

Bobby Jindal signs bill to kill lawsuit against oil, gas companies

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Gov. Bobby Jindal has signed legislation aimed at killing a lawsuit filed by a New Orleans area regional levee board against 97 oil and gas companies, despite concerns that the new law could negatively affect state and government claims against BP over the 2010 Gulf of Mexico oil spill. "This bill will help stop frivolous lawsuits and create a more fair and predictable legal environment, and I am proud to sign it into law," Jindal said in a written statement Friday (June 6). The oil and gas industry, which lobbied heavily in favor of the bill, cheered Jindal's decision to sign it. But Louisiana's Attorney General and local officials in parishes that have sued BP expressed renewed concerns. Environmentalists decried Jindal's action, saying it could have long-lasting negative consequences for the state. The levee board lawsuit demands that energy companies either fix damage caused by dredging canals and pipeline channels and other actions, or pay the authority for damages that can't be restored. Critics of the lawsuit have called it an unfair attack on an industry that is vital to Louisiana. "This bill keeps a rogue agency from misrepresenting this State and trying to raise money through illegal actions," said Sen. Robert Adley, R-Benton, who sponsored the legislation Jindal approved this week. The levee board's lawsuit has been a sore point for the Jindal administration since it was filed by the Southeast Louisiana Flood Protection Authority-East last July. The governor has spent the last several months trying to hurt the levee board's efforts to challenge the oil and gas industry. He has been behind the removal of a few lawsuit supporters from the levee board recently. But the governor delayed signing the lawsuit bill at a public event earlier this week as Attorney General Buddy Caldwell said he wanted to review the legislation to ensure it didn't have unintended consequences. Dozens of legal experts from across the country signed a letter warning the governor that the bill could affect other lawsuits against the oil and gas industry in Louisiana. Caldwell has since said Jindal should veto the legislation because of those concerns, but Jindal's legal team disagreed with the attorney general's analysis. The governor doesn't believe the new law will affect BP claims. Jindal's communications team said the governor's executive counsel, Thomas Enright, spent a few days reviewing the legislation to make sure it would not cause problems for the BP litigation. In a

written memo, Enright declared federal law makes clear that state and local governments would be allowed to bring claims against BP. Even if legislators had wanted to write a bill that affected BP claims, federal laws would have superseded such a measure and prohibited such a state law from having teeth, Enright's memo said. Still, Caldwell and the legal experts who signed the letter opposing the bill aren't the only people with concerns. Local governments in South Louisiana had asked Jindal to veto the legislation this week too. Jefferson Parish President John Young and St. Bernard Parish President Dave Peralta said lawyers representing their governments against BP are worried about the legislation's impact on their efforts. "After carefully reading the bill and consulting with various attorneys, we determined that this could not only affect our lawsuit already filed against BP, but also could hinder our citizens' individual lawsuits and possible future class-action lawsuits," said Peralta. At the very least, local officials and others are worried that the new law will slow down their the legal proceedings with BP, and postpone the date when they receive financial compensation for the spill. "We need this money now, not six years, seven years down the line. This bill could certainly delay that process, because I'm sure BP will use it for appeals," said Peralta. Local governments are also worried that the legislation will affect their ability to get compensated for losses related to any future oil spills or pipeline breaks along the coast. Lawyers have told the parishes that the law will likely tie their hands in terms of unforeseen disasters. "[Our lawyers] are very concerned about it precluding particular types of claims," said Young, who sent Jindal a letter urging him to veto the legislation. Young said he didn't receive a response from the governor. The limitation of local governments to collect damages after future catastrophes has John Barry, the former vice president of Southeast Flood Protection Authority-East, most worried. Barry, while a member of the authority, spearheaded the levee board lawsuit Jindal's new law seeks to void. "If there is a pipeline rupture in the coastal zone, the ability of local governments to litigate will be limited," said Barry, who Jindal removed from the levee board after Barry pushed for the lawsuit. "I'm actually more concerned about the future than BP litigation." Oil and gas industry lobbyists had pushed hard for the bill during the 2014 legislative session, which passed both the state House and Senate by relatively healthy margins. They lauded the governor's decision Friday. "The signing of SB 469 is a huge victory for the oil and gas industry as well as the economy for the state of Louisiana," said Don Briggs, president of the Louisiana Oil and Gas Association. "While there is still much work to be done, this piece of legislation is a big step in the right direction." Backers of the lawsuit filed by the Southeast Louisiana Flood Protection Authority-East are expected to challenge in court the new law Jindal signed. The authority's lawsuit that generated so much attention is already in federal court. Benjamin Alexander-Bloch contributed to this report. Julia O'Donoghue is a state politics reporter based in Baton Rouge. She can be reached at jodonoghue@nola.com or on Twitter at @jsodonoghue. Please consider following us on Facebook at



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