

CLAIMS FOR SUPPLIES FURNISHED SIOUX OR DAKOTA
INDIANS OF MINNESOTA.

MAY 12, 1880.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. **FOEHLER**, from the Committee on Indian Affairs, submitted the following

REPORT:

[To accompany bill H. R. 1157.]

The Committee on Indian Affairs, to whom was referred the bill (H. R. 1157) to authorize the Secretary of the Interior to ascertain the amounts due to citizens of the United States for supplies furnished the Sioux or Dakota Indians of Minnesota subsequent to August, 1860, and prior to the massacre of August, 1862, and providing for the payment thereof, have considered the same, and respectfully report:

That the citizens of the United States for whom this bill would make provision are certain traders, who were then and had been engaged for a number of years in the ordinary course of trade and business in selling commodities to the Sioux or Dakota Indians of Minnesota, under a license granted by the Commissioner of Indian Affairs, and expecting the Indians to pay for the same out of annuities to be paid them by the United States, which was the usual course of doing business. That at the time at what is familiarly known as the Sioux or Dakota Indian massacre of August, 1862, the Indians involved were indebted to these traders for necessary supplies furnished them during a period of two years, just then passed, to the amount of about \$120,000, and that their only resource for discharging such indebtedness was their annuities, which indebtedness was understood both by the Indians and traders would be paid and discharged out of the first annuities paid to the Indians.

It also appears that some of these claims were presented to the commissioners, appointed under the act for the "relief of persons for damages sustained by reason of depredations and injuries by certain bands of Sioux Indians," approved February 16, 1863, and that said commissioners declined considering them, for the reason that none other than claims for depredations were deemed by said commissioners to be included in the terms of said act, and their indebtedness to the traders not being provided for in specific terms, they felt it their duty not to assume the responsibility of their adjudication.

Evidence has been presented to your committee tending to show that at the time of said outbreak the Indians were indebted to the traders in a sum of about \$100,000, but as the bill does not provide for the payment of any claim, until it is audited and allowed by the Secretary of the Interior, we have not investigated the amount of such indebtedness critically.

In regard to the annuities; &c., due these Indians under treaty stipulations, abrogated and annulled by the act referred to, the papers in the case received from the Department of the Interior show that at the time of the passage of said act there were thirty-eight annual installments due, and to become due, amounting, in the aggregate, to the sum of \$2,884,000, under existing treaties, to the upper bands, besides a permanent fund of \$300,000 on which interest at 5 per cent. was paid them annually, and the difference between the amount, \$170,880, to be paid for the land ceded by the treaty of 1858, and the sum, say \$70,000, paid therefrom on account of the debts, &c., amounting to about \$100,000, and to the lower bands an aggregate amount of annual installments due, and to become due, of \$2,347,900. This would make an aggregate of about \$5,631,900 that would have been paid or still due, in part, by the United States to said bands, had not their treaties been abrogated and their annuities forfeited by the said act of February 16, 1863.

There has been appropriated since the abrogation of said treaties for the payment of claims on account of depredations committed during the massacre referred to the sum of \$1,170,374, and for the removal of said Indians and to subsist and care of them at their new homes, prior to the Sioux treaty of April 29, 1868, to which a portion of the Indians formerly residing in Minnesota are parties, in round numbers about \$671,000, making, in all that has been appropriated for and on account of these Sioux between the abrogation of their treaties and the making of new treaties with them, about the sum of \$1,841,374, which would leave a balance in favor of, or that would be due to the Indians, of about \$3,790,526. That these traders, unable thus to collect their debts from the Indians, come now to the United States and ask to be reimbursed for their losses out of moneys represented in the aforesaid confiscated annuities. The indebtedness now due from the Indians to the traders accrued between the years 1860 and 1862, inclusive. An indebtedness of \$70,000 accrued prior to 1860. Congress passed an act in 1874 (18 Statutes at Large, page 47), providing for the payment of this sum out of the confiscated annuities, which we think is a precedent for this bill.

As the credit given to these Indians was based upon the well-known fact of their interest in these annuities, and as the claim had accrued prior to their forfeiture, we think it clear that a lien, equitable at least, existed upon said annuities, and a trust arose in favor of these creditors to the extent of any existing indebtedness so created.

We therefore recommend the passage of the bill, with two amendments.