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109TH CONGRESS, 1st Session | HOUSE OF REPRESENTATIVES | REPT. 109–437, Part 1

# GUAM WORLD WAR II LOYALTY RECOGNITION ACT

APRIL 25, 2006.—Ordered to be printed

Mr. POMBO, from the Committee on Resources, submitted the following

# R E P O R T

[To accompany H.R. 1595]

[Including cost estimate of the Congressional Budget Office]

The Committee on Resources, to whom was referred the bill (H.R. 1595) to implement the recommendations of the Guam War Claims Review Commission, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This Act may be cited as the "Guam World War II Loyalty Recognition Act".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Recognition of the suffering and loyalty of the residents of Guam.
Sec. 3. Payments for Guam World War II claims.
Sec. 4. Adjudication.
Sec. 5. Grants program to memorialize the occupation of Guam during World War II.

**SEC. 2. RECOGNITION OF THE SUFFERING AND LOYALTY OF THE RESIDENTS OF GUAM.**

(a) RECOGNITION OF THE SUFFERING OF THE RESIDENTS OF GUAM.—The United States recognizes that, as described by the Guam War Claims Review Commission, the residents of Guam, on account of their United States nationality, suffered unspeakable harm as a result of the occupation of Guam by Imperial Japanese military forces during World War II, by being subjected to death, rape, severe personal injury, personal injury, forced labor, forced march, or internment.

(b) RECOGNITION OF THE LOYALTY OF THE RESIDENTS OF GUAM.—The United States forever will be grateful to the residents of Guam for their steadfast loyalty to the United States of America, as demonstrated by the countless acts of courage they performed despite the threat of death or great bodily harm they faced at the hands of the Imperial Japanese military forces that occupied Guam during World War II.

**SEC. 3. PAYMENTS FOR GUAM WORLD WAR II CLAIMS.**

(a) PAYMENTS FOR DEATH, PERSONAL INJURY, FORCED LABOR, FORCED MARCH, AND INTERNMENT.—After receipt of certification pursuant to section 4(b)(8) and in

accordance with this section, the Secretary of the Treasury shall make the following payments:

(1) SURVIVORS OF RESIDENTS WHO DIED IN WAR.—In the case of a compensable Guam decedent (as defined in subsection (c)(1)), the Secretary shall pay $25,000 for distribution to eligible survivors of the decedent as specified in subsection (b).

(2) RESIDENTS INJURED.—In the case of a compensable Guam victim who is not deceased, the Secretary shall pay such victim the following:

(A) If the victim has suffered an injury described in subsection (c)(2)(A), $15,000.

(B) If the victim is not described in subparagraph (A) but has suffered an injury described in subsection (c)(2)(B), $12,000.

(C) If the victim is not described in subparagraph (A) or (B) but has suffered an injury described in subsection (c)(2)(C), $10,000.

(3) SURVIVORS OF DECEASED INJURED RESIDENTS.—In the case of a compensable Guam victim who is deceased, the Secretary shall pay $7,000 for distribution to eligible survivors of the victim as specified in subsection (b).

Payments under this section shall be treated for purposes of section 1304(a) of title 31, United States Code, as an award otherwise authorized as law.

(b) DISTRIBUTION OF SURVIVOR PAYMENTS.—Payments under paragraph (1) or (3) of subsection (a) to eligible survivors of an individual who is a compensable Guam decedent or a compensable Guam victim who is deceased shall be made as follows:

(1) If there is living a spouse of the individual, but no child of the individual, all of the payment shall be made to such spouse.

(2) If there is living a spouse of the individual and one or more children of the individual, one-half of the payment shall be made to the spouse and the other half to the child (or to the children in equal shares).

(3) If there is no living spouse of the individual, but there are one or more children of the individual alive, all of the payment shall be made to such child (or to such children in equal shares).

(4) If there is no living spouse or child of the individual but there is a living parent (or parents) of the individual, all of the payment shall be made to the parents (or to the parents in equal shares).

(5) If there is no such living spouse, child, or parent, no payment shall be made.

(c) DEFINITIONS.—For purposes of this Act:

(1) COMPENSABLE GUAM DECEDENT.—The term "compensable Guam decedent" means an individual determined under section 4(a)(1) to have been a resident of Guam who died or was killed as a result of the attack and occupation of Guam by Imperial Japanese military forces during World War II, or incident to the liberation of Guam by United States military forces, and whose death would have been compensable under the Guam Meritorious Claims Act of 1945 (Public Law 79–224) if a timely claim had been filed under the terms of such Act.

(2) COMPENSABLE GUAM VICTIM.—The term "compensable Guam victim" means an individual determined under section 4(a)(1) to have suffered, as a result of the attack and occupation of Guam by Imperial Japanese military forces during World War II, or incident to the liberation of Guam by United States military forces, any of the following:

(A) Rape or severe personal injury (such as loss of a limb, dismemberment, or paralysis).

(B) Forced labor or a personal injury not under subparagraph (A) (such as disfigurement, scarring, or burns).

(C) Forced march, internment, or hiding to evade internment.

(3) DEFINITIONS OF SEVERE PERSONAL INJURIES AND PERSONAL INJURIES.—The Foreign Claims Settlement Commission shall promulgate regulations to specify injuries that constitute a severe personal injury or a personal injury for purposes of subparagraphs (A) and (B), respectively, of paragraph (2).

**SEC. 4. ADJUDICATION.**

(a) AUTHORITY OF FOREIGN CLAIMS SETTLEMENT COMMISSION.—

(1) IN GENERAL.—The Foreign Claims Settlement Commission is authorized to adjudicate claims and determine eligibility for payments under section 3.

(2) RULES AND REGULATIONS.—The chairman of the Foreign Claims Settlement Commission shall prescribe such rules and regulations as may be necessary to enable it to carry out its functions under this Act. Such rules and regulations shall be published in the Federal Register.

(b) CLAIMS SUBMITTED FOR PAYMENTS.—

(1) SUBMITTAL OF CLAIM.—For purposes of subsection (a)(1) and subject to paragraph (2), the Foreign Claims Settlement Commission may not determine an individual is eligible for a payment under section 3 unless the individual submits to the Commission a claim in such manner and form and containing such information as the Commission specifies.

(2) FILING PERIOD FOR CLAIMS AND NOTICE.—All claims for a payment under section 3 shall be filed within one year after the Foreign Claims Settlement Commission publishes public notice of the filing period in the Federal Register. In addition, the Commission shall cause to be publicized the public notice of the deadline for filing claims in newspaper, radio, and television media on Guam.

(3) ADJUDICATORY DECISIONS.—The decision of the Foreign Claims Settlement Commission on each claim shall be by majority vote, shall be in writing, and shall state the reasons for the approval or denial of the claim. If approved, the decision shall also state the amount of the payment awarded and the distribution, if any, to be made of the payment.

(4) DEDUCTIONS IN PAYMENT.—The Foreign Claims Settlement Commission shall deduct, from potential payments, amounts previously paid under the Guam Meritorious Claims Act of 1945 (Public Law 79–224).

(5) INTEREST.—No interest shall be paid on payments awarded by the Foreign Claims Settlement Commission.

(6) REMUNERATION PROHIBITED.—No remuneration on account of representational services rendered on behalf of any claimant in connection with any claim filed with the Foreign Claims Settlement Commission under this Act shall exceed one percent of the total amount paid pursuant to any payment certified under the provisions of this Act on account of such claim. Any agreement to the contrary shall be unlawful and void. Whoever demands or receives, on account of services so rendered, any remuneration in excess of the maximum permitted by this section shall be fined not more than $5,000 or imprisoned not more than 12 months, or both.

(7) APPEALS AND FINALITY.—Objections and appeals of decisions of the Foreign Claims Settlement Commission shall be to the Commission, and upon rehearing, the decision in each claim shall be final, and not subject to further review by any court or agency.

(8) CERTIFICATIONS FOR PAYMENT.—After a decision approving a claim becomes final, the chairman of the Foreign Claims Settlement Commission shall certify it to the Secretary of the Treasury for authorization of a payment under section 3.

(9) TREATMENT OF AFFIDAVITS.—For purposes of section 3 and subject to paragraph (2), the Foreign Claims Settlement Commission shall treat a claim that is accompanied by an affidavit of an individual that attests to all of the material facts required for establishing eligibility of such individual for payment under such section as establishing a prima facie case of the individual's eligibility for such payment without the need for further documentation, except as the Commission may otherwise require. Such material facts shall include, with respect to a claim under paragraph (2) or (3) of section 3(a), a detailed description of the injury or other circumstance supporting the claim involved, including the level of payment sought.

(10) RELEASE OF RELATED CLAIMS.—Acceptance of payment under section 3 by an individual for a claim related to a compensable Guam decedent or a compensable Guam victim shall be in full satisfaction of all claims related to such decedent or victim, respectively, arising under the Guam Meritorious Claims Act of 1945 (Public Law 79–224), the implementing regulations issued by the United States Navy pursuant thereto, or this Act.

(11) PENALTY FOR FALSE CLAIMS.—The provisions of section 1001 of title 18 of the United States Code (relating to criminal penalties for false statements) apply to claims submitted under this subsection.

**SEC. 5. GRANTS PROGRAM TO MEMORIALIZE THE OCCUPATION OF GUAM DURING WORLD WAR II.**

(a) ESTABLISHMENT.—Subject to subsection (c) and in accordance with this section, the Secretary of the Interior shall establish a grants program under which the Secretary shall award grants for research, educational, and media activities that memorialize the events surrounding the occupation of Guam during World War II, honor the loyalty of the people of Guam during such occupation, or both, for purposes of appropriately illuminating and interpreting the causes and circumstances of such occupation and other similar occupations during a war.

(b) ELIGIBILITY.—The Secretary of the Interior may not award to a person a grant under subsection (a) unless such person submits an application to the Secretary for such grant, in such time, manner, and form and containing such information as the Secretary specifies.

(c) AUTHORIZATION FOR APPROPRIATIONS.—There are authorized to be appropriated $5,000,000, to remain available for obligation until September 30, 2011, to carry out the grant program under this section. In addition, the Secretary of the Interior may use unobligated funds made available to the Secretary that may be used for such purpose to carry out this section.

## PURPOSE OF THE BILL

The purpose of H.R. 1595 is to implement the recommendations of the Guam War Claims Review Commission.

## BACKGROUND AND NEED FOR LEGISLATION

December 8, 1941, brought with it the invasion and eventual occupation of Guam by the Japanese Empire. The 22,000 residents of Guam, who were U.S. nationals at the time, suffered personal injury, forced labor, forced marches, internment, rape and executions. After the U.S. regained administration over Guam, efforts to compensate the residents of Guam for their suffering began. In 1945, Congress passed the Guam Meritorious Claims Act (GMCA), which authorized the Secretary of the Navy to appoint a claims commission to adjudicate as well as settle war claims not in excess of $5,000. Any claims in excess of this amount were to be specifically forwarded to and approved by Congress.

Public Law 107–333, authored by former Congressman Robert Underwood, established the Guam War Claims Review Commission to issue a report regarding the extent to which the GMCA fulfilled its intended purpose. This was submitted to Congress and the Administration in June 2004. The Commission put forth multiple recommendations based on the general interpretation that there were inconsistencies in the implementation of the GMCA. In particular, the Commission was troubled by areas that related to other war claims precedent and the historical basis upon which decisions were made during the claims process in the GMCA. The Resources Committee held a July 21, 2004, oversight hearing on the report. At the hearing, it became clear that legislation would be necessary to provide any further authorization of relief or recognition for the suffering of the residents of Guam because the GMCA provided only a specific one year time limit for adjudication and settlement of past claims.

The Commission not only reviewed the GMCA but also utilized past legislative efforts with regard to this issue as well as the Hopkins Committee Report for interpretation and comparison. This report was submitted in 1947 and gave a general overview of the progress and status of the governments of both Guam and American Samoa. It is also important to note that the Commission held multiple public hearings on Guam, at which it heard testimony from both survivors of the occupation as well as relatives of these individuals. A small portion of this testimony was also featured at the hearing conducted by the Committee.

The primary function of H.R. 1595 is to implement the recommendations of the Guam War Claims Review Commission.

After a hearing on H.R. 1595, as introduced, some Members of the Committee expressed concerns regarding the costs of the legislation, how the claims were handled in the bill, and the potential for legal precedent established by the bill. In short, Congress would be revisiting claims that had been previously formally adjudicated.

As a result of these concerns, H.R. 1595, as ordered reported, focuses on the importance of handling the claims of the residents of Guam within the current federal framework, while at the same time adhering to the general principles espoused by the Guam War Claims Review Commission. Of particular note, the legislation will set forth specific guidance to the Foreign Claims Settlement Commission on how to treat varying levels of awards that are relative to the experience of the survivors of the war, as well as their heirs.

## COMMITTEE ACTION

H.R. 1595 was introduced on April 13, 2005, by Congresswoman Madeleine Bordallo (D–GU). The bill was referred to the Committee on Resources. On April 20, 2005, the Full Committee held a hearing on the bill. On November 16, 2005, the Full Resources Committee met to consider the bill. Congresswoman Bordallo offered an amendment in the nature of a substitute to streamline the process for the consideration and adjudication of claims. It removed the Recognition Commission, the Recognition Fund, and the Trust Fund from the bill. Further, it delineated the various award amounts for varying levels of severity of experience relating to a claim. The amendment also created a grant program at the Department of the Interior for the remembrance of the Japanese military's occupation of Guam. The amendment was adopted by unanimous consent. The bill, as amended, was then ordered favorably reported to the House of Representatives by unanimous consent.

## SECTION-BY-SECTION ANALYSIS

*Section 1. Short title; table of contents*

Section 1 provides title of the bill and section headings of legislation.

*Section 2. Recognition of the suffering and loyalty of the residents of Guam*

Section 2 makes two statements recognizing the suffering and hardships faced by the people of Guam during Japanese occupation while also noting the loyalty of those who endured while facing such difficult odds.

*Section 3. Payments for Guam World War II claims*

Subsection (a) delineates the amounts that claimants may be awarded, including heirs, at levels of $25,000, $15,000, $12,000, $10,000, and $7,000. Payments of claims are made from the judgment fund at the Department of Treasury.

Subsection (b) describes the order in which survivors of deceased residents from the Japanese occupation are entitled to payments. This approach to delineating the payments to survivors is based in existing war claims law. Successor claims have been allowed under the War Claims Act of 1948, Wake Island Amendment of 1962, War Claims Act of 1954, and the Micronesian Claims Act of 1971. Under these Acts, potential claimants have been limited to parents, a spouse, or children.

Subsection (c) defines the various levels of payments that apply to varying degrees of loss or suffering, which includes rape, forced labor, and internment. The concept of including "internment" as a

category for awards is based on both the War Claims Act of 1948 and the Wake Island Amendment of 1962, which authorized compensation for internment of civilians by Japanese military forces during World War II.

*Section 4. Adjudication*

Subsection (a) specifically sets out the authority of the Foreign Claims Settlement Commission at the Department of Justice to handle the war claims. The rules and regulations of the Settlement Commission relating to its work will be printed publicly. The work of the Settlement Commission will be crucial to properly notifying potential claimants as well as efficiently adjudicating the claims. To this end, the Committee recommends the hiring of interpreters on Guam to expeditiously and accurately translate the experience of those who speak only Guam's local vernacular. The Committee also received expressions of interest from Congresswoman Bordallo in having the Foreign Claims Settlement Commission actually perform many of its functions directly in Guam, including staffing and offices.

The Committee recognizes through its work with the Department of the Interior that due to its long-standing relationship with Guam's leaders and its understanding of Guam's history, the Department may be called upon to provide assistance and expertise to the Settlement Commission as it carries out its duties under this Act. The Committee expects the Department of the Interior to provide such assistance as may be requested by the Settlement Commission.

Subsection (b) describes various items of note relating to claims for payment. This includes the filing period, the deductions in payment as it relates to Public Law 79–224, the appeals process, the certification of payment process, and penalties for false claims submitted.

The Committee is aware that since the end of World War II, many survivors of Guam's occupation have relocated. The Committee encourages the Foreign Claims Settlement Commission, with the support of the Department of the Interior, to undertake activities to inform the greatest possible number of potential eligible survivors and heirs of the opportunity to submit a claim. These activities should include outreach to organizations whose primary membership consists of former residents of Guam. The Committee notes that such organizations exist in the States of California, Washington, Texas, Nevada, Hawaii, Arizona, and the greater Washington D.C. area.

*Section 5. Grants program to memorialize the occupation of Guam during World War II*

Section 5 establishes a grant program for research, educational and media activities that relate to properly interpreting the causes and circumstances of the Japanese military occupation of Guam. The Secretary of the Interior is provided the authority to award the grants, which are authorized to be appropriated at $5 million over five years.

## COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

Regarding clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on Resources' oversight findings and recommendations are reflected in the body of this report.

## CONSTITUTIONAL AUTHORITY STATEMENT

Article I, section 8 of the Constitution of the United States grants Congress the authority to enact this bill.

## COMPLIANCE WITH HOUSE RULE XIII

1. Cost of Legislation. Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs which would be incurred in carrying out this bill. However, clause 3(d)(3)(B) of that Rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974.

2. Congressional Budget Act. As required by clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, this bill does not contain any new budget authority, credit authority, or an increase or decrease in revenues or tax expenditures. According to the Congressional Budget Office, enactment of this bill would increase direct spending by approximately $180 million over the 2006–2009 time frame.

3. General Performance Goals and Objectives. As required by clause 3(c)(4) of rule XIII, the general performance goal or objective of this bill is to implement the recommendations of the Guam War Claims Review Commission.

4. Congressional Budget Office Cost Estimate. Under clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for this bill from the Director of the Congressional Budget Office:

### *H.R. 1595—Guam World War II Loyalty Recognition Act*

Summary: H.R. 1595 would require the Federal Government to compensate Guam residents for their treatment during the island's occupation by Japanese military forces during World War II. The legislation also would authorize the appropriation of $5 million for a grant program to memorialize the occupation of Guam during World War II.

CBO estimates that enacting this legislation would increase direct spending by about $180 million over the 2006–2009 period to make war-claim compensation payments. In addition, we estimate that implementing the bill would cost $1 million in 2006 and $8 million over the 2006–2011 period, assuming appropriation of the necessary amounts.

H.R. 1595 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

H.R. 1595 contains a private-sector mandate, as defined in UMRA, on individuals seeking to represent certain claimants who are eligible to receive money from the Foreign Claims Settlement Commission. The bill would limit the amount of compensation individuals can receive to represent claimants who file for claims with the Foreign Claims Settlement Commission under this bill. CBO estimates, however, that there would be no cost to comply with the mandate.

Estimated Cost to the Federal Government: The estimated budgetary impact of H.R. 1595 is shown in the following table. The costs of this legislation fall within budget function 800 (general government).

| | By fiscal year, in millions of dollars— | | | | | |
|---|---|---|---|---|---|---|
| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| CHANGES IN DIRECT SPENDING | | | | | | |
| Guam War-Claim Compensation Payments | | | | | | |
| Estimated Budget Authority | 20 | 100 | 60 | 0 | 0 | 0 |
| Estimated Outlays | 16 | 84 | 68 | 12 | 0 | 0 |
| CHANGES IN SPENDING SUBJECT TO APPROPRIATION | | | | | | |
| Foreign Claims Settlement Commission | | | | | | |
| Estimated Authorization Level | 1 | 1 | 1 | 0 | 0 | 0 |
| Estimated Outlays | 1 | 1 | 1 | 0 | 0 | 0 |
| Grant Program | | | | | | |
| Authorization Level | 0 | 5 | 0 | 0 | 0 | 0 |
| Estimated Outlays | 0 | 1 | 1 | 1 | 1 | 1 |
| Total Changes. | | | | | | |
| Estimated Authorization Level | 1 | 6 | 1 | 0 | 0 | 0 |
| Estimated Outlays | 1 | 2 | 2 | 1 | 1 | 1 |

Basis of estimate: For this estimate, CBO assumes that the bill will be enacted before the end of fiscal year 2006, that the necessary amounts will be provided each year, and that spending will follow historical patterns for similar programs.

Direct Spending, H.R. 1595 would authorize the Treasury to make payments to the residents of Guam for deaths and injuries suffered during Japanese occupation of the island in World War II. The Foreign Claims Settlement Commission (FCSC), an agency within the Department of Justice, would adjudicate such claims. Under the bill, claimants would have one year to file with the FCSC. H.R. 1595 specifies war-claim compensation payments of $25,000 to survivors of those who died during the war, $15,000 for survivors who were raped or severely injured, $12,000 for those who were forced into labor and suffered personal injury, and $10,000 for survivors of a forced march or internment. Heirs of deceased occupation survivors, including a spouse, child, or parent, would be entitled to a payment of $7,000. In addition, before making such payments, the FCSC would deduct amounts previously paid under the Guam Meritorious Claims Act of 1945 (Guam Act). Using information from the Guam War Claims Review Commission and the Foreign Claims Settlement Commission, CBO estimates that about $10 million was previously paid under the Guam Act.

Guam Population During Occupation. Based on census data from 1940, CBO estimates that approximately 22,000 Guamanians were living on the island when it was seized and occupied by Japanese forces on December 10, 1941. The Guam War Claims Review Commission reported that, during the 32-month occupation, virtually

the entire population was either interned, in hiding to avoid capture, or subjected to forced march at one time or another while under Japanese occupation during World War II. Thus, for this estimate, we assume all Guamanians enumerated in the 1940 census would be eligible for war-claims compensation payments under H.R. 1595.

Death Benefit Payments. Using information from the Guam War Claims Commission, it is generally accepted that approximately 1,000 Guamanians died during the war before the island was declared secure and liberated by U.S. forces on August 10, 1944. H.R. 1595 would provide a $25,000 war-claim compensation death payment to survivors of those Guamanians who perished during the occupation. The number of possible survivors and claimants is unknown. Using information from the National Center of Health Statistics regarding survival probabilities, however, CBO estimates that there are approximately 700 survivors of the 1,000 Guamanians who died during the Japanese occupation. Under that assumption, war-claim compensation death payments would cost about $18 million. (If all Guamanians who perished during the occupation were to have survivors who claimed the $25,000 payment, the costs could reach $25 million.)

Other Benefit Payments. In addition, CBO estimates that all surviving Guamanians (around 21,000) who were located on the island during the occupation would be eligible for payments of $10,000 to $15,000 (depending upon the level of injury). Heirs of those individuals could receive a payment of $7,000. There is no information to determine the number of surviving Guamanians from the time of the Japanese occupation, their level of injury, or the number of heirs of such individuals. Using information from the National Center for Health Statistics concerning survival probabilities, CBO estimates that there are 7,000 survivors of the occupation and about 12,000 heirs that would be eligible for payment. Using an average payment of $12,500 for survivors and $7,000 for heirs, CBO estimates that payments to those survivors and heirs would cost about $170 million. (If all Guamanian survivors and heirs claimed an average payment of $11,000, the costs could reach $231 million.)

Total Benefit Payments. Using CBO's estimated claim payments amounts under H.R. 1595 and accounting for the nominal value of the previous war-claim payments of about $10 million, CBO estimates that providing additional war-claims compensation under H.R. 1595 would cost about $180 million. We expect that those payments would be made over the 2006–2009 period because of the time required to file, adjudicate, and process claims payments.

Spending subject to appropriation: CBO estimates that implementing H.R. 1595 would cost $8 million over the 2006–2011 period, assuming appropriation of the estimated amounts.

Foreign Claims Settlement Commission. Section 4 would require the FCSC to determine claim eligibility and payment amounts. In addition to promulgating rules and regulations, FCSC would be required to publicize the program. Based on information from FCSC, CBO estimates that additional staffing and administrative costs as well as a media campaign in Guam would cost $3 million over the 2006–2008 period.

Grant Program. Section 5 would authorize the appropriation of $5 million for the Department of the Interior to establish a grant

program to support activities in memory of Guam's occupation during World War II. Assuming the appropriation of the authorized amount, CBO estimates that implementing this provision would cost $5 million over the 2006–2011 period.

Estimated impact on state, local, and tribal government: H.R. 1595 contains no intergovernmental mandate as defined in UMRA and would impose no costs on state, local, or tribal governments.

Estimated impact on the private sector: H.R. 1595 contains a private-sector mandate as defined in UMRA. The bill would limit the fees payable to attorneys or other individuals seeking to represent claimants who are eligible to receive money from the Foreign Claims Settlement Commission under this bill. Specifically, section 4(b)6 would limit fees for representational services to not more than 1 percent of the amount that the claimant is paid. The limitation on representational fees is a private-sector mandate as defined in UMRA. Because the claimants in this program would be a new source of business generated under the bill, representatives would not lose fees that they could have collected in the absence of the bill. CBO therefore estimates that the cost to comply with the mandate would be zero—clearly well below the annual threshold established by UMRA ($128 million in 2006, adjusted annually for inflation).

Estimate prepared by: Federal Costs: Matthew Pickford and Kathy Ruffing. Impact on State, Local, and Tribal Governments: Marjorie Miller. Impact on the Private Sector: Fatimot Ladipo.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

## COMPLIANCE WITH PUBLIC LAW 104–4

According to the Congressional Budget Office, this bill imposes a private sector mandate on individuals seeking to represent certain claimants who are eligible to receive money from the Foreign Claims Settlement Commission by limiting the amount of compensation received for these services. This limit is one percent of the amount of the paid claim. However, the Congressional Budget Office also estimates that there would no cost to comply with this mandate; rather the bill creates new business for those who chose to represent claimants under the bill and the income from this new business would be a benefit to the representatives.

The Committee adopts the analysis of the costs and benefits of this mandate (including the qualitative and quantitative analysis) found in the Congressional Budget Office cost estimate included in this bill report. Furthermore, given the nature of the mandate, the Committee concludes the private sector mandate contained in this bill has no effect on health, safety, and the protection of the natural environment.

## PREEMPTION OF STATE, LOCAL OR TRIBAL LAW

This bill is not intended to preempt any State, local or tribal law.

## CHANGES IN EXISTING LAW

If enacted, this bill would make no changes in existing law.

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