

PAYMENT OF KAW OR KANSAS INDIAN SCRIP.

APRIL 15, 1884.—Referred to the Committee on Appropriations and ordered to be printed.

Mr. S. W. PEEL, from the Committee on Indian Affairs, submitted the following

REPORT:

[To accompany bill H. R. 4709.]

The Committee on Indian Affairs, having had under consideration bill H. R. 4709, report as follows:

The Kaw Indians, in 1859, having more land than they wanted, and wishing to be established as a farming people, were ready to give up a large portion of their reservation in the State of Kansas. The land being very desirable for settlers, the Government concluded a treaty with the tribe, proclaimed by President Buchanan, November 17, 1860 (12 Stat., 1111). The Indians were to remove to a part of the reservation called "the diminished reserve." The United States was to sell the remainder to settlers, and, with the proceeds, furnish the Indians with what was necessary to carry on agricultural pursuits. Article IV provided that the Secretary of the Interior might sell at his discretion any surplus land remaining after that portion of the reservation stipulated to be retained had been assigned to the Indians in severalty, "the proceeds to be expended for their benefit in such manner as the Secretary of the Interior may deem proper."

The Government entered into a contract with Robert S. Stevens to furnish materials and build houses for the Indians, which Mr. Stevens did in a manner satisfactory to the Secretary of the Interior, in the summer of 1862. There not being funds then available from the sales of the surplus lands to pay Mr. Stevens, the Secretary of the Interior directed an issue of scrip certificates, payable to Stevens or bearer, to the amount of the agreed indebtedness. These certificates Mr. Stevens accepted and disposed of. The Commissioner of Indian Affairs, at the time of issuing this scrip, gave Mr. Stevens a letter stating that "the trust lands mentioned are among the choicest and most desirable of Kansas lands, and the proceeds resulting from their sale will, it is believed, be ample for the payment of all demands for which they are held in trust." Much correspondence took place between the purchasers of this scrip and the office of the Commissioner of Indian Affairs from time to time, and they were informed that the lands were being offered for sale, and the scrip would be paid.

Of the Stevens scrip, so called, \$70,633.45 was issued August 22, 1862,

and \$16,000 November 20, 1862. The certificates were in the following form:

UNITED STATES OF AMERICA,
DEPARTMENT OF THE INTERIOR,
OFFICE OF INDIAN AFFAIRS.
\$100.

No. 10, A. 1.

Whereas, by the fourth article of the treaty between the United States and the Kansas tribe of Indians, ratified June 27, 1860, provisions were made for certain improvements to be made for the benefit of said Indians, under the directions of the Secretary of the Interior; and whereas, various improvements have been made by Robert S. Stevens for said Indians, under the direction of the Secretary of the Interior—which improvements have been, in part, approved and accepted; and whereas a partial settlement has been had between the Secretary of the Interior and said Stevens for the work done and improvements made by him as aforesaid:

Now, therefore, I hereby certify that the said Secretary of the Interior directs the sum of one hundred dollars (parcel of the said sum found due said Stevens) to be paid to the said Robert S. Stevens, or bearer, pursuant to the provisions of said treaty, as the Secretary of the Interior may hereafter prescribe, on the surrender of this certificate, after due notice given, with interest from the date hereof until paid, at the rate of six per centum per annum.

Given under my hand and the seal of the Department, at Washington City, this 22d day of August, A. D. 1862.

[SEAL.]

CHARLES E. MIX,
Acting Commissioner.

In addition to the provisions under which the Stevens scrip was issued, the treaty specially authorized the Secretary of the Interior to issue certificates of indebtedness to settlers for the value of improvements made by them on the diminished reserve. Such certificates were issued to the amount of \$27,978.67. The treaty further authorized certificates to be issued to traders and others having claims against the Indians. The amount thus issued was \$39,832.62.

The Commissioner of Indian Affairs in his last two annual reports has urged Congress to take action looking to the immediate payment of this scrip, principal and interest, to the holders thereof. That officer has also written your committee approving the form of the bill now under consideration.

Your committee are of the opinion that this indebtedness ought to be paid with as little delay as possible. The lands held for its payment are trust lands, and their proceeds should be applied to the payment of these certificates. Whilst feeling the full force of the recommendation of the Interior Department, that a direct appropriation be made to pay the amount outstanding of this scrip, we think that the better and more practical plan for the present is to proceed no further than to dispose of the net proceeds now on hand, as required by the treaty stipulations. These proceeds are now (March 27, 1884) amounting to \$67,386.89; this amount and the net proceeds from future sales ought to be devoted as speedily as possible to the payment of this indebtedness, the above amount of \$67,386.89 being the amount on hand April 1, 1884, as shown by letter of Hon. N. C. McFarland, Commissioner General Land Office of the United States, of that date, to Secretary Teller, in response to letter of S. W. Peel, chairman Subcommittee on Indian Affairs, which letter is herewith appended as a part of this report.

Your committee therefore report the following resolution in lieu of the bill, and recommend that it be adopted:

Resolved by the Committee on Indian Affairs, That the Committee on Appropriations be requested to insert the following item in the deficiency appropriation bill: That the Secretary of the Interior be, and he is hereby, authorized and directed to apply the net proceeds arising from the sales of Kansas Indian lands in the State of Kansas, now in the Treasury, and such as shall from time to time be in the Treasury,

to the credit of the Kansas tribe of Indians, to the payment of all of the present indebtedness of said tribe, principal and interest, represented by the certificates issued in the years eighteen hundred and sixty-two and eighteen hundred and sixty-three, and known as Kaw or Kansas Indian scrip, said payment to be made as follows: He shall, ninety days after the approval of this act, apply sixty-seven thousand three hundred and eighty-six dollars and eighty-nine cents (\$67,386.89,) being the net proceeds on hand March twenty-seventh, eighteen hundred and eighty-four, in pro-rata payment principal and interest of all such scrip certificates aforesaid as shall be filed in the Department of the Interior on or before the said ninetieth day after the approval of this act, and of the genuineness of which he shall be satisfied. And thereafter, whenever the proceeds, after the deduction of the expenses of the sale of said lands, shall equal the sum of ten thousand dollars, the Secretary of the Interior shall pay said sum, together with any excess thereof upon such certificates as aforesaid as shall be on file at the Department of the Interior on the date of such payment, and for thirty days thereto preceding; and shall continue so to pay until the indebtedness of said tribe represented by said scrip certificates with the interest thereon shall be fully liquidated, or until the entire net proceeds of the sale of said lands that are now on hand, or that may hereafter be acquired, shall be exhausted.

DEPARTMENT OF THE INTERIOR,
GENERAL LAND OFFICE,
Washington, D. C., April 1, 1884.

SIR: I have the honor to acknowledge the receipt, by reference from the Department, of a letter from the Hon. S. W. Peel, House of Representatives, dated March 26, 1884, requesting to be informed of the net proceeds of the sales of Kansas trust and Kansas trust and diminished reserve lands in Kansas, and in reply thereto have to state as follows:

From inquiries at the Treasury, it is learned that there was a balance on deposit to the credit of the Indians on December 31, 1882, amounting to \$32,203 18
Balance in hands of receiver, December 31, 1882 494 42
Sales during the year 1883 47,686 08
Sales during January and February, 1884 8,124 60

Total..... 88,508 28

From which is to be deducted expenses of sale, chargeable under the decision of the First Comptroller, dated June 6, 1883..... \$17,019 83
Cost of advertising 4,101 56

Total expenses 21,121 39

Net proceeds to March 1, 1884 67,386 89

The letter of Mr. Peel is returned herewith.

Very respectfully,

N. C. McFARLAND,
Commissioner.

Hon. H. M. TELLER,
Secretary of the Interior.

DEPARTMENT OF THE INTERIOR,
Washington, April 2, 1884.

SIR: I have to acknowledge the receipt of your letter of the 26th ultimo, requesting certain information relating to Kansas Trust and Diminished Reserved Lands, &c., and in reply thereto transmit herewith a copy of an account stated from the Commissioner of the General Land Office, containing the desired information.

Very respectfully,

H. M. TELLER, Secretary.

Hon. S. W. PEEL,
House of Representatives.