

105TH CONGRESS  
2D SESSION

# S. 1794

To provide for the adjudication of certain claims against the Government of Iraq and to ensure priority for United States veterans filing such claims.

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## IN THE SENATE OF THE UNITED STATES

MARCH 18, 1998

Mr. HARKIN introduced the following bill; which was read twice and referred to the Committee on the Judiciary

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## A BILL

To provide for the adjudication of certain claims against the Government of Iraq and to ensure priority for United States veterans filing such claims.

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 “Gulf War Veterans’  
5       Iraqi Claims Protection Act of 1998”.

6       **SEC. 2. ADJUDICATION OF CLAIMS.**

7       (a) CLAIMS AGAINST IRAQ.—The United States  
8       Commission is authorized to receive and determine the va-  
9       lidity and amounts of any claims by nationals of the  
10      United States against the Government of Iraq.

1 (b) DECISION RULES.—In deciding claims under sub-  
2 section (a), the United States Commission shall apply, in  
3 the following order—

4 (1) applicable substantive law, including inter-  
5 national law; and

6 (2) applicable principles of justice and equity.

7 (c) PRIORITY CLAIMS.—Before deciding any other  
8 claim against the Government of Iraq, the United States  
9 Commission shall, to the extent practical, decide all pend-  
10 ing non-commercial claims of active, retired, or reserve  
11 members of the United States Armed Forces, retired  
12 former members of the United States Armed Forces, and  
13 other individuals arising out of Iraq’s invasion and occupa-  
14 tion of Kuwait or out of the 1987 attack on the USS  
15 Stark.

16 (d) APPLICABILITY OF INTERNATIONAL CLAIMS SET-  
17 TLEMENT ACT.—To the extent they are not inconsistent  
18 with the provisions of this Act, the provisions of title I  
19 (other than section 2(c)) and title VII of the International  
20 Claims Settlement Act of 1949 (22 U.S.C. 1621–1627 and  
21 1645–1645o) shall apply with respect to claims under this  
22 Act.

23 **SEC. 3. CLAIMS FUNDS.**

24 (a) IRAQ CLAIMS FUND.—The Secretary of the  
25 Treasury is authorized to establish in the Treasury of the

1 United States a fund (hereafter in this Act referred to  
2 as the “Iraq Claims Fund”) for payment of claims under  
3 section 2(a). The Secretary of the Treasury shall cover  
4 into the Iraq Claims Fund such amounts as are allocated  
5 to such fund pursuant to subsection (b).

6 (b) ALLOCATION OF PROCEEDS FROM IRAQI ASSET  
7 LIQUIDATION.—

8 (1) IN GENERAL.—The President shall allocate  
9 funds resulting from the liquidation of assets pursu-  
10 ant to section 4 in the manner the President deter-  
11 mines appropriate between the Iraq Claims Fund  
12 and such other accounts as are appropriate for the  
13 payment of claims of the United States Government,  
14 subject to the limitation in paragraph (2).

15 (2) LIMITATION.—The amount allocated pursu-  
16 ant to this subsection for payment of claims of the  
17 United States Government may not exceed the  
18 amount which bears the same relation to the amount  
19 allocated to the Iraq Claims Fund pursuant to this  
20 subsection as the sum of all certified claims of the  
21 United States Government bears to the sum of all  
22 claims certified under section 2(a). As used in this  
23 paragraph, the term “certified claims of the United  
24 States Government” means those claims of the  
25 United States Government which are determined by

1 the Secretary of State to be outside the jurisdiction  
2 of the United Nations Commission and which are  
3 determined to be valid, and whose amount has been  
4 certified, under such procedures as the President  
5 may establish.

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

7 The President is authorized to vest and liquidate as  
8 much of the assets of the Government of Iraq in the  
9 United States that have been blocked pursuant to the  
10 International Emergency Economic Powers Act (50  
11 U.S.C. 1701 et seq.) as may be necessary to satisfy claims  
12 under section 2(a), as well as claims of the United States  
13 Government against Iraq which are determined by the  
14 Secretary of State to be outside the jurisdiction of the  
15 United Nations Commission.

16 **SEC. 5. REIMBURSEMENT FOR ADMINISTRATIVE EX-**  
17 **PENSES.**

18 (a) DEDUCTION.—In order to reimburse the United  
19 States Government for its expenses in administering this  
20 Act, the Secretary of the Treasury shall deduct 1.5 per-  
21 cent of any amount covered into the Iraq Claims Fund.

22 (b) DEDUCTIONS TREATED AS MISCELLANEOUS RE-  
23 CEIPTS.—Amounts deducted pursuant to subsection (a)  
24 shall be deposited in the Treasury of the United States  
25 as miscellaneous receipts.

1 **SEC. 6. PAYMENTS.**

2 (a) IN GENERAL.—The United States Commission  
3 shall certify to the Secretary of the Treasury each award  
4 made pursuant to section 2. The Secretary of the Treas-  
5 ury shall make payment, out of the Iraq Claims Fund,  
6 in the following order of priority to the extent funds are  
7 available in such fund:

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

10 (2) For each claim that has priority under sec-  
11 tion 2(c), payment of a further \$90,000 toward the  
12 unpaid balance of the principal amount of the  
13 award.

14 (3) Payments from time to time in ratable pro-  
15 portions on account of the unpaid balance of the  
16 principal amounts of all awards according to the  
17 proportions which the unpaid balance of such  
18 awards bear to the total amount in the Iraq Claims  
19 Fund that is available for distribution at the time  
20 such payments are made.

21 (4) After payment has been made of the prin-  
22 cipal amounts of all such awards, pro rata payments  
23 on account of accrued interest on such awards as  
24 bear interest.

25 (5) After payment has been made in full of all  
26 the awards payable out of the Iraq Claims Fund,

1       any funds remaining in that fund shall be trans-  
2       ferred to the general fund of the Treasury of the  
3       United States.

4       (b) UNSATISFIED CLAIMS.—Payment of any award  
5       made pursuant to this Act shall not extinguish any  
6       unsatisfied claim, or be construed to have divested any  
7       claimant, or the United States on his or her behalf, of  
8       any rights against the Government of Iraq with respect  
9       to any unsatisfied claim.

10   **SEC. 7. AUTHORITY TO TRANSFER RECORDS.**

11       The head of any Executive agency may transfer or  
12       otherwise make available to the United States Commission  
13       such records and documents relating to claims authorized  
14       to be adjudicated by this Act as may be required by the  
15       United States Commission in carrying out its functions  
16       under this Act.

17   **SEC. 8. STATUTE OF LIMITATIONS; DISPOSITION OF UN-**  
18       **USED FUNDS.**

19       (a) STATUTE OF LIMITATIONS.—Any demand or  
20       claim for payment on account of an award that is certified  
21       under this Act shall be barred one year after the publica-  
22       tion date of the notice required by subsection (b).

23       (b) PUBLICATION OF NOTICE.—

24               (1) IN GENERAL.—At the end of the 9-year pe-  
25       riod specified in paragraph (2), the Secretary of the

1 Treasury shall publish a notice in the Federal Reg-  
2 ister detailing the statute of limitations provided for  
3 in subsection (a) and identifying the claim numbers  
4 and awardee names of unpaid certified claims.

5 (2) PUBLICATION DATE.—The notice required  
6 by paragraph (1) shall be published 9 years after the  
7 last date on which the Secretary of the Treasury  
8 covers into the Iraq Claims Fund amounts allocated  
9 to that fund pursuant to section 3(b).

10 (c) DISPOSITION OF UNUSED FUNDS.—

11 (1) DISPOSITION.—At the end of the 2-year pe-  
12 riod beginning on the publication date of the notice  
13 required by subsection (b), the Secretary of the  
14 Treasury shall dispose of all unused funds described  
15 in paragraph (2) by depositing in the Treasury of  
16 the United States as miscellaneous receipts any such  
17 funds that are not used for such additional pay-  
18 ments.

19 (2) UNUSED FUNDS.—The unused funds re-  
20 ferred to in paragraph (1) are any remaining bal-  
21 ance in the Iraq Claims Fund.

22 **SEC. 9. DEFINITIONS.**

23 As used in this Act:

1           (1) EXECUTIVE AGENCY.—The term “Executive  
2       agency” has the meaning given that term by section  
3       105 of title 5, United States Code.

4           (2) GOVERNMENT OF IRAQ.—The term “Gov-  
5       ernment of Iraq” includes agencies, instrumental-  
6       ities, and controlled entities (including public sector  
7       enterprises) of that government.

8           (3) UNITED NATIONS COMMISSION.—The term  
9       “United Nations Commission” means the United  
10      Nations Compensation Commission established pur-  
11      suant to United Nations Security Council Resolution  
12      687 (1991).

13          (4) UNITED STATES COMMISSION.—The term  
14      “United States Commission” means the Foreign  
15      Claims Settlement Commission of the United States.

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