

ASSEMBLY, No. 2901

STATE OF NEW JERSEY

INTRODUCED MAY 5, 1997

By Assemblyman GUSCIORA and Assemblywoman TURNER

1 AN ACT prohibiting use of certain Swiss financial institutions in
2 connection with any sale of the State temporary disability benefits
3 plan and supplementing P.L.1948, c.110 (C.43:21-25 et seq.).
4

5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*
7

8 1. Notwithstanding the provisions of any other law to the contrary,
9 the State shall not employ in any capacity whatsoever in connection
10 with a sale of the State temporary disability benefits plan, established
11 pursuant to sections 13 through 18 of P.L.1948, c.110 (C.43:21-37 et
12 seq.), any financial institution organized under the laws of Switzerland
13 which holds assets of Holocaust victims and which has not agreed to
14 account for these assets and arrange for their return to the Holocaust
15 victims or the rightful heirs of the Holocaust victims. The State
16 Treasurer shall be responsible for ensuring that no institution which is
17 disqualified under the provisions of this section shall be employed by
18 the State in connection with such a sale. Any financial institution
19 employed by the State in connection with a sale of the plan shall
20 certify in writing that it is not disqualified from that employment under
21 the provisions of this section.
22

23 2. This act shall take effect immediately.
24
25

26 STATEMENT
27

28 This bill would prohibit the State from employing in any capacity
29 whatsoever, in connection with a sale of the State's temporary
30 disability benefits plan, any financial institution organized under the
31 laws of Switzerland which holds assets of Holocaust victims and which
32 has not agreed to account for these assets and arrange for their return
33 to the Holocaust victims or the rightful heirs of the Holocaust victims.
34 It provides that the State Treasurer shall ensure that no institution
35 which is disqualified under the bill's provisions is employed by the
36 State in connection with such a sale. The bill also requires any
37 financial institution employed by the State in connection with a sale of

1 the plan to certify in writing that it is not disqualified from that
2 employment under the bill's provisions.

3 As a result of hearings conducted by the United States Senate
4 Banking Committee, it has come to public attention that certain Swiss
5 banks misused funds deposited by European Jews before and during
6 World War II. In some cases, these banks are still withholding these
7 assets from the depositors or the depositor's heirs. The State
8 contracted with one such bank, Credit Suisse, to act as financial
9 advisor in connection with the proposed sale of the State's temporary
10 disability benefits plan. It is the purpose of this bill to ensure that no
11 bank which continues to profit from this historic injustice benefits by
12 doing business with the State of New Jersey.

13

14

15

16

17 Prohibits use of Swiss financial institution which holds assets of
18 Holocaust victims in connection with sale of State temporary disability
19 benefits plan.