

United States House of Representatives
Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515

December 2, 2022

Memorandum

To: Members, Committee on Financial Services
From: FSC Majority Staff
Subject: December 7, 2022, Subcommittee on Oversight and Investigations Hearing entitled, “An Enduring Legacy: The Role of Financial Institutions in the Horrors of Slavery and the Need for Atonement, Part Two”

The Subcommittee on Oversight and Investigations will hold a hearing entitled, “An Enduring Legacy: The Role of Financial Institutions in the Horrors of Slavery and the Need for Atonement, Part Two” on Wednesday, December 7th at 10:00am E.T. in room 2128 of the Rayburn House Office Building/ Cisco Webex. There will be one panel with the following witnesses:

- **William A. Darity, Jr.**, Professor of Public Policy, Duke University
- **Dania V. Francis**, Assistant Professor of Economics, University of Massachusetts Boston
- **Lily Roberts**, Managing Director, Poverty to Prosperity, Center for American Progress
- **Seth Rockman**, Associate Professor of History, Brown University
- **Sarah Federman**, Assistant Professor of Conflict Resolution, University of San Diego

Overview

On April 5, 2022, Representative Al Green, Chairman of the Subcommittee on Oversight and Investigations, Committee on Financial Services (the “Subcommittee”), held a hearing entitled, “An Enduring Legacy: The Role of Financial Institutions in the Horrors of Slavery and the Need for Atonement.” In this hearing, a panel of academics and professionals provided details on the history of financial institutions’ involvement in slavery and the lasting impacts of this involvement on the U.S. economy and financial system.¹ On June 7, 2022, Chairwoman Waters and Subcommittee Chairman Green, along with other Members of the Subcommittee, sent an inquiry to ten of the largest banks and ten of the largest insurance and insurance holding companies in the U.S.² The inquiry requested information pertaining to each institution and its predecessors’ involvement in chattel slavery and related businesses prior to December 6, 1865, when the 13th Amendment to the U.S. Constitution was ratified and slavery was abolished in the U.S.³ The letter also inquired whether and to what extent each entity had conducted a review of this history. The letter is included as Appendix A of this memo. The goal of the letter was to investigate the extent to which the banking and insurance industries benefited from and contributed to the generations of unpaid labor in the U.S. economy, and to explore steps that have been taken, or should be taken, to atone for such involvement.

¹ House Committee on Financial Services, [Hearing on An Enduring Legacy: The Role of Financial Institutions in the Horrors of Slavery and the Need for Atonement](#) (Apr. 05, 2022).

² Pursuant to legislative and oversight authority under House Rule X (2), 117th Congress and Rule 5 (F) of the Committee on Financial Services (“Committee”), 117th Congress. The other signers were Chair Brad Sherman of the Subcommittee on Investor Protection, Entrepreneurship, and Capital Markets, Chair Emanuel Cleaver, II of the Subcommittee on Housing, Community Development, and Insurance, Chair Ed Perlmutter of the Subcommittee on Consumer Protection and Financial Institutions, Chair James A. Himes of the Subcommittee on National Security, International Development, and Monetary Policy, Chair Joyce Beatty of the Subcommittee on Diversity and Inclusion, Chair Bill Foster of the Task Force on Artificial Intelligence, and Chair Stephen F. Lynch of the Task Force on Financial Technology.

³ In the letter, “predecessor institution” was defined as being affiliated through merger, acquisition, or other form of absorption.

The responses that the Committee received to this letter showed that only a few of the financial institutions included in the inquiry have conducted a review of their historic involvement in slavery, and that those that have done so, only did so to comply with the City of Chicago’s Business, Corporate and Slavery Era Insurance Ordinance (the “Chicago Ordinance”)⁴ or other similar state and local laws. Only two firms have provided forms of remediation directly connected to their historical involvement with slavery. This memo includes a detailed summary of the responses that the Committee received.

Background on Financial Institutions’ Involvement in Slavery

The witnesses at the June 2022 Subcommittee hearing testified regarding the history of enslaved people as financial investments.⁵ For centuries, the term “chattel” was generally used to describe enslaved people, categorizing them as a uniquely valuable form of property that was essential to the industries that drove the U.S. and world economy.⁶ The value of enslaved people was calculated by financial institutions from birth to death, including for the purposes of obtaining insurance policies on their lives as well as for collateral on loans.⁷ As a result, the economic value of slavery spread beyond plantations and agriculture to banking, finance, and insurance, among other connected industries.⁸ Moreover, financial institutions not only benefited from slavery, but were critical in perpetuating it in the form of providing capital and access to financial markets.⁹ The pervasive nature of the financial instruments associated with slavery and the corresponding economic impacts make it difficult to accurately estimate the overall monetary value of slavery, not only in terms of forced labor at the time, but also the immediate and lasting benefits experienced by businesses across sectors and industries.¹⁰

After slavery was abolished in 1865, the effects of this history, and the systemic racism and oppression that followed, continued to permeate the overall economy and the economic opportunities of Black people. The racial wealth gap is a primary example of the persistence of economic inequality that can be traced directly to slavery.¹¹ Current data show how racial economic inequality extends to home ownership, financial assets, and educational opportunities to this day.¹² Centuries of forced labor, facilitated by the financial industry that stepped in to create products that allow White people to leverage the value of slaves to gain wealth via cruel exploitation, continue to cast a dark shadow on our economy and financial industry to this day.¹³

⁴ Sabrina L. Miller et al., [New Chicago law requires firms to tell slavery links](#), Chicago Tribune (Oct. 03, 2002).

⁵ House Financial Services Committee, [Written Testimony of Dr. Daina Ramey Berry](#), *An Enduring Legacy: The Role of Financial Institutions in the Horrors of Slavery and the Need for Atonement*, 117th Congress (Apr. 5, 2022).

⁶ Chattel is defined as “an item of tangible movable or immovable property.” See Merriam-Webster, “[Chattel](#)” (accessed on Nov. 23, 2022); House Financial Services Committee, [Written Testimony of Dr. Daina Ramey Berry](#), *An Enduring Legacy: The Role of Financial Institutions in the Horrors of Slavery and the Need for Atonement*, 117th Congress (Apr. 5, 2022).

⁷ House Financial Services Committee, [Written Testimony of Dr. Daina Ramey Berry](#), *An Enduring Legacy: The Role of Financial Institutions in the Horrors of Slavery and the Need for Atonement*, 117th Congress (Apr. 5, 2022).

⁸ House Financial Services Committee, [Written Testimony of Dr. Sven Beckert](#), *An Enduring Legacy: The Role of Financial Institutions in the Horrors of Slavery and the Need for Atonement*, 117th Congress (Apr. 5, 2022).

⁹ House Financial Services Committee, [Written Testimony of Dr. Sven Beckert](#), *An Enduring Legacy: The Role of Financial Institutions in the Horrors of Slavery and the Need for Atonement*, 117th Congress (Apr. 5, 2022).

¹⁰ Mark Stelzner and Sven Beckert, [The Contribution of Enslaved Workers to Output and Growth in the Antebellum United States](#), Washington Center for Equitable Growth (Jun. 24, 2021).

¹¹ House Financial Services Committee, [Written Testimony of Dr. William Darity, Jr.](#), *An Enduring Legacy: The Role of Financial Institutions in the Horrors of Slavery and the Need for Atonement*, 117th Congress (Apr. 5, 2022).

¹² House Financial Services Committee, [Written Testimony of Dr. William Darity, Jr.](#), *An Enduring Legacy: The Role of Financial Institutions in the Horrors of Slavery and the Need for Atonement*, 117th Congress (Apr. 5, 2022).

¹³ House Financial Services Committee, [Written Testimony of Nikitra Bailey](#), *An Enduring Legacy: The Role of Financial Institutions in the Horrors of Slavery and the Need for Atonement*, 117th Congress (Apr. 5, 2022).

Banks

Table 1: Summary of Responses from Banks to HFSC Inquiry

Bank:	Review completed?	Year:	Updated review?	Year:	Connection to slavery?	Type of connection:	Findings provided:	Remediation:
Bank of America	Yes	2005	No	N/A	Yes	Loan collateral	Full report	None
BNY Mellon	Yes	2005; 2007	No	N/A	Yes	Loan collateral	Report summaries	None
Capital One	Yes	2017	N/a	N/A	Yes	Loan collateral; possession upon default	Full report	None
Citigroup	Yes	"Early 2000s"	Yes	"Currently"	None found	None found	Chart of predecessors	None
Goldman Sachs	No	N/A	No	N/A	Unknown	Unknown	None	None
JP Morgan Chase	Yes	2005	No	N/A	Yes	Loan collateral; possession upon default	Summary	\$5 million scholarship fund
PNC	Yes	2006	Yes	Unknown	Yes	Loan to slaveholding company	Summary	None
Truist	Yes	Unknown	Yes	2022	Yes	Financing of slavery	Summary	Public acknowledgment
U.S. Bancorp	Yes	2005	Yes	Unknown	Yes	Loan collateral	Report summary, filing and appendices	None
Wells Fargo	Yes [Wachovia]	2005	No	N/A	Yes	Capital; investments; labor; loan to collateral; possession upon default; business dealings	Wachovia report	None

Bank of America

Bank of America stated that in 2005, an independent review was conducted by the Heritage Research Center, Ltd. into the involvement of Bank of America and its predecessor institutions in the practice of slavery. In the review, Heritage Research Center identified 63 predecessor banks that had been chartered prior to 1865 and primarily located where slave ownership was permitted.¹⁴ The report found that one such institution, Bank of the Metropolis in the District of Columbia, accepted a loan request in January 1840 from U.S. Secretary of State John Forsyth for \$10,000 to be secured by 43 enslaved people. Adjusted for inflation, \$10,000 is worth approximately \$294,866 in 2022.¹⁵ However, a subsequent

¹⁴ The report stated that these institutions were not acquired by Bank of America directly but rather acquired by other institutions that were later acquired by Bank of America. The Subcommittee nonetheless considers these to be predecessor institutions to Bank of America.

¹⁵ Based on data from the Federal Reserve Bank of Minneapolis – Federal Reserve Bank of Minneapolis, “[Consumer Price Index, 1800-](#)” (accessed on Nov. 22, 2022).

proposal was accepted with no record of enslaved people as collateral. Also, the Southern Bank of St. Louis and the Boatmen's Savings Institution in St. Louis, MO, secured a mortgage from a Charles McLaran against real and personal property with enslaved people listed among his personal property, but the report stated that no further records evidenced the transaction.

The 2005 review was completed as a requirement of the Chicago Ordinance. Further review has not been completed since that time, including in response to the Committee's inquiry or of any acquisitions subsequent to 2005, which includes LaSalle Bank, U.S. Trust, Countrywide Financial, and Merrill Lynch & Co. Bank of America acquired LaSalle Bank and U.S. Trust in 2008 and Countrywide Financial and Merrill Lynch in 2009. Research by the Committee shows that U.S. Trust was founded in 1853,¹⁶ prior to ratification of the 13th Amendment.

Bank of New York Mellon

BNY Mellon was formed in 2007 when The Bank of New York, established in 1784, merged with Mellon Financial Corporation, established in 1870. In 2005, Mellon Financial Corporation commissioned History Associates, Inc. to conduct research into its historical connections to slavery, and a report was completed in 2006. History Associates found that of 175 predecessor institutions, 24 were founded prior to ratification of the 13th Amendment in December 1865, including one founded in a slave-holding state. It reported that there was no indication of direct involvement in slavery by the predecessor institutions, although senior officers of Farmers Bank of the State of Delaware may have owned slaves individually.

In 2007, History Associates completed a commissioned report for The Bank of New York on its historical connections to slavery. It identified 35 predecessor banks established before 1866. History Associates reported that there was no evidence of a predecessor having ties to the slave trade or goods produced through slavery. However, in one instance a loan was secured by a mortgage that was collateralized by a plantation and enslaved people.

BNY Mellon stated that the above reviews were conducted to comply with local laws, and that no further material review has occurred since the completed merger due to limited U.S. acquisitions after that time, which was indicated by the Subcommittee's review.

Capital One

Capital One stated that in 2017 it commissioned History Associates, Inc. to review its business activity during the slavery era, also in compliance with the Chicago Ordinance. Of the 257 predecessor banks identified to be in existence prior to January 1, 1866, Union Bank of Louisiana was found to have had a connection to chattel slavery by accepting 8,149 enslaved people as collateral for loans and coming into possession of 437 enslaved people. The report included the names of enslaved people owned by Union Bank of Louisiana from its founding in 1832 until the abolition of slavery in 1865. The report also included a list of transactions whereby enslaved people were pledged as collateral for mortgages or loans. Capital One stated that it has not acquired any additional financial institutions since the 2017 report, which is confirmed by the Committee's review.

Citigroup

Citigroup stated that it was originally chartered as the City Bank of New York on June 16, 1812. It provided a multipage chart divided into three sections detailing Citigroup's complex history of mergers, acquisitions, and name changes dating from 1812 to 2011. With regard to a historical connection to slavery, Citigroup responded that inquiries were made "in the early 2000s" into corporate archives, and the review "did not identify evidence of any business dealings or investments that could be discerned as

¹⁶ Michael J. De La Merced, [Bank of America to Acquire U.S. Trust for \\$3.3 Billion](#), The New York Times (Nov. 20, 2006).

involving slavery.”¹⁷ Citigroup did not provide any documentation or material pertaining to this review that occurred approximately 20 years ago. Citigroup also stated that, “in light of new scholarly research,” an updated review is being conducted, but it still failed to provide any information about said review.¹⁸ The Committee requested further information about both the past and current reviews, and nothing was provided.

Goldman Sachs

Goldman Sachs stated that it was founded in 1869 and none of its acquisitions existed prior to 1874. Therefore, Goldman Sachs concluded, “[b]ased on internal records and research and to the best of [its] knowledge,” it had no past involvement in slavery.¹⁹ However, the response went on to state that Goldman Sachs had not conducted any review or audit about its past involvement in slavery. Moreover, Goldman Sachs declined to provide the Committee with basic information about any of its alluded to acquisitions, including those with historical origins in the 1800s.

JPMorgan Chase

JPMorgan stated that it had begun researching this issue in 2003, and an independent report released in 2005 to comply with the Chicago ordinance concluded that two predecessor banks had business connections to slavery. Canal Bank, founded in 1831, and Citizens Bank, founded in 1833, were based in Louisiana and provided banking services to plantations. This included accepting approximately 13,000 enslaved people as collateral for loans as well as taking possession of approximately 1,250 enslaved people upon default on those loans. The report was released in 2005, and JPMorgan has made multiple acquisitions since that time, including Bear Stearns and Washington Mutual in 2008, but no further review has been conducted about the history of these acquired banks’ involvement in slavery.

In 2005, JPMorgan released and publicly apologized for this historical connection to slavery, and it established a \$5 million scholarship fund for Black students in Louisiana. According to the Committee’s analysis, the \$5 million scholarship fund established in 2005 was worth approximately \$247,060.82 in 1833,²⁰ which amounts to approximately \$19 per enslaved person of the 13,000 accepted as collateral for loans and \$197.64 per enslaved person of the 1,250 that were taken into possession. JPMorgan is one of only two financial institutions included in the Committee’s inquiry that took affirmative steps to atone for its historic involvement in slavery.

PNC Financial Services Group

PNC stated that it had commissioned a report by the History Factory in 2005 to investigate its historical ties to slavery.²¹ The review found that 43 predecessor institutions were founded on or before 1865, and none of them were determined to have profited directly from slavery, including by owning enslaved people or accepting them as collateral for loans. PNC stated that this report was completed in 2006, and it has continued this review into new acquisitions. Accordingly, PNC identified 50 more banks founded prior to 1870.²² Among these, National Bank of Kentucky, which was founded in 1834 in Louisville, KY, had profited from slavery, including through a loan of \$135,000 in 1852 to a railroad company that used slave labor. Adjusted for inflation, \$135,000 is worth approximately \$4,776,840 in

¹⁷ Citigroup response to Committee inquiry (Jun. 23, 2022) (on file with Committee).

¹⁸ *Id.*

¹⁹ Goldman Sachs response to Committee inquiry (Jun. 22, 2022) (on file with Committee).

²⁰ Based on data from the Federal Reserve Bank of Minneapolis – Federal Reserve Bank of Minneapolis, “[Consumer Price Index, 1800-](#)” (accessed on Nov. 22, 2022).

²¹ PNC Financial Services Group, Inc. response to Committee inquiry (Jun. 21, 2022) (on file with Committee).

²² By 1870, the last of the Confederacy states had re-entered the Union.

2022.²³ PNC indicated that its reviews have been done to comply with state and local laws, and it did not provide its 2006 report or subsequent review materials to the Committee in response to the inquiry.

Truist Financial Corporation

Truist stated that it had identified over 800 predecessor institutions, 19 of which were chartered before ratification of the 13th Amendment. Five of those institutions had engaged in the financing of slavery, and three had provided financing for the sugar cane, tobacco, or cotton industries, which relied on slave labor. Truist previously acknowledged this history in 2020 and most recently in 2022, when CEO William Rogers, Jr. stated that “we had to acknowledge our history...the benefits our company received...through the efforts of enslaved people is just irrefutable.”²⁴ However, Truist provided no further information or documentation to the Committee regarding any predecessor institutions. Its response stated that it sought to answer the inquiry “with as much specificity as possible,” yet no specifics about the predecessor institutions were provided.²⁵ Moreover, Truist stated that it “ha[s] not undertaken a full historical audit” regarding the matter and “does not currently plan to conduct an additional, separate review or audit.”²⁶

U.S. Bancorp

U.S. Bancorp stated that third-party research was conducted in 2005 regarding its historical connection to slavery. That review identified 542 predecessor institutions, 34 of which were founded before the abolition of slavery in December 1865, and 13 were in states or territories that permitted slavery. U.S. Bancorp stated that this research revealed no indication that the bank had direct involvement in slavery, except for individual founders or directors. However, the response goes on to state that two predecessor banks – Merchants Bank and the Bank of St. Louis, both founded in 1857 – accepted enslaved people as collateral for a loan to Charles McLaran.²⁷ U.S. Bancorp stated that its review was completed to comply with state and local laws, and it has reviewed entities formed or acquired since 2005 with no relevant results. U.S. Bancorp provided the summary, filing, and appendices of the 2005 report, but no material pertaining to subsequent reviews. The review does not appear to capture all of U.S. Bancorp’s history as the Committee’s research identified its predecessors dating from 1836 and multiple acquisitions since 2005.

Wells Fargo

Wells Fargo stated that it was founded in 1852 and an original board member was a known abolitionist. It stated that it acquired Wachovia in 2009, which had commissioned research into, and apologized for, its historical connections to slavery in 2005 in compliance with the Chicago Ordinance,. Among other findings by Wachovia of its predecessor institutions, founders of Bank of North America used profits from the slave trade for the bank’s establishment, and Farmers’ and Mechanics’ Bank invested in a railroad company that used slave labor. Georgia Railroad & Banking Company directly used slave labor, including 162 enslaved people to be purchased and 400 enslaved people used by contractors. “The total valuation of slaves held by the company was assessed in 1842 and 1843 at \$48,925.50.”²⁸ This amount is worth approximately \$1,545,696.33 in 2022.²⁹ Bank of Charleston accepted enslaved people as collateral in at least 24 transactions, took possession of enslaved people upon default on loans, and

²³ Based on data from the Federal Reserve Bank of Minneapolis – Federal Reserve Bank of Minneapolis, “[Consumer Price Index, 1800-](#)” (accessed on Nov. 22, 2022).

²⁴ Truist Financial Corporation response to Committee inquiry (Jun. 24, 2022) (on file with Committee).

²⁵ *Id.*

²⁶ *Id.*

²⁷ The same borrower and loan described by Bank of America on p. 1.

²⁸ Wells Fargo & Company response to Committee Inquiry (Jun. 27, 2022) (on file with Committee).

²⁹ Based on data from the Federal Reserve Bank of Minneapolis – Federal Reserve Bank of Minneapolis, “[Consumer Price Index, 1800-](#)” (accessed on Nov. 22, 2022).

engaged in business and investments with the Confederacy that by 1862 “exceeded \$1.5 million.”³⁰ That amount is worth \$44,230,000 in 2022.³¹

Apart from the Wachovia report, Wells Fargo does not appear to have conducted a review on its own, including since 2005. Wells Fargo noted that it was founded in 1852, and it has made various acquisitions since that time, but it referenced no review or investigation regarding this matter other than Wachovia’s.

Insurance Companies

Table 2: Summary of Responses from Insurance and Insurance Holding Companies to HFSC Inquiry

Company:	Review completed?	Year:	Updated review?	Year:	Connection to slavery?	Type of connection:	Findings provided:	Remediation:
Allstate	Yes	Unknown	No	N/A	None found	None found	List of predecessors	None
Berkshire Hathaway	No	N/A	No	N/A	Unknown	Unknown	None	None
Liberty Mutual	No	N/A	No	N/A	Unknown	Unknown	None	None
MassMutual	No	N/A	No	N/A	Unknown	Unknown	None	None
MetLife	Yes	2000	Yes	2022	None found	None found	Summary	None
Northwestern	Yes	2022	N/A	N/A	None found	None found	Summary	None
New York Life	Yes	2000	No	N/A	Yes	Insurance policies	Summary	Donation of records
Progressive	No	N/A	No	N/A	Unknown	Unknown	List of predecessors	None
Prudential	Yes	Unknown	No	N/A	None found	None found	None	None
State Farm	No	N/A	No	N/A	None found	None found	None	None

Allstate Insurance Company

Allstate stated that it was established in 1942 by Sears Roebuck and Co., which was founded in 1892, and therefore it has no known connection to slavery. They also stated that this was confirmed by a “recent thorough review.”³² However, Allstate did not provide any further information or documentation regarding this review. It did provide a list of 20 acquired institutions and three created institutions, but little additional information was provided other than the years founded or acquired for each entity.

Berkshire Hathaway Group of Insurance Companies

Berkshire Hathaway’s response stated that “Berkshire Hathaway is a holding company and it is not engaged in insurance,” but also that it “owns a number of insurance companies that offer insurance in the

³⁰ Wells Fargo & Company response to Committee Inquiry (Jun. 27, 2022) (on file with Committee).

³¹ Based on data from the Federal Reserve Bank of Minneapolis – Federal Reserve Bank of Minneapolis, “[Consumer Price Index, 1800-](#)” (accessed on Nov. 22, 2022).

³² Allstate Insurance Company response to Committee inquiry (Jun. 24, 2022) (on file with Committee).

United States.”³³ The response states that “none of our U.S. insurance companies existed before 1865... with two minor exceptions.” One of the minor exceptions briefly mentioned by Berkshire Hathaway is the EastGUARD Insurance Company, a mutual fire insurance company at the time of incorporation in Maine in 1827. However, fire insurance companies regularly offered policies on the lives of enslaved people, including because they often engaged in inherently hazardous work.³⁴

Nevertheless, Berkshire Hathaway did not provide, nor had it attempted to collect, any further information about EastGUARD’s historical involvement in slavery. Berkshire Hathaway stated that it “has not conducted, and does not plan to conduct in the future, a review or audit of any insurance activities related to slavery in the United States.”³⁵

Liberty Mutual Insurance Company

Liberty Mutual stated that it was founded in 1912 to provide workers compensation insurance, but three acquisitions that provided property and casualty insurance were established before December 6, 1865. Liberty Mutual responded that no review or audit regarding its past involvement in slavery has been conducted, but it conceded that further research may be needed regarding the business lines of the three acquired entities it noted.

Massachusetts Mutual Life Insurance Company (MassMutual)

MassMutual responded that it has not conducted a review regarding past involvement in slavery, but it nonetheless has no knowledge of providing services to industries related to slavery. MassMutual also claimed uncertainty about the Committee’s definition of the term “predecessor institution,” despite the description provided in item number two of the inquiry. MassMutual originated in 1851 to sell life insurance policies, which were regularly issued for enslaved people, and research indicates that MassMutual expanded throughout the U.S. in the mid-1800s.

MetLife Insurance Company

MetLife stated that it searched internal records in response to the inquiry and that it had conducted similar research in 2000, and it found no connections to slavery or slavery related industries. This was despite its original predecessor being founded in 1863 and a subsequent merger with New England Mutual Life Insurance Company, which was founded in 1835. As part of the research done in 2000, a review of New England Mutual’s history also revealed no connection to slavery. However, MetLife did not provide any documentation of its recent or prior reviews, and it stated that it does not intend to conduct any further audit into the matter.

Northwestern Mutual Life Insurance Company

Northwestern Mutual responded that, although it was originally founded in 1857, its review did not reveal any historical connections to slavery. It responded in detail to the Committee’s inquiry regarding predecessor institutions, specifically acquisitions, and none were founded before 1919. Northwestern Mutual stated that its original business model would not have covered slavery related industries, except perhaps indirectly via the activities of a policyowner. It also stated that it previously conducted a review into the matter but did not specify when. No connection to slavery was revealed from that review,

³³ Berkshire Hathaway Inc. response to Committee inquiry (Jun. 09, 2022) (on file with Committee); Berkshire Hathaway Inc. response to Committee inquiry (Jun. 09, 2022) (on file with Committee); Per the Berkshire Hathaway website, the company has 15 subsidiary insurance companies including Berkshire Hathaway Direct Insurance Company (THREE), Berkshire Hathaway Specialty Insurance, GEICO Auto Insurance, and United States Liability Insurance Group. See Berkshire Hathaway Inc. “[Berkshire Hathaway Inc.](#)” (accessed on Nov. 22, 2022).

³⁴ Encyclopedia Virginia, [Slave Insurance](#) (accessed Nov. 22, 2022).

³⁵ Berkshire Hathaway Inc. response to Committee inquiry (Jun. 09, 2022) (on file with Committee).

including for reasons of geographic limitation and limited product line and coverage. However, Northwestern Mutual declined to provide any documentation of this review to the Committee.

New York Life Insurance Company

New York Life’s response stated that per a legally required review in 2000, it does have a historical connection to slavery. Specifically, the company was originally founded in 1845, and from 1846 to 1848 it insured the lives of 520 enslaved people. It also paid claims on the policies of 15 enslaved people who died, which, adjusted for inflation, was estimated to be \$232,000 in 2016³⁶ and is \$284,563.50 in 2022.³⁷ New York Life stated that in 2002, after learning of this history, it donated its related records to the Schomburg Center for Research in Black Culture, which is part of the New York Public Library, and it is currently working with the Center to digitize the donated records.

Progressive

Progressive stated that it was originally founded in 1937 and that its oldest acquisition, the National Continental Insurance Company, was incorporated in 1897. Therefore, it stated that due to its and its subsidiaries’ founding dates, it had no connection to the slavery related industries of sugar cane, tobacco, and cotton production. However, Progressive also indicated that it would not conduct a review or audit into the matter.

Prudential Financial, Inc.

Prudential stated that it was originally chartered in 1873 and has “not merged [with] or acquired a large number of entities” during its history.³⁸ Therefore, it stated that there is no indication of a historical connection to slavery, and that it does not expect to conduct a review or audit into the matter. However, the Committee’s review found connections to Wachovia, which has documented ties to slavery as explained above, and with Cigna, which was formed by companies founded in 1792 and 1865.

State Farm Insurance

State Farm stated that it was founded in 1922, and its oldest acquisition was founded in 1978. Therefore, it stated that it has no connection to slavery-related industries. The company neither conducted nor does it have plans to conduct any review or audit into its past involvement in slavery. However, the Subcommittee’s research found that in 2020 State Farm partnered with U.S. Bancorp,³⁹ which has a known connection to slavery described above.

Legislation

- **H.R. __**, *to amend the Securities Exchange Act of 1934 to require covered issuers to carry out a racial equity audit every 2 years, and for other purposes*. This bill would require public companies to conduct an independent audit assessing: the issuer’s policies and practices on civil rights, equity, diversity, and inclusion; how such policies and practices affect the issuer’s business; and whether the issuer had direct or indirect ties to or profited from the institution of slavery. Issuers must report assessment findings in its filings and on the company website. To the extent that these institutions did have ties to or benefited from slavery, they would be required to disclose what steps they have taken to reconcile. Additionally, the bill establishes the Offices of Reparations Programs within the Department of the Treasury to administer programs determined appropriate by the Secretary in furtherance of racial equity.

³⁶ Rachel L. Swarns, [Insurance Policies on Slaves: New York Life’s Complicated Past](#), The New York Times (Dec. 18, 2016).

³⁷ Based on data from the Federal Reserve Bank of Minneapolis – Federal Reserve Bank of Minneapolis, “[Consumer Price Index, 1800-](#)” (accessed on Nov. 22, 2022).

³⁸ Prudential Financial, Inc. response to Committee inquiry (Jul. 19, 2022) (on file with Committee).

³⁹ U.S. Bank, [U.S. Bank and State Farm offer customers new business banking products](#) (Oct. 27, 2021).