

C.W. BILL YOUNG
10TH DISTRICT, FLORIDA

COMMITTEE ON
APPROPRIATIONS
SUBCOMMITTEE ON DEFENSE
SUBCOMMITTEE ON
MILITARY CONSTRUCTION AND
VETERANS AFFAIRS
SELECT INTELLIGENCE OVERSIGHT PANEL

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Congress of the United States
House of Representatives
Washington, DC 20515-0910
September 14, 2010

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Kenneth R. Feinberg
Administrator, Gulf Coast Claims Facility
5151 Blazer Pkwy.
Suite A
Dublin, OH 43017

Dear Administrator Feinberg:

As a member of the Florida delegation, I am writing today to express my concern with recent reports that you are considering placing an emphasis on proximity to oil-slicked coastlines when determining eligibility for payment on claims made to the Gulf Coast Claims Facility. While I welcome your efforts to develop a transparent claims process that quickly determines levels of compensation for those affected by the Deepwater Horizon disaster, I am troubled by these reports considering the impact that the entire state of Florida has felt in all sectors of the economy since the beginning of the oil spill.

The environmental and economic impacts of this disaster will be felt many years from now. While towns with oil slicked coastlines may feel the greatest direct effects, you can not dismiss the wide-reaching impact of the spill. The compensation fund is intended to help anyone with a legitimate claim and I understand that not every claim is valid or eligible. However, in your testimony before the House Small Business Committee you indicated that while claims from individuals and businesses without oil-slicked coastlines are not compensable under Florida law, it was an area where some discretion is going to have to be exercised because these people have also suffered effects related to the spill.

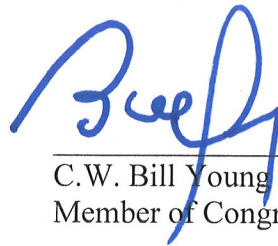
One of the predominant examples in Florida is the tourism industry. A recent study commissioned by the U.S. Travel Association on direct traveler-generated spending along coastal communities' projects that "the effects of the BP oil spill on travel to the Gulf Coast are likely to last up to three years and cost the region \$22.7 billion." Tourism is Florida's largest industry, generating an approximate \$60 billion every year, with close to \$22 billion per year coming from coastal communities. Although 90 percent of Florida beaches had no oil impact, the study estimates that Florida will experience the heaviest losses, with up to \$18.6 billion in lost travel spending, 82 percent of the total estimated over five states.

Additionally, a recent study by Ypartnership shows that the effects of this spill are not isolated to oil-slicked coastlines. This study, conducted to gauge near-term travel intentions in the United States, showed that visitors were less likely to visit Florida beaches as a result of the oil spill. While it might be expected that travelers are 28 percent less likely to visit Pensacola area beaches, it is worth noting that they are 23

percent less likely to visit the beach in Jacksonville and 21 percent less likely to visit both Miami and Clearwater Beaches. This study shows that oil does not need to be present to have a significant impact, as the last three beaches had no oil impact and yet travelers still indicated that concern over the oil spill impacted their plans.

Florida's tourism industry is just one example of the need to consider every case on its own merit and not arbitrarily deny a claim simply due to proximity to oil-slicked coastlines. I look forward to prompt action in addressing my concerns to ensure that all residents of Florida and the entire Gulf of Mexico are reimbursed for the damages they have suffered in the wake of the devastating oil spill. In addition, I stand ready to work with you to address any question or concerns you may have.

Sincerely,



C.W. Bill Young
Member of Congress