

QUESTIONS CONGRESS WILL ASK

IF YOU HAVE NO RECORDS WHAT'S THE BASIS ON HOW MUCH YOU ARE PAID?

IF YOU HAVE NO RECORDS HOW DOES A STATE KNOW WHAT'S BEEN HARVESTED?

IF YOU PAID NO TAXES WHY SHOULD YOU BE PAID?

Tension builds as Feinberg tours Gulf Coast

By Christine Blank, SeafoodSource contributing editor

15 September, 2010 – Ken Feinberg, administrator of the Gulf Coast Claims Facility (GCCF), is urging the region's commercial fishermen, processors, restaurateurs and hoteliers to submit their correctly documented claims to the facility in order to receive emergency funds.

Feinberg was speaking to members of the Florida Restaurant and Lodging Association (FRLA) at its annual meeting on Orlando, Fla., on Tuesday, after a contentious meeting with fisheries representatives in Houma, La., on Monday.

"I spent yesterday getting pounded in Louisiana by commercial shrimpers, oyster people and fishermen. For those people, eligibility is not the issue. The issue I have with those individuals is proof," said Feinberg.

Many in the Louisiana fishing industry have not submitted financial history to the GCCF, showing that their sales are down this year, compared with 2009 or previous years.

"I have 12,000 claims where the documentation is so inadequate that nobody would pay those claims. It is not enough to pay out hundreds of

millions of dollars. Three thousand of the claims have no documentation, and some state, 'I am in an all-cash business,'" said Feinberg.

The GCCF has also received 3,000 claims from Louisiana that are related to the federal government's moratorium on oil drilling in the Gulf.

"I have no jurisdiction on those claims," said Feinberg.

The GCCF, which took over administration of the BP Oil Spill Fund in late August, has issued USD 175 million in emergency payments for businesses affected by the spill in the past three weeks.

However, the GCCF will only be issuing emergency payments, which do not require claimants to waive their right to sue BP and other companies, until 23 November. The GCCF's "final payments," issued after that date, will require such an agreement to be signed, according to Feinberg.

Feinberg stressed that he wants commercial fishing industry members to be paid for their losses from the BP oil fund with the emergency funds.

"There will be hundreds of thousands of lawsuits in New Orleans, which means I have failed. I underestimated the problems in processing these claims," said Feinberg.

"Maybe the legal profession can step up and help people in the Gulf," added Feinberg. He also urged restaurateurs and hoteliers to get legal help when submitting claims to the GCCF.

"You have to present to GCCF a documented claim showing that your loss or damage is attributable to the oil spill. There are a lot of reasons that I have seen in claims that have nothing to do with the oil spill," said Feinberg.

The GCCF has not determined the amount of miles businesses must be from oil landing to claim damages. Instead, the facility says that

geographic proximity "will primarily be based on whether the claimant's loss occurred in a community or municipality adjacent to a beach, shoreline, marsh, bay or tributary of the Gulf where oil or oil residues came ashore or appeared in the waters."

However, hoteliers all over Florida, along with businesses in 48 states, have submitted claims for lost business because of the spill.

"The question is, can a hotel in Miami Beach or a restaurant in Chicago or a golf resort in Knoxville, Tenn., be eligible to file a claim to receive compensation? That is a big question that divides the five states [under the GCCF jurisdiction]," said Feinberg.

While Feinberg said he has not determined whether hotels and restaurants inland from the Gulf should receive compensation, he wants to review their claims to determine if they are eligible.

"I will sit down with the lawyers, with Keith Overton [chairman of the FRLA], and other representatives of your organization, to see if we can find a way to pay claims in a manner that will be equitable and fair," said Feinberg.