

**Congress of the United States**  
**Washington, DC 20515**

November 18, 2011

The Honorable Kay Granger  
Chairwoman  
House Committee on Appropriations  
Subcommittee on State, Foreign Operations,  
and Related Agencies  
H-307, the Capitol  
Washington, DC 20515

The Honorable Nita M. Lowey  
Ranking Member  
House Committee on Appropriations  
Subcommittee on State, Foreign Operations,  
and Related Agencies  
1016 Longworth House Office Building  
Washington, DC 20515

Dear Chairwoman Granger and Ranking Member Lowey:

We write to respectfully request that you include language in the Fiscal Year 2012 Department of State, Foreign Operations, and Related Programs Appropriations Bill that will (1) urge the Administration to ensure that American victims of terrorist acts sponsored by former Libyan leader Moammar Qadhafi are fairly compensated for the harm they suffered, and (2) encourage the Administration to reach an agreement with the interim Transitional National Council (TNC) to set aside a portion of the funds that belonged to the Qadhafi regime and that were frozen by the United States and, if necessary, to utilize those funds to make American victims whole. On September 1<sup>st</sup>, a bipartisan group of Members wrote a detailed letter to Secretary Clinton on this issue, which we have attached. On October 4<sup>th</sup>, Senators Schumer and Isakson authored a similar letter to Secretary Clinton. As you are aware, since your Subcommittee approved its version of the bill on July 27<sup>th</sup>, important events have taken place in Libya, which lend this issue increased urgency. In August, the Department of State began to transfer \$1.5 billion in frozen Libyan assets to meet critical humanitarian needs of the Libyan people. In October, Qadhafi was killed and the TNC declared Libya's liberation. Given the likelihood that the United States will soon unfreeze and transfer additional assets, we believe it is important to address the matter of fair compensation for U.S. victims in the current appropriations cycle. Below, we have proposed language that we believe would be suitable for inclusion, but we are fully committed to working with you and your Senate counterparts in a flexible manner to incorporate any revisions or refinements you might have.

A brief summary of the facts that give rise to this request is as follows. The 2008 Libyan Claims Resolution Act (LCRA) authorized the Secretary of State to provide compensation to victims of Libyan-sponsored terrorism, pursuant to an agreement to be reached between the U.S. and Libya. The LCRA immunized Libya from terrorism-related lawsuits upon certification by the Secretary that Libya had provided funds that were "sufficient to ensure . . . fair compensation" for U.S. victims. Following enactment of the LCRA, the U.S. and Libya entered into a Claims Settlement

Agreement, whereby the parties agreed to authorize the establishment of a “humanitarian settlement fund as the basis” for terminating pending lawsuits and precluding future lawsuits. Libya agreed to deposit \$1.5 billion in the settlement fund.

Unfortunately, it now appears that \$1.5 billion will be insufficient to fairly compensate all U.S. victims of Qadhafi-sponsored terrorism. About 200 individual victims or families of deceased victims still have claims pending before the Foreign Claims Settlement Commission within the U.S. Department of Justice. Based on a comparison between the number of outstanding claims and the amount of funds still available, it appears that these victims—who are barred by the LCRA from seeking relief in court—could receive substantially less than the amount that the State Department has recommended as fair compensation and that many of their fellow victims of Qadhafi-sponsored terrorism have already received.

Accordingly, as you work to reconcile your version of the FY 2012 State-Foreign Operations Appropriations Bill with the version of the bill reported by the full Senate Appropriations Committee on September 21<sup>st</sup> (S. 1601), we respectfully ask that you include the following language—or something resembling it—in the final bill:

*Victims of Libyan Terrorism.—The Committee is concerned that the amount of money not yet distributed from the Libya Claims Program may be insufficient to fairly compensate some U.S. victims, or survivors of U.S. victims, of terrorist acts sponsored by the regime of former Libyan leader Moammar Qadhafi. The Committee notes that Congress’s intention in passing the 2008 Libyan Claims Resolution Act (P.L. 110-301) was to “support the President in his efforts to provide fair compensation to all nationals of the United States who have terrorism-related claims against Libya through a comprehensive settlement of claims by such nationals against Libya pursuant to an international agreement between the United States and Libya . . . .” If necessary to avoid a shortfall in funds, the Committee urges the President, acting through the Secretary of State, to work with the National Transitional Council on a state-to-state basis to utilize a portion of the funds that belonged to the Qadhafi regime and that were frozen by the United States in order to ensure full payment of awards that have been certified by the Foreign Claims Settlement Commission.*

We note that the committee report accompanying S. 1601 includes a provision stating as follows: “The Committee expects the Transitional National Council or any successor government to support and assist the continuing investigation into the bombing of Pan Am 103 and any other terrorist attacks attributable to the government of Muammar Qaddafi against U.S. citizens, including by providing access to documents, witnesses and other information.” See Senate Report 112-85, page 46. We believe the language we are seeking—whether it is included in the conference report or the joint explanatory statement that accompanies it—would be an appropriate complement to this Senate report language.

Thank you very much for your attention to this request.

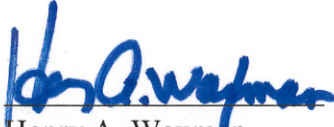
Sincerely,



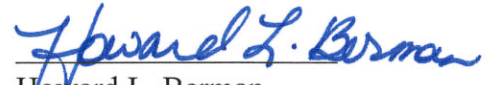
Pedro R. Pierluisi  
Member of Congress



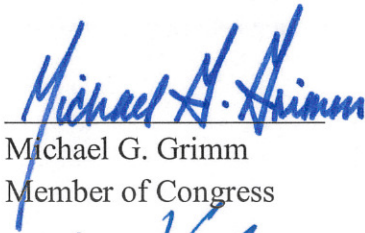
Robert Hurt  
Member of Congress



Henry A. Waxman  
Member of Congress



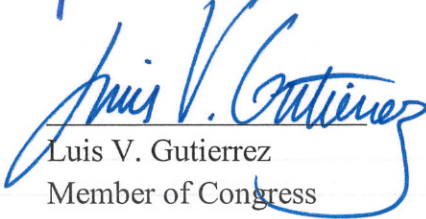
Howard L. Berman  
Member of Congress



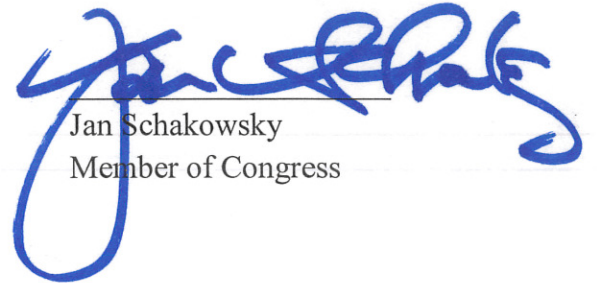
Michael G. Grimm  
Member of Congress



Frederica S. Wilson  
Member of Congress



Luis V. Gutierrez  
Member of Congress



Jan Schakowsky  
Member of Congress

cc: The Honorable Patrick J. Leahy, Chairman, Senate Appropriations Committee,  
Subcommittee on State, Foreign Operations, and Related Programs  
The Honorable Lindsey Graham, Ranking Republican Member, Senate Appropriations  
Committee, Subcommittee on State, Foreign Operations, and Related Programs  
The Honorable Charles E. Schumer, United States Senator  
The Honorable Johnny Isakson, United States Senator