

FOREIGN CLAIMS SETTLEMENT COMMISSION
OF THE UNITED STATES
WASHINGTON 25, D. C.

IN THE MATTER OF THE CLAIM OF

GEORGE STERNBERG
829 Brandon Avenue
Norfolk, Virginia

Against the Government of Hungary

Under the International Claims Settlement
Act of 1949, as amended

Claim No. HUNG-21,425

Decision No. HUNG-322

GPO 16-72126-1

FINAL DECISION

The Commission issued its Proposed Decision on this claim on May 8, 1957, a certified copy of which was duly served upon the claimant. Full consideration having been given to the objections of the claimant, and to the arguments presented at the hearing held on October 16, 1957, and general notice of the Proposed Decision having been given by posting for thirty days, it is

ORDERED that such Proposed Decision be and the same is hereby enter as the Final Decision on this claim.

Dated at Washington, D. C.

OCT 30 1957

Whitney Gilliland ^{A.K.B.} ^{WB} ^{DM}

Paul Carter Pace

Henry S. Clay
COMMISSIONERS

FOREIGN CLAIMS SETTLEMENT COMMISSION
OF THE UNITED STATES
Washington 25, D. C.

In the Matter of the Claim of

GEORGE STERNBERG
829 Brandon Avenue
Norfolk, Virginia

Claim No. HUNG-21,425

Decision No. HUNG-312

Under Section 303(2) of the International
Claims Settlement Act of 1949, as amended

PROPOSED DECISION

This is a claim against the Government of Hungary under Section 303 (2) of the International Claims Settlement Act of 1949, as amended.

Section 303(2) of the Act provides, inter alia, for the receipt and determination by the Commission in accordance with applicable substantive law, including international law, of the validity and amounts of claims of nationals of the United States against the Government of Hungary, arising out of the failure of such government to pay effective compensation for the nationalization, compulsory liquidation, or other taking, prior to August 9, 1955, of the property of nationals of the United States in Hungary.

In accordance with well established principles of international law, in order for a claim under Section 303(2) to be compensable, the property upon which the claim is based must have been owned by a national or nationals of the United States at the time of loss and the claim which arose from such loss must have been continuously owned by a United States national or nationals thereafter.

Claimant alleges that he became a national of the United States by naturalization on November 12, 1953, and that certain property, owned by him and forming the basis of the claim, was nationalized, or otherwise taken from him by the Government of Hungary in 1949 and 1952, which dates are prior to the date on which he became a national of the United States.

Claimant apparently contends that he is eligible for compensation under the Act on the ground that although not a national of the United States at the time of the loss, nevertheless, he was at that time a person owing allegiance to the United States by reason of having declared his intention to become a citizen of the United States.

During its consideration of Public Law 285, which, when enacted, became Title III of the International Claims Settlement Act of 1949, under which this claim is filed, Congress specifically considered a proposal to broaden the eligibility requirements of the Act to include persons who (a) were permanent residents of the United States, (b) had at any time prior to the date of the Armistice Agreement with Hungary declared their intention of becoming citizens of the United States and (c) had in fact become citizens of the United States by September 15, 1947 (Sec. 303 of H.R. 6382, 84th Congress).

This provision of the bill, however, was omitted from the statute in the form in which it was enacted, with the following comment:

The committee has carefully considered the arguments advanced in support of the proposed extension of eligibility which, if adopted, would mark the first time in the claims history of the United States that a declaration of intention was equated with citizenship. After weighing all pertinent factors, the committee has concluded that such a precedent is not desirable. While sympathetic to the plight of those unfortunate individuals who were not American citizens when they sustained war losses, the committee has had to keep uppermost in view the interest of those individuals who did possess American nationality at the time of loss. It is these persons who have a paramount claim to any funds which may be available. Even without the addition of the class here questioned, the funds will be insufficient to meet the claims of otherwise qualified claimants, except possibly in the case of the Bulgarian and Italian assets . . .

For these reasons, the committee decided to delete the last sentence of section 303, paragraph (1), which would have the effect of limiting the eligible class to claimants who were American citizens at the date the loss was sustained. 1/

1/ Report of the Committee on Foreign Relations of the United States Senate on H.R. 6382, 84th Congress, First Session, Report No. 1050.

Accordingly, there is no possibility of placing on the pertinent provisions of the Act an interpretation which would bring within its purview, in addition to nationals of the United States, persons who, at the time of the loss on which their claims are based, had merely declared their intentions to become citizens of the United States, without having obtained such status at such time.

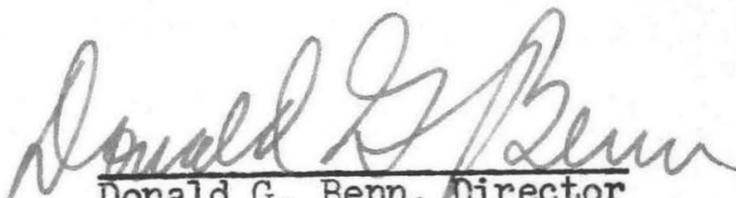
Accordingly, the Commission finds that the claim was not owned by a United States national at the time that it arose and it is, therefore, denied.

The Commission finds it unnecessary to make determinations with respect to other elements of this claim.

Dated at Washington, D. C.

MAY 8 1957

FOR THE COMMISSION:


Donald G. Bem, Director
Balkan Claims Division

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