

# Calendar No. 1418

75TH CONGRESS }  
3d Session }

SENATE

} REPORT  
} No. 1365

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## EXTENDING TIME WITHIN WHICH AMERICAN AND HUNGARIAN CLAIMANTS MAY APPLY FOR PAYMENT UNDER WAR CLAIMS ACT OF 1928

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JANUARY 5 (calendar day, FEBRUARY 11), 1938.—Ordered to be printed

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Mr. HARRISON, from the Committee on Finance, submitted the following

### REPORT

[To accompany S. J. Res. 253]

The Committee on Finance, to whom was referred the joint resolution (S. J. Res. 253) extending for 2 years 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 the Tripartite Claims Commission, and extending until March 10, 1940, the time within which Hungarian claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the War Claims Arbiter, having considered the same, report favorably thereon without amendment and recommend that the joint resolution do pass.

The necessity for this legislation is fully explained in the attached letter from the Acting Secretary of the Treasury to the President of the Senate.

As indicated in the Acting Secretary's letter, this legislation is recommended by the Treasury Department in order that payments may be made to claimants promptly upon receipt of their applications. The payments are all made out of trust funds and do not represent an expenditure from public funds and are not a charge against the Budget.

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TREASURY DEPARTMENT,  
Washington, January 25, 1938.

The PRESIDENT,  
United States Senate.

SIR: I have the honor to transmit herewith for consideration by the Congress, draft of a proposed joint resolution to amend the Settlement of War Claims Act of 1928 for the purpose of extending for 2 additional years the time within which

American nationals who have obtained awards from the Mixed Claims Commission, United States and Germany, or the Tripartite Claims Commission, Austria and Hungary, and the Hungarian nationals who have obtained awards from the War Claims Arbiter, may make application to the Treasury for the payment of such awards. It is not necessary to include any reference to the Austrian nationals who obtained awards from the War Claims Arbiter, as these claimants have been paid in full.

The Settlement of War Claims Act of 1928, approved March 10, 1928, originally required that applications for payment of awards entered by the Mixed Claims Commission and the Tripartite Claims Commission, be made within a period of 2 years after the date of the enactment of that act. However, in view of the fact that some of the awards were not entered by the Mixed Claims Commission in time to permit claimants to file applications within the period specified, and as funds were not available as required to pay all the awards entered by the Tripartite Claims Commission until late in 1933, the act has been amended on five previous occasions so as to extend the time within which such applications may be filed. Under Public Resolution No. 136, Seventy-fourth Congress, approved June 26, 1936, the time within which these applications may be filed will expire on March 10, 1938. With respect to the awards entered by the War Claims Arbiter, the act required applications to be filed within a period of 2 years from the date when the awards were finally certified by the Arbiter to the Treasury for payment. The time, as extended, for filing applications for payment of these awards also will expire on March 10, 1938.

At the present time the Treasury holds 34 awards entered by the Mixed Claims Commission which have been certified for payment, amounting to approximately \$56,000; 50 awards entered by the Tripartite Claims Commission in favor of American nationals against the Governments of Austria and Hungary, in the amount of approximately \$7,400; and 1 award entered by the War Claims Arbiter in favor of a Hungarian national against the United States in the amount of \$137, for which the Treasury has received no application. It is also understood that there are now pending before the Mixed Claims Commission one claim of approximately \$600,000 on account of which no award has yet been entered, and about 153 additional claims which are known as the sabotage claims, amounting to approximately \$22,000,000, exclusive of interest, on account of which awards may be entered by the Commission. In the event the Mixed Claims Commission should make awards in favor of these claimants, whose claims are still pending, there would be no authority for the Treasury to accept applications for payment on account of such awards after March 10, 1938, unless existing law is amended to extend the time within which such applications can be filed.

In view of the short time remaining during which applications for payment of awards may be filed under the Settlement of War Claims Act of 1928, as amended, the claimants whose claims are still pending before the Mixed Claims Commission, even though such awards may be entered prior to March 10, 1938, will not have sufficient opportunity to file applications within the time fixed by the act. Any awards which are entered in their behalf will probably be entered after the expiration of the time fixed by Congress for the submission of applications for payment thereof. In view of this situation it will be necessary, therefore, to grant additional time to allow these claimants to file their applications for payment. Inasmuch as it will be necessary to extend the time for filing applications by the above-mentioned claimants, it would appear that any provisions extending the time for filing applications should also apply to the other classes of claimants.

While the claimants who have already received awards from the Mixed Claims Commission, the War Claims Arbiter, and the Tripartite Claims Commission have had ample opportunity to file applications for payment thereof, some of them, for various reasons, have not done so. Many of these claimants have not been located by the Treasury and apparently, in some cases, they do not even have knowledge that an award has been entered in their behalf. The amount of each individual award involved is relatively small, but, no doubt, the majority are in favor of persons of limited resources. If the time for filing applications for payment is extended, the Treasury will be in a position to continue payments to claimants whose applications it may receive. During the past 2 years the Treasury has paid six claims amounting to approximately \$3,800.

I recommend, therefore, that the proposed legislation be given favorable consideration at this session of Congress in order that payments may be made to

claimants promptly upon receipt of their applications. If Congress does not take action at this session and additional awards are entered by the Mixed Claims Commission, the claimants will be deprived of their funds until Congress acts to extend the time within which applications may be filed. Your attention is called to the fact that these payments are all made out of trust funds and do not represent an expenditure from public funds and are not, therefore, a charge against the Budget.

A similar recommendation has been submitted to the Speaker of the House of Representatives.

Very truly yours,

WAYNE C. TAYLOR,  
*Acting Secretary of the Treasury.*

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