

The one year anniversary of the tragic BP oil spill is fast approaching. Most of the beaches are clean but the damage to our economy lingers in the form of lost revenues for local businesses and individuals dependent upon a tourist season that never materialized. The battle to seal the well is over, but the battle to secure damage compensation continues.

When President Obama visited Theodore and Orange Beach back in June he pledged the full backing of the federal government to restore our region devastated by the BP oil spill. The next day he addressed the nation from the Oval Office promising to direct BP “to set aside whatever resources are required to compensate workers and business owners who have been harmed as a result of (BP’s) recklessness.” Little did we realize the result would be a flawed and secrecy-cloaked claims process that to this day continues to deny rightful compensation to individuals and businesses victimized by BP.

Some ten months after the worst environmental disaster to strike our country brought devastation to our coastal economy, idling workers and driving away vital tourist dollars, as many as 93,000 local businesses and individuals still have not had their damage claims properly reviewed by presidentially-appointed claims administrator, Mr. Ken Feinberg. According to his organization’s own data, it will take 100 years to process all the pending claims at the current average rate of 19 a week in the First Congressional District.

Sitting on top of a BP-provided compensation fund totaling \$20 billion, Mr. Feinberg and his Gulf Coast Claims Facility (GCCF), have so far only paid out a fraction of that amount. Alabama’s total economic cost from the oil spill could climb to \$3.3 billion in lost economic output and nearly \$1 billion in lost earnings, according a University of Alabama analysis. Meanwhile, Mr. Feinberg’s GCCF has paid just over \$400 million in Alabama business claims as of late February.

After six months of hit-or-miss claims approvals and broken promises to provide a fair and transparent payment process, a rising tide of doubt and questions surrounds the handling of claims.

Last month, a Louisiana federal judge confirmed that Mr. Feinberg is not an independent arbiter, but rather a paid representative of BP, looking out for the oil company's best interests, not the victims.

For those who live along the Gulf Coast, there is little doubt that local businesses are directly affected by our tourist economy. When tourism drops off, so do revenues for practically every local business – from restaurants to dentist offices. Yet, this fact has eluded Mr. Feinberg, who still arbitrarily decides which categorical coastal businesses are eligible claimants.

Less than a month ago, Mr. Feinberg's office attempted to downplay their practice of denying some businesses from participating in the claims process. "No businesses are automatically ineligible, but they must document their losses," Mr. Feinberg's spokeswoman was quoted in a local paper. However, I have a number of emails from Mr. Feinberg's own staff confirming that the GCCF does indeed exclude some categories of businesses from claims consideration. Such exclusions are in direct violation of the Oil Pollution Act.

All the more galling, Mr. Feinberg's local Alabama representative apparently believes claimants must be destitute in order to have their claim approved. Whether a person is a pauper or not makes no difference. Individuals and businesses victimized by the BP oil spill's widespread and prolonged negative impact on our local economy should have the right to fair compensation if they can provide adequate documentation. Any double standard employed by Mr. Feinberg and his staff is unacceptable and will continue to be challenged.

While Alabama's Gulf Coast counties have suffered significant economic losses due to the BP oil spill, they are not alone in voicing frustration over the broken claims process. Over the last few weeks officials from Florida, Louisiana and Mississippi have also expressed concerns over Mr. Feinberg's failure to follow through on promises to make the claims system more transparent and responsive to filers.

I recently invited U.S. Associate Attorney General Thomas Perrelli to meet with local leaders and Alabama coastal businesses caught between the BP oil spill and Mr. Feinberg's claims system. After his visit to Baldwin County in late January, Mr. Perrelli called on Mr. Feinberg to reconsider many denied claims and to ensure that the GCCF was not excluding whole categories of businesses.

My staff and I are committed to working with our other local, state and federal officials to keep the pressure on Mr. Feinberg until every last eligible claim is paid.

My staff and I work for you. If we can ever be of service, do not hesitate to call my office toll free at 1-800-288-8721.