

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

May 21, 2002 (House)

STATEMENT OF ADMINISTRATION POLICY

(This statement has been coordinated by omb with the concerned agencies.)

H.R. 3375 – The Embassy Employee Compensation Act

(Rep. Blunt (R) Missouri and 45 cosponsors)

The Administration opposes passage of H.R. 3375, the Embassy Employee Compensation Act, which would provide compensation to individuals (or relatives of deceased individuals) who were physically injured or killed as a result of the bombings of the United States embassies in East Africa on August 7, 1998. The Administration believes that the compensation program created by the bill, especially if applied to compensate victims of other terrorist acts, will not provide victims with fair and expeditious compensation. For one, the bill would provide different levels of compensation to high-income victims than it would to victims with lower incomes. The Administration believes that, except in unique circumstances like the September 11 attacks, every victim should receive a set amount of compensation, similar to the federal government's no-fault benefit for public safety officers killed in the line of duty (42 U.S.C. 3796). Further, by setting up a complicated Special Master process for determining the amount of compensation, the bill will subject victims to lengthy delays and difficult proceedings. The Administration is developing, and will send to Congress in the near future, a set of principles for compensating victims of international terrorism and looks forward to working with the Congress on a proposal that will meet those principles.

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