

St. Bernard Parish Council

8201 West Judge Perez Drive (504) 278-4228

Chalmette, Louisiana, 70043 Fax (504) 278-4209

www.sbpg.net

#12

Guy McInnis
Councilman
at Large

George Cavignac
Councilman
at Large

Ray Lauga, Jr.

Councilman
District A

Nathan Gorbaty
Councilman
District B

Richard "Richie" Lewis

Councilman
District C

Casey W. Hunnicutt

Councilman
District D

Manuel "Monty" Montelongo III Councilman District E

Roxanne Adams Clerk of Council EXTRACT OF THE OFFICIAL PROCEEDINGS OF THE COUNCIL OF THE PARISH OF ST. BERNARD, STATE OF LOUISIANA, TAKEN AT A REGULAR MEETING HELD IN THE COUNCIL CHAMBERS OF THE ST. BERNARD PARISH GÖVERNMENT COMPLEX, 8201 WEST JUDGE PEREZ DRIVE, CHALMETTE, LOUISIANA ON TUESDAY, APRIL 2, 2013 AT SEVEN O'CLOCK P.M.

On motion of Mr. McInnis, seconded by Mr. Montelongo, it was moved to adopt the following resolution:

RESOLUTION SBPC #1031-04-13

A RESOLUTION REQUESTING THAT VICTIMS OF THE B. P. OIL SPILL BE EXEMPTED FROM TAXES FOR ANY FUNDS RECEIVED BY THE COMMERCIAL FISHING INDUSTRY FROM THE B. P. SETTLEMENT PROCESS OR FUTURE LITIGATION.

WHEREAS, the B. P. Oil Spill was designated as a disaster of national significance under the economic and property damage settlement, the seafood compensation program establishes a cap on the amount of compensation the seafood industry is entitled to, and;

WHEREAS, the seafood industry and all its component parts were the first and worst impacted, the most vulnerable to variations in production (amounts and growth rates) and market conditions (demand and price), consequently assigns all the future risk to the fishermen, and;

WHEREAS, component parts of the seafood compensation program including but not limited to, requiring 2007, 2008, 2009 as benchmark years for production, compensation on only a percentage of yearly loss, limiting the number of years deckhands and dealers qualify for, no compensation for both short term and long term devaluation of boats, equipment, and property, makes the settlement grossly inadequate for the overwhelming majority of the fishing industry, and;

WHEREAS, the option to opt out and wait for the court system to produce a better result under present production and price models does not exist as the ability to produce enough product at present prices until that occurs is minimal, and;

WHEREAS, in disasters of national significance (ie 9/11) compensation programs were developed to assist victims using federal funding were not taxed. In the case of the B. P. Spill there is a responsible party, no funds from the nation's tax base, and;



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WHEREAS, as President Obama promised he would do everything in this country's power to assist the victims in maintaining their businesses, homes and culture, and;

WHEREAS, since the settlement awards are inadequate on its face, the potential of reducing the award by up to a 50% tax rate further lessens the ability of fishermen to stay in business until mother nature fixes B. P.'s mess, and;

WHEREAS, eventually the Federal and State governments are going to receive funding through the Natural Resources Damage Assessment and the Clean Water Act, and;

WHEREAS, B.P. is ultimately going to end up with a substantial tax credit, while the commercial fishermen are going to have a tax liability for funds designed to keep them in business for the next 8 years, or longer, and;

WHEREAS, the possibility exists for a portion of the taxes paid by the fishermen to fund the very departments that allowed and helped cover up the worst oil spill in our nation's history, and;

WHEREAS, our country has used billions in tax payer funds to bailout the banking industry and some of the auto industry. These funds if tax exempted would ultimately stay within the communities where the fishermen live and work. Retaining these funds may very well be the economic stimulus required to keep the industry up and running until, hopefully conditions improve, and;

WHEREAS, the hardworking, taxpaying, economic stimulus producing, participants of the commercial fishing industry do not believe the rest of hardworking American Business men and women want to benefit from the misfortune of fellow American citizens in a dire situation through no fault of their own, and;

THEREFORE BE IT RESOLVED, the St. Bernard Parish Council, the governing authority, does hereby request that the Louisiana State Delegation, the Louisiana Legislature and the Federal Delegation in Washington through legislation or executive order exempt victims of the B. P. Oil Spill from taxes for any funds received by the commercial fishing industry from the B. P settlement process or future litigation.



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The above and foregoing having been submitted to a vote, the vote thereupon resulted as follows:

YEAS:

Lauga, Gorbaty, Lewis, Hunnicutt, Montelongo, McInnis

NAYS:

None

ABSENT:

None

The Council Chair, Mr. Cavignac, cast his vote as YEA.

And the motion was declared **adopted** on the 2nd day of April, 2013.

CERTIFICATE

I HEREBY CERTIFY that the above and foregoing is a true and correct copy of a motion adopted at a Regular Meeting of the Council of the Parish of St. Bernard, held at Chalmette, Louisiana, on Tuesday, April 2, 2013.

Witness my hand and the seal of the Parish of St. Bernard on this 2nd day of April, 2013.

ROXANNE ADAMS CLERK OF COUNCIL