

FINAL

STATEMENT OF
ASSISTANT SECRETARY OF TRANSPORTATION FOR POLICY
AND INTERNATIONAL AFFAIRS

JEFFREY N. SHANE

BEFORE THE
COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
SUBCOMMITTEE ON WATER RESOURCES

UNITED STATES HOUSE OF REPRESENTATIVES

JUNE 28, 1989

10:00 A.M., 2167 HOUSE RAYBURN BUILDING

OIL SPILL LIABILITY AND COMPENSATION

GOOD MORNING MR. CHAIRMAN,

IT IS A PLEASURE FOR ME TO BE HERE THIS MORNING TO EXPRESS THE ADMINISTRATION'S ONGOING AND STRONG SUPPORT FOR COMPREHENSIVE OIL SPILL LIABILITY AND COMPENSATION LEGISLATION.

FIRST, MR. CHAIRMAN, LET ME SAY HOW PLEASED I AM THAT YOU ARE HOLDING A HEARING ON THIS MATTER AS QUICKLY AS YOU ARE. THE HOUSE HAS BEEN A LEADER IN THE SEARCH FOR A BIPARTISAN OIL SPILL BILL FOR MANY YEARS, LONG BEFORE THE EXXON VALDEZ DISASTER THAT HAS PROMPTED SO MUCH RECENT CONCERN. WE HOPE THE SENATE WILL PROCEED JUST AS QUICKLY WITH LEGISLATION AND ALSO WITH ITS ADVICE AND CONSENT FOR RATIFICATION OF THE INTERNATIONAL PROTOCOLS.

THE DEPARTMENT OF TRANSPORTATION IS TOTALLY COMMITTED TO THE PROTECTION OF OUR MARINE ENVIRONMENT AND LOOKS FORWARD TO CONTINUING OUR WORK WITH THIS COMMITTEE TO STRENGTHEN OUR LAWS.

MY TESTIMONY THIS MORNING WILL FOCUS ON THREE AREAS: THE ACTIVITIES OF THE DEPARTMENT OF TRANSPORTATION AND SPECIFICALLY THE COAST GUARD, RELATED TO OIL SPILL RESPONSE; COMPREHENSIVE OIL SPILL LIABILITY AND COMPENSATION LEGISLATION; AND NEW LEGISLATIVE PROPOSALS.

THE RECENT OIL SPILLS IN NARRAGANSETT BAY, THE DELAWARE RIVER, THE HOUSTON SHIP CHANNEL IN GALVESTON BAY AND IN PRINCE WILLIAM SOUND ARE A CLEAR REMINDER THAT THE VERY NATURE OF THE OIL TRADE DEMANDS THAT BOTH THE GOVERNMENT AND SHIPPING AND CARGO INTERESTS SHARE THE RESPONSIBILITY FOR RESPONSE WHEN THINGS GO WRONG. AN IMMEDIATE AND INTENSIVE CLEANUP RESPONSE IS ESSENTIAL IF FRAGILE ECOLOGICAL SYSTEMS ARE TO BE PROTECTED. GENERALLY, THE FIRST FOUR STEPS AFTER ANY OIL SPILL SHOULD BE PROTECTION OF HUMAN LIFE, PREVENTION OF FURTHER LEAKAGE FROM THE VESSEL, BOOMING OFF THE SPILLED OIL, AND BOOMING OFF SENSITIVE ENVIRONMENTAL AREAS IN CLOSE PROXIMITY TO THE SPILL. ALL OF THESE ACTIVITIES REQUIRE AN IMMEDIATE RESPONSE. WHERE THE PARTY RESPONSIBLE FOR THE SPILL CANNOT OR WILL NOT TAKE THESE IMMEDIATE EMERGENCY STEPS, THE COAST GUARD MUST.

IN THE NARRAGANSETT BAY SPILL, THE COAST GUARD RESPONDED IMMEDIATELY BY FEDERALIZING THE CLEANUP EFFORT BECAUSE THE MASTER SEEMED RELUCTANT TO ASSUME HIS CLEANUP RESPONSIBILITIES. THE STATE OF RHODE ISLAND AND THE UNITED STATES ARE FORTUNATE, HOWEVER, BECAUSE THE FOREIGN TANKER OWNER HAS ASSUMED FULL FINANCIAL

RESPONSIBILITY FOR THE DAMAGES. THE COAST GUARD IS OVERSEEING THE CLEANUP OF THE DELAWARE RIVER AND HOUSTON SHIP CHANNEL, WHERE THE RESPONSIBLE PARTIES MOVED IMMEDIATELY TO CONTAIN THE SPILL. THE DEPUTY SECRETARY HAS VISITED BOTH OF THE EAST COAST SPILL SITES AND IS ENCOURAGED BY THE INTENSIVE AND HEROIC EFFORTS UNDERWAY. THE SECRETARY WAS IN ALASKA AT THE TIME OF THE THREE RECENT SPILLS, PARTICIPATING IN TOWN MEETINGS ON THE CLEANUP EFFORTS IN ALASKA.

THE LESSON TO BE LEARNED FROM ALL OF THESE SPILLS IS THAT AN IMMEDIATE AND COMPREHENSIVE RESPONSE IS ABSOLUTELY ESSENTIAL. IF THERE IS ANY DOUBT IN OUR MINDS THAT THE SPILLER WILL NOT MOVE QUICKLY TO CONTAIN AND CLEANUP THE OIL, AS WAS THE CASE IN RHODE ISLAND, THE CLEANUP WILL BE FEDERALIZED IMMEDIATELY.

THE COAST GUARD, AS VICE-CHAIR OF THE NATIONAL RESPONSE TEAM, IS RESPONSIBLE FOR OIL SPILL CLEANUP, IN COASTAL AREAS, THE GREAT LAKES AND MAJOR RIVER PORTS, WITH DUTIES RANGING FROM DIRECTION AND OVERSIGHT TO CONDUCTING CLEANUP OPERATIONS. ITS OIL SPILL RESPONSIBILITIES ARE FUNDED BY THE 311 K FUND ESTABLISHED UNDER THE FEDERAL WATER POLLUTION CONTROL ACT. WHEN A SPILL CLEANUP IS FEDERALIZED, ALL EXPENSES FOR THE CLEANUP COME OUT OF THE 311 K FUND AND THE SPILLER IS REQUIRED TO REIMBURSE THE FUND. AS YOU MIGHT EXPECT, FULL REIMBURSEMENT HAS BEEN THE EXCEPTION RATHER THAN THE NORM. EVEN WHEN THE COAST GUARD HAS BEEN SUCCESSFUL IN RECOUPING THE COST OF THE CLEANUP, THE REPAYMENT HAS OFTEN TAKEN YEARS.

STRONG FEDERAL OVERSIGHT OF ALL OIL SPILL CLEANUP OPERATIONS IS ALWAYS PRESENT, WHETHER THE CLEANUP IS FEDERALIZED OR NOT. THE DIFFERENCE BETWEEN A CLEANUP OPERATION THAT HAS BEEN FEDERALIZED AND ONE THAT HAS NOT IS THE SIGNATURE ON THE CHECKS TO THE CLEANUP CONTRACTORS. WITH APPROXIMATELY \$2 MILLION IN THE 311 K FUND, THE COAST GUARD IS NOT EAGER TO OBLIGATE TAXPAYER FUNDS WHEN A FINANCIALLY RESPONSIBLE PARTY HAS ASSUMED FULL RESPONSIBILITY FOR THE CLEANUP. HAD THE SPILLERS NOT RESPONDED IMMEDIATELY, OF COURSE THE COAST GUARD WOULD HAVE FEDERALIZED THE CLEANUP AND ABSORBED THE EXPENSES IN ITS OPERATING EXPENSES ACCOUNT, IF NECESSARY.

UNFORTUNATELY, THE PATCHWORK OF FEDERAL LIABILITY AND COMPENSATION LAWS COVERING OIL SPILLS ARE OUTDATED AND INCOMPLETE. WE HAVE BEEN EXCEEDINGLY FORTUNATE LATELY IN THAT THOSE RESPONSIBLE FOR THE OIL SPILLS HAVE ASSUMED FULL FINANCIAL RESPONSIBILITY FOR THE CLEANUP. UNDER THE CURRENTLY APPLICABLE FEDERAL LIABILITY LAWS, THEIR LEGAL LIABILITY MAY BE FAR BELOW ANTICIPATED CLEANUP COSTS AND DAMAGES.

AS YOU KNOW, THE ADMINISTRATION HAS TRANSMITTED AN OIL SPILL BILL TO THE CONGRESS AND CONGRESSMAN BOB DAVIS HAS INTRODUCED THAT BILL, HOW H.R. 2325, "BY REQUEST".

MY COMMENTS TODAY ARE MADE WITHIN THE CONTEXT OF BOTH H.R. 2325 AND H.R. 1465, THE MERCHANT MARINE AND FISHERIES BILL, AND SHOULD BE CONSIDERED AS A COMMITMENT ON THE PART OF THE ADMINISTRATION TO WORK WITH THE CONGRESS TOWARD ENACTMENT OF LEGISLATION AND

RATIFICATION OF THE 1984 INTERNATIONAL PROTOCOLS TO THE CIVIL LIABILITY AND FUND CONVENTIONS AS SOON AS IS POSSIBLE. THE INTERNATIONAL PROTOCOLS ARE AN ESSENTIAL ELEMENT OF THE ADMINISTRATION'S PACKAGE. YOU MAY KNOW THAT WE HAVE ALREADY SUBMITTED DETAILED COMMENTS TO CHAIRMAN JONES ON H.R. 1465. THE ADMINISTRATION SUPPORTS HIGH LIABILITY LIMITS FOR TANKERS, AT \$500 PER GROSS TON, OR \$78 MILLION, SUFFICIENT TO COVER ALL COSTS IN 95 PER CENT OF CASES (BASED ON EXPERIENCE OVER THE PAST 15 YEARS). ABOVE THAT AMOUNT WE BELIEVE THE OIL INDUSTRY SHOULD SHARE THE COSTS FOR SPILLS.

WE THEREFORE HAVE PROPOSED LEGISLATION, H.R. 2325, WHICH SHARES THE APPROACH OF H.R. 1465, THAT THE HIGH SHIP OWNER LEVELS OF LIABILITY BE BACKED UP WITH A COMPENSATION FUND, PAID FOR BY A FEE ON OIL, OF UP TO \$500 MILLION PER INCIDENT--OVER AND ABOVE THE SHIP OWNER LIABILITY. THIS SYSTEM WILL MAKE THE SHIP OWNER LIABLE FOR COSTS FOR THE VAST MAJORITY OF SPILLS WHILE PLACING THE OIL INDUSTRY IN LINE FOR COSTS ABOVE THE SHIP OWNER FOR LARGE OR CATASTROPHIC SPILLS.

THE FUND SHOULD BE AVAILABLE TO PROVIDE CLEANUP OF OIL AND TO RESTORE OUR NATURAL RESOURCES, NO MATTER WHAT THE COST. WE ARE THEREFORE PROPOSING THAT THE FUND BE RAISED TO A HIGHER PER INCIDENT LEVEL WHEN THE PRESIDENT DETERMINES THAT IT IS NECESSARY. THIS IS CONSISTENT WITH A LONG HELD POSITION OF THE EXECUTIVE BRANCH THAT THE DOMESTIC FUND SHOULD NOT BE LIABLE FOR A BROAD RANGE OF SPECULATIVE OR THEORETICAL CLAIMS BUT SHOULD BE ADEQUATE TO COVER ALL ACTUAL ENVIRONMENTAL DAMAGE AND CLEAN UP EXPENSES.

WE WOULD NOT PREEMPT REMEDIES AVAILABLE UNDER STATE LAW FOR SUCH DAMAGES, EXCEPT TO THE EXTENT NECESSARY TO IMPLEMENT THE PROTOCOLS WHICH OFFER RELIEF FROM A BROAD RANGE OF DAMAGES. IN FACT, WE DO NOT SUPPORT PREEMPTION OF ANY KIND, INCLUDING STATE OIL SPILL FUNDS, OTHER THAN REQUIRED TO ACCESS THE CLEAR BENEFITS OF THE PROTOCOLS, WHICH, OF COURSE, HAVE NO BEARING AT ALL ON THE EXISTENCE OF STATE FUNDS.

MR. CHAIRMAN, WE WOULD ALSO PROVIDE AUTHORIZATION TO FINANCE THE FUND AND WOULD EXTEND THE COLLECTION OF A 1.3 CENT PER BARREL FEE FOR FIVE ADDITIONAL YEARS.

WITH RESPECT TO NATURAL RESOURCES, WE ARE SUGGESTING A PROVISION TO ASSESS A CIVIL PENALTY AGAINST THE DISCHARGER OF UP TO \$10 MILLION WHEN NATURAL RESOURCES DAMAGED BY A SPILL CANNOT BE RESTORED OR REPLACED. MONIES FROM THE PENALTIES WOULD BE USED BY THE TRUSTEES TO PROVIDE "EQUIVALENT" RESOURCES. THIS PENALTY IS APPROPRIATE, IN OUR VIEW, TO ASSURE THAT SPILLERS WHO CAUSE IRREPARABLE DAMAGES TO NATURAL RESOURCES, SUCH AS A CORAL REEF OR MANGROVE AREA, SUFFER A MEANINGFUL AND SUBSTANTIAL PENALTY EVEN THOUGH THERE MAY BE NO EFFECTIVE WAY TO RESTORE THE DAMAGED RESOURCE. WE ARE CERTAINLY WILLING TO WORK WITH YOU ON THAT FIGURE IF YOU LIKE.

PENDING RESOLUTION OF THE EXXON VALDEZ SPILL CLAIMS, WE THINK IT UNWISE TO TRANSFER OR REBATE THE TRANS ALASKA PIPELINE FUND. THE

LEGAL UNCERTAINTIES RELATING TO THIS SPILL ARE OF SUFFICIENT MAGNITUDE THAT TO UNNECESSARILY REDUCE THE BALANCE OF THE FUND WOULD NOT BE IN THE BEST INTERESTS OF THOSE WHO HAVE SUFFERED, THE ONGOING CLEAN UP OR THE EVENTUAL RESTORATION OF NATURAL RESOURCES. WE THEREFORE SUGGEST THAT THE TAPAA FUND CONTINUE IN EXISTENCE, AT LEAST FOR THE TIME BEING.

WE ALSO BELIEVE THAT NOW IS THE TIME TO IMPROVE THE AUTHORITIES UNDER THE CLEAN WATER ACT AND HAVE PROPOSED, IN H.R. 2325, THAT THE PRESIDENT MAY ORDER REMOVAL TO AVOID THREATS OF FURTHER POLLUTION. SIGNIFICANTLY HIGHER PENALTIES AND COURT IMPOSED INJUNCTIVE RELIEF ARE ALSO PROVIDED.

THE ADMINISTRATION'S LEGISLATION TAKES THE SAME APPROACH AS H.R. 1465 TO 'INLAND OIL BARGES', AS THEY ARE CALLED IN THE CLEAN WATER ACT. SOME ARGUE THAT THIS CATEGORY OF VESSEL SHOULD BE AFFORDED SPECIAL TREATMENT DUE TO THE LOW MARGINS OF PROFIT, AND WE ARE SYMPATHETIC WITH THAT. STILL, THESE BARGES OPERATE IN CONGESTED AND ENVIRONMENTALLY SENSITIVE AREAS AND PROTECTION FROM THEIR SPILLS MUST BE PROVIDED. WE THEREFORE SUPPORT THE COMPROMISE APPROACH OF H.R. 1465 IN APPLYING THE SAME LIABILITY LEVELS AS THOSE FOR SHIPS OTHER THAN TANK VESSELS.

THE ADMINISTRATION'S BILL AND H.R. 1465 MAKE THE DOMESTIC FUND AVAILABLE TO STATE GOVERNMENTS FOR IMMEDIATE CLEANUP COSTS. WE PLACE A HIGH VALUE ON THE STATES AS PARTNERS IN RESPONSE EFFORTS,

BOTH ON OUR REGIONAL RESPONSE TEAMS AND AS INDEPENDENT AGENTS IN EFFECTING QUICK RESPONSE TO OIL SPILLS. AN INITIAL DRAW OF \$50,000, WITH FURTHER OUTLAYS IN INCREMENTAL LEVELS, WILL ASSURE IMMEDIATE AND COMPLETE CLEANUP WHILE PRESERVING THE FUND ADMINISTRATOR'S PREROGATIVES.

WE ARE ALSO COMFORTABLE THAT THE MECHANISM EMBODIED IN THE REGIONAL RESPONSE TEAMS, WHERE STATES HAVE A FULL VOICE IN THE LEVEL OF CLEANUP, IS SUFFICIENT TO ENSURE THAT STATE GOVERNORS' CONCERNS OVER ADEQUATE CLEANUP ARE MET. EVEN IN A CASE AS COMPLEX AS THE EXXON VALDEZ WE ARE CONFIDENT THAT AGREEMENT CAN BE REACHED, AS IT ALWAYS HAS IN THE PAST. WE THEREFORE SEE NO NEED FOR THE PROVISION OF H.R. 1465 THAT 'REQUIRES' AGREEMENT OF THE GOVERNOR ON THE LEVEL OF CLEANUP.

THE IMPLEMENTATION AND ULTIMATE ADOPTION OF THE 1984 PROTOCOLS IS AN ESSENTIAL PART OF OUR PROPOSAL. WE MAY NOT ALWAYS HAVE THE RESOURCES OF A LARGE U.S. COMPANY, SUCH AS EXXON, AGAINST WHICH WE CAN EFFECTIVELY PROCEED TO COVER OUR LOSSES.

AS YOU KNOW, MR. CHAIRMAN, HOUSE LEGISLATION HAS SUPPORTED THE PROTOCOLS SINCE 1984, AND THE ADMINISTRATION HAS VIGOROUSLY SUPPORTED THAT INCLUSION IN EVERY HOUSE BILL SINCE THAT TIME. STATE GOVERNMENTS, INDIVIDUALLY, THROUGH THE COASTAL STATES ORGANIZATION AND THE NATIONAL GOVERNORS' ASSOCIATION, HAVE STRONGLY SUPPORTED THE PROTOCOLS, EVEN THOUGH THIS MEANT ACCEPTING

LIMITED PREEMPTION OF STATE LIABILITY STATUTES WHERE NECESSARY IN EXCHANGE FOR THE BENEFITS OFFERED BY THE PROTOCOLS.

THE COMPENSATION PROVIDED UNDER THE PROTOCOLS IS MORE THAN THE COST OF ANY SPILL IN HISTORY, WITH THE PROBABLE BUT YET-TO-BE-DETERMINED EXCEPTION OF EXXON VALDEZ. STILL THE INTERNATIONAL REGIME ESTABLISHED BY THE PROTOCOLS CAN AND SHOULD BE BACKED UP WITH OUR OWN DOMESTIC FUND.

SIMPLY PUT, THE PROTOCOLS PROVIDE HIGH LIMITS OF LIABILITY FOR SEAGOING TANKERS CARRYING PERSISTENT OIL IN BULK-- UP TO \$78 MILLION FOR SHIP OWNERS AND \$260 MILLION PER INCIDENT FROM THE INTERNATIONAL FUND, AT CURRENT EXCHANGE RATES. THEY OFFER PROMPT AND CERTAIN RIGHT OF RECOVERY FOR BOTH PUBLIC AND PRIVATE VICTIMS OF OIL SPILLS AND THEY DEMAND COMPULSORY INSURANCE.

BESIDES PROVIDING A COMPREHENSIVE AND EFFECTIVE INTERNATIONAL REGIME, THE PROTOCOLS PROVIDE BENEFITS NOT AVAILABLE UNDER A PURELY DOMESTIC SYSTEM. THESE INCLUDE ENFORCEABILITY OF U.S. JUDGMENTS IN FOREIGN COURTS, AND COVERAGE OF SPILLS AFFECTING U.S. WATERS FROM VESSELS IN INNOCENT PASSAGE NOT CALLING AT A U.S. PORT. FURTHER, THE INTERNATIONAL FUND REMAINS LIABLE EVEN IF THE DISCHARGER HAS LEGITIMATE DEFENSES OR IS INSOLVENT FOR ANY REASON.

THE INTERNATIONAL REGIME IS ALSO GOOD FINANCIAL INSURANCE. ASSUMING OUR FUTURE SPILL EXPERIENCE, EXCLUDING THE EXXON VALDEZ, REMAINS ABOUT THE SAME AS THE PAST EIGHTEEN YEARS, OUR FINANCIAL RETURN WOULD JUST ABOUT EQUAL OUR CONTRIBUTIONS TO THE INTERNATIONAL FUND.

A SINGLE CATASTROPHIC SPILL WITH COSTS IN THE RANGE OF \$150 MILLION DURING AN EIGHTEEN YEAR PERIOD WOULD RESULT IN A NET ECONOMIC BENEFIT. OBVIOUSLY THE EXXON VALDEZ INCIDENT WOULD HAVE CAUSED SUBSTANTIAL PAYMENT TO THE U.S. FROM THE INTERNATIONAL FUND HAD THE PROTOCOLS BEEN IN FORCE.

I WOULD ALSO ADD THAT OUR DIPLOMATIC REPUTATION IN THE WORLD MARITIME COMMUNITY HAS BEEN PLACED IN JEOPARDY BY OUR FAILURE TO RATIFY THE PROTOCOLS. THIS, IN TURN, SERIOUSLY AFFECTS OUR ABILITY TO NEGOTIATE ON OTHER MARITIME SAFETY AND ENVIRONMENTAL ISSUES WHICH ARE OF VITAL CONCERN TO THE UNITED STATES.

SOME HAVE EXPRESSED THE VIEW THAT THIS MAY NOT BE IMPORTANT. I THINK OTHERWISE. THE U.S. HAS BEEN A LEADER IN WORLD MARITIME SAFETY AND ENVIRONMENTAL NEGOTIATIONS. WE HAVE BENEFITED GREATLY FROM OUR SUCCESS IN ENSURING THAT THE THOUSANDS OF FOREIGN VESSELS CALLING AT U.S. PORTS AND HARBORS GENERALLY MEET STANDARDS AS HIGH AS THOSE FOR U.S. VESSELS. CONVERSELY, U.S. VESSELS CALLING AT FOREIGN PORTS BENEFIT GREATLY FROM A HARMONIZED SYSTEM BY ADHERING TO INTERNATIONALLY RECOGNIZED STANDARDS AND ENFORCEMENT PROCEDURES.

THE GLOBAL ENVIRONMENT IS THE WINNER, BUT WE HAVE TO BE "AT THE TABLE" FOR THE SYSTEM WORK TO OUR OWN ADVANTAGE AS WELL.

COMPREHENSIVE OIL SPILL LIABILITY AND COMPENSATION LEGISLATION IS AN EXTREMELY IMPORTANT PART OF THE ADMINISTRATION'S GLOBAL PLAN FOR PREVENTING AND RESPONDING TO OIL SPILLS, BUT IT IS JUST ONE OF OUR LEGISLATIVE PROPOSALS. THE DEPARTMENT RECENTLY TRANSMITTED TO

CONGRESS TWO BILLS THAT WILL STRENGTHEN COAST GUARD OVERSIGHT OF THE MARINER LICENSING PROCESS BY AUTHORIZING COAST GUARD ACCESS TO THE NATIONAL DRIVER REGISTER AND PERMITTING THE COAST GUARD TO INITIATE PROCEEDINGS TO SUSPEND OR REVOKE A LICENSE FOR RELEVANT MISCONDUCT INVOLVING ABUSE OF ALCOHOL. IN DETERMINING FITNESS FOR A MARINERS LICENSE, THE COAST GUARD WILL REJECT APPLICANTS THAT DO NOT HAVE "A SUITABLE CHARACTER OR HABITS OF LIFE."

MANY OTHER ISSUES PERTAINING TO OIL SPILLS ARE UNDER CONSIDERATION BY THE CONGRESS. THE NATIONAL RESPONSE TEAM, WITH THE COAST GUARD AS LEAD AGENCY, IS CURRENTLY CONDUCTING INTENSIVE REVIEWS OF ALL CONTINGENCY PLANS NATIONWIDE. IN ADDITION, THE COAST GUARD IS REVIEWING THE NEED FOR DOUBLE BOTTOMS AND EXPANDING AND UPGRADING THE VESSEL TRAFFIC SERVICES. OIL SPILLS ARE A GLOBAL PROBLEM THAT REQUIRE A GLOBAL SOLUTION. A CRUCIAL COMPONENT OF THIS SOLUTION IS COMPREHENSIVE LIABILITY AND COMPENSATION LEGISLATION. I URGE YOU TO ACT QUICKLY TO REPORT OUT A BILL THAT INCLUDES IMPLEMENTATION OF THE PROTOCOLS. WE APPEAR TO HAVE BEEN LUCKY LAST WEEKEND, BUT FULL CLEANUP AND COMPENSATION IS MONTHS, MAYBE YEARS AWAY. WE CANNOT RELY ON LUCK FOREVER.

MR. CHAIRMAN, THIS CONCLUDES MY STATEMENT. SECRETARY SKINNER AND ALL OF US AT THE DEPARTMENT OF TRANSPORTATION LOOK FORWARD TO WORKING WITH YOU AND THE SENATE IN MOVING QUICKLY FORWARD IN ENACTMENT OF OIL SPILL LIABILITY AND COMPENSATION THAT WILL PROVIDE THOSE DAMAGED BY OIL SPILLS WITH SWIFT AND SURE RELIEF, ADEQUATE FUNDS FOR CLEANUP AND RESTORATION OF OUR NATURAL RESOURCES.