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For 55 years, the Conference on Jewish Material Claims Against Germany has been the leading international organization advocating for the rights of Jewish victims of Nazi persecution and heirs of the victims. Through negotiating with governments and industry, administering compensation programs, recovering assets, and funding social services, the Claims Conference has sought to ensure that those who perpetrated history's greatest crime would not also profit from it and that victims of Nazi persecution would receive a measure of justice.

Claims Conference negotiations with Germany have led to more than **\$60 billion** in payments to Holocaust survivors from the German government. Some 80,000 survivors are still receiving pensions originating from negotiations which began in 1992.

Since 1980, the Claims Conference has administered nine programs of compensation for Jewish victims of Nazism, paying more than **\$4.5 billion** to survivors in 75 countries. Overall, more than 500,000 survivors have received payments as a result of Claims Conference negotiations and programs.

These accomplishments have been aided, every step of the way, by the crucial support of the U.S. government. The United States has played a critical role in helping these efforts, and we thank both the administration and the U.S. Congress for its continuing support and work on this issue.

The Claims Conference continues to intensively press the German government for compensation for additional survivors, as well as for increased benefits for those already receiving payments.

At the outset, I would like to highlight two recent and extremely important developments in this regard.

Just last month, the Claims Conference announced that negotiations in Berlin had led to the creation of a potential, additional 6,000 monthly pensions under the Article 2 Fund, financed by the German Government, that will total \$250 million over the next decade. Many of these pensions, which will commence in the next few months, are for Nazi victims residing in the United States. These payments will be paid to survivors who, until now, were excluded from receiving monthly pensions for the suffering they endured during the Holocaust.

Also last month, the German government announced the creation of a fund of approximately \$140 million out of which payments will be made to some 50,000 survivors of labor in Nazi-era ghettos. Many of these survivors also are in the United States. This fund came about, in large part, due to intensive Claims Conference advocacy on the issue of German Social Security payments for work in ghettos, together with strong U.S. Congressional support. Many members of this very committee have been extremely helpful in pursuing this issue during the last five years. However, the potential implementation of the program for payments is problematic and the Claims Conference is currently in negotiations with the German government. We will certainly be in touch with members of the Committee on this vital issue.

The Claims Conference is also the primary funder of social services for Jewish victims of Nazism around the world. Most funds for such Claims Conference allocations come from the recovery of unclaimed Jewish property in the former East Germany and, in recent years, the Claims Conference has administered allocations for other restitution entities as well. In sum, since 1995, the Claims Conference has administered more than \$1 billion in social service allocations in more than 40 countries.

In 2006 alone, the Claims Conference distributed in excess of \$600 million in direct compensation and payments to survivors and heirs, and allocations for social welfare programs.

After describing recent activities of the Claims Conference, I will focus on some of the current conditions facing survivors, and then address issues that have been raised about the Claims Conference.

A. Recent Developments

First, I would like to address some of the major recent developments in the area of Holocaust compensation and restitution:

1. Holocaust-Related Compensation Programs

Annually, the Claims Conference travels to Berlin and negotiates with the German Ministry of Finance to expand and otherwise liberalize the criteria for the Article 2 Fund and other programs. The most recent round of Claims Conference negotiations, commencing in June 2007, has resulted in agreements which could total more than \$300 million in direct compensation payments to survivors over the next decade. This amount is above and beyond what is already being paid by the Claims Conference. The latest negotiations resulted in major breakthroughs in the Claims Conference Article 2 Fund, which are monthly pensions of about \$320 funded by Germany. When the Article 2 Fund was established in 1992, Germany agreed to pay 25,000 survivors; Claims Conference negotiations since then have resulted in the payment, to date, of 97,000 pensions from the Article 2 and related Central and Eastern European Funds.

The major changes resulting in expansions in the compensation programs following these negotiations are as follows:

- a. Eligibility for Article 2 payments is determined by a survivor's persecution history, as well as certain financial and geographic limitations. Eligibility as specified by German government criteria is partially determined by income below US \$16,000, or its equivalent in local currency, after taxes. The most recent negotiations established that, as of October 1, 2007, all old age pensions – including governmental pensions, social security payments, occupational pensions and retirement plans – as well as pensions awarded for a reduction in earning capacity, industrial injury, occupational disease, and loss of life, or any comparable payments will not be counted – as they had previously been – towards calculation of the income limit. In addition, only the net income of the applicant will be considered, and not the income of his or her spouse, changing the previous rule. This means that payments will be made to thousands more survivors.

The changes in the income requirement will lead to a more than 10 percent increase in the number of people who will now qualify for Article 2 payments. Moreover, the income changes reflect the long-standing Claims Conference position that compensation payments, which recognize Nazi persecution and suffering, should not be based on income criteria and should be paid irrespective of financial need.

- b. The Claims Conference also obtained Article 2 Fund payments for 1,500 new claimants who are, or were formerly, citizens of certain Western European countries. This will result in an estimated, additional \$65 million in pensions, to be paid over the next 10 years. Eligibility for these survivors was obtained in negotiations in 2003, but the Claims Conference has received many more applications than the German government anticipated and the German government did not previously provide sufficient funding to make these payments.
- c. In addition, the German Ministry of Finance agreed to increase the monthly payments from the Central and Eastern European Fund (CEEF). CEEF is paid to Holocaust survivors in former Eastern bloc countries who meet the same persecution history eligibility criteria as apply to the Article 2 Fund. The Claims Conference successfully argued that the cost of living in Central and Eastern Europe has increased dramatically. As a result, the monthly CEEF payment for persons in EU countries will be increased from approximately \$245 to \$280 and for non-EU countries it will be increased from approximately \$190 to \$230 as of October 1, 2007. The Claims Conference continues to press for CEEF payments that are equal to those from the Article 2 Fund. Currently, 14,500 people receive payments from CEEF. The latest increases will result in approximately \$32 million in additional payments over the next 10 years.

2. Social Welfare Support

Following a review of income and needs, the Claims Conference Board of Directors, at its annual meeting in July, decided to allocate an additional \$67 million over the next three years for social welfare programs benefiting Nazi victims. This decision will raise the total Claims Conference allocations for social services over the next three years to a total of \$367 million. Funding for these allocations comes from the Successor Organization, which recovers unclaimed Jewish property in the former East Germany.

Successor Organization allocations will be \$110 million for programs in 2008, \$122 million for programs in 2009, and \$135 million for programs in 2010. These allocations will not only increase funding for social welfare programs, but will also make up for the decline in funding from other sources as, for example, humanitarian allocations for social welfare programs for needy Nazi victims have ceased from the International Commission on Holocaust Era Insurance Claims (ICHEIC).

In addition, the Claims Conference allocated a supplemental \$4.9 million for homecare in Israel for this year. That means total Claims Conference allocations this year for homecare in Israel will increase by 10 percent, totaling approximately \$50 million for 2007.

Further, all Claims Conference allocations over \$90 million per year – the amount which was allocated annually until 2006 – will be exclusively applied to social welfare programs. Twenty percent of the first \$90 million in allocations will fund programs of Holocaust education, documentation, and research.

In addition to these allocations, the Claims Conference was invited to and does administer other restitution funds on behalf of other entities, such as the Swiss Banks Settlement and the Hungarian Gold Train Settlement, under the auspices of U.S. Federal District Courts, and homecare funds negotiated from the German government.

Demographic studies show that, over the next 10-15 years, Nazi victims will continue to have growing, extensive needs. Simply stated, as survivors who are currently around age 75 get older, they will require even greater support. The Claims Conference's multi-year plan reflects an effort to ensure that critical homecare and other related needs of elderly Nazi victims, living in the poorest conditions, will be addressed over the next several years, even after income from current restitution sources ceases.

3. Ghetto Pension

As previously noted, the German government has announced the creation of a new fund which will total approximately \$140 million. The fund will provide for one-time payments to survivors for work they performed in ghettos. These are individuals who are eligible for so-called "Ghetto pensions" under German legislation, but whose claims were previously rejected by local authorities in Germany administering the program. The legislation will provide German Social

Security payments to survivors who performed voluntary work, for some remuneration, in Holocaust-era ghettos, but inconsistent administration and strict interpretations of the law in the past led to a very high rejection rate for claims. The Claims Conference has been vigorously pressing for additional funding for ghetto work in talks with Germany, and will continue to do so, as the payments from this new fund are not equivalent to ongoing Social Security payments. Moreover, we would like to take this opportunity to again thank the 21 members of Congress who sent a letter to Germany's Minister for Labor and Social Affairs, Franz Muntefering, urging "the German Government to act swiftly to deal with this matter of great importance to the elderly Holocaust survivors the law was intended to benefit."

4. Program for Former Slave and Forced Laborers

On December 31, 2006, as mandated by German law, the Claims Conference concluded all payments under the Program for Former Slave and Forced Laborers, which was funded by the German Foundation, "Remembrance, Responsibility, and the Future."

Under this program, the Claims Conference paid a total of approximately \$1.24 billion, on 158,097 claims, to survivors and heirs. Under a specific category of the Swiss Banks Settlement (for slave and forced labor), the Claims Conference has paid \$250.7 million to 172,906 former slave laborers and heirs. An additional \$5.6 million was paid from Austrian funds to 847 eligible survivors who applied after the December 31, 2001 deadline for the Program for Former Slave and Forced Laborers. All of these payments, totaling approximately \$1.5 billion, have been made over the course of five years, to survivors in 75 countries.

What does all this mean in concrete terms? The Claims Conference, either in direct payments to individual survivors and heirs, or in allocations for social programs, distributed a total of over \$600 million in 2006 and a total of \$2.5 billion in the past five years.

B. Situation of Jewish Victims of Nazi Persecution

Second, I would like to address the issue of the social needs of Holocaust survivors.

There have been many studies in recent years addressing the social needs of survivors in the United States and around the world. Copies of such studies are available on the Claims Conference website www.claimscon.org. The data is extremely important in shaping the allocations policy of the Claims Conference.

In addition, much has been written and discussed about the degree of persecution suffered by Jews in different circumstances during World War II. Many survivors were forced to endure concentration camps, ghettos, labor battalions, or survived in hiding under false identity. But there were also Jews, known as "flight cases," who survived the Nazi onslaught by fleeing East, primarily to the Soviet Union. The Claims Conference regards the Jews who fled and endured great hardships as victims of Nazi racial persecution who

are entitled to social assistance, and these victims have also been recognized as such by Germany.

Indeed, it is these “flight cases” that tend to be the poorest today, whether they live in the former Soviet Union, where conditions are the harshest, or are new immigrants to Israel and the U.S. Such individuals, typically, are not eligible for Holocaust compensation pensions because they were not in camps or ghettos. Moreover, as new immigrants, the U.S. government benefits they receive are quite limited. In this regard, they are in a situation similar to other elderly Jewish immigrants to the U.S. from the former Soviet Union.

The National Jewish Population Study, available at www.claimscon.org/forms/allocations/Nazi_victims_report.pdf, reviewed this issue. The study examined categories of Nazi victims who came to the U.S. before 1965 (generally those who were persecuted in camps and ghettos) and those who came post-1965 (generally flight cases from the former Soviet Union).

The findings of the study include the following:

- An estimated 122,000 Nazi victims currently reside in the United States.
- Victims are more economically and socially vulnerable, report poorer health and more disabilities that limit daily activities, and have somewhat greater social service needs than non-victims.
- Based on almost all indicators of economic, social and health status, Nazi victims who arrived in the U.S. after 1965 (i.e. the flight cases) are appreciably worse off than non-victims, demonstrating that the post-1965 arrivals are especially vulnerable to economic and social difficulties. In contrast, victims who arrived in the U.S. by 1965 enjoy parity with non-victims on many, but not all, of these indicators.

Particularly in the past decade, the Claims Conference has been in the forefront of the development of social welfare programs specifically geared to identifying and addressing the needs of Holocaust survivors in the U.S. and worldwide.

When the Claims Conference first received Successor Organization funds in 1995, there were no social programs equipped specifically to address the needs of Holocaust survivors in the U.S. Thus, the Claims Conference approached Jewish Family Service Agencies in the country and, one by one, helped to establish programs across the United States. For each program, the Claims Conference required the establishment of a related Holocaust Survivor Advisory Committee.

Since 1995, the Claims Conference has allocated more than \$1 billion for the social welfare needs of Jewish victims of Nazism in over 40 countries. In the U.S. alone, the Claims Conference established Holocaust survivor assistance programs in more than 50 communities and virtually has been their sole support since then.

These programs, with priorities set by local agencies, provide homecare, emergency cash assistance, case management, transportation, meals on wheels, and companionship to

what too often are lonely, elderly survivors. They provide a lifeline for many isolated survivors and bring an added measure of dignity to their old age.

In recent years, as previously explained, allocations for social welfare have included restitution funds from other sources that are administered by the Claims Conference. The Claims Conference was asked to allocate social service funds on behalf of the International Commission on Holocaust Era Insurance Claims, the U.S. Federal District Court administering the Swiss Banks Settlement, and the U.S. Federal District Court administering the “Hungarian Gold Train” Settlement. The Claims Conference also has administered allocations from the German government and from Austrian government and industry, all arising from negotiations initiated by the Claims Conference.

But the needs of the aging survivors continue to grow.

Moreover, it is important to bear in mind the needs of Jewish victims of Nazism in light of their geographical distribution. Of the Nazi victims living today, approximately 20 percent live in the U.S., with approximately half of those living in New York State. The majority of Nazi victims worldwide, however, live in the former Soviet Union, which has no reliable state social support system, and in Israel.

Because of successful negotiations carried out largely by the Claims Conference, allocations for all programs have increased annually. In the United States alone, allocations for social welfare projects were increased from \$7 million in 2000 to over \$20 million in 2007.

We continue to try to meet the challenge of allocating resources to effectively assist needy Nazi victims wherever they live.

C. Issues Concerning the Claims Conference

I would now like to address various issues that have been raised concerning the Claims Conference.

Firstly, the Claims Conference has two main sources of money. Most of the money the Claims Conference has received – direct compensation funds – has been the result, primarily, of negotiations with Germany. These are funds earmarked for specific payments to certain categories of Jewish victims of Nazism according to criteria set by the German Government. Only Jewish victims meeting the criteria are entitled to receive these payments. These payments are provided by the German Government, based on applications approved by the Claims Conference, subject to approval by the German Government.

The other principal source of restitution funds comes from unclaimed Jewish property in the former East Germany, recovered through what is called the Claims Conference Successor Organization. Most Claims Conference allocations for social services are made from the proceeds of this property recovery.

Secondly, the major priority of the Claims Conference allocations is meeting the needs of needy Nazi victims. Another priority is to fund programs of Holocaust education, documentation, and research. When the Claims Conference began realizing proceeds from the recovery of unclaimed property, its Board of Directors decided to allocate a small portion of these proceeds to preserve the memory of the six million killed – including the former owners of these very properties -- in order that the world did not forget both how they lived and how they died. Until recently, 20 percent of Claims Conference allocations were made to Holocaust education, documentation and research programs and 80 percent were made to social welfare programs benefiting Nazi victims in some 40 countries. There are survivors on the Claims Conference Board that support this policy, while others oppose it. Our website includes a range of viewpoints expressed by survivors and others on this issue.

At its 2007 meeting, the Claims Conference Board of Directors, as mentioned earlier, decided to increase the allocations made to social welfare programs worldwide. The first \$90 million of Claims Conference allocations will be subject to the 80/20 division. All funds allocated above that amount will be used exclusively for social welfare programs assisting and benefiting Jewish victims of Nazism. The allocations for Holocaust education, documentation and research are made only from the funds of the Successor Organization. It should be noted that, of the total of over \$600 million from all sources distributed by the Claims Conference in 2006 for direct payments, payments to heirs of property and institutional grants, approximately 3 percent of the funds supported programs of Holocaust education, documentation, and research. However, it also should be pointed out that the Holocaust documentation programs funded by the Claims Conference have helped thousands of survivors receive compensation, by providing proofs of persecution to satisfy German eligibility requirements for various payment programs.

Thirdly, the Goodwill Fund. The deadline for filing claims under the German law for restitution of assets located in the territory of the former East Germany expired on December 31, 1992 for real estate claims, and on June 30, 1993 for claims for moveable assets. Thousands of Jewish claimants filed timely applications and recovered a significant number of assets, or received substantial compensation in lieu of receiving their property back.

After the deadlines for claims for real property and other assets in the former East Germany expired, the Claims Conference was designated under the German Property Restitution Law to be the successor for Jewish assets which were not claimed (through its Successor Organization). In 1994, the Claims Conference established a Goodwill Fund. The Goodwill Fund consisted of funds set aside for payments to certain Jewish asset owners or heirs. These asset owners and heirs had not filed claims by the German-mandated deadline and, thus, were no longer legally entitled to the assets or the proceeds from the sale of such assets under German law, but they did meet the criteria of the Goodwill Fund.

In 1998, through a major, worldwide advertising campaign, the Claims Conference notified the general public that certain owners or heirs who had failed to meet the legal

deadline for filing claims for Jewish assets in the former East Germany could participate in the Claims Conference Goodwill Fund.

In September 2003, the Claims Conference published a list of former owners of Jewish assets in the former East Germany. The Claims Conference either had recovered the assets of these former owners, had received a compensation payment under German restitution law covering East Germany, or had filed claims that were not, at that point, adjudicated. Following the announcement of that list, which was extensively publicized worldwide, the Claims Conference set a March 31, 2004 deadline for claims for those properties under its Goodwill Fund.

In deciding to publish the list of owners of assets, the Claims Conference Board of Directors took special note of the following: the Goodwill Fund had been accepting applications for nine years; the uncertainty surrounding the ultimate number of applications that would be made to the Goodwill Fund; Goodwill Fund applications were frequently for assets already sold, with the proceeds of such sales already having been allocated for critical programs to assist needy Nazi victims; and the need to decide whether to continue making allocations for homecare and other social needs of Holocaust survivors from Successor Organization funds.

Fourthly, the Claims Conference goes to extraordinary lengths to be open and transparent, more so than virtually any other major Jewish organization. We take our fiduciary and moral responsibility seriously. Accountability and oversight are central to who we are and what we do.

Every year, the Claims Conference is subject to an audit by Ernst & Young.

The complete, audited financial statements resulting from that process are posted on the Claims Conference website. Accompanying the financial statements are summary charts of Claims Conference revenue, expenses, liabilities and net assets as of December 31 of the preceding year. A summary is also included in the Claims Conference annual report.

In addition, financial reviews are undertaken periodically by the German government and other funding organizations regarding specific programs. Moreover, the Claims Conference has a General Controller who reviews the operations of the organization on an ongoing basis.

On the Claims Conference website, the following items may be examined:

- A complete list of allocations made by the Claims Conference
- A description of the allocations process
- The guidelines for allocations
- Data on needs and demographics regarding Jewish victims of Nazi persecution, including reports regarding current and projected needs of Nazi victims, a significant basis for allocations decisions
- An overview of the Successor Organization, which recovers unclaimed property in the former East Germany

- A description of the Successor Organization process
- A report on current assets and pending claims
- A chart showing Successor Organization revenue
- Information on the Independent Review Authority for individual survivors regarding compensation programs

This is just some of the information available to the public concerning the Claims Conference. Much more material is posted and appears on the website and in our Annual Report.

Fifthly, Claims Conference assets and available resources. As detailed in the 2005 financial statements, which are available on our website, the Claims Conference had \$900 million in liquid assets at the end of the year. This amount falls into two categories; funds that are committed for specific payments and funds that are designated, all of which is detailed in the audit:

A. Committed Funds: \$587 million

- \$253 million for payments to identified heirs of property in the former East Germany
- \$47 million in reserve, generally for specific heirs of property in the former East Germany who are in the process of producing documentation and/or may be eligible for Goodwill Fund payments
- \$238 million in grants payable, which are funds already allocated to programs, but for which the financial reports have not yet been provided by the implementing agencies and, therefore, the funds have not yet been released by the Claims Conference
- \$20 million designated for contractual obligations: funds exclusively for distribution to designated survivors and heirs (which was done in 2006)
- \$29 million is designated as “other,” which are 2005 accrued expenses that were paid in 2006

B. Designated Funds: \$313 million

Of the \$313 million in funds that are designated, \$38 million has been designated for allocations to be made in 2006.

The remaining \$275 million has been set aside for the long-term needs of Nazi victims as they age. Demographic studies (available on the Claims Conference website, as previously noted) show that there will be extensive needs on the part of survivors over the next 10-15 years. As survivors, who are currently approximately age 75, grow older in the coming years, studies clearly show that their social needs will become greater.

The Claims Conference Board of Directors, as I stated earlier, decided to allocate \$367 million over the next three years from Successor Organization funds. A good portion of these funds will come from the \$275 million set aside for the survivors’ long-term needs.

Sixthly, future income. As of June 6, 2007, the Claims Conference had filed 120,373 claims related to real estate and businesses, and had made additional claims for smaller types of assets. These smaller claims are being handled separately from the real estate and business claims.

The German restitution authorities have issued decisions on 81,793 real estate and business claims, i.e. about two thirds of all claims filed. Of these decisions, 11,539 were approved for the Claims Conference (14%). Statistics regarding applications filed by the Claims Conference are available on the Claims Conference website www.claimscon.org.

Of the properties it recovered, the Claims Conference sold the largest, most valuable ones first, meaning that the properties which will be sold in the future will generate less revenue than previously recovered properties.

The German authorities have processed a large part of the real estate claims filed by the Claims Conference and the processing of business assets is now under way. Recovery of a business asset usually generates a compensation payment that is far lower than the value of a recovered real estate claim.

The relevant factors regarding the assessment of future income available for allocations are as follows:

- The success rate to date of decided cases has been approximately 14%.
- Of the successful real estate and business claims where the Claims Conference has received compensation for the assets, approximately 35% of these cases to date were business claims. However, of the pending cases in these categories, 85% are claims for business assets. These are the claims which generally only generate a modest compensation payment.
- Future income from the sale of restituted properties and compensation payments will be subject to Goodwill Fund claims. To date, approximately 41% of income of the Successor Organization has been paid or set aside for payments to Goodwill Fund applicants, i.e., former owners or heirs of the original owners.

D. Challenges Ahead

Finally, I would like to close by addressing some of the challenges still ahead.

Firstly, there are many open issues with regard to Germany – not the least of which is obtaining additional funding for the homecare needs of Holocaust survivors. Since 2004, the Claims Conference has been able to secure approximately \$45 million for homecare. Through in-home services, survivors are provided with assistance for the activities of daily living, such as eating, bathing, dressing, administering medicines, light house-keeping and shopping. Negotiations with the German government concerning funding for homecare services are ongoing. We seek the support of this Congress to secure an adequate level of German government funding. In addition, there continue to be some limited groups of survivors excluded from compensation programs. Moreover, we also

are seeking to further increase the amounts of the modest pensions which Holocaust survivors, eligible under the current program requirements, receive.

Secondly, we are making efforts to mobilize additional resources to meet the social needs of Nazi victims worldwide. Jewish Federations in the U.S., including those in Cleveland, Miami and New York, have allocated funds for these needs. In addition, state and city funding has been made available in Florida, Michigan, New Jersey and New York City. We are working to expand public support for these endeavors.

Thirdly, together with our sister organization, the World Jewish Restitution Organization (“WJRO”), we have made great efforts to secure private and communal property restitution in Central and Eastern Europe. We are actively involved in property restitution efforts in Bosnia-Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Latvia, Lithuania, Poland, Romania, Serbia, Slovakia, Slovenia and Ukraine.

Poland, however, the country with the largest Jewish population – as well as the country in which a substantial portion of the property was owned by Jewish communities and individuals – before the Holocaust, is a priority. Yet, Poland remains the only major country in the former Soviet bloc that, in the almost two decades since the fall of Communism, has not taken any measures to help former property owners or heirs recover private property stolen since 1939 that is still within the country’s borders. Over one year ago, the Polish government did submit draft restitution legislation regarding private property to its Parliament. However, the bill does not provide for the return of any actual property, excludes the substantial and valuable properties located in Warsaw from its reach, and offers severely limited compensation of 15% of the value of the confiscated property.

In the past, the U.S. Congress has been very supportive on this issue and we are appreciative of the role of Chairman Wexler in initiating a congressional letter, writing to both Polish government officials and to President Bush expressing concerns about the lack of progress on restitution. In addition, in February of this year, the Claims Conference met in Warsaw with the Polish Prime Minister concerning potential legislation.

We are working in coordination with groups representing non-Jewish former property owners who lost their assets under Communism to establish a dialogue with the Polish Government and Parliament so that any law ultimately enacted provides a just and comprehensive settlement, as well as a fair and simple claims process, for the confiscated private property.

In addition, over 3,500 claims for formerly Jewish-owned communal property (including cemeteries) have been submitted to the government. Regrettably, the recovery process for communal property has moved extraordinarily slowly. Well over five years after the claims filing deadline, only 20 percent of the communal claims have been resolved.

There are large amounts of property at stake and we seek the support of this Committee in making a renewed effort to secure property restitution especially in Poland, but also

throughout Central and Eastern Europe, for thousands of communities, Holocaust survivors and their heirs.

Fourthly, the issue of restitution of art and looted cultural property has lagged behind that in other areas. The lack of progress is the result of a number of factors, including the ease with which art can be moved across international borders, the lack of public records documenting original ownership, the difficulty of tracing art transactions over the years, and the absence of a central authority to arbitrate claims for artwork. These personal assets often have meaning beyond that of other types of assets, valued for their beauty and cultural significance, and typically passed down through the generations. In many cases, the artworks and artifacts represent the last personal link heirs may have to families destroyed in the Holocaust. Much of this plundered art has ended up in museums around the world, with no centralized method for families to locate them. Along with the WJRO, the Claims Conference has begun to work with Jewish communities around the world to bring increased attention to the restitution of looted movable cultural and religious property. The Congressional hearing of July 2006 helped highlight this issue. Specifically, we have focused on systematic issues involved in art restitution, seeking to improve and create processes to enable more owners and heirs to recover their property. This committee's assistance, as part of an intensified attempt to provide for the recovery of cultural and religious property looted from Jews, would help ensure that families can re-acquire treasures that they have been deprived of for decades, yet that rightfully belong to them.

I thank you for your patience and for your commitment to dealing with the critical issues of Holocaust restitution and compensation.