Judge Orders EVOS Payments to begin

Monday, 24 November 2008

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Jay Barrett/KMXT

A federal judge in Anchorage today (Monday) has ordered the distribution of the first round of payments from the Exxon Valdez Oil Spill punitive damages case.

Judge H. Russel Holland signed an order directing the administrators of the Exxon Valdez settlement fund to start making payments. Between a third and a half of the plaintiffs should be receiving checks soon after Thanksgiving.

Frank Mullen is a fisherman and a financial planner in Homer, who has followed the case closely:

-- (Frank Merry 8 sec "The attorneys have... Merry Christmas, everybody.")

Andrew Ott is a plaintiff's attorney in Kodiak:

-- (Ott Happy 15 sec "Yes, we are happy ... Thanksgiving Holiday.")

The first payments will go to the 13 claimant classes listed in Exhibit C, which appeared in a dozen lists posted on the Anchorage Daily News' Highliner Blog a couple

weeks ago. They include Cook Inlet, Prince William Sound and Kodiak salmon fishermen, along with two Native categories. Shellfish and herring fishermen are not included in the first distribution. Mullen says some people in the first pay out group might not see their names there, but they shouldn't panic:

-- (Frank Clean 27 sec "They most likely ... some other future list.")

Ott speculates there should be several rounds of payouts before Christmas:

-- Ott Waves 19 sec "That's just the first wave ... opening a floodgate.")

Because of legislation passed this year, Mullen says plaintiffs have the ability to protect much of their payout:

-- (Frank Protect 29 sec "Through the efforts ... signed by the president.")

Fishermen can put up to 100-thousand dollars in an IRA and defer the taxes, they can income average their payments on their tax returns, and they do not have to pay self-employment tax on the payouts.

In Judge Holland's order, five percent of each payment will be held back in case Sea Hawk Seafoods' appeal for a recalculation of the distribution is accepted by the Ninth Circuit Court of Appeals. Holland rejected Sea Hawks' request to be given a larger slice of the pie earlier this month.

The payments will also be reduced by 22-point-4 percent for attorneys' fees. Fore example, a plaintiff scheduled to receive 50-thousand dollars will get, after the deduction and holdback, 36,860 dollars.

I'm Jay Barrett.

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