

ADAM HINE.

MAY 2, 1874.—Committed to a Committee of the Whole House and ordered to be printed.

Mr. KELLOGG, from the Committee on War-Claims, submitted the following

REPORT:

[To accompany bill H. R. 182.]

The Committee on War-Claims, to whom was referred the bill (H. R. 182) for the relief of Adam Hine, having considered the same, report:

That it appears from the affidavit of Charles Parsons, late captain and assistant quartermaster in charge of transportation at Saint Louis, Mo., that on May 24, 1864, he impressed the steamer *Island City*, of 139 tons burden, the property of Adam Hine, of Keokuk, Iowa, having received a telegram from General Sully, in command of the northwestern Indian expedition, in which it was stated that, owing to the low water, he required light-draught boats to transport supplies to various points. It further appears that the impressment of the steamer *Island City* was against the wishes and protest of the said Adam Hine; that the said vessel was ordered to proceed up the river to Saint Joseph, Mo., there to take on such stores belonging to General Sully's expedition as might be there, and proceed up the river, subject to the order of General Sully and his quartermasters; that at the time the boat was taken the said Hine had a partial insurance on the *Island City*, and that, in order to secure himself for the full value of the vessel, as well as for the value of the amount already insured, he was required to pay an additional premium as his insurance to that river; and that the said Captain Parsons told Mr. Hine to procure such additional insurance or extension, and he would allow enough in the settlement of the claim to cover the same. It further appears that the captain of the *Island City* declined going except under impressment, and with the understanding that the Government was to be liable for the value of the vessel not covered by insurance in case of loss. Captain Parsons states that he took the responsibility of making such agreement, because under the circumstances it was necessary, and because no charter could be made out which would have bound the owners to assume the entire risk of loss.

In pursuance of said orders and understanding, the *Island City* left Saint Louis on the 26th of May, 1864, taking on Government freight at various points, and finally reporting to General Sully, by whom the vessel was ordered to Swan Lake, two hundred miles farther up the river. After her arrival she was thence ordered to Fort Rice, thence to Fort Union, and while en route for said fort on the 25th day of July, and when only about three miles below the mouth of the Yellowstone

River, while proceeding regularly in the channel, struck a snag, which was invisible, and sunk in about 10 feet of water. Every effort was made by her crew and the crews of three other steamers to raise the *Island City*, but they failed, although most of the freight was taken off and turned over to the commander of the post. Mr. Hine then presented a claim for the value of the vessel, placing the value of the same at \$28,000, less \$10,000 received from the insurance companies, and \$3,800, the estimated value of freight and machinery saved from the wreck and retained by him. The Third Auditor decided that the marine risk was assumed by the owner of the *Island City* in addition to the amount insured, on the ground that it was a case of agreement with Captain Parsons, and stated the account as follows:

Amount of insurance, two-thirds of value.....	\$10,000
Additional third	5,000
	15,000
Making total value.....	15,000
Deduct amount paid for insurance.....	\$10,000
Deduct value of property saved.....	3,800
	13,800
Which leaves	1 200

And recommended that that amount be paid Mr. Hine. The Second Comptroller overruled this decision, returning the report with this indorsement:

I am satisfied that this vessel was in the service, and lost under circumstances that make the Government liable for the uninsured portion. The valuations in this case vary between \$28,000 and \$30,000, but they are by parties of the claimant's own selection, and may therefore be presumed to entertain high opinions of the vessel's value. This view is supported by the cost of the vessel, the settlement made of the wreck, and by whatever weight belongs to the argument growing out of the matter of insurance.

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The cost of the vessel was \$20,300, to which add personal services, estimated at \$1,000, and we have value \$21,300. Deduct insurance and wreck, \$13,800, and it leaves due \$7,500 from the United States, for which an account may be stated.

This amount was paid the claimant. Your committee find the cost of the vessel, built in 1863, to be, as stated, \$20,300. But it is in evidence, and is so stated by the Third Auditor, that there was a large increase in the value of steamboats in the spring of 1863 and summer of 1864, and that it cost from 40 to 50 per cent. more per ton to build a boat in July, 1864, than in the spring of 1863. The affidavits of nine persons, builders, owners, and officers of steamboats, in reference to the value of the *Island City* at the time of her loss, make the average over \$28,000, Captain Parsons, the quartermaster who impressed the vessel, placing her value at \$28,000.

Your committee find, and so report, that the evidence adduced fully warrants the conclusion that the vessel was worth \$28,000 at the time of her loss; that a short time before her impressment an offer of \$25,000 was made for her; and believing, with the Second Comptroller, that the Government is liable for the uninsured portion, report back the bill (H. R. 182) with the following amendment: Strike out the words "ten thousand," in line six, and insert "six thousand seven hundred," and, as thus amended, recommend its passage.