

FINAL

STATEMENT OF THE SECRETARY OF TRANSPORTATION

SAMUEL K. SKINNER

BEFORE THE

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

SUBCOMMITTEE ON ENVIRONMENTAL PROTECTION

UNITED STATES SENATE

FRIDAY, JULY 21, 1989

9:30 A.M., 406 DIRKSEN SENATE OFFICE BUILDING

OIL POLLUTION LIABILITY AND COMPENSATION LEGISLATION

GOOD MORNING, MR. CHAIRMAN.

IT IS A PLEASURE TO APPEAR AGAIN BEFORE THIS COMMITTEE TO REAFFIRM THE ADMINISTRATION'S STRONG COMMITMENT TO COMPREHENSIVE OIL POLLUTION LIABILITY AND COMPENSATION LEGISLATION THAT IMPLEMENTS THE 1984 PROTOCOLS TO THE TWO OIL SPILL TREATIES, THE 1969 CIVIL LIABILITY CONVENTION AND THE 1971 FUND CONVENTION.

AS YOU KNOW MR. CHAIRMAN, THERE IS WIDE AGREEMENT AMONG THE STATES, THE CONGRESS, THE ADMINISTRATION, THE ENVIRONMENTAL COMMUNITY AND THE OIL AND SHIPPING INTERESTS THAT IN ADDITION TO A FIRST CLASS OIL SPILL RESPONSE CAPABILITY, THIS COUNTRY NEEDS AN EQUITABLE, ADEQUATE AND COMPREHENSIVE SYSTEM TO COMPENSATE THOSE DAMAGED BY SPILLS. THERE IS ALSO WIDE AGREEMENT ON THE NEED FOR A TWO-TIER LIABILITY SYSTEM BASED ON HIGH BUT FAIR LIMITS OF LIABILITY FOR TANKERS, OTHER VESSELS AND FACILITIES BACKED UP BY

AN OIL-INDUSTRY FINANCED FUND TO COVER CATASTROPHIC COSTS IN EXCESS OF THE RESPONSIBLE PARTY'S LIMIT OF LIABILITY. WE ARE UNITED IN OUR GOAL TO PROTECT OUR ENVIRONMENT AND TO COMPENSATE OUR CITIZENS. THE TIME IS NOW TO SETTLE THE FEW DIFFERENCES THAT REMAIN ON THIS MATTER.

MY TESTIMONY THIS MORNING WILL FOCUS ON THREE AREAS WHERE THERE IS DISAGREEMENT BETWEEN S. 1066, THE ADMINISTRATION'S LEGISLATION AND S. 686, SENATOR MITCHELL'S BILL: THE INTERNATIONAL OIL SPILL PROTOCOLS; THE PAYMENT OF THIRD PARTY DAMAGES FROM THE OIL SPILL LIABILITY TRUST FUND; AND THE AUTOMATIC FEDERALIZATION OF OIL SPILL CLEANUP OPERATIONS. I WILL ALSO DISCUSS CIVIL PENALTIES.

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, WE ARE A LARGE NATION OF CLOSE NEIGHBORS. ALL AMERICANS SHARE AND CHERISH OUR NATURAL RESOURCES AND ARE COMMITTED TO PRESERVE AND PROTECT THEM. THE OIL SPILL IN PRINCE WILLIAM SOUND POLLUTED THE BACK YARD OF THE CITIZENS OF RHODE ISLAND AS SURELY AS THE SPILL IN NARRAGANSETT BAY.

UNDER THE CLEAN WATER ACT, THE COAST GUARD IS RESPONSIBLE FOR SEEING THAT SPILLERS QUICKLY AND PROPERLY CLEAN UP THE POLLUTION THEY CAUSE AND PAY FOR THAT CLEANUP. AND, I MIGHT ADD HERE, THAT THE COAST GUARD DOES AN OUTSTANDING JOB, AS OUR RECENT EXPERIENCES IN ALASKA, RHODE ISLAND, TEXAS AND DELAWARE BAY DEMONSTRATES. IF

THE RESPONSIBLE PARTY IS UNWILLING OR UNABLE TO CONDUCT THE CLEANUP, THE COAST GUARD FEDERALIZES THE OPERATION, PAYS FOR THE CLEANUP OUT OF THE 311(K) FUND, AND SEEKS REIMBURSEMENT FROM THE SPILLER. YET, OUR FEDERAL FINANCIAL RESPONSIBILITY LAWS ARE INADEQUATE. THE COAST GUARD OFTEN IS ABLE TO COLLECT ONLY A FRACTION OF THE AMOUNT IT EXPENDS FOR CLEANUP AND THE 311(K) FUND, WHICH IS SUPPORTED BY GENERAL TAX REVENUES, IS UNDERFUNDED. AS SECRETARY OF THE DEPARTMENT IN WHICH THE COAST GUARD IS OPERATING, THE ULTIMATE RESPONSIBILITY FALLS TO ME. TO SERVE OUR CITIZENS PROPERLY, I HAVE TO HAVE THE RIGHT TOOLS.

SOMEONE COMPARED TRYING TO CLEAN UP PRINCE WILLIAM SOUND UNDER ALYESKA'S CONTINGENCY PLAN WITH TRYING TO EMPTY A BATHTUB WITH A THIMBLE. I SUGGEST THAT TRYING TO PAY FOR A CLEANUP AND RESTORATION OPERATION OF THAT MAGNITUDE UNDER THE PATCHWORK OF FEDERAL AND STATE LAWS NOW ON THE BOOKS IS LIKE FINANCING THE EFFORT WITH THE PROFITS FROM A LEMONADE STAND.

OUR NATION NEEDS AN OIL POLLUTION AND COMPENSATION SYSTEM THAT IS INTERNATIONAL IN SCOPE AND COMPREHENSIVE IN SCOPE. ALONG WITH STRENGTHENING OUR OWN LAWS, IT IS EQUALLY IMPORTANT THAT WE RATIFY THE 1984 PROTOCOLS TO THE TWO INTERNATIONAL OIL SPILL TREATIES, THE 1969 CIVIL LIABILITY AND THE 1971 FUND CONVENTION.

SOME HAVE SUGGESTED THAT THE ONLY PROTECTION THAT THE

PROTOCOLS PROVIDE THE UNITED STATES IS PROTECTION FOR SHIPS IN INNOCENT PASSAGE. THAT IS A MYTH I WOULD LIKE TO DEBUNK RIGHT NOW.

LET ME GIVE YOU JUST ONE EXAMPLE OF THE KIND OF INCIDENT THAT THE PROTOCOLS CAN ADDRESS. IN 1973, THE FOREIGN TANKER ZOE COLOCOTRONI DELIBERATELY DISCHARGED ONE AND A HALF MILLION GALLONS OF CRUDE OIL INTO A COASTAL AREA OF PUERTO RICO IN ORDER TO FREE HERSELF FROM A GROUNDING AND HER OWNERS REFUSED TO ACCEPT FINANCIAL RESPONSIBILITY FOR CLEANUP COSTS OR DAMAGES. THE OIL DAMAGED TWENTY-THREE ACRES OF MANGROVE SWAMP INHABITED BY NUMEROUS MARINE WILDLIFE. THE CLEANUP COST THE COAST GUARD \$680,000 AND DAMAGE TO THE MANGROVES, BASED ON THE COST TO PLANT AND MAINTAIN IT AND THE ATTENDANT ECOLOGY, WAS \$6.2 MILLION. ALTHOUGH PUERTO RICO EVENTUALLY RECOVERED ITS COSTS, SETTLEMENT TOOK YEARS. IMAGINE IF THIS SPILL HAD BEEN THE SIZE OF THE EXXON VALDEZ, WHICH ONLY HALFWAY THROUGH THE SUMMER HAS COST EXXON \$600 MILLION.

WHY SHOULD AMERICANS SUFFER ALL THE COSTS OF OIL POLLUTION CAUSED BY FOREIGN TANKERS WHEN AN INTERNATIONAL SYSTEM EXISTS TO PAY FOR CLEANUP AND DAMAGES? IN 1988, FOREIGN FLAG VESSELS ACCOUNTED FOR SOME 59% OF THE OIL SPILLED BY TANKERS AND TANK BARGES. IF WE'RE TRULY SERIOUS ABOUT COLLECTING CLEANUP COSTS AND DAMAGES FROM THESE "PROTOCOL VESSELS" THEN WE MUST HAVE THE PROTOCOLS.

IN MY CAPACITY AS THE FEDERAL COORDINATOR FOR THE EXXON VALDEZ OIL SPILL CLEANUP OPERATION, I HAVE SEEN THE HAVOC THAT ENVIRONMENTAL DAMAGE WREAKS ON PEOPLE'S LIVES. AND YET, WE WERE RELATIVELY LUCKY IN ALASKA BECAUSE THE SPILL CAME FROM ONE OF THE RICHEST CORPORATIONS IN THE WORLD WITH A SUBSTANTIAL REPUTATION TO PROTECT AT HOME AND THE RESOURCES TO CARRY OUT A MASSIVE CLEANUP. WITHIN THE NEXT TEN YEARS, WE ESTIMATE SIXTY-FIVE PERCENT OF OUR OIL IS EXPECTED TO ARRIVE AT OUR SHORES IN FOREIGN TANKERS. MANY OF THESE TANKERS ARE OWNED BY SINGLE-SHIP CORPORATIONS AND THE TREND IS INCREASING. UNDER THE LAWS OF SOME COUNTRIES, SUCH AS PANAMA, RENAMING OR REFLAGGING A VESSEL IS EASY AND INEXPENSIVE. AS A RESULT, THERE CAN BE NO LEGALLY ACCESSIBLE DEEP POCKET IN MANY OF THESE CASES.

TO ARGUE THAT STATE LAWS OFFER A VIABLE ALTERNATIVE TO THE PROTOCOLS IS TO IGNORE THE FACTS. THE PROTOCOLS PROVIDE PRACTICAL ADVANTAGES THAT ARE UNOBTAINABLE UNDER STATE LAW: EFFECTIVE COVERAGE FOR UNITED STATES CITIZENS; JURISDICTION AND ENFORCEABILITY OF UNITED STATES JUDGMENTS ABROAD; ENHANCED SPEED AND CERTAINTY AND SETTLEMENT OF CLAIMS; PREDICTABILITY AND CONSISTENCY OF LIMITS AND COSTS FOR SHIOWNERS AND OIL COMPANIES; REDUCED COST TO THE UNITED STATES OF CATASTROPHIC OIL SPILLS; AND EXPANDED UNITED STATES INFLUENCE IN INTERNATIONAL MARITIME NEGOTIATIONS.

THE ADMINISTRATION'S POSITION ON PREEMPTION IS CLEAR. WE SUPPORT THE PREEMPTION OF STATE LIABILITY LAWS ONLY TO THE EXTENT NECESSARY TO IMPLEMENT THE PROTOCOLS AND OPPOSE ANYTHING LESS OR MORE EXTENSIVE.

THE SPILL FROM THE PRESIDENTE RIVERA IN THE DELAWARE RIVER FOULED SHORELINE IN THREE STATES, WITH THREE DIFFERENT STATUTORY SCHEMES DEALING WITH LIABILITY AND COMPENSATION. IF THE PROTOCOLS HAD BEEN RATIFIED AND IMPLEMENTED, THESE CLAIMANTS COULD HAVE EASILY BROUGHT A DIRECT ACTION AGAINST THE SHIPOWNER'S INSURER, VASTLY SIMPLIFYING PRESENT PROCEDURES AND POTENTIALLY SAVING MANY YEARS OF LITIGATION. JUDGMENTS RENDERED IN UNITED STATES DISTRICT COURTS WOULD BE ENFORCEABLE ABROAD. ANY CLAIMS FOR DAMAGES IN EXCESS OF THE OWNER'S LIMIT OF LIABILITY COULD BE BROUGHT DIRECTLY TO THE INTERNATIONAL FUND, WHICH HAS AN EXCELLENT RECORD OF PAYMENT, (ON AVERAGE, EIGHT MONTHS).

THE 1984 PROTOCOLS TO THE 1969 CIVIL LIABILITY AND 1971 FUND CONVENTIONS WILL, WHEN THEY ENTER INTO FORCE, SET UP A LIABILITY AND COMPENSATION SYSTEM FOR TANKER-SOURCE PERSISTENT OIL POLLUTION DAMAGE. ONLY THE CIVIL LIABILITY CONVENTION, AS AMENDED, HAS A PREEMPTIVE EFFECT AND THAT EFFECT IS MINIMAL. FIRST, CLAIMS FOR POLLUTION DAMAGE COMPENSATION AGAINST THE SHIPOWNER MAY ONLY BE MADE IN ACCORDANCE WITH THAT CONVENTION. SECOND, NO POLLUTION DAMAGE CLAIM MAY BE MADE AGAINST THE OWNER'S SERVANTS--AGENTS, THE CREW, THE PILOT, THE CHARTERER, MANAGER OR OPERATOR, THE SALVOR,

OR PERSONS TAKING PREVENTIVE MEASURES, UNLESS THEIR PERSONAL INTENTION AND/OR RECKLESS ACT OR OMISSION RESULTED IN THE DAMAGE. IN NO OTHER WAY IS STATE LAW PREEMPTED.

I RECOGNIZE THAT THE ISSUE OF PREEMPTION OF STATE LAWS HAS BEEN A FACTOR IN PREVENTING PASSAGE OF IMPLEMENTING LEGISLATION IN THE PAST. BUT THE UNQUESTIONABLE BENEFITS TO BE GAINED FROM THE PROTOCOLS CANNOT BE LOST. IT IS TIME TO FIND A SOLUTION TO THIS PROBLEM.

I WOULD LIKE TO POINT OUT THAT WHEN THE UNITED STATES DELEGATION WENT TO LONDON IN 1984 TO NEGOTIATE THE PROTOCOLS TO CLC AND FUND, THEY DID SO WITH EXPLICIT INSTRUCTIONS FROM THE SENATE AND HOUSE OF REPRESENTATIVES. IN THE FACE OF STIFF OPPOSITION, OUR TEAM NEGOTIATED HARD AND WON DRAMATICALLY HIGHER LIMITS UNDER BOTH CONVENTIONS, RAISING SHIPOWNER LIABILITY FROM \$18 MILLION TO \$78 MILLION AND FUND COVERAGE FROM \$78 MILLION TO \$260 MILLION. WE ALSO WERE SUCCESSFUL IN NEGOTIATING AN AMENDMENT PROCEDURE WHEREBY THESE LIMITS MAY BE RAISED EVEN HIGHER IN THE FUTURE. BUT WE CANNOT INCREASE THE LEVELS IF WE HAVE NOT RATIFIED THE PROTOCOLS.

TO SUGGEST THAT WE COULD RENEGOTIATE THE PROTOCOLS IS TO IGNORE THE REAL WORLD OF INTERNATIONAL DIPLOMACY. OUR REPUTATION IN THE WORLD ENVIRONMENTAL AND MARITIME COMMUNITY IS AT STAKE. FAILURE TO RATIFY THE PROTOCOLS WILL JEOPARDIZE OUR NEGOTIATING POSITIONS ON SUCH FAR REACHING ISSUES AS SHIP DESIGN AND

INTERNATIONAL CREWING STANDARDS AND HAZARDOUS SUBSTANCE LIABILITY. RATIFICATION OF THE PROTOCOLS WILL NOT ONLY PROVIDE AMERICANS WITH GOOD INSURANCE AGAINST THE FINANCIAL DISASTER THAT CAN RESULT FROM AN OIL SPILL, IT WILL REASSERT THE UNITED STATES ROLE AS A LEADER IN WORLD ENVIRONMENTAL AND MARITIME ISSUES.

A VOTE FOR THE PROTOCOLS IS A VOTE FOR THE ENVIRONMENT. PRESIDENT BUSH HAS JUST RETURNED FROM THE ECONOMIC SUMMIT IN PARIS. AT THAT SUMMIT, HE EXPRESSED THE CONCERN OF ALL AMERICANS THAT NATIONAL, REGIONAL AND GLOBAL CAPABILITIES TO CONTAIN AND ALLEVIATE THE CONSEQUENCES OF MARITIME OIL SPILLS BE IMPROVED. HE URGED ALL COUNTRIES TO MAKE BETTER USE OF THE LATEST MONITORING AND CLEANUP TECHNOLOGIES. FURTHERMORE, HE STRESSED THE NEED FOR ALL COUNTRIES TO ADHERE TO AND IMPLEMENT FULLY THE INTERNATIONAL CONVENTIONS FOR THE PREVENTION OF OIL POLLUTION OF THE OCEANS, AND CALLED ON THE INTERNATIONAL MARITIME ORGANIZATION TO PUT FORWARD PROPOSALS FOR FURTHER PREVENTIVE ACTION. OUR CONTINUED FAILURE TO RATIFY THE PROTOCOLS WILL SEVERELY HAMPER OUR EFFORTS TOWARDS THESE OBJECTIVES.

I COMMEND THIS COMMITTEE FOR ITS LEADERSHIP ON THE CRUCIAL ISSUE OF COMPENSATION FOR OIL POLLUTION DAMAGE. WE ARE MOVING AGGRESSIVELY FORWARD ON LEGISLATION AND INITIATIVES ON PREVENTION AND RESPONSE. NEVERTHELESS, AS THE FOUR RECENT SPILLS MAKE ALARMINGLY CLEAR: HUMAN ERROR IS THE PRIMARY CAUSE OF THE ACCIDENTS THAT RESULT IN TRAGIC OIL SPILLS. WE CAN MINIMIZE HUMAN ERROR BUT WE CANNOT ELIMINATE IT. THE SHIPOWNER IS THE FIRST LINE OF DEFENSE AGAINST ACCIDENTS THAT CAUSE OIL POLLUTION.

ANY LEGISLATION DEALING WITH OIL SPILL LIABILITY MUST PROVIDE INCENTIVES FOR THE BROAD RANGE OF CORPORATE DECISIONS THAT EMPHASIZE RISK REDUCTION AND SAFETY--IN THE DESIGN, PURCHASE AND OPERATION OF TANKERS, BARGES, PIPELINES AND OTHER EQUIPMENT, IN THE HIRING, TRAINING AND SUPERVISION OF PERSONNEL, AND IN THE DEVELOPMENT AND USE OF CLEANUP TECHNOLOGIES. COMPANIES INVOLVED IN THE PRODUCTION OR PURCHASE OF OIL MUST FACTOR ENVIRONMENTAL RISK INTO CORPORATE DECISIONS ON THE TRANSPORTATION OF THAT PRODUCT. WHILE THE TANKER OWNER, FOR EXAMPLE, MUST HAVE PRIMARY RESPONSIBILITY FOR PREVENTING SPILLS, WE WILL NOT LET THE OIL COMPANIES OFF THE HOOK. OIL COMPANIES SHOULD BEAR A RESPONSIBILITY FOR CLEANING UP AND RESTORING OUR ENVIRONMENT WHEN OIL DAMAGES OUR NATURAL RESOURCES TO SUCH A GREAT EXTENT THAT THE COST EXCEEDS THE SHIPOWNER'S LIMIT OF LIABILITY.

THE ADMINISTRATION'S COMPREHENSIVE OIL POLLUTION LIABILITY AND COMPENSATION LEGISLATION, S. 1066, INTRODUCED BY REQUEST BY SENATOR CHAFEE, IS STRUCTURED AROUND THE CONCEPT OF SHIPOWNER RESPONSIBILITY. THE LIMITS IT SETS ON TANKER OWNERS' LIABILITY ARE IDENTICAL TO THOSE IN SENATOR MITCHELL'S BILL, \$500 PER GROSS TON. BASED ON OUR PAST EIGHTEEN YEARS EXPERIENCE, THAT LEVEL OF SHIPOWNER'S LIABILITY WILL COVER NINETY-FIVE PERCENT OF ALL SPILLS. ALSO IDENTICAL TO SENATOR MITCHELL'S BILL, IT CREATES A BACKUP FUND FOR CATASTROPHIC ENVIRONMENTAL DAMAGE. THIRD PARTY CLAIMANTS COULD BRING A DIRECT ACTION AGAINST THE VESSEL'S

INSURER, UP TO THE VESSEL OWNER'S LIMIT OF LIABILITY. BEYOND THAT LIMIT OF LIABILITY, THE THIRD PARTY CLAIMANT COULD BRING AN ACTION IN FEDERAL COURT UNDER STATE LAW, OR AGAINST THE INTERNATIONAL FUND, IF THE PROTOCOLS ARE IN PLACE. WE BELIEVE THAT THIS IS THE PROPER SHARING OF RESPONSIBILITY AND THEREFORE OPPOSE THE PAYMENT OF THIRD PARTY CLAIMS FOR ECONOMIC DAMAGES FROM THE OIL SPILL LIABILITY TRUST FUND.

WE SUPPORT A PRESIDENTIAL WAIVER OF THE \$500 MILLION PER INCIDENT CAP ON PAYMENTS FROM THE OIL SPILL LIABILITY TRUST FUND, SO THAT NO ENVIRONMENTAL DAMAGE GOES UNCOMPENSATED. ALTHOUGH THIS EXPOSES OIL COMPANIES TO UNLIMITED LIABILITY, THROUGH THEIR PAYMENTS INTO THE DOMESTIC FUND, FOR ENVIRONMENTAL DAMAGE THAT EXCEEDS THE SHIPOWNER'S LIMIT OF LIABILITY, WE BELIEVE THIS EXPOSURE IS JUSTIFIED.

THE ADMINISTRATION STRENUOUSLY OPPOSES LEGISLATION THAT WOULD SHIFT RESPONSIBILITY FOR CLEANUP AWAY FROM THE RESPONSIBLE PARTY AND ONTO THE COAST GUARD BY REQUIRING AUTOMATIC FEDERALIZATION OF CLEANUP OPERATIONS. THERE ARE TWO POINTS THAT I WOULD LIKE TO CLARIFY. FIRST, THE DECISION WHETHER OR NOT TO STAY ON SCENE AND COMPLETE THE CLEANUP IS OFTEN A BOARDROOM, NOT A COURTROOM DECISION. SECOND, AUTOMATIC FEDERALIZATION INVITES THE SPILLER TO WALK AWAY FROM THE DAMAGE.

WHY SHOULDN'T WE REQUIRE THE SPILLER TO STAY ON SCENE AND CLEAN UP THE POLLUTION HE HAS CAUSED? IF THERE IS ANY DOUBT THAT

THE RESPONSIBLE PARTY IS WILLING AND COMPETENT TO CONDUCT THE CLEANUP OPERATION, AS WAS THE CASE WITH THE WORLD PRODIGY SPILL IN RHODE ISLAND, THE COAST GUARD WILL MOVE QUICKLY TO FEDERALIZE THE RESPONSE. THIS SHOULD BE A DECISION WITHIN THE DISCRETION OF THE ON-SCENE COORDINATOR, NOT AN AUTOMATIC RESPONSE.

FINALLY, I WOULD LIKE TO ADDRESS THE ISSUE OF CIVIL PENALTIES. THIS COMMITTEE HAS PENDING BEFORE IT TWO BILLS DEALING WITH THIS ISSUE, S. 687 AND S. 1223, AS WELL AS OUR BILL, S. 1066. THE ADMINISTRATION STRONGLY SUPPORTS AN INCREASE IN THE CIVIL PENALTIES FOR DISCHARGES OF OIL OR HAZARDOUS SUBSTANCES INTO THE WATERS OF THE UNITED STATES. THEREFORE, THE ADMINISTRATION SUPPORTS S. 687. WE MUST SEND A VERY STRONG MESSAGE THAT POLLUTERS WILL BE PUNISHED. SENATOR LIEBERMAN'S LEGISLATION, S. 1223, AUTHORIZES THE PRESIDENT TO ISSUE ORDERS TO PROTECT THE ENVIRONMENT AND CREATES A LIABILITY SCHEME FOR CERTAIN POLLUTION DAMAGES. THE ADMINISTRATION NOTES THAT THE SENATOR'S APPROACH IS CONSISTENT WITH S. 1066, WHICH ALSO CONTAINS INCREASED CIVIL PENALTIES. GENTLEMEN, I COMMEND YOUR LEADERSHIP ON THIS IMPORTANT ISSUE AND LOOK FORWARD TO WORKING WITH YOU AS THESE BILLS MOVE THROUGH THE SENATE.

ONE FINAL NOTE. ALTHOUGH THE PURPOSE OF THIS HEARING IS TO FOCUS ON OIL POLLUTION LIABILITY AND COMPENSATION, I WOULD BE REMISS IF I DID NOT MENTION THE IMPORTANCE OF PREVENTION. WE CERTAINLY LEARNED THE HARD WAY, AFTER THE SPILL IN ALASKA, THAT

OUR CONTINGENCY PLAN SYSTEM IS INADEQUATE. THEREFORE, I IMMEDIATELY ASKED THE COAST GUARD TO UNDERTAKE A NATIONAL STUDY TO DETERMINE WHAT CHANGES NEED TO BE MADE TO OUR NATIONAL, REGIONAL, AND LOCAL CONTINGENCY PLANS. THAT STUDY SHOULD BE COMPLETED IN DECEMBER AND WILL BE MADE AVAILABLE TO THE COMMITTEE AS SOON AS IT IS FINISHED. THE COAST GUARD IS ALSO PERFORMING STUDIES ON VESSEL TRAFFIC SERVICES (VTS), PILOTAGE REQUIREMENTS, AND DOUBLE BOTTOMS.

IN CONCLUSION, AS COMPREHENSIVE OIL POLLUTION LIABILITY AND COMPENSATION LEGISLATION MOVES THROUGH THE SENATE, I LOOK FORWARD TO WORKING WITH YOU TO RESOLVE THE OUTSTANDING ISSUES AND ASK FOR THIS COMMITTEE'S SUPPORT FOR THE SENATE'S CONSENT TO RATIFICATION OF THE PROTOCOLS AND FOR IMPLEMENTING LEGISLATION. IN 1978, THE AMOCO CADIZ, A SHIP IN INNOCENT PASSAGE, SPILLED 68 MILLION GALLONS OF CRUDE OFF THE COAST OF NORMANDY, FRANCE. TWO MONTHS LATER, AND TOO LATE, FRANCE RATIFIED THE 1969 AND 1971 OIL SPILL CONVENTIONS. ELEVEN YEARS LATER, THE LAWSUITS ARE FINALLY BEING SETTLED, AND FOR FAR LESS THAN FRANCE SPENT DEALING WITH THE SPILL. IN NOVEMBER OF 1985, PRESIDENT REAGAN TRANSMITTED THE 1984 PROTOCOLS TO CLC AND FUND TO THE SENATE FOR ITS ADVICE AND CONSENT TO RATIFICATION. I URGE YOU TO MAKE TRULY COMPREHENSIVE OIL POLLUTION LIABILITY AND COMPENSATION LEGISLATION THAT IMPLEMENTS THE PROTOCOLS THE LAW OF THE LAND, BEFORE IT IS TOO LATE FOR US, AS WELL.

I WILL BE HAPPY TO ANSWER ANY QUESTIONS THAT THE COMMITTEE MAY HAVE.