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NEWS FOR IMMEDIATE RELEASE

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Attorney General Kaul Joins Coalition in Calling for 3M to Pay More and Sooner for Contaminating Americans' Drinking Water Supply with Toxic PFAS

MADISON, Wis. – Joining a coalition of five attorneys general, Attorney General Josh Kaul today announced filing an amicus letter expressing strong concerns regarding 3M's revised proposed class action settlement with public water suppliers. While 3M made several important concessions at the request of states, 3M declined to pay more than the \$10.5 billion to \$12.5 billion set forth in the original proposed settlement, which falls far short of the amount needed to remediate the PFAS contamination caused by 3M to Americans' drinking water supply. 3M also declined to pay the settlement amount more quickly, insisting that it be paid out over a decade — even while there are concerns about bankruptcy in light of 3M's many PFAS and other liabilities.

"Water contaminated by toxic forever chemicals must be cleaned up," said Attorney General Josh Kaul. "We're going to keep working to ensure that clean-up costs are shouldered by the companies responsible for PFAS contamination, not taxpayers."

In their amicus letter to the U.S. District Court for the District of South Carolina, the coalition writes that:

• The revised settlement still includes a very protracted payment schedule that makes water suppliers bear the risk of 3M's insolvency for over a decade. Specifically, 3M will pay thirteen annual installments between 2024 and 2036.

- \$10.5 billion to \$12.5 billion represents a tiny fraction of the damages 3M caused to water suppliers over the span of almost eight decades. 3M has been producing PFAS since the 1940s.
- A recent study by the American Water Works Association, a major membership organization that includes public water systems, predicts nationwide costs for PFAS regulatory compliance that dwarf the settlement amount. With water utilities being unable to cover the full costs of drinking water monitoring and treatment, they will need to pass costs on to ratepayers — American residents and businesses.

On July 26, 2023, Attorney General Kaul joined a bipartisan coalition of 23 attorneys general in opposing 3M's original proposed settlement because of several significant problems with the proposal. Along with today's amicus letter, the attorneys general are withdrawing that opposition because 3M has agreed to the following revisions:

- Modify the revised proposed settlement in several places to make clear that claims filed by attorneys general will not be impaired.
- Modify the terms of any proposed anti-suit injunction to ensure that the states remain free to file PFAS-related claims against 3M.
- Eliminate an indemnification clause in the agreement that would have unfairly shifted future liability from 3M to water suppliers bound by the settlement because they decided not to proactively opt out.
- Provide public water providers with a method for estimating the payout amounts they would receive. Under the original proposed settlement, they would have had to make their opt-out decisions without that information.
- Give public water providers 90 days to opt out, instead of the 60 days included in the original proposed settlement.

PFAS have been widely used in consumer products including food packaging, cookware, clothing, carpets, shoes, fabrics, polishes, waxes, paints, and cleaning products, as well as in firefighting foams designed to quickly smother liquid fuel fires. PFAS are stable in the environment, resistant to degradation, persistent in soil, and known to leach into groundwater.

Joining Attorney General Kaul in filing the amicus letter are the attorneys general of Arizona, California, the District of Columbia, and Pennsylvania.

A copy of the amicus letter is available <u>here</u> and a copy of the consent motion with the revisions to the proposed settlement is available <u>here</u>.