



NEW JERSEY LEGISLATURE

August 15, 2017

Dear President Macri,

As Members of the New Jersey Legislature, we are writing to you regarding the actions taken by the Argentinian state-owned oil company, YPF S.A. (YPF), in the state of New Jersey. We commend your efforts to lead Argentina in a new direction, and urge you to do the same regarding YPF's environmental obligations.

In 2016, The U.S. Environmental Protection Agency (EPA) announced its \$1.38 billion plan to clean up the Diamond Alkali site on the Passaic River in New Jersey. Diamond Alkali was a major chemical plant that produced Agent Orange during the Vietnam War. Decades of chemical dumping have rendered the site one of the most toxic in the country. Maxus Energy, a subsidiary of YPF, purchased the site in the 1980s and was found to be a responsible party in the cleanup. Shortly following the EPA's announcement of its remediation plan, Maxus filed for bankruptcy.

There is evidence indicating that YPF stripped its subsidiary Maxus of its assets, leaving it with only liabilities, in order to avoid meeting the company's environmental obligations. Subsequently, the New Jersey Legislature unanimously passed a resolution urging state and federal authorities to investigate the actions taken by YPF (see attachment 1, AR219).

The passage of this legislation was just the first step in demonstrating New Jersey's commitment to accountability and to preserving the environment. The New Jersey Legislature will not allow companies to avoid their Superfund obligations without consequence. With YPF attempting to absolve itself of its responsibility through bankruptcy laws, the burden of the cleanup then falls on the United States federal government and the taxpayers of New Jersey. Legislation has been introduced that will prohibit the investment of state funds in companies whether privately or publicly owned, that intentionally avoid their Superfund obligations (see attachment 2, A4814). Prohibiting this practice signifies New Jersey's commitment to the environment and its residents, and further demonstrates that the state government will not tolerate a company evading its environmental responsibilities.

An additional resolution has been introduced urging Argentina, as the owner of YPF, to be a more responsible global citizen and to fulfill their obligations (see attachment 3, AR250). By adhering to the agreement with the EPA, your government has an opportunity to confirm its credibility on an international stage while rebuilding its international investment relations. You previously stated, "Argentina shows opportunity for doing good business, taking care of the environment to fight climate change, paying taxes. Argentina will continue to grow." By accepting responsibility, Argentina will demonstrate true dedication to reform, which will in turn promote growth with other nations resulting in a positive impact on recent economic advancements.

Our governments have already expressed the desire and laid the groundwork for continued cooperation on a wide range of issues. It is our hope that as our governments continue to strengthen relations, we can resolve this issue.

Sincerely,

Kevin J. Rooney
Assemblyman District 40

Stephen Sweeney, Senator District 3

Nilsa Cruz-Perez, Senator District 5

Diane Allen, Senator District 7

Dawn Marie Addiego, Senator District 8

James Holzapfel, Senator District 10

Samuel Thompson, Senator District 12

Linda Greenstein, Senator District 14

Christopher Bateman, Senator District 16

Bob Smith, Senator District 17

Patrick Diegnan, Senator District 18

Steven Oroho, Senator District 24

Anthony Bucco, Senator District 25

Joseph Pennacchio, Senator District 26

Richard Codey, Senator District 27

Ronald Rice, Senator District 28

Robert Singer, Senator District 30

Sandra Cunningham, Senator District 31

Nicholas Sacco, Senator District 32

Brian Stack, Senator District 33

Nellie Pou, Senator District 35

Robert Gordon, Senator District 38

Christopher A. Brown, Assemblyman District 2

John Burzichelli, Assemblyman District 3

Adam Taliaferro, Assemblyman District 3

Paul Moriarty, Assemblyman District 4

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Patricia Egan Jones, Assemblywoman District 5

Joseph Howarth, Assemblyman District 8

Maria Rodriguez-Gregg, Assemblywoman District 8

Gregory McGuckin, Assemblyman District 10

David Wolfe, Assemblyman District 10

Amy Handlin, Assemblywoman District 13

Declan O'Scanlon, Assemblyman District 13

Reed Gusciora, Assemblyman District 15

Elizabeth Maher Muoio, Assemblywoman District 15

Jack Ciattarelli, Assemblyman District 16

Robert Karabinchak, Assemblyman District 18

John Wisniewski, Assemblyman District 19

Jamel Holley, Assemblyman District 20

Jon Bramnick, Assemblyman District 21

Jerry Green, Assemblyman District 22

John DiMaio, Assemblyman District 23

Erik Peterson, Assemblyman District 23

Gail Phoebus, Assemblywoman District 24

Parker Space, Assemblyman District 24

Anthony Bucco, Assemblyman District 25

Michael Patrick Carroll, Assemblyman District 25

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Mila Jasey, Assemblywoman District 27

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Annette Chaparro, Assemblywoman District 33

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Gary Schaer, Assemblyman District 36

Gordon Johnson, Assemblyman District 37

Valerie Vainieri Huttel, Assemblywoman District 37

Timothy Eustace, Assemblyman District 38

Robert Auth, Assemblyman District 39

Holly Schepisi, Assemblywoman District 39

David Russo, Assemblyman District 40