

Last Thursday, the administrator of the Gulf Coast Claims Facility (GCCF) made a trip to Capitol Hill to testify before the House Natural Resources Committee regarding the performance of the BP oil spill claims process.

Mr. Ken Feinberg was generally treated well by the Democrat members of the House Natural Resources Committee hailing from the northeast and southwest, who thanked him for his service in difficult circumstances, most notably the 911 victims fund he managed over 10 years ago. His reception by a larger number of Republican members, including myself, was a bit different.

While I am not a member of the committee, I was invited along with several other Gulf Coast lawmakers to join in the hearing and put questions to Mr. Feinberg. For Mr. Feinberg and myself, this was not our first meeting. In fact, we've met face to face to discuss the BP claims process on at least three previous occasions, all ending with Mr. Feinberg expressing deep concern about the many complaints my office has received about his handling of claims, but without any significant improvement during the weeks and months that followed.

As I noted in the hearing, Mr. Feinberg's law firm is pocketing a very generous sum from BP – \$1.25 million a month – to manage a claims system I believe to be significantly flawed. During his leadership of the GCCF, the BP compensation fund has paid out approximately \$5.4 billion in claims, with some \$14.6 billion remaining in the fund. The GCCF has processed over 134,000 claims from Alabama, paying less than half. Of the Alabama claims paid to date, a third of those were so-called "quick pay" where the claimant settles for an offer from Mr. Feinberg, foregoing their right to further compensation.

Mr. Feinberg continues to deny my charge that his repeated stonewalling and slow-walking of claims is forcing many to settle for a low amount or simply to give up altogether. As I noted during the hearing, it has not been unusual for similar South Alabama businesses to file nearly identical claims and receive two very different amounts with no explanation for the wide variation.

For over a year, my offices have received a steady stream of complaints from people all across South Alabama about the GCCF's failure to pay legitimate claims while Mr. Feinberg continues to call his program a success. Rather than providing the public with a transparent look at how

his claims processors are making their often conflicting decisions, Mr. Feinberg has talked about how many people have chosen to accept his offer for a quick payout as proof that claims are being settled with satisfaction.

His approach reminds me of the old TV game show "Let's Make a Deal" where the host offers contestants their choice of an unknown prize behind the curtain or a quick consolation prize. That is not acceptable and is frankly, as my colleague Rep. Steve Palazzo, R-Biloxi, described, an "insult" to the people and local communities of the Gulf Coast.

This inconsistency in paying claims has called into question the fairness and efficiency of the GCCF and has even captured the attention of the Justice Department. On June 30, 2011, Attorney General Eric Holder visited Fort Morgan, Gulf Shores, and Orange Beach and left our area promising an audit of the GCCF. After months of calling directly on Mr. Feinberg to agree to an independent audit, with no success, I inserted language calling for an independent audit of Mr. Feinberg's GCCF in the House appropriations legislation funding the Justice Department. Two weeks ago, the full Senate agreed to similar audit language.

I will continue to push for a full audit of Mr. Feinberg's claims approval procedures as well as the qualifications of GCCF's personnel. The GCCF must be held accountable for keeping Mr. Feinberg's promises to the Gulf Coast.

As part of the Congressional hearing, I am allowed a week to submit follow-up questions to Mr. Feinberg for a written response. Accordingly, I would like to invite residents, who either experienced broken promises from Mr. Feinberg or who have not had an opportunity to question him about the claims process, to submit their questions by November 3, 2011 through a temporary email address: gulf.claims@mail.house.gov .

Please include your name, address and contact information with your question. My office will forward those questions directly to Mr. Feinberg, through the Natural Resources Committee. In an effort to avoid duplicative or off-topic questions, my office will review, summarize and reformat questions for submittal and will share Mr. Feinberg's answers once received. Your participation in this effort is voluntary and no personal identifying information will be forwarded to Mr. Feinberg or the GCCF.

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.

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