$75 MILLION BUYS BP SIX YEARS OF LOBBYING OR ONE GIANT OIL SPILL

As you've no doubt heard, BP's own liability for the damages the Deepwater Horizon spill will cause may be limited to $75 million (though it will have to pay for cleanup).

> The federal government has a large rainy day fund on hand to help mitigate the expanding damage on the Gulf Coast, generated by a tax on oil for use in cases like the Deepwater Horizon spill.
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> Up to $1 billion of the $1.6 billion reserve could be used to compensate for losses from the accident, as much as half of it for what is sometimes a major category of costs: damage to natural resources like fisheries and other wildlife habitats.
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> Under the law that established the reserve, called the Oil Spill Liability Trust Fund, the operators of the offshore rig face no more than $75 million in liability for the damages that might be claimed by individuals, companies or the government, although they are responsible for the cost of containing and cleaning up the spill.

That's obviously puny. But to give you a sense of just **how puny** it is, consider that, at its current levels of spending on lobbying, BP will spend as much every six years on politicians in DC.

> BP is one of the most powerful corporations operating in the United States. Its 2009 revenues of $327bn are enough to rank BP as the third-largest corporation in the country. It spends aggressively to influence US policy and

> regulatory oversight.
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> In 2009, the company spent nearly $16m on lobbying the federal government, ranking it among the 20 highest spenders that year, and shattering its own previous record of $10.4m set in 2008. In 2008, it also spent more than $530,000 on federal elections, placing it among the oil industry's top 10 political spenders.

But the puny amount for which BP will be liable for damages didn't stop them from potentially trying to make their liability even punier. The early contracts it drew up to pay Alabama fishermen to help contain the spill included a $5000 damage limit, which presumably wouldn't even cover the cost of a fishing boat.

> Alabama Attorney General Troy King said tonight that he has told representatives of BP Plc. that they should stop circulating settlement agreements among coastal Alabamians.
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> The agreements, King said, essentially require that people give up the right to sue in exchange for payment of up to $5,000.
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> [snip]
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> By the end of Sunday, BP aimed to sign up 500 fishing boats in Alabama, Mississippi and Florida to deploy boom.
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> BP had distributed a contract to fishermen it was hiring that waived their right to sue BP and required confidentiality and other items, sparking protests in Louisiana and elsewhere.
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> Darren Beaudo, a spokesman for BP, said the waiver requirement had been stripped out, and that ones already signed would not be enforced.

Next time some DC politico gets $5000 from BP, I hope they reflect on the fact that that’s all BP wants to pay for putting a family’s entire livelihood on the line.