

109TH CONGRESS
2D SESSION

S. 3878

To provide compensation for United States citizens taken hostage by terrorists or State sponsors of terrorism.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 7 (legislative day, SEPTEMBER 6), 2006

Mr. ALLEN (for himself and Mr. MENENDEZ) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To provide compensation for United States citizens taken hostage by terrorists or State sponsors of terrorism.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. COMPENSATION FOR UNITED STATES CITIZENS**

4 **TAKEN HOSTAGE BY TERRORISTS OR STATE**

5 **SPONSORS OF TERRORISM.**

6 (a) IN GENERAL.—In accordance with such proce-
7 dures as the President may by regulation establish, the
8 President or his designee shall receive the claims of, and
9 pay compensation to, any national of the United States,
10 or to the estate of any such national, who—

1 (1) as of the date of enactment of this Act has
2 a claim pending in a court of the United States
3 against a foreign state seeking compensation for in-
4 juries caused by an act of hostage-taking or has ob-
5 tained a judgment on such a claim that has not been
6 fully satisfied;

7 (2) at any time on or after August 2, 1990, and
8 while not serving on active duty in the Armed
9 Forces of the United States, was taken hostage by
10 a terrorist party; or

11 (3) was a representative plaintiff or class mem-
12 ber in Case Number 1:00CV03110(EGS) in the
13 United States District Court for the District of Co-
14 lumbia.

15 (b) LIMIT ON AMOUNT OF AWARD.—The amount
16 that may be awarded to any person seeking compensation
17 under this section shall not exceed \$500,000, adjusted to
18 reflect the annual percentage change in the Consumer
19 Price Index, from the date on which the hostage-taking
20 occurred to the date on which compensation is paid.

21 (c) TYPE OF AWARD.—Subject to the limit in sub-
22 section (b), any person seeking compensation for hostage-
23 taking under this section shall be awarded the following
24 amounts with respect to which the United States shall
25 enjoy full subrogation rights in the event such person ob-

1 tains any recovery in litigation or otherwise as a result
2 of such hostage-taking:

3 (1) In the case of any person who has been
4 issued a final judgment for compensatory damages,
5 the unsatisfied amount of such judgment.

6 (2) In the case of any person who survived his
7 captivity and who has not been issued a final judg-
8 ment for compensatory damages, \$10,000 per day
9 for each day that such person was held or, if he died
10 or was tortured during the course of his captivity,
11 the maximum amount in subsection (b).

12 (d) PROHIBITION ON CIVIL ACTIONS AGAINST FOR-
13 EIGN STATES.—A person who has accepted compensation
14 under subsection (c)(2) may not commence or maintain
15 in a court of the United States a civil action seeking com-
16 pensation for such injuries or damages associated with
17 such hostage taking against a foreign state or its agencies
18 or instrumentalities.

19 (e) DEFINITIONS.—In this section:

20 (1) HOSTAGE TAKING.—The term “hostage
21 taking” has the meaning given that term in Article
22 1 of the International Convention Against the Tak-
23 ing of the Hostages and includes any act that
24 caused a person to be in “hostage status” within the

1 meaning of section 599C(d)(1) of Public Law 101–
2 513.

3 (2) **TERRORIST PARTY.**—The term “terrorist
4 party” has the meaning given that term in the Ter-
5 rorism Risk Insurance Act (section 201(d)(4) of
6 Public Law 107–297) and includes any person, orga-
7 nization, or foreign state that was designated as
8 such either at the time or as a result of the act of
9 hostage-taking for which compensation is sought.

10 (f) **FUNDING.**—Funds sufficient to pay persons to
11 whom compensation is due under this section shall be
12 made available from the Hostage Victims Fund, into
13 which the President shall direct deposits, in proportions
14 the President so allocates in the discretion of the Presi-
15 dent, from—

16 (1) the “blocked assets” of terrorist parties, as
17 that term is defined in the Terrorism Risk Insurance
18 Act (section 201(d)(2) of Public Law 107–297);

19 (2) amounts received by the United States by
20 reason of any legal action taken by the United
21 States against any person relating to improper con-
22 duct in connection with the Oil for Food Program of
23 the United Nations, including any fines, forfeitures
24 or disgorgements of amounts received through any
25 activity related to said Program; or

1 (3) amounts received as a result of any fine or
2 forfeiture obtained from any person or entity in con-
3 nection with a violation of—

4 (A) the International Emergency Economic
5 Powers Act (50 U.S.C. 1701 et seq.);

6 (B) section 5(b) of the Trading With the
7 Enemy Act (50 U.S.C. App 5(b));

8 (C) the United and Strengthening America
9 by Providing Appropriate Tools Required to
10 Intercept and Obstruct Terrorism (USA PA-
11 TRIOT) Act of 2001 (Public Law 107–56; 115
12 Stat. 272);

13 (D) the Bank Secrecy Act (codified at title
14 12 U.S.C. 1829 (b) and 1951–1959 and 31
15 U.S.C. 5311–5313 and 5316–5332);

16 (E) the Export Administration Act (50
17 U.S.C. App. 2401–2410); or

18 (F) any regulations promulgated under an
19 Act listed in subparagraphs (A) through (E).

20 (g) ADDITIONAL COMPENSATION FOR VICTIMS OF
21 IRANIAN HOSTAGE TAKING IN TEHRAN.—In addition to
22 any amounts that may be awarded under subsection (c),
23 the President or his designee shall from monies deposited
24 for Iran in the Iran Foreign Military Sales Fund account

1 within the Foreign Military Sales Fund (including any
2 amounts accrued as interest thereon)—

3 (1) pay any person who qualifies for payment
4 under subsection (a)(3) who was taken hostage by
5 the Islamic Republic of Iran on November 4, 1979
6 additional compensation of \$500,000, adjusted to re-
7 flect the annual percentage change in the Consumer
8 Price Index, from the date on which the hostage tak-
9 ing occurred to the date on which the compensation
10 is paid; and

11 (2) pay any person who was, at the time of
12 such hostage-taking, the spouse or child of such per-
13 son, 50 percent of the total amount of compensation
14 paid to the hostage.

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