

extension to the date recommended by the Senate; that is, until March 31, 1968. This would extend the claims proof period for approximately 9 months.

The extended claims proof period recommended by the Brooklyn Jewish Community Council and embodied in the amendment submitted herewith would not place any burden upon taxpayers. The reason for this is that section 7(b) of the International Claims Settlement Act provides for a 5-percent deduction from each deposit made by a foreign government for compensation of American claimants. These 5-percent deductions are used to reimburse the U.S. Government for expenses incurred by the Foreign Claims Settlement Commission and the Treasury Department in administering the claims programs.

Andrew T. McGuire, Esq., General Counsel of the Foreign Claims Settlement Commission, testified on August 9, 1966, that the aggregate deductions paid over to the U.S. Government had exceeded the costs of administering the claims programs.

(Hearing before the Subcommittee on Europe, Committee on Foreign Affairs, House of Representatives, 89th Cong., 2d sess., on S. 1935, p. 31, cited hereinafter as "hearings.")

In August of 1966, the Foreign Claims Settlement Commission, the Treasury Department, and the Department of State objected to an extension of the Polish claims program (hearings, pp. 4-7).

Their objections, listed below are all, it is respectfully submitted, of minor importance. These are the "objections":

(a) The executive branch contends that an extension of the program "would entail additional costs of administration to the U.S. Government" and would require additional appropriations by Congress.

However, it is pointed out in paragraph 13 of the memorandum that the Foreign Claims Settlement Commission has conceded that the claims programs are self-supporting (hearings, p. 31). The only additional appropriation which Congress would have to make would be to authorize the expenditure of funds, which are already in the Treasury, having been received from foreign governments and which have been earmarked for the administration of the claims programs.

(b) The executive branch contends that the Polish claims fund will eventually consist of only \$40 million and that the size of the presently allowed awards is such that these claimants will receive only approximately 42 cents on the dollar.

However, it would appear the important objective is to afford all claimants a reasonable opportunity to secure proofs for their claims, rather than to prefer those who, through good fortune, have been able to establish their claims most quickly.

It is not suggested that permission be given to file additional claims, but only that the claimants be given an additional period of 9 months within which to submit further proofs of their claims. It is believed that at most an additional \$10 million of claims might be proven in fact if the 9-month grace period was established and that the percentage of distributions would be decreased to not less than 35 percent of the principal amount of the allowed awards.

(c) The executive branch stated that to establish a grace period would cause a delay "for a considerable period of time in making prorated payments to the present awardees."

This is simply not true. Andrew T. McGuire, Esq., General Counsel to the Foreign Claims Settlement Commission, has stated that full