## FOREIGN CLAIMS SETTLEMENT COMMISSION OF THE UNITED STATES WASHINGTON, D.C.

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In the Matter of the Claim of

SIMON LUSETICH

P.O. Box 234, East Pittsburgh, Pennsylvania Docket No. Y-1029

Decision No. 1083

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9/13/54

Under the Yugoslav Claims Agreement of 1948 and the International Claims Settlement Act of 1949

Counsel for Claimant:

PAUL NEUBERGER, Esq. 551 Fifth Avenue, New York 17, New York

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FINAL DECISION

Thirty days, or such extended time as may have been granted by the Commission, having elapsed since the Claimant(s) herein and the Government of Yugoslavia were notified of the Proposed Decision of the Commission on the above Claim, and no objections thereto or notice of intention to file brief or request for hearing having been filed, or, if filed, no further evidence or other representations having been offered persuant to the opportunity duly afforded therefor, such Proposed Decision is hereby adopted as the Commission's final decision on this Claim.

Done at Washington, D. C. SEP 1 5 1954

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PAUL NEUBERGER

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## PROPOSED DECISION OF THE COMMISSION

This is a claim for \$15,000 plus interest by Simon Lusetich, a citizen of the United States since his naturalization in the United States
on May 25, 1927, and is for the taking by the Government of Yugoslavia of
a house, tavern, and land with an area of 1\frac{1}{2} acres, located at Zamet
No. 237, in Fiume, Yugoslavia, and recorded under Docket No. 517 of
the Cadastral District of Zamet.

The Commission finds it established by certified extracts from the Land Register of the County Court of Rijeka (Docket Nos. 517 and 727, Cadastral District of Zamet) dated January 14, 1953, filed by the Government of Yugoslavia, and admissions of that Government that claimant owns a one-half interest in one parcel of land with a total area of 80 square meters; and is the sole owner of 2 parcels of land with a total area of 10 ares and 425 square meters with a house on one of the parcels.

Claimant has filed no evidence of taking.

The Government of Yugoslavia and this Commission's own investigator in Yugoslavia report that all of the property owned by claimant is managed by Mrs. Maria Kuhar of No. 6 Losinjska Street in Rijeka, as

for

agent of the claimant. This Commission's investigator also reported that Mrs. Kuhar has managed the property for several years as the agent of the claimant; that the house is presently occupied by two families whose members state that they have been paying rent to Mrs. Kuhar in her capacity as agent for the claimant. The land register extracts show that the property still stands recorded in the name of Simon Lusetich. The position of the Government of Yugoslavia is that although the record owner has acquired United States citizenship he has not lost Yugoslav citizenship; that the property is, therefore, exempt from nationalization; that no restrictive measures have been applied to it; and that it may be sold or otherwise disposed of in the same way as the property of any citizen of Yugoslavia.

The Government of Yugoslavia in its nationalization program enacted two nationalization laws. The first, the Nationalization Law of December 5, 1946 (Official Gazette No. 98, December 6, 1946), nationalized 42 kinds of "economic enterprises of general, national and republican importance", and did not include agricultural property such as that claimed herein.

The second law, the Nationalization Law of April 28, 1948 (Official Gazette No. 35, April 29, 1948), nationalized additional kinds of "economic enterprises" and certain real property, including "all real property owned by foreign citizens," with certain stated exceptions not here applicable, and authorized the Ministry of Justice to "issue the necessary instructions for the transfer to the State of nationalized real property." Instructions issued on June 23, 1948, pursuant to such authority, contain the following definition of "foreign citizens" (Official Gazette No. 53, June 23, 1948):

"IX. Our emigrants who have acquired foreign citizenship but who have not obtained a release from our citizenship, and who have neither a decree from the Ministry of the Interior stating that they have lost their citizenship nor that their citizenship was revoked, are not considered foreign citizens. Therefore the real property of such persons is not nationalized, regardless of the class of property and regardless of whether they are farmers or not."

Thus it appears that the Nationalization Law of April 28, 1948, as construed by the Ministry of Justice of Yugoslavia under authority conferred in the Act itself, is not applied by the Government of Yugoslavia as a taking of property of "foreign citizens" if such citizens have not lost Yugoslav citizenship. Apparently the claimant Simon Lusetich has been held to be within that category, and in the absence of actual interference with the property, of which there is no evidence, he is not eligible to receive an award under the Yugoslav Claims Agreement of 1948.

For the foregoing reasons the claim is denied.

Dated at Washington, D. C.

JUL 30 1954