

Opening Statement of Senator Bill Nelson

Holocaust Era Insurance Restitution after ICHEIC Senate Foreign Relations Committee Subcommittee on International Operations and Organizations, Democracy and Human Rights Tuesday, May 6, 2008 2:30 p.m., 419 Dirksen Senate Office Building

Good afternoon and welcome. Today, the Senate Foreign Relations Committee is meeting to consider a difficult but extremely important issue – compensating Holocaust survivors and their heirs for the value of Holocaust-era insurance policies they held before the war but lost or had stolen from them by the Nazi regime.

Although this is the first time a Senate committee has met specifically to consider Holocaust era compensation issues, I have been involved in the issue for more than a decade. As Florida's insurance commissioner in the late 1990's, I helped lead an international effort by regulators and Jewish groups that ultimately forced many European insurers to come to the table and for the first time begin paying restitution to survivors. Florida is a state with a large population of Holocaust survivors – one of the largest concentrations of Holocaust survivors in the world. Most are in their 80s or 90s. The very youngest are in their 70s. They are valued constituents and while I recognize that no amount of financial compensation or property

restitution can ever make up from the indescribable wrong of the Holocaust, I have been and remain committed to doing what I can to assist survivors to obtain meaningful compensation due to them for assets that they lost during the war without delay.

This hearing is timely for a number of reasons. It comes only a few days after the national commemoration of Holocaust Remembrance Day, on which people all around the world acknowledge the historical atrocity of the Holocaust and say a prayer for the 6 million Jews who were murdered by the Nazis and their collaborators.

Second, this hearing gives the Senate the opportunity to examine what has been done to compensate victims of the Holocaust for the unpaid value of the insurance policies that they held before the war. Last spring, the International Commission on Holocaust Era Insurance Claims (ICHEIC) closed its doors, after paying out some \$306 million to more than 48,000 Holocaust victims and their heirs – principally for life insurance policies. Other insurance claims processes – in Austria and the Netherlands – are winding down. And there is a pending class action settlement involving one of the insurance companies that had written a significant portion of life insurance policies for Jewish customers before the war, Generali. This

disputed settlement involves some 45,000 pending claims that await evaluation for payment.

Now that ICHEIC has closed its doors, the question remains: what is left to be done? Are there companies that have participated in ICHEIC, that haven't done enough to compensate Holocaust survivors who held insurance policies? There is disagreement on this point that we'll hear more about today. Supporters of the bill introduced in the House by Representatives Ros-Lehtinen and Wexler – the Holocaust Insurance Accountability Act of 2007 – include certain organizations representing Holocaust survivors. They are represented here today, by Mr. Rubin, Professor Rosenbaum and Mr. Dubbin, and are calling for legislation that directs all companies doing business in the U.S. that issued insurance policies during the Holocaust era to disclose all the names of policyholders to the National Archives for publication. They also seek a new federal cause of action that will enable them to sue in federal court for damages and attorneys fees for the compensation for their Holocaust-era insurance policies.

Others here today include Secretary Eagleburger and Ambassador Eizenstat, who led the effort to negotiate, establish and run ICHEIC, and Mr. Kent, a Holocaust survivor who was an ICHEIC commissioner. They, along with several major national Jewish organizations; the governments,

including Germany, Austria, and the EU, that participated in the negotiated resolution for compensation; and some plaintiffs' attorneys who have represented Holocaust survivors in class action litigation to obtain compensation for insurance, oppose the legislation proposed in the House, and support efforts to ensure that the insurance companies that participated in ICHEIC continue to honor their commitment to accept and evaluate under relaxed ICHEIC standards, insurance claims from survivors and their heirs. They also will argue that the legislation will undo commitments made by the U.S. to give countries and companies that participated in ICHEIC "legal peace" for agreeing to pay claims under a negotiated resolution and imperil ongoing efforts to obtain additional compensation in a host of areas, such as pensions or property restitution.

And one entity involved in assisting Holocaust survivors and their heirs to process claims – the New York Holocaust Claims Processing Office – is represented here today by Ms. Rubin. The office possesses expertise in the area of Holocaust compensation in many areas, and continues to assist survivors from anywhere in the world. Working with the National Association of Insurance Commissioners (NAIC), they have been examining ways to provide ongoing monitoring and assistance to ensure that insurance

companies make good on their promise to accept claims now and forever under relaxed standards.

Are there countries or companies that did not participate in ICHEIC that should be called upon to compensate Holocaust survivors for the unpaid value of their insurance policies? There is no dispute on this question.

Millions of Jews lived in Eastern European countries before the war, and while many of them lived in rural areas and were too poor to afford insurance, there were certainly Jews who purchased insurance policies from subsidiaries of Western European companies whose assets were taken by the communist government that came into power, or by Eastern European companies that were nationalized. In both cases, the Eastern European countries did not participate in ICHEIC or contribute to any of the insurance compensation efforts that have taken place. ICHEIC even paid claims on those Eastern European policies from out of the humanitarian funds that were contributed by the ICHEIC companies, and paid \$31 million on more than 2,800 claims.

Unfortunately, some countries have not taken nearly enough action on restitution for insurance or other property taken from Jews and other victims of Nazi persecution. Poland, for example, is the sole member of the

Organization for Security and Cooperation in Europe not to have enacted restitution legislation. This is unacceptable.

That's why I am pleased to announce today that, working with my colleagues Senators Gordon Smith, Ben Cardin, and Norm Coleman, we've drafted and plan to introduce a bi-partisan resolution urging all countries, especially those in the former Eastern Europe, to enact fair and comprehensive private and communal property restitution legislation and to do so quickly as possible.

Our resolution will call for the Secretary of State to engage in dialogue to achieve the aims of the resolution as well as for the convening of an international intergovernmental conference to focus on the remaining steps necessary to secure restitution and compensation of Holocaust era assets.

We hope the resolution will spur our own and other European governments into action and call attention to this important unfinished business. In addition, I am committed to helping survivors to obtain compensation for insurance and other property that they lost during the War or had stolen from them by the Nazi Regime.

Before we go to the first panel, I ask unanimous consent to make the following documents part of the record:

- Written testimony in support of H.R. 1746 from Sidney Zabludoff;
- A letter supporting H.R. 1746 from the Organization of Forced Laborers under the Nazi Occupation;
- A petition supporting H.R. 1746 from the Generations of the Shoah International;
- A letter opposing H.R. 1746 jointly signed by the Anti-Defamation League, B'nai B'rith International; the Conference on Jewish Material Claims Against Germany, the Religious Action Center of Reform Judaism, and the World Jewish Congress;
- A letter opposing H.R. 1746 from the American Jewish Committee;
- A letter opposing H.R. 1746 from Agudath Israel of America;
- A letter opposing H.R. 1746 from plaintiffs' attorney Robert Swift;
- A letter opposing H.R. 1746 from plaintiffs' attorney Stanley Chesley; and finally
- A letter opposing H.R. 1746 from U.S. Department of State.

I greatly appreciate the participation of our witnesses here today and look forward to their testimony and the discussion that will follow.