

dispute settled

Alaska and five other coastal states have offered to settle a long-standing dispute with the federal government over offshore oil and gas revenues through a compromise awarding 37.5 percent of the funds to the states, Governor Bill Sheffield announced on April 16.

In a letter to Interior Secretary Donald Hodel, Sheffield and the governors of Texas, Louisiana, Mississippi, Florida, and Alabama made the offer in the latest attempt to settle the so-called 8(g) dispute. At stake is the

division of about \$6 billion set aside in an escrow account containing revenues generated by oil and development off the coastal states, including Alaska.

"We are making this wise compromise in an effort to bring this lengthy dispute to a quick end," Sheffield said. "Secretary Hodel has indicated his willingness to settle this issue outside of litigation and legislation."

Alaska's share of the escrow account, under the settlement offer, would be about \$1 billion, Sheffield said. That compares to about \$22 million Alaska would receive under a settlement offered last August by former Interior Secretary William Clark.