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AWI Communiqué

DATE: December 2, 2010

TO: Workforce Florida, Inc. and Regional Workforce Boards (RWBs)

FROM: *ML Scott*
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SUBJECT: TEGL 14-10 Oil Spill Reimbursement and Cost Documentation

PURPOSE:

To provide guidance to states impacted by the oil spill in the Gulf of Mexico resulting from the explosion of the Deepwater Horizon offshore oil drilling platform regarding: 1) documentation and reimbursement for oil spill related activities; 2) identification of workers unemployed as a result of the oil spill; 3) reporting requirements related to oil spill activities; 4) confidentiality provisions that apply to information sharing between the states and the “responsible party” (RP) and/or the Gulf Coast Claims Facility (GCCF); and 5) information on the disposition of the reimbursed funds. This guidance does not supplant current or future guidance from the Department of Justice (DOJ), agency, or state counsels’ office pertaining to documentation for cost recovery under the Oil Pollution Act (OPA).

BACKGROUND:

The April 20, 2010, explosion and sinking of the Deepwater Horizon offshore oil drilling platform in the Gulf of Mexico resulted in what is now considered the largest oil spill in United States history. The Deepwater Horizon was under lease to British Petroleum (BP). On April 29, 2010, the President declared this an “oil spill of national significance” under the OPA. The Federal government is committed to holding responsible parties accountable for all eligible costs associated with the BP Deepwater Horizon Oil Spill. To date, named responsible parties include BP, Transocean, MOEX, and Anadarko Petroleum Corporation. BP has acknowledged its responsibility for the oil spill, including reimbursement of states for unemployment compensation (UC) benefits, workforce services, and related administrative costs and has already provided some reimbursement to the State of Louisiana.

The Federal government is committed to the importance of identifying and documenting costs related to the Deepwater Horizon Oil Spill (Oil Spill). Guidance released by OMB on July 1, 2010 (M-10-29) stressed the importance of good record-keeping and cost documentation with respect to Oil Spill-related costs in order to promote appropriate stewardship and accounting of Federal funds, maintain accountability to taxpayers, and

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support current and prospective claims for reimbursement under the OPA and other laws. On October 5, 2010, OMB released follow-up guidance, calling on agencies to report the information that they have collected, in order to further these commitments. M-10-29 instructed agencies instructs agencies to continue close coordination with their State, local and tribal counterparts to implement this guidance and support them in their efforts to collect and track information. In communicating with its state counterparts, the Department of Labor has received repeated inquiries regarding unemployment and worker dislocation benefit programs.

The Employment and Training Administration (ETA) is committed to working with the states and BP to establish appropriate reimbursement processes for oil spill related unemployment benefits, workforce services, and associated administrative costs. States are strongly encouraged to consult with the state's legal counsel about all claims for reimbursement for oil spill related services and associated administrative costs.

AUTHORITY:

U.S. Department of Labor

ACTION REQUIRED:

RWBs are encouraged to provide this information to service providers, workforce partners, and interested parties.

Links:

[TEGL 14-10](#)