

November 1, 2015

Office of U.S. Senator Maria Cantwell  
511 Hart Senate Office Building  
Washington, D.C. 20510

**Re: A Letter in Support of the Oil Spill Liability Trust Fund**

Dear Senator Cantwell,

On behalf of the Pacific States/ British Columbia Oil Spill Task Force, I am submitting this letter regarding the future of the Oil Spill Liability Trust Fund (Trust Fund).

The Trust Fund was established under the Oil Pollution Act of 1990, which authorized the fund to pay for damage claims, oil removal and clean up costs associated with an oil spill in US coastal and inland navigable waters. The Government Accountability Office (GAO) recently completed a study, in which it examined the disbursements issued between 2011-2013 from the Trust Fund and explored the adequacy of funding to maintain the Trust Fund into the future. [GAO-15-682]

In their study, the GAO found the current funding structure and the shortfalls of the reimbursements to will not likely maintain the fund past 2017, given it's primary source of funding (per barrel tax) will cease in 2017. Since OPA 90, states have relied on the Trust Fund to provide the necessary funds to immediately respond to a spill, given that the process of identifying and billing the responsible party takes time. The Trust Fund has permitted quick deployment of response equipment, resources and personnel to respond to a spill, what are essential early steps in reducing the impact of a spill to communities and to the coastal and inland environment.

The Task Force is an organization consisting of directors and managers of the oil spill prevention, preparedness and response agencies across the Western States, including AK, CA, HI, OR and WA, plus the Province of British Columbia. In 1989, the original Task Force members (of the newly formed organization) testified before Congress in support of the proposed OPA 90 legislation. Since then, the member states have accessed the Oil Spill Liability Trust Fund on multiple occasions to respond to major spills.

The Task Force urges Congress to address the issues and recommendations identified by the GAO:

- Increase the Limit of Liability for vessels and facilities to more closely reflect the cost of larger spills. The GAO found that a large portion of the damage claims exceeded the Limit of Liability, indicating that the expense of clean up and recovery was not adequately covered by the maximum legal liability limit of the responsible party.
- Amend 33 U.S.C. §2708 allowing the responsible party to submit a claim for reimbursement of removal costs and damages above the limitation of liability. The responsible party should not be “paid” for the damages it causes or cleanup costs it incurs through its own negligence.
- Develop a planning strategy to assure long-term funding. Given that only 14% of claims were collected between 2011-13 (according to GAO), this leaves the Trust Fund vulnerable to depletion if the per-barrel tax is discontinued after 2017. We suggest extending the per-barrel tax beyond its current expiration date of December 2017.

We appreciate your attention to this important issue.

With best regards,

*Sarah Brace*

Sarah Brace  
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Pacific States/British Columbia Oil Spill Task Force