
EXTENDING TIME FOR MAKING APPLICATION FOR PAYMENT UNDER SETTLEMENT OF WAR CLAIMS ACT OF 1928, AS AMENDED

JUNE 6 (calendar day, JUNE 10), 1933.—Ordered to be printed

Mr. LA FOLLETTE, from the Committee on Finance, submitted the following

R E P O R T

[To accompany H.J.Res. 183]

The Committee on Finance, to whom was referred the resolution (H.J.Res. 183) extending for one year the time within which American claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the Mixed Claims Commission and of the Tripartite Claims Commission, having considered the same, report favorably thereon without amendment and recommend that it do pass.

The joint resolution is reported from the Committee in exactly the same language as it passed the House of Representatives, and the Finance Committee adopted the report of the House Ways and Means Committee, which is herein set out in full:

[House Report No. 201, Seventy-third Congress, first session]

The Committee on Ways and Means, to whom was referred the resolution (H.J.Res. 183) extending for 1 year the time within which American claimants may make application for payment under the Settlement of War Claims Act of 1928, or awards of the Mixed Claims Commission and of the Tripartite Claims Commission, having had the same under consideration, report it back to the House and recommend that the resolution do pass.

The necessity for the legislation is explained in the following letter from Hon. William H. Woodin, Secretary of the Treasury, to the Speaker of the House of Representatives:

TREASURY DEPARTMENT,
Washington, D.C., May 8, 1933.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for consideration by the Congress a draft of a proposed joint resolution to amend the Settlement of War Claims Act of 1928 for the purpose of extending for one additional year from March 10, 1933, the time within which American nationals who have obtained awards from the Mixed Claims Commission, United States and Germany, or from the Tripar-

tite Claims Commission, United States, Austria and Hungary, may make application to the Treasury for the payment of such awards.

The Settlement of War Claims Act of 1928 originally required that an application for the payment of such awards be made within 2 years from the date of the enactment of that act (Mar. 10, 1928). However, in view of the fact that some awards were not entered in time and that funds were not made available as required, to permit claimants to file application within the period specified, the act has been amended from time to time so as to extend the time within which applications may be filed. The last extension expired March 10, 1933.

The Treasury holds 40 awards entered by the Mixed Claims Commission, United States and Germany, which have been certified for payment, amounting to approximately \$233,000, including both principal and interest up to September 30, 1932; 3 awards entered by the Tripartite Claims Commission in favor of American nationals against the Government of Austria in the amount of approximately \$700; and 350 awards entered by the Tripartite Claims Commission in favor of American nationals against the Government of Hungary in the amount of approximately \$215,000. It is understood that there are pending before the Mixed Claims Commission 16 claims in the amount of approximately \$2,000,000, on account of which awards will in all probability be entered. The claimants holding awards entered by the Tripartite Claims Commission against Hungary and those who may receive awards on account of claims still pending before the Mixed Claims Commission, have had no opportunity to file application for payment and there is no authority now under which such applications may be received.

The claimants who have received awards from the Mixed Claims Commission and who have not filed application for payment have had ample opportunity to file such applications, but for various reasons they have not done so. The claimants whose claims are still pending before the Mixed Claims Commission have not, of course, had an opportunity to file applications within the time fixed by the act. Any awards entered on their behalf will be entered after the expiration of the time fixed by Congress, and it will be necessary, therefore, to grant additional time to allow these claimants to file their applications for payment. In view of the fact that it is necessary to extend the time for filing applications for the last-mentioned class of claimants, there does not seem to be any justification for excluding the first-mentioned class.

While practically all of the awards entered in favor of American nationals against Austria by the Tripartite Claims Commission have been paid in full, the awards entered by that Commission against the Government of Hungary have not yet been certified to the Treasury for payment because of the provisions of the Settlement of War Claims Act of 1928, which require the commissioner at the time such awards are certified to the Treasury for payment to certify that the funds deposited by Hungary in the Hungarian special deposit account are sufficient to pay such awards. In view of the fact that it is necessary to extend the time within which application for payment of awards against Hungary may be filed, I believe such extension should also cover the few cases remaining against Austria.

The Treasury has received from the Government of Hungary the sum of \$8,250 in partial satisfaction of the awards entered against that Government; but that Government, for various reasons, has not been in a position to make payment of the balance due amounting to over \$200,000, including interest. It now appears that there is a possibility of the balance of the amount required being paid to the Treasury in the course of the next few months. If arrangements with the Government of Hungary for payment of the amount due are completed, the Treasury would like to make prompt disbursement to the claimants. In order to be in a position to do this, it will be necessary to extend the time within which application may be filed.

As soon as the required funds are received for account of the awards entered against the Hungarian Government, the Treasury will also be in a position to make payment of the awards entered by the war claims arbiter in favor of Hungarian nationals against the United States Government for patents seized and used during the war. The Settlement of War Claims Act prohibits the payment of these last-mentioned awards until the Government of Hungary has deposited sufficient funds to liquidate the awards entered against it.

I recommend, therefore, that the proposed legislation be given favorable consideration at this session of Congress, in order that payment may be made promptly upon receipt of applications. I might add that these payments are

all made out of trust funds and do not represent the expenditure of public funds and are not, therefore, a charge against the Budget.

Respectfully,

W. H. WOODIN,
Secretary of the Treasury.

The following letter from Hon. James H. Douglas, Acting Secretary of the Treasury, shows the amounts involved in connection with the awards entered against Hungary by the Tripartite Claims Commission in favor of American nationals and the awards entered by the war claims arbiter in favor of Hungarian nationals:

TREASURY DEPARTMENT,
Washington, June 5, 1933.

Hon. ROBERT L. DOUGHTON,
*Chairman Ways and Means Committee,
House of Representatives, Washington, D.C.*

MY DEAR MR. CHAIRMAN: In compliance with a request of the clerk of your committee, information is set out below concerning the amount payable to the United States on account of the awards entered against Hungary by the Tripartite Claims Commission in favor of American nationals, and the amount payable by the United States to Hungarian nationals on account of the awards entered by the war claims arbiter.

The awards entered by the Tripartite Claims Commission in favor of American nationals against the Government of Hungary amounted, with interest up to October 15, 1929, to approximately \$173,000. The amount due today would approximate \$200,000.

The awards entered by the war claims arbiter in favor of Hungarian nationals against the United States Government amount to \$53,799.56, including interest up to December 31, 1928. This sum bears interest at the rate of 5 percent per annum from December 31, 1928, which amounts to approximately \$14,000 up to the present time, making a total due on this account of about \$68,000.

Very truly yours,

JAMES H. DOUGLAS,
Acting Secretary of the Treasury.

CHANGES IN EXISTING LAW

The changes proposed by the resolution to section 2 (g) and section 5 (f) of the Settlement of War Claims Act of 1928, as amended, are as follows:

(g) No payment shall be made under this section unless application therefor is made, within ~~five years~~ *six years* after the date of the enactment of this act, in accordance with such regulations as the Secretary of the Treasury may prescribe.

(f) No payment shall be made under this section (other than payments to the United States in respect of claims of the United States on its own behalf) unless application therefor is made within ~~five years~~ *six years* after the date of the enactment of this act in accordance with such regulations as the Secretary of the Treasury may prescribe.

