

DEBT DUE OSAGE INDIANS.

MAY 21, 1880.—Committed to the Committee of the Whole House and ordered to be printed.

Mr. ERRETT, from the Committee on Indian Affairs, submitted the following

REPORT:

[To accompany bill H. R. 6257.]

The Committee on Indian Affairs, to whom was referred the bill (H. R. 6257) directing the execution of a resolution of the national council of the Osage Indians, after full consideration of the same submit this as their report:

In support of the demand for the passage of this bill, it is alleged that, in 1865, the Osage Nation was in possession of a reservation of 4,500,000 acres of land in the State of Kansas and a 5 per cent. interest-bearing credit of \$4,000,000 in the Treasury of the United States, all of which it was induced by threats and false representations to surrender by the Drum Creek treaty of 1868, and accept in lieu thereof \$100,000 in money and \$1,500,000 in 5 per cent. railroad bonds; that the Osages were greatly dissatisfied with this treaty; and, having recovered from the alarm under pressure of which they had executed it, they employed two Cherokee attorneys at law to visit Washington and expose the fraud before the confirmation of the treaty by the government; that the regularity of the employment of the said attorneys was witnessed by a power of attorney (which was recognized at the Department of the Interior and in the Indian Committee of the Senate, where the treaty had gone preparatory to its confirmation), and a contract for fees contingent on the rejection of the Drum Creek treaty and the sale of the lands under the sixteenth section of the treaty of 1865; that by the evidence adduced and the arguments prepared by said attorneys the Drum Creek treaty was defeated, as were also two bills that grew out of the rejected treaty, and an act was passed by Congress by which the lands in question were sold under the said section of the treaty of 1865, making the lands produce \$10,000,000 for the Osages in place of the \$1,600,000 offered by the railroad; that on securing this result, the said attorneys, in a council with their clients, surrendered their formal contract (which gave them as a fee 50 per cent. of all they secured by the said lands over and above the price offered by the railroad), and accepted in lieu thereof a settlement in writing for a present fee of \$230,000, which settlement was accepted by the Department of the Interior, and upon which \$50,000 was paid; and that said attorneys are legally and equitably entitled to the balance of \$180,000, for the payment of which this bill provides.

In the opinion of your committee the foregoing statement has been sustained in each particular and as a whole by good and sufficient evidence.

There is no question but that at the date of the original contract the

Indians were legally competent to make a contract and did make a contract in good faith, and with full knowledge of what they were doing. On this point the Secretary of the Interior says :

November 10, 1869, the Osage council made a contract with William P. Adair and C. N. Vann, attorneys at law and distinguished citizens of the Cherokee Nation, authorizing them to resist the ratification of the treaty (Drum Creek) and to use their influence to procure such legislation as would enable the Osages to obtain a higher price for their lands embraced in their reservation in Kansas. The consideration for the services named in the contract was a contingent fee of 50 per cent. of all moneys obtained from the sale of said lands in excess of the amount named in the treaty, to be paid by the railroad company.

Your committee are further satisfied that these attorneys discharged their duty intelligently and laboriously, and that the result of their labors was a gain to these Indians of \$8,400,000. On this point, the Commissioner of Indian Affairs, in a formal report to the Secretary of the Interior, says, having reference to the defeat of the Drum Creek treaty, and of the two bills heretofore referred to :

I beg leave to say that, from the best information I can procure, I have no hesitation in admitting that the great gain to the Osages, amounting to over \$8,000,000 in the final sale of their lands, was largely due to the services of [the Osage attorneys].

That there was no fraud committed on the Indians in procuring the settlement named is conclusively established by the following evidence :

First. A communication from the Osage national council to the Secretary of the Interior, ratifying the payment of \$50,000, but saying in conclusion :

Our nation made this contract in good faith and we desire it carried out in good faith for the amount it calls for on its face.

Second. The report of the Committee on Indian Affairs of this House, second session, Forty-fourth Congress, which concludes as follows :

The committee will state in conclusion, that a delegation of Osage Indians, consisting of the chief of the nation and certain of the chief councilors, being duly authorized by the Osages to act for them in the adjustment of all their business with the United States, including the payment of any and all debts of the nation, appeared before your committee at the final hearing of this case, and, being questioned in regard to it, fully confirmed the statements of facts as above given, and further stated that their people held themselves indebted to the parties named in the sum above indicated, and that they wished to pay it out of the moneys of the Osage Nation now in the Treasury of the United States.

Third. A petition from the council and headmen of the Osage Nation, dated in 1877, which concludes as follows :

In consideration of all these facts we, the executive council of the Great and Little Osage Nation, earnestly petition you, our Great Father, to pay this just debt that we have ordered paid out of the moneys you have received from the sale of our lands in Kansas, all of which would have been stolen from us by the railroad but for the services of C. N. Vann and William P. Adair, who served us when we were friendless, and saved our lands when the Commissioner of Indian Affairs and our agent wanted to give them to a railroad company. We ask you to allow us to be just and pay our honest debt.

Fourth. The indorsement of the President upon the foregoing petition, which was transmitted to the House and is as follows :

The proceeds of the sales of the lands of the Osage Indians in Kansas have been passed to the interest-bearing credit of these Indians in the Treasury of the United States, and are subject only to the control of Congress. Consequently, there is no fund out of which the executive can order payment upon the within petition.

In view of all the facts and law, your committee are of the opinion that the Osage attorneys are justly entitled to the relief that they ask, and that their clients have so repeatedly urged the United States to pay out of the money earned by the attorneys for their clients, and they therefore report back bill H. R. No. 6257, with the recommendation that it do pass.