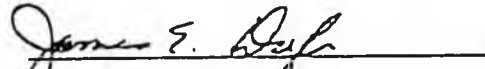
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Iver A. Stridiron (Acting)
Attorney General of the Virgin Islands



James E. Doyle
Attorney General of Wisconsin



Gay Woodhouse
Attorney General of Wyoming

April 9, 1999

DEAR ALASKA STATE SENATORS AND REPRESENTATIVES:

We, the undersigned residents of the Native Village of Port Graham urge the Alaska State Legislature to pass Senate Joint Resolution 18, which requests that Exxon pay claimants the Court-ordered damages resulting from the 1989 Exxon Valdez oil spill. We, the undersigned residents of the Native Village of Port Graham support Senate Joint Resolution 18.

PRINT NAME	SIGNATURE	ADDRESS/PHONE NUMBER
1 James Miller	<i>James Miller</i>	PO Box 5502 Port Graham 99603
2 Emerson Anahonak	<i>Emerson Anahonak</i>	P.O. Box 5576 P.G. 99603
3 Steve Meyers	<i>Steve Meyers</i>	P.O. Box 5526 P.G. 99603
4 Lora Kambuck	<i>Lora Kambuck</i>	P.G. 335857. 99603
5 Frank Mason	<i>Frank Mason</i>	P.G. P.O. 5507 99603
6 Dick Anderson	<i>Dick Anderson</i>	P.G. P.O. Box 5537 - 99603
7 Robert Huntsman	<i>Robert Huntsman</i>	P.O. Box 5555 Port Graham,
8 Jean Huntsman	<i>Jean Huntsman</i>	P.O. Box 5555 Port Graham,
9 Thelma Lestley	<i>Thelma Lestley</i>	P.O. Box 5574 Port Graham
10 Alice Anahonak	<i>Alice Anahonak</i>	Box 5576 Port Graham, AK 99603-5576
11 Mickey Anahonak	<i>Mickey Anahonak</i>	" " " " " " " "
12 Dorene Anahonak	<i>Dorene Anahonak</i>	P.O. Box 5558 Port Graham, AK 99603-5558
13 Leonard Mackenzie	<i>Leonard Mackenzie</i>	Port Graham, AK. 99603-5506
14 Walter Mackenzie	<i>Walter Mackenzie</i>	Port Graham, AK P.O. Box 5539
15 NERNEAL E MELANACK	<i>Nerneal E Melanack</i>	PO Box 5533 Port Graham, AK. 99603-5533
CHRISTALINA JAEER	<i>Christalina Jaerer</i>	
16 Christalina Jaerer	<i>Christalina Jaerer</i>	PO Box 5541 Port Graham AK 99603
17 Demetri Tancipe	<i>Demetri Tancipe</i>	PO Box 5561 Port Graham AK 99603

April 9, 1999

DEAR ALASKA STATE SENATORS AND REPRESENTATIVES:

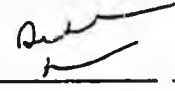

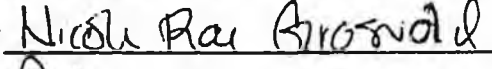
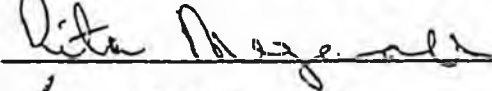
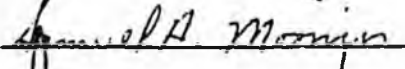
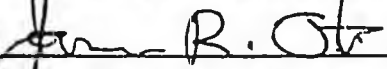
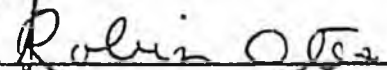
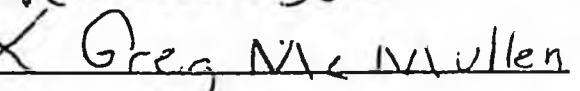
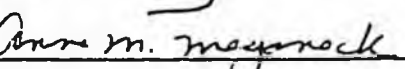
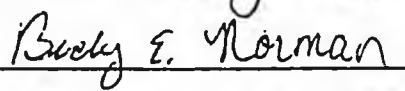
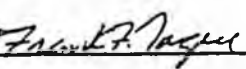
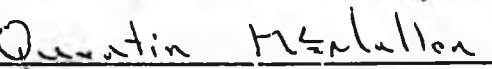
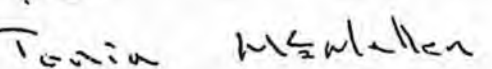
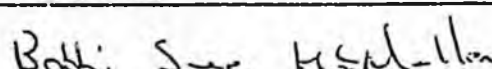
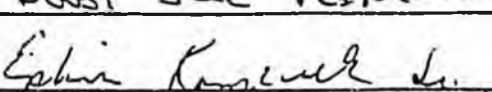
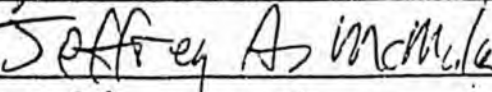
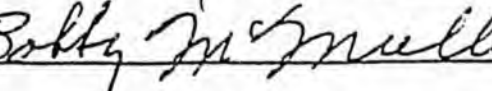
We, the undersigned residents of the Native Village of Port Graham urge the Alaska State Legislature to pass Senate Joint Resolution 18, which requests that Exxon pay claimants the Court-ordered damages resulting from the 1989 Exxon Valdez oil spill. We, the undersigned residents of the Native Village of Port Graham support Senate Joint Resolution 18.

PRINT NAME	SIGNATURE	ADDRESS/PHONE NUMBER
18	Francis Norman Inman Norman	P.O. Box 5509 Port Graham, Alaska 99603
19	Mary Malchoff	Box 5548 Port Graham AK 99603
20	Ren Merganack	Box 5503 Port Graham AK 99603
21	Aljo M. Tinner	P.O. Box 5578, Port Graham, AK 99603-5578
22	SHERBY GLAIN	PO Box 5523 P.G., AK 99603 284 2291
23	FRANK F. TEGUE Frank Tegue	5518 PT Graham AK 99603 284 233
24	Ralph Moorman	PO Box 5545 PT Graham AK 99603
25	Robert McMillan	P.O. Box 5512 Port Graham 99603
26	Edgar Otis	P.O. Box 5562 Port Graham AK 99603
27	Ann Miller	P.O. Box 5502 Port Graham AK 99603
28	Dob Malchoff	Box 5538 Port Graham 99603
29	Vivian Malchoff	P.O. Box 5538 Port Graham AK 99603
30	Vivian Malchoff	Box 5538 Port Graham AK 99603
31	Kiley Tilerant	P.O. Box 5546 PORT GRAHAM, AK 99603-5546
32	Leo Amherst	Box 5544 Port Graham 99603
33	Epilinn Malarack	P.O. Box 5558 Port Graham 99603
34	Lubora Merganack	P.O. Box 5507 Port Graham

April 9, 1999

DEAR ALASKA STATE SENATORS AND REPRESENTATIVES:

We, the undersigned residents of the Native Village of Port Graham urge the Alaska State Legislature to pass Senate Joint Resolution 18, which requests that Exxon pay claimants the Court-ordered damages resulting from the 1989 Exxon Valdez oil spill. We, the undersigned residents of the Native Village of Port Graham support Senate Joint Resolution 18.

PRINT NAME	SIGNATURE	ADDRESS/PHONE NUMBER
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36 Fred E. Leko		P.O. Box 5556 PORT GRAHAM
37 Nicole Rae Groszold		Box 5530 Port Graham
38 Rita Magallon		Box 5537 Port Graham
39 Samuel A. Morrison		P.O. Box 5508 Port Graham
40 Jan R. Ote		POB. 5522 Port Graham AK 99603
41 Robin Ote		P.O. 5522 Port Graham AK
42 X Greg McMillen		PO Box 5576 Port Graham, AK 99603-5576
43 Ann M. Magallon		P.O. Box 5534 P.G.M. AK 99603
44 Bucky E. Norman		P.O. Box 5565 Port Graham, AK 99603-5565
45 FRANK TAYLOR		Box 5518 Port Graham AK 99603 -907-284-2332
46 Quentin McMillan		P.O. Box 5512 Port Graham AK
47 Tonia McMillan		" " " "
48 Bobbi Sue McMillan		" " " "
49 Elin Karsrud L.		Box 5558 Port Graham, AK
50 Jeffrey A. McMilla		P. Box 5552 Port Graham 284-2262
51 Bobby M. McMillan		Box 5529 Port Graham 99603

April 9, 1999

DEAR ALASKA STATE SENATORS AND REPRESENTATIVES:

We, the undersigned residents of the Native Village of Port Graham urge the Alaska State Legislature to pass Senate Joint Resolution 18, which requests that Exxon pay claimants the Court-ordered damages resulting from the 1989 Exxon Valdez oil spill. We, the undersigned residents of the Native Village of Port Graham support Senate Joint Resolution 18.

PRINT NAME	SIGNATURE	ADDRESS/PHONE NUMBER
52	<u>Antonia M. Draves!</u>	<u>PO Box 5515 Port Graham AK 99603</u>
53	<u>Linda Norman</u>	<u>PO Box 5546 Port Graham AK 99603 (907) 284-2224</u>
54	<u>Reuben Noorman</u>	<u>PO Box 5546 Port Graham AK 99603 (908) 284-2224</u>
55	<u>Wayne Norman</u>	<u>" " " " " "</u>
56	<u>Johann Vicos</u>	<u>" 5501 P. Graham</u>
57	<u>Shirley Vicos</u>	<u>" 5501 P. Graham</u>
58	<u>Susan Seville</u> <u>Susan Seville</u>	<u>" 5532 Port Graham AK</u>
59	<u>Lina McMullen</u>	<u>" 5536, Port Graham AK 99603</u>
60	<u>Esther Ann McMullen</u>	<u>" 5512 (907) 284-2282 Port Graham AK 99603</u>
61	<u>Samantha McMullen</u>	<u>P.O. Box 5536 Port Graham AK 99603</u>
62	<u>Dorothy Morrison</u>	<u>P.O. Box 5505 Port Graham AK 99603 99603</u>
63	<u>John Arhonen</u>	<u>P.O. Box 5544 Port Graham AK 99603</u>
64	<u>Dick Arhonen</u>	<u>P.O. Box 5557 Port Graham AK 99603</u>
65	<u>Dorinda Kampeck</u>	<u>PO Box 5557 P.G.A. 99603</u>
66	<u>Violet Jean (Violet Yeaton)</u>	<u>P.O. Box 5569 Port Graham AK 99603</u>
67	<u>Elenore McMullen</u>	<u>Box 5529 Port Graham AK</u>
68	<u>Ann Arhonen</u>	<u>Box 5535 Port Graham AK 99603 55-</u>

April 9, 1999

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PRINT NAME	SIGNATURE	ADDRESS/PHONE NUMBER
69	Billy Meganack	Port Graham Alaska AK 99603
70	Elmer Anahonak	Port Graham AK 99603
71	Alexia Tanape	Port Graham AK 99603
72	Pat Sam	Port Graham
73	Donald Polcut	Po Box 5573 Port Graham AK 99603
74	[Signature]	Box 5572 Port Graham AK 99603
75	Karen M. Morrison	Box 5572 Port Graham AK 99603
76	Thomas A. Newton Sr	Po Box 5568 Port Graham AK 99603
	Marlene Norman	
77	Marlene Norman	Box 5505 Port Graham, AK 99603
78	Fiona J. Krueger	Box 5575 Port Graham, AK 99603-5575
79	Nick Mooring	Box 5513 Port Graham AK 99603
80	Steven A. Anahonak	Box 5515 Port Graham AK 99603
81	Richard D. Morris	Po Box 5525 Port Graham AK 99603
82	Pat Anahonak	Po Box 5511 Port Graham AK 99603

Time for Exxon to pay up.

Subject: Time for Exxon to pay up.

Date: Mon, 26 Apr 1999 15:56:24 -0800

From: AKPIRG <akpirg@akpirg.org>

Organization: AKPIRG

To: Senator_Rick_Halford@legis.state.ak.us

I strongly support SJR 18. It is time that Exxon stop dragging it's feet. Every additional day that passes takes the sting out of the punitive settlement that was once supposed to be a harsh punishment but is now just a slap on the wrist. In this atmosphere of merger mania the state of Alaska should be sending a strong message to oil corporations: you can't walk all over us.

Thank you,
Jonah Baker
603 W. 18th Street
Anchorage AK 99503

--
Alaska Public Interest Research Group (AKPIRG)
voice: 907.278.3661
fax: 907.278.9300
email: akpirg@akpirg.org
web: www.akpirg.org

Subject: SJR 18

Date: Mon, 26 Apr 1999 16:00:07 -0800

From: Karen Button <karenb@pobox.alaska.net>

To: Senator_Rick_Halford@legis.state.ak.us

Sear Senator Halford:

I urge you to support SJR 18. Thousands of people's lives were completely disrupted when the Exxon Valdez ran aground. As you probably know, those who depended on fishing (either commercial or subsistence) were the most hard hit. Exxon's refusal to take full responsibility for its actions is not only unconscionable, it flies in the face of their public statements made after the spill; that they took full responsibility and would do whatever it took to make it right.

It's unbelievable that people are still waiting for justice ten years later. Please support Alaskans by supporting SJR 18, the Exxon Valdez Damage Claims.

Thank You,

Karen Button

Re: Exxon

Subject: Re: Exxon

Date: Tue, 27 Apr 1999 09:19:47 -0800

From: Senator Rick Halford <Senator_Rick_Halford@legis.state.ak.us>

Organization: Alaska State Legislature

To: "Emily Creely, Hyd Tech, Anchorage, AK" <ecreely@usgs.gov>

Dear Ms. Creely,

Thank you for your e-mail regarding Senate Joint Resolution 18, which will be heard in the Senate Resources Committee on Wednesday, April 28. I have shared your comments with Senator Halford and entered them into the official committee record.

Sincerely,

Brett Huber
Chief of Staff, Senator Rick Halford
Senate Resources Committee Staff

"Emily Creely, Hyd Tech, Anchorage, AK" wrote:

> Senator -
> Just wanted to take the time to voice my support of SJR 18 which asks
> Exxon to pay the people who suffered ill effects from the 1989 spill.
> Please vote in favor of this bill - thanks
> Emily Creely



750 W. 2nd Ave. #109, Anchorage AK 99501 / Ph. 907-258-6171 / Fax 907-258-6177

P.O. Box 22151, Juneau AK 99802 / Ph. 907-463-3366 / Fax 907-463-3312 / unite@akvoice.org

To: Senate Resources Committee

Subject: SJR 18

Date: 4/28/99

The Alaska Conservation Voice is comprised of twenty-seven organizations representing over 15,000 individuals statewide. ACV supports Senate Joint Resolution 18.

A tremendous tragedy occurred March 24, 1999 when the Exxon Valdez oil tanker grounded on Bligh Reef. The enormous Exxon Valdez Oil Spill sent over 11,000,000 gallons of crude oil washing westward through Prince William Sound, disrupting ecosystems from Cordova to Kodiak as well as the lives of thousands of Alaskans.

The effects of "The Spill" are lingering and dramatic. For example, during the first few years after The Spill, herring returned with low egg counts and covered with lesions. Television coverage of oil covered wildlife caused tourism to plummet, and the entire town of Cordova was diagnosed with Post Traumatic Stress Syndrome. To this day, beaches heavily oiled in 1989 still contain oil.

No one knows when or if the effects of the spill will be ever be eradicated.

In 1994, the Federal District Court ruled Exxon must pay five billion dollars in punitive damages to Alaskans whose lives were turned upside down by the devastation in Prince William Sound. Today, Exxon has still not compensated these people.

It is time to pay up. ACV commends the resolution sponsors and urges passage of this legislation.

Conserve Alaska. It's Only Natural.

Karen S. Cowart
7140 East Chester Heights Circle
Anchorage, AK 99504
Phone (907) 333-0885 Fax (907) 338-9644

via fax to (907) 465-4928

April 28, 1999

Senator Rick Halford
Chairman
Senate Resources Committee
Alaska State Legislature
State Capitol (MS 3101)
Juneau, AK 99801-1182

RE: Comment on SJR 18 – Exxon Punitive Damage Claims

Dear Senator Halford,

I understand that Senate Joint Resolution 18 will be an action item as the Senate Resources Committee convenes this afternoon. Although you best know me through my employment as the general manager of the Alliance, today, I am writing as a concerned citizen. I would like to provide my perspective on this resolution and how I see its message may be interpreted.

I am concerned with legislative actions that could hamper maximized, competitive development of Alaska's petroleum resources. I believe that SJR 18 sends an ominous message to potential business and resource investors.

It is inappropriate for a law-making body to try to prevent any citizen or business from engaging fully in the legal system. SJR 18 effectively seeks to prevent Exxon from appealing a lower court decision on punitive damage claims. The right of appeal is fundamental to American justice and should not be tampered with, especially by lawmakers. It is simply wrong to undermine government's separation of powers.

I understand legislators are faced with many influences with regard to this issue. Ultimately, citizens must trust you to make decisions that are based on what is good for all of Alaska. At a time when Alaska faces a decrease the number of oil and gas producing companies, state leaders should be pursuing ways to encourage more competitors to invest. SJR 18 does the opposite. It

makes Alaska look like an uncertain place to do business ... a place where legal rights can be swept aside on a tide of emotion.

The resolution alludes to Exxon-driven delays in paying damages. In fact, Exxon has already fully paid actual damage claims and is now only appealing punitive damage claims. Exxon does not dictate the court's schedule, so "delays" cannot justly be attributed to the company. I understand that the 9th District Court has scheduled legal arguments in this case in less than a week. It is particularly inappropriate for the legislature to intrude at this juncture.

I draw your attention to three of the resolution's clauses in particular:

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

Certainly I statement that is undeniable to Alaskans, since nearly 80% of the state's revenue comes from oil and gas.

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

It is incumbent upon state leaders to continue to encourage responsible development.

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

Forcing a business to forfeit judicial rights does not foster partnerships. It breeds mistrust.

Please consider the statewide economic consequences of passing SJR18. It is not good for all of Alaska.

Sincerely,



Karen Cowart

RICK HALFORD
465 4928

11/30/99

RE: Adopt Senate Joint Resolution 18

Margaret was an Alaskan native who had fished her entire life until her death in May of 1998. She never received her money from the Exxon Valdez oil spill. Many elders fished in 1989 are 10 years older now.

Please adopt Senate joint Resolution 18 so other elders can spend the money due them.

Yours truly,

Family of Margaret Clark

Margaret CLARK

P.O. Box 37

Naknek, ALASKA 99633

4-30-99

RE : Adopt Resolution 18

I have been fishing in Bristol Bay since 1986. Our fish price was affected by rumors of "tainted Alaska salmon" as a result of the 1989 Exxon Valdez oil spill. This was an opportunity for processors to unite in price fixing against Alaska fishermen. In 1991 we went on strike to protect our salmon resource which has caused hard feelings between fishermen and processors.

Our community has been hard hit by the domino effect of this oil spill. Exxon has recouped all losses with interest on fishermen's money while fishermen rely on disaster funds to help us thru the winter.

Please vote to adopt Senate Joint Resolution 18

Sincerely,
Peggy Clark

PEGGY CLARK
PO Box 167
NANAIK, ALASKA 99633
907 246-3383

April 29, 1999

RE: ADOPT Resolution 18

I Have been fishing in Bristol Bay all of my life (46 years). Our Fish Prices were affected by Rumors of "Tainted Alaska Salmon" - as a result of the 1989 Exxon Valdez Oil Spill. This was an opportunity for Processors to unite in Price Fixing against Alaska Fishermen. In 1991 we went on Strike to protect our Salmon resource which has caused hard feelings between Fishermen and Processors.

Our Community has been hard hit by the DOMINO effect of this oil spill. Exxon has recouped all losses with interest on Fishermen's money while Fishermen rely on Diaster Funds to help us thru the winter.

Please Vote to Adopt
Senate Joint Resolution 18

Thank you,

Eddie Clark

EDDIE CLARK

Box 167

NAKNELE, ALASKA

-99633 -

907-246-3383

SENATE COMMITTEE REPORT

DATE: 4/9/99

FURTHER:

DATE TURNED
IN TO OFFICE: 5/10/99

Resources Committee considered

SENATE JOINT RESOLUTION NO. 18

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

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

Senate Bill:

- same title
- new title
- House Bill:**
- same title
- technical title
- new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>	✓				
<i>[Signature]</i>	✓				
<i>Adrian L. Taylor</i>	✓				
CHAIR:		<i>[Signature]</i>			
		CHAIR	✓		

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
S. JUDICIARY	4/7	X	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

SENATE JOINT RESOLUTION NO. 18
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY SENATORS LINCOLN, Elton, Ellis

Introduced: 3/24/99
Referred: Judiciary, Resources

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 a \$5,000,000,000 punitive damage verdict against Exxon Corporation to help

1 compensate those affected by the spill; and

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

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

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

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

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

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

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

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

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

25 **BE IT RESOLVED** that the Alaska State Legislature urges the Exxon Corporation to
26 cease its ongoing efforts to avoid or delay payment of the court-ordered judgment and to pay
27 all claimants owed punitive damages as a result of the 1989 Exxon Valdez oil spill.

28 **COPIES** of this resolution shall be sent to the Honorable Bill Clinton, President of the
29 United States; the Honorable Al Gore, Jr., Vice-President of the United States and President
30 of the U.S. Senate; the Honorable Janet Reno, Attorney General of the United States; the
31 Honorable J. Dennis Hastert, Speaker of the U.S. House of Representatives; the Honorable

1 Trent Lott, Majority Leader of the U.S. Senate; Robert Pitofsky, Chairman of the Federal
2 Trade Commission; William J. Baer, Director, Bureau of Competition, Federal Trade
3 Commission; the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators,
4 the Honorable Don Young, U.S. Representative, members of the Alaska delegation in
5 Congress; and Lee R. Raymond, Chairman and Chief Executive Officer of Exxon Corporation.

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

No. 1
Bill Version: SJR 18
(S) Publish Date: 4-9-99

Revision Date (Note if correction) 04/07/99 Dept. Affected _____
Title Exxon Valdez Damage Claims BRU _____
Sponsor Senator Lincoln Component _____
Requester Senate Judiciary Committee Component Serial No. _____

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY98) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This resolution is anticipated to have no fiscal impact on state agencies.

Prepared by Sue Mossgrove *Sm*
Division Senate Judiciary Committee
Approved by Senator Taylor
Agency Chair, Senate Judiciary

Phone 465-3717
Date 4/7/99
Date 4/7/99

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