

107TH CONGRESS
1ST SESSION

H. R. 3552

To establish a National Foundation for the Study of Holocaust Assets.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 20, 2001

Mr. SHERMAN (for himself, Mr. MALONEY of Connecticut, Mr. WAXMAN, Mr. CROWLEY, Mr. McNULTY, Mr. FROST, Mr. KUCINICH, Mr. HOEFFEL, Mr. OWENS, Ms. WATSON of California, Mr. UDALL of New Mexico, and Mrs. CAPPS) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To establish a National Foundation for the Study of
Holocaust Assets.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Holocaust Victims’ As-
5 sets, Restitution Policy, and Remembrance Act”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

8 (1) The United States should continue to lead
9 the international effort to identify, protect, and re-

1 turn looted assets taken by the Nazis and their col-
2 laborators from victims of the Holocaust.

3 (2) The citizens of the United States should un-
4 derstand exactly how the United States Government
5 dealt with the assets looted from victims of the
6 Nazis that came into its possession.

7 (3) The United States forces in Europe made
8 extraordinary efforts to locate and restitute assets
9 taken by the Nazis and their collaborators from vic-
10 tims of the Holocaust.

11 (4) However, the restitution policy formulated
12 by the United States and implemented in the coun-
13 tries in Europe occupied by the United States had
14 many inadequacies and fell short of realizing the
15 goal of returning stolen property to the victims.

16 (5) As a result of these United States policies
17 and their implementation, there remain today many
18 survivors or heirs of survivors who have not had re-
19 stored to them that which the Nazis looted.

20 (6) The Presidential Advisory Commission on
21 Holocaust Assets in the United States, established
22 in Public Law 105–186, found the following:

23 (A) The United States authorities gen-
24 erally restituted those victims' assets that came
25 under United States control to the national gov-

1 ernment of their country of origin. In these
2 cases the recipient government bore the respon-
3 sibility to locate the rightful owner and to
4 restitute the property turned over to it by
5 United States authorities. The Commission
6 found little evidence of efforts by these coun-
7 tries to effect restitution and no evidence that
8 the United States monitored the recipient coun-
9 tries' compliance with these responsibilities.

10 (B) The policy explained in subparagraph
11 (A) excluded those who no longer had a nation
12 to represent their interests, or who had fallen
13 victim to the ruthless efficiency of Nazi geno-
14 cide and whose property had been rendered
15 heirless and unidentifiable. For those cases, the
16 United States designated "successor organiza-
17 tions" to sell heirless and unclaimed property
18 and apply the proceeds to the care, resettlement,
19 and rehabilitation of victims. The adoption
20 of this policy led to many assets being too
21 hastily labeled as heirless or unidentifiable, with
22 the result that they were assigned to the suc-
23 cessor organizations rather than to the individ-
24 uals themselves.

1 (C) The United States military government
2 established strict deadlines that created narrow
3 windows for filing petitions for restitution and
4 prevented many rightful owners from asserting
5 their rights.

6 (D) Even when property was returned to
7 individual owners or their heirs, it was often
8 only after protracted, cumbersome, and expen-
9 sive administrative proceedings that yielded set-
10 tlements far less than the full value of the as-
11 sets concerned.

12 (E) Better policy implementation in Ger-
13 many and Austria would have prevented identi-
14 fiable victims' assets from being stored in dis-
15 organized and poorly secured military ware-
16 houses and facilities where they were occasion-
17 ally subject to theft and requisitioning by
18 United States servicemen and civilian employ-
19 ees.

20 (F) In 1953, a Senate judiciary sub-
21 committee delving into the activities of the
22 United States Office of Alien Property (OAP)
23 criticized the agency for lacking good business
24 practices in the way it handled the assets under
25 its control. The subcommittee particularly sin-

1 gled out the “inefficient and dilatory” manner
2 in which claims were processed. Of approxi-
3 mately 15,000 title claims only about 6,000 had
4 been processed.

5 (G) Congress regarded frozen German as-
6 sets as a source from which to pay United
7 States war claims for damages suffered by
8 American businesses and individuals. The
9 United States War Claims Commission received
10 more than \$200,000,000 from liquidated Ger-
11 man and Japanese assets. Thus, United States
12 war claims were paid in part by German assets
13 that likely included victims’ assets.

14 (7) The United States Government should re-
15 dress and improve upon the results that occurred as
16 a result of the policies it established to assist the
17 victims or their heirs to recover property stolen from
18 them during the Nazi regime.

19 (8) The best way to improve upon these results
20 is to create a single institution to serve as a central-
21 ized repository for research and information about
22 Holocaust-era assets.

23 (9) Enhancing these policies will also assist vic-
24 tims of future armed conflicts around the world.

1 (10) The conference on Material Claims
2 Against Germany has worked since 1951 with the
3 Government of the United States and with other
4 governments to accomplish material restitution of
5 the looted assets of Holocaust victims, wherever
6 those assets were identified, and has played a major
7 role in allocating unclaimed restitution funds, includ-
8 ing funds contributed by the United States, to the
9 Nazi Persecutee Relief Fund.

10 **SEC. 3. ESTABLISHMENT AND PURPOSES.**

11 (a) ESTABLISHMENT.—There is established as an
12 independent entity of the executive branch of the United
13 States Government the National Foundation for the Study
14 of Holocaust Assets (in this Act referred to as the “Foun-
15 dation”).

16 (b) PURPOSES.—The purposes of the Foundation
17 are—

18 (1) to serve as a centralized repository for re-
19 search and information about Holocaust-era assets
20 by—

21 (A) compiling and publishing a comprehen-
22 sive report that integrates and supplements
23 where necessary the research on Holocaust-era
24 assets prepared by various countries’ commis-
25 sions on the Holocaust;

1 (B) working with the Department of
2 State's Special Envoy for Holocaust Issues to
3 review the degree to which foreign governments
4 have implemented the principles adopted at the
5 Washington Conference on Holocaust-era As-
6 sets and the Vilnius International Forum on
7 Holocaust-era Looted Cultural Property, and
8 should encourage the signatories that have not
9 yet implemented those principles to do so; and

10 (C) collecting and disseminating informa-
11 tion about restitution programs around the
12 world;

13 (2) to create tools to assist individuals and in-
14 stitutions to determine the ownership of Holocaust
15 victims' assets and to enable claimants to obtain the
16 speedy resolution of their personal property claims
17 by—

18 (A) ensuring the implementation of the
19 agreements entered into by the Presidential Ad-
20 visory Commission on Holocaust Assets in the
21 United States with the American Association of
22 Museums and the Association of Art Museum
23 Directors to provide for the establishment and
24 maintenance of a searchable central registry of
25 Holocaust-era cultural property in the United

1 States, beginning with European paintings and
2 Judaica;

3 (B) funding grants to museums, libraries,
4 universities, and other institutions that hold
5 Holocaust-era cultural property and adhere to
6 the agreements referred to in subparagraph
7 (A), to conduct provenance research;

8 (C) encouraging the creation and mainte-
9 nance of mechanisms such as a computerized,
10 searchable database of Holocaust victims'
11 claims for the restitution of personal property;

12 (D) funding a cross match of records de-
13 veloped by the 50 States of escheated property
14 from the Holocaust era against databases of
15 victims' names and publicizing the results of
16 this effort;

17 (E) assisting State governments in the
18 preservation and automation of records of un-
19 claimed property that may include Holocaust-
20 era property; and

21 (F) regularly publishing lists of Holocaust-
22 era artwork returned to claimants by museums
23 in the United States;

24 (3) to work with private sector institutions to
25 develop and promote common standards and best

1 practices for research and information gathering on
2 Holocaust-era assets by—

3 (A) promoting and monitoring banks' im-
4 plementation of the suggested best practices de-
5 veloped by the Presidential Advisory Commis-
6 sion on Holocaust Assets in the United States
7 and the New York Bankers' Association; and

8 (B) promoting the development of common
9 standards and best practices for research by
10 United States corporations into their records
11 concerning whether they conducted business
12 with Nazi Germany in the period preceding the
13 onset of hostilities in December 1941; and

14 (4) other purposes the Board considers appro-
15 priate.

16 **SEC. 4. BOARD OF DIRECTORS.**

17 (a) **MEMBERSHIP AND TERMS.**—The Foundation
18 shall have a Board of Directors (in this Act referred to
19 as the “Board”), which shall consist of 17 members, each
20 of whom shall be a United States citizen.

21 (b) **APPOINTMENT.**—Members of the Board shall be
22 appointed as follows:

23 (1) Nine members of the Board shall be individ-
24 uals appointed by the President, by and with the ad-
25 vice and consent of the Senate.

1 (2) Eight members of the Board shall be indi-
2 viduals appointed by the President, by and with the
3 advice and consent of the Senate, after consideration
4 of the recommendations of the Congressional leader-
5 ship, as follows:

6 (A) Two members each shall be appointed
7 after consideration of the recommendations of
8 the Majority Leader of the Senate and after
9 consideration of the recommendations of the
10 Minority Leader of the Senate.

11 (B) Two members each shall be appointed
12 after consideration of the recommendations of
13 the Speaker of the House of Representatives
14 and after consideration of the recommendations
15 of the Minority Leader of the House of Rep-
16 resentatives.

17 (c) CHAIRMAN.—The President shall appoint a Chair
18 from among the members of the Board.

19 (d) QUORUM AND VOTING.—A majority of the mem-
20 bership of the Board shall constitute a quorum for the
21 transaction of business. Voting shall be by simple majority
22 of those members voting.

23 (e) MEETINGS AND CONSULTATIONS.—The Board
24 shall meet at the call of the Chairman at least twice a
25 year. Where appropriate, members of the Board shall con-

1 sult with relevant agencies of the Federal Government,
2 and with the United States Holocaust Memorial Council
3 and Museum.

4 (f) REIMBURSEMENTS.—Members of the Board shall
5 serve without pay, but shall be reimbursed for the actual
6 and necessary traveling and subsistence expenses incurred
7 by them in the performance of the duties of the Founda-
8 tion.

9 **SEC. 5. OFFICERS AND EMPLOYEES.**

10 (a) EXECUTIVE DIRECTOR.—The Foundation shall
11 have an Executive Director appointed by the Board and
12 such other officers as the Board may appoint. The Execu-
13 tive Director and the other officers of the Foundation shall
14 be compensated at rates fixed by the Board and shall serve
15 at the pleasure of the Board.

16 (b) EMPLOYEES.—Subject to the approval of the
17 Board, the Foundation may employ such individuals at
18 such rates of compensation as the Executive Director de-
19 termines appropriate.

20 (c) VOLUNTEERS.—Subject to the approval of the
21 Board, the Foundation may accept the services of volun-
22 teers in the performance of the functions of the Founda-
23 tion.

24 **SEC. 6. FUNCTION AND CORPORATE POWERS.**

25 The Foundation—

1 (1) may conduct business in the United States
2 and abroad;

3 (2) shall have its principal offices in the Dis-
4 trict of Columbia or its environs; and

5 (3) shall have the power—

6 (A) to accept, receive, solicit, hold, admin-
7 ister, and use any gift, devise, or bequest, either
8 absolutely or in trust, of real or personal prop-
9 erty or any income therefrom or other interest
10 therein;

11 (B) to acquire by purchase or exchange
12 any real or personal property or interest there-
13 in;

14 (C) to sell, donate, lease, invest, reinvest,
15 retain, or otherwise dispose of any real or per-
16 sonal property or income therefrom;

17 (D) to enter into contracts or other ar-
18 rangements with public agencies, private orga-
19 nizations, and other persons, and to make such
20 payments as may be necessary to carry out its
21 purposes; and

22 (E) to do any and all acts necessary and
23 proper to carry out the purposes of the Founda-
24 tion.

1 **SEC. 7. REPORTING REQUIREMENTS.**

2 The Foundation shall, as soon as practicable after the
3 end of each fiscal year, transmit to Congress a report of
4 its proceedings and activities during that fiscal year, in-
5 cluding a full and complete statement of its receipts, ex-
6 penditures, and investments, and a description of all ac-
7 quisition and disposal of real property.

8 **SEC. 8. ADMINISTRATIVE SERVICES AND SUPPORT.**

9 The Secretary of the Treasury, the Secretary of Edu-
10 cation, the Secretary of State, and the heads of any other
11 Federal agencies may provide personnel, facilities, and
12 other administrative services to the Foundation.

13 **SEC. 9. SUNSET PROVISION.**

14 The Foundation shall exist until September 30, 2011,
15 at which time the Foundation's functions and research
16 materials and products shall be transferred to the United
17 States Holocaust Memorial Museum, or to other appro-
18 priate entities, as determined by the Board.

19 **SEC. 10. AUTHORIZATION OF APPROPRIATIONS.**

20 (a) **AUTHORIZATION.**—There are authorized to be ap-
21 propriated to the Foundation such sums as may be nec-
22 essary to carry out this Act.

23 (b) **LIMITATION.**—No funds appropriated to carry
24 out this Act may be used to pay attorneys fees in the pur-
25 suit of private claims.

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