Giannoulias asks banks to waive fees for Holocaust survivors

More than 70 banks throughout Illinois have agreed

State Treasurer Alexi Giannoulias is asking Illinois banks to voluntarily waive wire transfer fees on reparations from the German government paid to Holocaust survivors.

The transfer fee can amount to a 10 percent tax on the reparation payments, causing unnecessary hardship to the recipients, many of whom are elderly with fixed low to moderate incomes, Giannoulias said Tuesday during a press conference at the Spertus Institute of Jewish Studies in Chicago.

“While it is impossible to ever fully repay those who suffered the atrocities of World War II, this simple act pays homage to Holocaust survivors and speaks volumes about the commitment of Illinois banks to the well-being of our state’s residents,” Giannoulias said.

Illinois is home to an estimated 5,000 Holocaust survivors, many of whom qualify for restitution payments from Germany. The average wire transfer is $350 per month, with each transfer being assessed an international wire transfer fee of $10 to $40, according to Allan J. Reich, president, American Jewish Committee-Chicago Chapter.

“Fee waivers on reparation payments will have a modest effect on any bank’s bottom line, but a very tangible impact for the recipients,” Reich said. “We thank Treasurer Giannoulias for partnering with us in pursuit of this worthwhile endeavor.”

In December, the Treasurer’s Office distributed a letter seeking the waivers to nearly 700 banks which have or currently conduct business with the state. Nearly 70 have already signed on and are listed under the Finances section of the Treasurer’s website, www.treasurer.il.gov.

“We at Pan American Bank are excited to be a part of this program in order to help Holocaust survivors,” said Frank Cerrone, president, Pan American Bank, who expects customers of his North Side branch to apply.
Since 1951, nearly one million Jews have received almost $80 billion in compensation, the greatest amount going to Jewish victims of Nazism living in Israel and the U.S. The Conference on Jewish Material Claims Against Germany has been a partner with the German government in many of the reparations, while others are based solely on German legislation.

Klaus Hellmann escaped to the United States in 1934 and currently lives at the Selfhelp Home, a not-for-profit organization in Chicago that serves the victims of World War II dislocation. He receives a monthly pension from Germany that was paid to his wife, Marian, until her death more than a year ago.

“It is a matter of appreciation that so much is being done regarding restitution from Germany. There must be quite a number of beneficiaries,” Hellmann said. “I appreciate the Illinois Treasurer, the AJC and the German Consulate who helped bring this project to completion.”

In the United States, several national banks as well as state-chartered, regional institutions have implemented the fee waivers for Holocaust survivor payments, including Citibank, JPMorgan Chase and HSBC.

Survivors are asked to initiate the waivers by contacting a bank manager, as the financial institutions cannot automatically discern which wire transfers are Holocaust reparation payments.

“We urge Illinois banks to follow the example of banks in California, Massachusetts, Florida and Minnesota and begin waiving reparation transfer fees immediately,” said Wolfgang Drautz, Consul General of the Federal Republic of Germany. “By working together, government and banks can make sure hardship payments reach the persecuted untouched by fees.”

Spertus Institute of Jewish Studies reopened in November 2007 in an environmentally sustainable facility that includes a unique display of over 1,000 objects from Spertus Museum’s world-class collection, changing special exhibitions, an interactive Children’s Center, a Wolfgang Puck kosher café, and a gift and bookshop that showcases work by leading Israeli designers. A diverse schedule of public programming includes lectures, performance, and film.