

Lawmakers Say Holocaust Insurance Deal Not Enough

September 26th, 2002

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The Forward

Democratic Rep. Henry Waxman of California sought support this week for legislation to improve the troubled International Commission on Holocaust Era Insurance Claims even as the commission announced a deal that will unfreeze \$275 million for restitution.

Waxman's year-old bill, supported by 27 members of the House, is intended to force insurance companies to publicize the names of Holocaust-era policyholders in order to identify rightful claimants. The legislation, discussed at a September 24 hearing of the House's subcommittee on government efficiency, financial management and intergovernmental relations, requires insurance companies operating in the United States to supply the Department of Commerce and the public with the name, birthplace and company listed on all insurance policies from the Nazi era.

The hearing came days after the commission reached a deal with a German foundation requiring German insurers to publish lists of likely policyholders from the World War II period. After two years of haggling, the deal broke new ground in the debate over the publication of names, which survivors' advocates maintain is the key to uncovering policies whose documentation had been lost or destroyed. The agreement also extends the deadline for filing insurance claims from September 30 to March 31.

But Waxman, who authored the bill, and other survivor advocates say the list will not be extensive enough and may take a long time to construct.

"This agreement, welcome as it may be, will not solve the problems," Waxman, a member of the subcommittee, testified at the hearing.

"It looks like only a small subset of the companies' policy lists actually will be made public," Waxman told the Forward. "Furthermore, the agreement only covers policies issued in Germany and only policies issued to Jews. Too much time has been wasted and too little information has been released."

The German companies have a total electronic database of over 5 million Holocaust-era policies. Under the commission agreement, a database is to be constructed of all Jews who lived in Germany during 1933-1938, drawing on archival records kept by the Nazis. Commission officials say these records will be amassed, for the first time ever, within the next few months by German and Jewish archivists. The records will then be matched against the list of all insurance policies. The results will be published on ICHEIC's Web site.

Those at the hearing claimed the commission needs to do more to increase the publication of policyholders' names from countries outside of Germany "There's a lot of room for improvement," Leslie Tick, senior staff counsel of the California Department of Insurance, told the Forward.

Two original cosponsors of the bill also testified at the hearing: Stephen Horn, a California Democrat and subcommittee chairman, and Jan Schakowsky, an Illinois Democrat and ranking subcommittee member. Randolph Marshal Bell, the State Department's special envoy for Holocaust issues, testified as well, praising the agreement and saying it adequately addressed the concerns expressed in the legislation.

The commission has come under fire for spending excessively while delivering little compensation. As of July, operating expenses totaled \$40 million, while only \$18 million in offers were made to claimants, according to commission officials.

But the agreement, to be finalized in October, satisfied members of the insurance commission. The commission was formed in 1998 by survivors, state insurance commissioners, insurance companies and representatives of Jewish groups and Israel. It seeks to resolve claims by survivors and heirs of Nazi victims who contend companies refused to pay their families' life insurance policies.

"This agreement is a major step forward for many survivors and their heirs who previously had no readily available routes for pursuing valid German insurance claims," said Lawrence Eagleburger, chairman of the commission, in a release.

The agreement was reached with a German foundation that is the funding vehicle of a \$4.6 billion deal struck in 2000 between the United States, German companies and the German government. The foundation was set up to pay insurance claims as well as slave labor reparations to survivors. But the \$275 million allotted in the German deal to pay insurance claims was held up by disputes with the commission over the publication of policyholder names and other issues.

One of the most acrimonious debates erupted over the insurance companies' request for a \$30 million reimbursement for operating funds provided to the commission. The reimbursement would have come out of money set aside for survivors' claims. Illinois insurance commissioner Nat Shapo, head of the National Association of Insurance Commissioners' Holocaust Task Force, strongly resisted the request. The companies finally backed off, removing the last hurdle to the agreement, sources said.

"After 60 years the long-awaited quest for a measure of justice for survivors and their heirs who owned the insurance policies will finally be achieved," said Roman Kent, a survivor, member of the commission and treasurer of the Conference on Jewish Material Claims Against Germany.

The Waxman bill is based on a 1999 California law that was challenged legally but upheld in a September 9 decision by the Ninth Circuit Court of Appeals. Insurance companies are expected to appeal the case to the Supreme Court.

A spokesman for the German foundation, Wolfgang Gibowski, balked at the bill. He claimed it would violate German law to publish the names of all policyholders, and he questioned

Waxman's motives in organizing the September 24 hearing. "We should welcome the agreement [between the commission and the German foundation] and not try to disturb it with new legislation." Gibowski said. "There is an election in America. We have to take into account that there are certain necessities for politicians."

Insurance commission officials, while commending Waxman's efforts, claimed a list such as proposed by the bill would be difficult to search and would increase the chances of false matches for claimants. "You create false expectations when you publish a list that large," a commission spokesman, Dale Franklin, told the Forward. "It's not uncommon to find a person with the same name. The heightened expectation and false claims it produces is really tragic."