

FOREIGN CLAIMS SETTLEMENT COMMISSION
U.S. Department of Justice

FY 2027 PERFORMANCE BUDGET

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I. Overview for the Foreign Claims Settlement Commission

1. Introduction

To support its mission, the Foreign Claims Settlement Commission (Commission) requests a total of \$2,512,000, 11 permanent positions, and 8 full-time equivalents (FTE).

The Commission is a small, independent, quasi-judicial agency organized for administrative purposes within the Department of Justice that has a high profile and important mission in FY 2027: distribute to U.S. victims of international terrorism monies paid to the United States by foreign governments. Currently, the Commission continues to adjudicate claims under the International Claims Settlement Act of 1949, as amended, and the 1995 United States-Albanian claims settlement agreement (Albanian Settlement), to compensate US nationals for the taking of their property in Albania after World War II. Further, the Commission is acting as Special Master under Title III of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996. Title III authorizes U.S. nationals whose property in Cuba was confiscated by the Castro regime to bring federal court actions against foreign entities “trafficking” in those properties. Under this Title, the United States District Courts are authorized to appoint the Commission as Special Master to make determinations on issues such as ownership and valuation of property for use in court actions. In FY 2027, the Commission expects to continue to adjudicate claims under the Albanian Settlement and continue its activities as Special Master under the LIBERTAD Act of 1996. In addition, depending on the movement of events internationally, other similar programs can be anticipated.

The Commission consists of a Chairman and two parttime Commissioners, who are appointed by the President and confirmed by the Senate, as well as legal and non-legal secretariat staff. The Chairman and the parttime Commissioners are entitled to receive compensation at the Executive Level V rate of pay for performance of official business of the Commission. The work of adjudicating claims and awarding compensation is necessarily labor-intensive, requiring legal and factual research on the part of Commission staff, and adjudicatory work by the members of the Commission. The majority of the Commission’s budget supports personnel. The bulk of the remainder is for fixed costs, including rent. While the operating expenses of the Commission are appropriated from taxpayer funds, in virtually all instances, the legislation authorizing the adjudication of claims has provided for deduction of five percent of the funds obtained from foreign governments in settlement of the claims adjudicated by the Commission. This amount is deposited to the credit of miscellaneous receipts in the United States Treasury to defray administrative expenses.

To date, the Commission has administered and completed 52 international and war-related claims programs involving claims against 20 countries: Yugoslavia, Panama, Bulgaria, Hungary, Romania, Italy, the former Soviet Union, the former Czechoslovakia, Poland, Cuba, China, the former German Democratic Republic, Vietnam, Ethiopia, Egypt, Iran, Albania, the Federal Republic of Germany, Libya, and Iraq.

The Commission is prepared to provide any further information about the background of the Commission, its existing programs, and congressional interest in these programs.

Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: <https://www.justice.gov/doj/budget-and-performance>

2. Issues, Outcomes, and Strategies

In FY 2027, the Commission will continue to have authority under the International Claims Settlement Act of 1949, as amended, and the 1995 United States-Albanian Claims Settlement Agreement, to make awards in any additional claims against Albania that are filed. When appropriate, the Commission will continue to reopen and reconsider claims it had previously denied, taking into account the modification of the Albanian Claims Settlement Agreement effected in 2006.

In addition, the Commission will continue to work as special master in response to referrals from the courts in matters involving trafficking of property in Cuba pursuant to the LIBERTAD Act of 1996.

Moreover, the Commission will research and respond to requests for information concerning properties expropriated by the Castro regime in Cuba, in support of the Department of State's continuing implementation of Title IV of LIBERTAD. The Commission continues to maintain and update a computerized database of some 13,000 records containing specific information on all claims adjudicated in its Cuban Claims Program. This database enables the Commission to respond more quickly and accurately to requests for information from the State Department and the public.

Also, under the War Claims Act of 1948, as amended, the Commission will also continue to have authority to award compensation to any previously uncompensated American servicemen held as prisoners of war in Southeast Asia during the Vietnam conflict, or their survivors, for inadequate rations and inhumane treatment while in captivity.

Finally, the Commission will continue to furnish information contained in its records pertaining to the 52 completed international and war related claims programs it has conducted, as requested by claimants, their heirs, attorneys, researchers, and other members of the public. It will also provide to other U.S. agencies technical advice on their policy determinations, participate in preliminary planning and evaluation of pending claims legislation, and coordinate with congressional committees considering legislation for adjudication of additional types of claims.

3. Challenges

External Challenges

The Commission's external challenges include the necessity of being continuously prepared for a workload dictated almost exclusively by changing international events, current and future claims programs enacted by Congress or referred to the Commission by the Department of State, and the number of claims filed in such programs. In addition, the Commission must be prepared to respond to inquiries by the public, Congress, and other federal agencies regarding what effect any actual or potential policy change has or may have on the Commission's current and/or past programs.

Internal Challenges

The Commission's internal challenges include maintaining and focusing the skills, expertise, and experience of its staff to assist claimants with claims against foreign governments, as well as to provide technical assistance in this area to the Department of State and other federal agencies upon request. At the same time, the Commission must continue its claims records modernization effort by improving and updating the information in its databases and on its website. The Commission intends to concentrate efforts on increasing its transparency, by increasing the availability of its decisions and records to the public, particularly through electronic media.

II. Summary of Program Changes

No Program Changes.

III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

For expenses necessary to carry out the activities of the Foreign Claims Settlement Commission, including services as authorized by section 3109 of title 5, United States Code, [\$2,504,000] \$2,512,000.

Analysis of Appropriations Language

No substantive changes proposed.

IV. Program Activity Justification

A. Foreign Claims

Foreign Claims	Direct Pos.	Estimate FTE	Amount
2025 Enacted ¹	11	6	\$2,504
2026 Enacted	11	8	\$2,504
Adjustments to Base and Technical Adjustments	0	0	\$8
2027 Current Services	11	8	\$2,512
2027 Request	11	8	\$2,512
Total Change 2026-2027	0	0	\$8

¹ FY 2025 Actual FTE

Foreign Claims-Information Technology Breakout (of Decision Unit Total)	Direct Pos.	Estimate FTE	Amount
2025 Enacted	0	0	\$0
2026 Enacted	0	0	\$0
Adjustments to Base and Technical Adjustments	0	0	\$0
2027 Current Services	0	0	\$0
2027 Request	0	0	\$0
Total Change 2026-2027	0	0	\$0

1. Program Description

The Commission has a single Decision Unit, and its mission is to protect the rights of U.S. citizens abroad and to promote the international rule of law through adjudication of claims brought by United States citizens against foreign governments.

The Commission currently pursues the following organizational goals:

- Issue well-reasoned and timely decisions in all claims against foreign governments adjudicated by the Commission.
- Provide notice to U.S. citizens of opportunities to enforce their rights against foreign governments under the Commission's authority and provide timely guidance and assistance in pursuing their claims.
- Certify all awards to the Department of Treasury in a timely and accurate fashion to ensure prompt payment within the statutory guidelines set forth in the Commission's authorizing statutes.
- Ensure that the decisions of the Commission are widely available and accessible to, *inter alia*, researchers, international legal scholars, and government officials.
- Ensure readiness to administer, upon enactment of authorizing legislation or referral to the Commission by the Secretary of State, future programs for claims against foreign governments; and to advise Congress and other agencies concerning policy determinations relating to the settlement of international claims as well as potential future claims programs.
- Upon request, assist the Department of State in negotiations for the settlement of claims against foreign governments.

V. Program Increases by Item

Not applicable.

VI. Program Offsets by Item

Not applicable.

VII. Exhibits