

For the most part, this bill would update the International Claims Settlement Act of 1949, as amended, in light of the recent claims agreements which have been concluded between the United States and the Governments of Bulgaria, Rumania and Yugoslavia. To a limited extent, it would reopen the Italian claims program as provided under Title III of the Act.

The bill, H.R. 9063, differs from S. 1935 in the 89th Congress in that no proposals are made with respect to the administration of the Polish claims program. The reason for this omission is that the Polish program, under the Polish Claims Agreement of July 16, 1960, was administered by the Commission pursuant to the provisions of Title I of the International Claims Settlement Act of 1949, as amended, from its inception on September 1, 1960, until its completion on March 31, 1966. Consequently, there is no longer any necessity for statutory amendments relating to this program. Paragraph 5 of the proposed bill would, however, affect future pro rated payments to the avardees of the Polish program. The simplified order of priorities for payment of awards, as proposed under paragraph 5 of the bill, would apply to award payments from sums covered into the Polish Claims Fund subsequent to the date of enactment of such proposal.

PROVISIONS FOR ATTORNEYS FEES

A proposal is made under the bill to amend subsection (f) of section 4 which would have the effect of relieving the Commission of the burden of determining attorneys' fees. It would thereby make Title I consistent with the attorney fee provisions of Titles III and IV of the Act.

Section 4(f) presently provides for a limitation on attorneys' fees of 10% of any payment on an award made by the Commission but authorizes the Commission to set the amount of such fee within the 10% limitation. Further provision is made for deduction by the Secretary of the Treasury of the amount of the fee and for payment directly to the attorney. Titles III and IV of the Act simplify this procedure by authorizing a flat 10% fee and leaves the settlement to the attorney and client.

DEDUCTION OF FIVE PERCENT

An amendment is also proposed to change the existing procedures under section 7(b) which presently provides for a direct deduction of 5% of any payment made on an award. This procedure was changed under Titles III and IV by providing for a direct deduction of 5% from each deposit into the respective funds thus eliminating an extensive administrative burden for the Treasury Department.

H.R. 9063 proposes to incorporate the provisions comparable to those of Title IV to apply (1) to future payments received from the Polish Government under the terms of the Polish Claims Agreement of July 16, 1960, which payments are to be completed in 1980; (2) to payments into the fund contemplated by the new Yugoslav Claims Agreement of November 5, 1964, which calls for five annual payments of \$700,000 to be completed in 1970; and (3) to payments into any other similar funds which may be established in the future.

PAYMENT TO LEGAL REPRESENTATIVES

The bill further provides for an amendment to paragraph (1) of subsection (c) of section 7 of Title I which deals with payments to a legal representative where the person to whom any payment is made is deceased or is under a legal disability. This section presently provides that where the award does not exceed \$500 requirements with respect to the appointment of a qualified executor or administrator are waived and payment may be made to the person or persons found by the Comptroller General to be entitled thereto. This amendment raises the limit from an award not in excess of \$500 to any payment not in excess of \$1,000. A similar change was made regarding claims under Title IV of the Act against the Government of Czechoslovakia.

PRO RATA PAYMENT ON AWARDS

Unlike the Yugoslav Agreement of 1948, whereby the lump-sum settlement consisted of a single payment, subsequent claims agreements have provided for payments in installments. Therefore, the present provisions of section 8(b), which deal with payment priorities, were geared to the Yugoslav settlement. They provide for additional payments up to 25 per centum of the unpaid principal of