

SENATE, No. 2034

STATE OF NEW JERSEY

INTRODUCED MAY 8, 1997

By Senators McGREEVEY, BAER, Lesniak and Adler

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.).  
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5 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
6 *of New Jersey:*  
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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.  
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23 2. This act shall take effect immediately.  
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26 STATEMENT  
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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. One of these  
8 banks, Credit Suisse, is scheduled to act as financial advisor to the  
9 State 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.

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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.