

TRUST-FUNDS OF OTTAWA AND CHIPPEWA INDIANS.

LETTER

FROM THE

SECRETARY OF THE INTERIOR,

TRANSMITTING

A copy of a communication from the Indian Commissioner, inclosing draught of a bill providing for the covering into the Treasury of certain funds therein named.

FEBRUARY 1, 1876.—Referred to the Committee on Appropriations and ordered to be printed.

DEPARTMENT OF THE INTERIOR,
Washington, January 25, 1876.

SIR: I have the honor to inclose herewith copy of a letter from the Commissioner of Indian Affairs, dated the 24th instant, inclosing draught of a bill authorizing this Department "to cover into the Treasury certain funds, comprised of money and stocks, held by the Secretary of the Interior in the name of the Ottawa and Chippewa Indians, released to the Government by treaty with said Indians of July 31, 1855." You will also find inclosed copies of several communications relative to the subject-matter under consideration.

I concur with the Commissioner in regard to the disposal of said funds, and would respectfully request that the subject may receive the favorable action of Congress.

Very respectfully,

Z. CHANDLER,
Secretary.

Hon. M. C. KERR,
Speaker of the House of Representatives.

DEPARTMENT OF THE INTERIOR,
OFFICE OF INDIAN AFFAIRS,
Washington, D. C., January 24, 1876.

SIR: I have the honor to acknowledge the receipt of Department letter of the 18th instant, in reply to one from this Office of the 17th ultimo, relating to the transfer to the Treasury Department of certain Ottawa and Chippewa bonds, and accrued interest thereon, stating that,

in accordance with the request of this Office, the matter had been referred to the Secretary of the Treasury for such action in the premises as might be necessary to cause the funds named to be covered into the Treasury, and inclosing a copy of the letter of that officer in reply, in which he recommends that the bonds in question be disposed of and the proceeds deposited and covered into the Treasury.

You state that the bonds of the States of Tennessee and Virginia (which comprise a portion of those under consideration) cannot be sold at the present time without loss to the Government, and express the opinion that it will be necessary to secure congressional legislation, authorizing the sale thereof, before the same can be disposed of by the Department, and therefore direct that a draught of a bill to that end be prepared and transmitted with the proper recommendations to forward the same to Congress.

In compliance with your directions, I have the honor to transmit herewith a *projet* of a bill authorizing the disposal of the bonds hereinbefore referred to, and for the proper disposition of the proceeds of the same, as well as of the accumulated interest on said bonds, and respectfully recommend that it be forwarded to Congress for the early and favorable action of that body.

I also forward herewith duplicate copies of all correspondence on the subject-matter under consideration, and recommend its transmittal to Congress in order that said body may have a perfect understanding of the case.

Very respectfully, your obedient servant,

J. Q. SMITH, *Commissioner*.

Hon. SECRETARY OF THE INTERIOR.

AN ACT to cover into the Treasury certain funds, comprised of money and stocks held by the Secretary of the Interior in the name of the Ottawa and Chippewa Indians, released to the Government by treaty with said Indians, of July 31, 1855.

Whereas the Government of the United States became trustee of certain funds accruing to the Ottawa and Chippewa Indians under the fourth, fifth, sixth, and supplemental articles of the treaty with said Indians, of March 23, 1836; and whereas the said Indians, by the third article of a treaty concluded July 31, 1855, in consideration of certain grants and payments provided for in the first and second articles of said treaty, released and discharged the United States from all liability on account of former treaty stipulations, for land, money, or other thing guaranteed to them by the stipulations of any former treaty or treaties; and whereas the liability created under the treaty with said Indians, of 1836, being clearly discharged by the said third article of the treaty of 1855, and the treaty funds arising under the former treaty, (including the bonds and interest now on hand, and of which the Secretary of the Interior is trustee for the time being,) having thereby become the property of the United States: Therefore,

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior be, and is hereby, authorized and required to dispose of the stocks now held by him as trustee, in the name of the Ottawa and Chippewa Indians, amounting to the sum of twenty-one thousand two hundred and nine dollars and forty-seven cents, and to cause the proceeds thereof to be covered into the Treasury as funds released to the United States by the third article of the treaty of July 31, 1855, with the Ottawa and Chippewa Indians. And the said Secretary is hereby authorized and required to cause to be covered into the Treasury, in like manner, the accrued interest on said above-named stocks, now on the books of the Interior Department, amounting to the sum of thirty-one thousand one hundred and forty-two dollars and fourteen cents, (together with such other amount of interest on said stocks as may accrue up to the date of the carrying into effect the provisions of this act:) *Provided,* That if, in the opinion of the Secretary of the Interior, it be found impracticable to dispose of such portion of the stocks hereinbefore referred to, as may be depreciated in value, he is hereby authorized and directed to transfer the same to the custody of the Secretary of the Treasury, to be by him held until such time as the same may be disposed of without serious loss to the United States.

DEPARTMENT OF THE INTERIOR,
OFFICE OF INDIAN AFFAIRS,
Washington, D. C., November 24, 1875.

SIR: I have the honor to invite your attention to the following statement relative to certain stocks held by this Department in the name of the Ottawa and Chippewa Indians of Michigan.

By the fourth article of the treaty with said Indians of March 28, 1836, (7 Stat., 49,) it is provided, in consideration of the cession of certain lands per first article of said treaty, that the United States shall pay an annuity of \$30,000 per annum in specie for twenty years, \$29,000 of which to be paid annually to the Indians and \$1,000 to be invested in stock by the Treasury Department and to remain incapable of being sold without the consent of the President and Senate, which may, however, be given after the expiration of twenty-one years.

The fifth article of said treaty provides that \$300,000 shall be set apart for the payment of just debts against the said Indians, and the fourth article provides that \$150,000 shall be set apart as a fund for half-breeds.

By a supplemental article, pages 496 and 497, it is provided that any excess of the "funds set apart in the fifth and sixth articles shall, in lieu of being paid to the Indians, be retained and vested by the Government in stock under the conditions mentioned in the fourth article of this treaty."

In compliance with said treaty, certain investments in stock were from time to time made by the Government. In 1851 or 1852, a portion of the stocks belonging to said Indians, arising as above mentioned, were sold to pay certain claims against the Indians, as provided for in the fifth and sixth articles of their treaty, yet leaving a balance of stock to their credit.

By the third article of the treaty of July 31, 1855, with said Indians, (11 Stat., 624,) it is stipulated that "the Ottawa and Chippewa Indians hereby release and discharge the United States from all liability on account of former treaty stipulations, it being understood and agreed that the grants and payments hereinbefore provided for are in lieu and satisfaction of all claims, legal and equitable, on the part of said Indians, jointly and severally, against the United States for land, money, or other thing guaranteed to said tribes or either of them by the stipulations of any former treaty or treaties."

Under the provision of the treaty of 1855, all payments on account of interest accruing on the balance of stocks before mentioned have been withheld.

These Indians, parties to the treaties of 1836 and 1855, now number nearly 6,000 souls, the majority of whom are located in Chippewa, Delta, Emmett, Leelenaw, Oceana, Mason, Muskegon, Allegan, Cheboygan, and Alpena Counties, and on Beaver, High, and Garden Islands, in the State of Michigan. They are entirely dependent upon their own resources and exertions for maintenance, their tribal organization being dissolved, and all payments to them under treaty having expired by limitation.

This subject is submitted for the information and consideration of the Department, with a view of obtaining a decision as to the ownership of the stocks, which rests upon the question whether these stocks, consisting of Government bonds and stocks of different States, held in trust for the Indians at the time of making the last treaty, are to be considered a "liability on account of former treaty stipulations," or a claim, "legal and equitable, on the part of said Indians, jointly and severally,

against the United States for land, money, or other thing guaranteed to said tribes, or either of them, by the stipulations of any former treaty or treaties," as contemplated in the third article of the treaty of 1855, or whether, being the property of the Indians at the signing of the treaty, and held only in trust by the Treasury of the United States, these stocks are not still the property of the Indians, and may therefore now be treated as belonging to them.

The stocks now held by the Department in the name of the Ottawas and Chippewas, amount to \$21,209.47, and interest thereon has accumulated since the treaty of 1855, amounting to \$30,983, and is now on the books of this Office to the credit of appropriation "trust-fund interest due Ottawas and Chippewas."

Very respectfully, your obedient servant,

EDW. P. SMITH,
Commissioner.

The Hon. SECRETARY OF THE INTERIOR.

DEPARTMENT OF THE INTERIOR,
Washington, D. C., December 14, 1875.

SIR: Referring to a communication from your Office, dated the 24th ultimo, relative to certain funds on the books of the Indian Bureau to the credit of the Ottawa and Chippewa Indians, I have to state that the treaty of 1836, (see U. S. Stats., vol. 7, page 492,) creates an engagement on the part of the United States to pay the amounts therein specified, unless discharged by the treaty of 1855.

The liability so created was clearly discharged by third article of the treaty last named, (see U. S. Stats., vol. 11, p. 624.) I am therefore of the opinion that the trust-fund created under the former treaty, (including the bonds and interest now on hand,) is the property of the United States.

You will please furnish this Office with a complete report of the stocks and interest belonging to this fund, and give such other information as will enable the Department to transfer said fund to the Treasury Department.

Very respectfully,

Z. CHANDLER, *Secretary.*

Hon. JOHN Q. SMITH,
Commissioner of Indian Affairs.

DEPARTMENT OF THE INTERIOR,
OFFICE OF INDIAN AFFAIRS,
Washington, D. C., December 17, 1875.

SIR: I have the honor to acknowledge the receipt of Department letter of the 14th instant, in reply to one from this Office of the 24th ultimo, asking for a decision as to the ownership of certain stocks held by the Department, and moneys on the books of this Office in the name of the Ottawa and Chippewa Indians, stating that the liability created by the treaty of 1836, with said Indians, was clearly discharged by the third article of the treaty of 1855, and therefore the trust-fund created under the former treaty, (including the bonds and interest now on hand,) is the property of the United States.

In compliance with the instructions contained in said letter, I have the honor to submit the following statement of the bonds and interest belonging to said fund, viz :

STOCKS.

State of Tennessee 5s	\$1,000 00
State of Virginia (Chesapeake and Ohio Canal Company) 6s	3,000 00
United States registered loan of 1864, 6s.....	2,000 00
United States registered loan of 1865, 6s.....	8,909 47
United States funded loan of 1881, 5s.....	6,300 00
Total stocks.....	21,209 47

INTEREST.

Trust-fund interest due Ottawas and Chippewas	\$30,452 14
Trust-fund interest due Ottawas and Chippewas, 1874.....	230 00
Trust-fund interest due Ottawas and Chippewas, 1875.....	230 00
Trust-fund interest due Ottawas and Chippewas, 1876.....	230 00
Total interest	31,142 14

In explanation of the difference in amount of interest as shown in Office report of the 24th ultimo and the amount stated above, I have to state that since the date of said report there has been collected and brought on the books of this Office the sum of \$159.14.

In this connection I respectfully request that the matter of the transfer to the Treasury Department of the above interest be submitted to that Department for such action in the premises as may be necessary in order that the amount thereof may be properly covered into the Treasury.

Very respectfully, your obedient servant,

J. Q. SMITH,
Commissioner.

The Hon. SECRETARY OF THE INTERIOR.

TREASURY DEPARTMENT,
Washington, D. C., January 5, 1876.

SIR: I have the honor to acknowledge the receipt of your letter of the 20th ultimo, with inclosures, asking what action should be taken to properly cover into the Treasury the interest now standing on the books of the Department to the credit of the Ottawa and Chippewa Indians, and in reply to state, that, as you have decided that the trust-funds referred to have become the property of the United States, your requisition for the same should be issued in favor of the United States Treasurer, to be by him deposited, as a deposit by you as "funds released to the United States by the 3d article of the treaty of July 31, 1855." (11 Statutes, p. 624.)

The stocks in question can be disposed of, and the proceeds deposited and covered into the Treasury under the same head.

Very respectfully, your obedient servant,

B. H. BRISTOW,
Secretary.

Hon. Z. CHANDLER,
Secretary of the Interior.

DEPARTMENT OF THE INTERIOR,
Washington, D. C., January 18, 1876.

SIR: Referring to your letter of the 17th ultimo relative to the transfer of certain bonds, with the accrued interest thereon, to the Treasury Department, and requesting that the matter be submitted to that Department for such action in the premises as might be necessary, in order that the amount thereof may be properly covered into the Treasury, I have to say that a copy of your letter was transmitted to the Secretary of the Treasury, and I inclose herewith, for your information, a copy of his communication dated the 5th instant, in reply to the same.

The bonds held in trust by this Department for the Ottawa and Chippewa Indians are as follows, viz:

State of Tennessee 5s.....	\$1,000 00
State of Virginia (Chesapeake and Ohio Canal) 6s	3,000 00
United States registered loans of 1864, 6s	2,000 00
United States registered loans of 1865, 6s	8,909 47
United States registered funded loan, 1881, 5s.....	6,300 00
Total	21,209 47

The honorable Secretary of the Treasury recommends that the above bonds be disposed of and the proceeds deposited and covered into the Treasury.

The above bonds of the States of Tennessee and Virginia cannot be sold at the present time without a loss to the Government, and I am of the opinion that it will be necessary to procure an act of Congress authorizing the sale of said bonds before this Department can dispose of the same.

You will, therefore, transmit a draught of a bill, authorizing the sale of the bonds, and the transfer of the funds to the Treasury Department, with the proper recommendations to forward the same to Congress.

Very respectfully,

Z. CHANDLER,
Secretary.

Hon. J. Q. SMITH,
Commissioner of Indian Affairs.