

Union Calendar No. 221

103D CONGRESS
1ST SESSION

H. R. 3221

[Report No. 103-396]

A BILL

To provide for the adjudication of certain claims
against the Government of Iraq.

NOVEMBER 20, 1993

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

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IN THE HOUSE OF REPRESENTATIVES

OCTOBER 6, 1993

Mr. HAMILTON introduced the following bill; which was referred to the Committee on Foreign Affairs

NOVEMBER 20, 1993

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[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on October 6, 1993]

A BILL

To provide for the adjudication of certain claims against the Government of Iraq.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the "Iraq Claims Act of*
5 *1993".*

1 **SEC. 2. ADJUDICATION OF CLAIMS.**

2 (a) *CERTAIN CLAIMS WITHIN THE JURISDICTION OF*
3 *UN COMMISSION.*—*The United States Commission is au-*
4 *thorized to receive and determine the validity and amounts*
5 *of any claims referred to it by the Secretary of State with*
6 *respect to which the United States has received lump-sum*
7 *payments from the United Nations Commission.*

8 (b) *OTHER CLAIMS AGAINST IRAQ.*—*The United*
9 *States Commission is authorized to receive and determine*
10 *the validity and amounts of any claims by nationals of the*
11 *United States against the Government of Iraq that are de-*
12 *termined by the Secretary of State to be outside the jurisdic-*
13 *tion of the United Nations Commission.*

14 (c) *DECISION RULES.*—*In deciding claims under sub-*
15 *section (a) or (b), the United States Commission shall*
16 *apply, in the following order—*

17 (1) *in the case of claims under subsection (a),*
18 *relevant decisions of the United Nations Security*
19 *Council and the United Nations Commission;*

20 (2) *applicable substantive law, including inter-*
21 *national law; and*

22 (3) *applicable principles of justice and equity.*

23 (d) *PRIORITY CLAIMS.*—*Before deciding any other*
24 *claim against the Government of Iraq, the United States*
25 *Commission shall, to the extent practical, decide all pending*
26 *non-commercial claims of members of the United States*

1 *Armed Forces and other individuals arising out of Iraq's*
2 *invasion and occupation of Kuwait or out of the 1987 at-*
3 *tack on the USS Stark.*

4 (e) *APPLICABILITY OF INTERNATIONAL CLAIMS SET-*
5 *TLEMENT ACT.*—*To the extent they are not inconsistent*
6 *with the provisions of this Act, the provisions of title I*
7 *(other than section 2(c)) and title VII of the International*
8 *Claims Settlement Act of 1949 (22 U.S.C. 1621–1627 and*
9 *1645–1645o) shall apply with respect to claims under this*
10 *Act and the funds established pursuant to sections 3(a) and*
11 *3(c).*

12 **SEC. 3. CLAIMS FUNDS.**

13 (a) *UN COMMISSION CLAIMS FUNDS.*—*The Secretary*
14 *of the Treasury is authorized to establish in the Treasury*
15 *of the United States one or more funds (hereinafter in this*
16 *Act referred to as the “UN Commission Claims Funds”)*
17 *for payment of claims under section 2(a). The Secretary*
18 *of the Treasury shall cover into the UN Commission Claims*
19 *Funds such amounts as are allocated to such funds pursu-*
20 *ant to subsection (b)(1).*

21 (b) *ALLOCATION OF FUNDS RECEIVED FROM UN COM-*
22 *MISSION.*—*The Secretary of State shall allocate funds re-*
23 *ceived by the United States from the United Nations Com-*
24 *mission, in the manner the Secretary determines appro-*
25 *priate, between—*

1 (1) *the UN Commission Claims Funds; and*

2 (2) *funds established under the authority of the*
3 *paragraphs under the heading “TRUST FUNDS” in*
4 *the Act entitled “An Act making appropriations for*
5 *the diplomatic and consular service for the fiscal year*
6 *ending June thirtieth, eighteen hundred and ninety-*
7 *seven”, approved February 26, 1896 (22 U.S.C.*
8 *2668a).*

9 (c) *IRAQ CLAIMS FUND.—The Secretary of the Treas-*
10 *ury is authorized to establish in the Treasury of the United*
11 *States a fund (hereinafter in this Act referred to as the*
12 *“Iraq Claims Fund”) for payment of claims under section*
13 *2(b). The Secretary of the Treasury shall cover into the Iraq*
14 *Claims Fund such amounts as are allocated to such fund*
15 *pursuant to subsection (d).*

16 (d) *ALLOCATION OF PROCEEDS FROM IRAQI ASSET*
17 *LIQUIDATION.—*

18 (1) *IN GENERAL.—The President shall allocate*
19 *funds resulting from the liquidation of assets pursu-*
20 *ant to section 4 in the manner the President deter-*
21 *mines appropriate between the Iraq Claims Fund and*
22 *such other accounts as are appropriate for the pay-*
23 *ment of claims of the United States Government, sub-*
24 *ject to the limitation in paragraph (2).*

1 (2) *LIMITATION.*—*The amount allocated pursu-*
2 *ant to this subsection for payment of claims of the*
3 *United States Government may not exceed the*
4 *amount which bears the same relation to the amount*
5 *allocated to the Iraq Claims Fund pursuant to this*
6 *subsection as the sum of all certified claims of the*
7 *United States Government bears to the sum of all*
8 *claims certified under section 2(b). As used in this*
9 *paragraph, the term “certified claims of the United*
10 *States Government” means those claims of the United*
11 *States Government which are determined by the Sec-*
12 *retary of State to be outside the jurisdiction of the*
13 *United Nations Commission and which are deter-*
14 *mined to be valid, and whose amount has been cer-*
15 *tified, under such procedures as the President may es-*
16 *tablish.*

17 **SEC. 4. AUTHORITY TO VEST IRAQI ASSETS.**

18 *The President is authorized to vest and liquidate as*
19 *much of the assets of the Government of Iraq in the United*
20 *States that have been blocked pursuant to the International*
21 *Emergency Economic Powers Act (50 U.S.C. 1701 et seq.)*
22 *as may be necessary to satisfy claims under section 2(b),*
23 *as well as claims of the United States Government against*
24 *Iraq which are determined by the Secretary of State to be*
25 *outside the jurisdiction of the United Nations Commission.*

1 **SEC. 5. REIMBURSEMENT FOR EXPENSES OF PROGRAM AD-**
2 **MINISTRATION.**

3 (a) *DEDUCTION.*—In order to reimburse the United
4 States Government for its expenses in administering the
5 Iraq claims program and this Act, the Secretary of the
6 Treasury shall deduct—

7 (1) 1.5 percent of any amount covered into the
8 UN Commission Claims Funds or the Iraq Claims
9 Fund; and

10 (2) 1.5 percent of any amount the Secretary of
11 State receives from the United Nations Commission
12 that is not covered into the UN Commission Claims
13 Funds and that is not in payment of a claim of the
14 United States Government.

15 (b) *DEDUCTIONS TREATED AS MISCELLANEOUS RE-*
16 *CEIPTS.*—Amounts deducted pursuant to subsection (a)
17 shall be deposited in the Treasury of the United States as
18 miscellaneous receipts.

19 **SEC. 6. PAYMENTS.**

20 (a) *IN GENERAL.*—The United States Commission
21 shall certify to the Secretary of the Treasury each award
22 made pursuant to section 2. The Secretary of the Treasury
23 shall make payment, out of the appropriate fund established
24 pursuant to section 3(a) or 3(c), in the following order of
25 priority to the extent funds are available in such fund:

1 (1) *Payment of \$10,000 or the principal amount*
2 *of the award, whichever is less.*

3 (2) *For each claim that has priority under sec-*
4 *tion 2(d), payment of a further \$90,000 toward the*
5 *unpaid balance of the principal amount of the award.*

6 (3) *Payments from time to time in ratable pro-*
7 *portions on account of the unpaid balance of the*
8 *principal amounts of all awards according to the pro-*
9 *portions which the unpaid balance of such awards*
10 *bear to the total amount in the appropriate claims*
11 *fund that is available for distribution at the time*
12 *such payments are made.*

13 (4) *After payment has been made of the prin-*
14 *cipal amounts of all such awards, pro rata payments*
15 *on account of accrued interest on such awards as bear*
16 *interest.*

17 (5) *After payment has been made in full of all*
18 *the awards payable out of a fund established pursu-*
19 *ant to section 3(a) or 3(c), any funds remaining in*
20 *that fund shall be transferred to the other claims fund*
21 *established pursuant to section 3(a) or 3(c), except*
22 *that any funds received by the United States from the*
23 *United Nations Commission shall be so transferred*
24 *only to the extent not inconsistent with requirements*
25 *of the United Nations Commission.*

1 (b) *PUBLICATION OF NOTICE.*—

2 (1) *IN GENERAL.*—At the end of the 9-year pe-
3 riod specified in paragraph (2), the Secretary of the
4 Treasury shall publish a notice in the Federal Reg-
5 ister detailing the statute of limitations provided for
6 in subsection (a) and identifying the claim numbers
7 and awardee names of unpaid certified claims.

8 (2) *PUBLICATION DATE.*—The notice required by
9 paragraph (1) shall be published 9 years after the lat-
10 ter of—

11 (A) the last date on which the Secretary of
12 the Treasury covers into any of the UN Commis-
13 sion Claims Funds, or into any fund described
14 in section 3(b)(2), amounts allocated to that
15 fund pursuant to section 3(b); or

16 (B) the last date on which the Secretary of
17 the Treasury covers into the Iraq Claims Fund
18 amounts allocated to that fund pursuant to sec-
19 tion 3(d).

20 (c) *DISPOSITION OF UNUSED FUNDS.*—

21 (1) *DISPOSITION.*—At the end of the 2-year pe-
22 riod beginning on the publication date of the notice
23 required by subsection (b), the Secretary of the Treas-
24 ury shall dispose of all unused funds described in
25 paragraph (2) as follows:

1 (A) *By making additional payments pursu-*
2 *ant to the Iraq claims program.*

3 (B) *By depositing in the Treasury of the*
4 *United States as miscellaneous receipts any such*
5 *funds that are not used for such additional pay-*
6 *ments.*

7 (2) *UNUSED FUNDS.—The unused funds referred*
8 *to in paragraph (1) are—*

9 (A) *any remaining balance in the UN Com-*
10 *mission Claims Funds or in the Iraq Claims*
11 *Fund, including the amount of any unpaid cer-*
12 *tified claim under the Iraq claims program; and*

13 (B) *any remaining balance in any fund re-*
14 *ferred to in section 3(b)(2) to the extent such bal-*
15 *ance reflects amounts deposited pursuant to that*
16 *section.*

17 **SEC. 9. DEFINITIONS.**

18 *As used in this Act—*

19 (1) *the term “Government of Iraq” includes*
20 *agencies, instrumentalities, and controlled entities*
21 *(including public sector enterprises) of that govern-*
22 *ment;*

23 (2) *the term “Executive agency” has the mean-*
24 *ing given that term by section 105 of title 5, United*
25 *States Code;*

1 (3) the term “Iraq claims program” means the
2 claims whose adjudication is provided for in this Act
3 and any other claims that are within the jurisdiction
4 of the United Nations Commission;

5 (4) the term “United Nations Commission”
6 means the United Nations Compensation Commission
7 established pursuant to United Nations Security
8 Council Resolution 687 (1991); and

9 (5) the term “United States Commission” means
10 the Foreign Claims Settlement Commission of the
11 United States.

12 **SEC. 10. ADMISSION TO THE UNITED STATES AS REFUGEES**
13 **OF INDIVIDUALS WHO SERVED IN THE ARMED**
14 **FORCES OF IRAQ DURING THE PERSIAN GULF**
15 **CONFLICT.**

16 (a) *STATEMENT OF POLICY.*—It is the sense of the Con-
17 gress that individuals who have served in the armed forces
18 of Iraq during the Persian Gulf conflict should not be ad-
19 mitted to the United States as refugees under the Immigra-
20 tion and Nationality Act except in exceptional cir-
21 cumstances until all claims certified under section 2(b) of
22 this Act have been paid in full.

23 (b) *PERSIAN GULF CONFLICT DEFINED.*—For pur-
24 poses of this section, the term “Persian Gulf conflict” means

1 *the period beginning on August 2, 1990, and ending on Feb-*
2 *ruary 27, 1991.*