66TH CONGRESS, 3d Session. } HOUSE OF REPRESENTATIVES. { REPORT No. 1189.

REORGANIZING THE INDIAN SERVICE.

JANUARY 14, 1921.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

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

REPORT.

[To accompany H. R. 15663.]

The Committee on Indian Affairs, to whom was referred the bill (H. R. 15663) to reorganize the Indian Service, to expedite the settlement of Indian affairs, and for other purposes, authorized by section 28 of H. R. 2480, approved June 30, 1919, having considered the same, report it to the House with the recommendation that it do pass with the following amendments:

Page 3, line 17, section 3, after the word "the," insert "local Indian or tribal."

Page 4, section 5, after the word "That," insert the words " on and after July 1, 1922."

Page 5, section 6, after the word "That," insert the words "on and after July 1, 1922."

Page 5, section 7, after the word "That," insert the words "on and after July 1, 1922."

Page 6, line 9, strike out the words "offer for sale" and insert the word "sell" in lieu thereof.

Page 6, line 14, strike out the words "as to terms and conditions of payment."

Page 7, line 9, insert the word "existing" after the words "provided by."

Section 1 of the bill provides that all Indians of any quantum of Indian blood, who have reached the standard of the seventh grade in Indian or other schools and becomes 21 years of age, male or female, shall be citizens, and certificates of competency shall issue to those who have arrived, or shall hereafter arrive at the age of 23, and they shall receive anything due them from the Government. Certificates of competency were issued during the fiscal year of 1920, to 285 Indians, and restrictions to the number of 2,578 were removed from

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members of the Five Civilized Tribe in Oklahoma. The total Indian population of the United States is stated to be 336,337. Of this number 82,856 Indian children are eligible for school attendance; the number in schools of all kinds is 61,800, and the number not in school is 21,056. There were 28,452 patents in fee issued to the Indians from May 8, 1906, to June 30, 1920, and during the year 1920 6,426 applications for patents were approved. In the seventh grade, academic, the course of study in the schools where 750 Indian pupils are studying comprises English grammar and composition, spelling (basic text for that grade); elementary physiology, history (United States in part); elementary civics, vocational arithmetic; seventh year; industrial geography; agricultural botany; theory, etc.

In vocational work elective courses are given in the study of agriculture, engineering, carpentry, masonry, blacksmithing, painting, and printing for the boys and home economics and nursing for the girls.

This system of education is pursued in 21 nonreservation boarding schools; 95 reservation boarding schools, and 195 day schools. Appropriations for the education of Indian children for 1922, amount to $4,116,875, and the appropriations for hospitals amounts to $390,000.

Section 2 of the bill directs the removal of restrictions and the issuance of certificates of competency to all allotted Indians of less than one-half Indian blood and to all competent Indians who have arrived at the age of 21 years, of any degree of blood, without filing application for such purpose and the issuance of patents in fee in such cases is ordered by this legislation. The object of this provision is to make it possible for the Indian who is adjudged competent to care for himself without supervision and to reduce the necessity for the various steps heretofore demanded to attain this result. The section is compulsory and, it is believed, it will prove both beneficial to the Indian and the Government.

In support of this legislation the following quotation is made from the report of the Secretary of the Interior for 1914:

> There are many thousand Indians in our charge who are entirely self-supporting, capable, thrifty, farsighted, sensible men. And singularly enough, these are most often found among those tribes which were most savage and ruthless in making war upon the whites. Some of these are indeed so farsighted that they do not wish to enjoy full independence because their property would then become subject to taxation. Others are attached by a tribal sentiment and by the natural conservation of the Indian to existing conditions. Still others are held to governmental control in part because of the entanglement of their tribal affairs. The Government will not do its duty toward itself or toward these Indians until men of this class are fully released.

Section 3 provides for compulsory attendance of Indian pupils at schools and fixes penalties for dereliction of parents or guardians in this respect. Your committee, in its investigation, found, everywhere, a disposition on the part of the Indian to oppose education. It was shown that Indian children could be induced to enter school only with great effort and urgent action on the part of superintendent and teachers. Therefore, your committee makes this recommendation and respectfully urges that it become law.

It is much desired and needed. Congress has provided liberally for the education of the Indian and an insufficient school capacity does not now exist as an excuse, so far as Indian pupils are concerned, except on certain reservations. Therefore, your com-

mittee, after careful consideration of the matter, believes that the Secretary of the Interior should be empowered to make this section effective after its enactment.

Section 4: In the investigation by the committee in the field, as well as in Washington, it was developed that there were very large areas of land on many of the reservations which were not being utilized for any purposes. Much of it is in demand, and the committee could see no good reason why the surface on reservations, beyond that required for the purposes set forth in this section, should not be leased or sold for the benefit of the tribes affected and in the general interest of the taxpayers of the United States. It will be noted that the interests of the Indians are carefully preserved by reserving any lands which are cultivated for farms, or which are necessary for grazing, by any Indian or Indians having rights on the reservation not in excess of his or their pro rata share.

Section 5: One of the original objects of the investigation was to do away with overlapping divisions in the various departments, and the committee has found, upon careful investigation, that the Indian Health Division carries on exactly the same activities that are carried on by the Public Health Service, except that the committee does not believe that the service is anywhere nearly as efficient as it would be if transferred to the Public Health Service, and it believes, also, that the expense for handling the same would be much reduced and that the service would be under the direction of much more competent authority than now exists in the Indian Health Division of the Indian Service. And so it is recommended, under this section, that the work now being carried on in the Indian Bureau, under a bureau known as the Indian Health Division, should be wholly transferred to the Public Health Department.

Section 6: During the committee's investigation it was found that there was in the Indian Service a bureau known as the Indian Forestery Division, whose activities were indentically the same as those carried on under the National Forest Service, and with much inferior facilities to perform this work. We found that frequently the activities of these two departments met with each other and sometimes overlapped in the field. Your committee, after careful investigation, has decided that this service should be wholly eliminated from the Indian Bureau and placed under the Federal Forest Service, as provided for in the section referred to. The committee believes that if such transfer is made, there will be a great improvement in the handling of the forests on Indian reservations and much greater benefit will accrue to the Indians, as well as to all of the people of this country.

Section 7: Your committee, in its investigation, went very deeply into the matter referring to the Indian Irrigation Division in the Indian Service, and it was disclosed that practically all of the larger irrigation projects in existence or in construction are now being operated by the Reclamation Service under the supervision of the Indian Bureau. It was found that a very large per cent of all of these irrigation systems was mostly in the interest of white users of water. It is believed by the committee that since the Reclamation Service is much better prepared for the handling of this work this division should be transferred wholly from the Indian Service to the Reclamation Service, thereby placing the responsibility in the hands of a

thoroughly competent body of men who are fully qualified, thus being able to finally place the responsibility for the expenditure of such moneys as are appropriated from time to time for these projects. It was frequently developed in the testimony that those who were connected with the Indian Irrigation Division, from the commissioner down, were unable to give the committee satisfactory information with regard to these tremendous expenditures and the reimbursement of the same to the Government. The committee sees no reason, since the money is nearly all expended by the Reclamation Service under the direction of the Indian Service, why the estimates should not be made by the Reclamation Service, and this service be held wholly responsible for the execution of that work by the Congress of the United States direct, rather than through another bureau. It will be noted that it is provided that the Secretary of the Interior, in his discretion, may transfer the operation and maintenance of any completed irrigation project, which is principally for the benefit of Indians, to the Bureau of Indian Affairs. It was found that there are several small irrigation systems which are used wholly by Indians where the systems are complete and no further extensions are to be made, and the operation and maintenance of the same are carried on by the employees on the reservation. It seemed to the committee that in cases like this it might be feasible and advisable to transfer such projects. However, this does not contemplate maintaining in the Indian Bureau any division which would be known as the "Indian Irrigation Division," neither would it contemplate any departmental employees, and this is the reason for the last paragraph in section 7.

Section 8 provides for the sale of the remaining unsold coal and asphalt deposits in the Choctaw-Chickasaw segregated mineral area, Oklahoma.

The three sales provided by the act of February 8, 1918, have been carried out by the Secretary of the Interior, leaving a considerable residue of these deposits unsold and this legislation is necessary for the consummation of these sales as contemplated by Congress and in compliance with agreements with the Choctaws and Chickasaws.

After careful consideration of the matter your committee reported a bill (H. R. 15011) for this purpose on December 17, 1920 (Rpt. No. 1126, 66th Cong., 3d sess.), and under date of December 15, 1920, the Secretary of the Interior recommended favorable action on this bill in the following letter:

DEPARTMENT OF THE INTERIOR,
Washington, December 15, 1920.

MY DEAR MR. SNYDER: I am in receipt of H. R. 15011, introduced in the House of Representatives on December 13, 1920, by Mr. Carter, of Oklahoma, entitled "A bill authorizing the Secretary of the Interior to offer for sale remainder of the coal and asphalt deposits in segregated mineral land in the Choctaw and Chickasaw Nations, State of Oklahoma," with your informal request for a report thereon.

The act of Congress approved February 8, 1918 (40 Stat. L., 433), authorized the Secretary of the Interior to offer for sale at public auction the coal and asphalt mineral deposits belonging to the Choctaw and Chickasaw tribes in Oklahoma, covering an area of 441,107 acres, and three sales have been held as provided by that act.

At the first sale held December 11, 12, 13, and 14, 1918, 54 tracts, leased and unleased, covering an area of 42,103 acres were sold at an average price per acre of $32.39, for a total of $1,363,645.17.

At the second sale held November 13, 14, and 15, 1919, seven tracts, leased and unleased, covering an area of 4,426.44 acres were sold at an average price per acre of $25.10, for a total of $111,116.

At the third sale held June 16 and 17, 1920, 33 tracts, leased and unleased, covering an area of 15,293.10 acres were sold at an average price per acre of $33.04, for a total of $505,312.96.

At the three sales held, a total of 94 tracts, leased and unleased, covering an area of 61,822.54 acres, were sold at an average price per acre of $32.03 for a total of $1,980,074.13, thus leaving unsold 423 tracts covering an area of 379,284.46 acres, of an estimated value (excluding surface) of $11,273,715.98.

Under existing law, there is no provision for any further offering of the coal and asphalt deposits of the Choctaw and Chickasaw Nations, and H. R. 15011 is intended to vest authority in the Secretary of the Interior to sell the remaining unsold coal and asphalt mineral deposits under rules and regulations to be prescribed by him. I recommend that favorable action thereon be taken.

Cordially, yours,

JOHN BARTON PAYNE,
Secretary.

Hon. H. P. SNYDER,
Chairman Committee on Indian Affairs, House of Representatives.

Section 9 of the bill extends the provisions of the act of February 25, 1920, to unallotted lands within Indian reservations so that the same general law now applicable to the public domain will hereafter apply to deposits of coal, phosphate, oil, oil shale, gas, and sodium found in such lands except that all of the royalties and rentals are to be paid to the Indians. It is also provided that this same method of leasing shall likewise apply to deposits of potassium, asbestos, precious stones, and other nonmetalliferous minerals discovered on unallotted Indian lands. Your committee believes that the enactment of this section will be the cause of much mining development and that a number of Indian tribes will receive sufficient income from this source to make gratuity appropriations for their benefit unnecessary. The Secretary of the Interior has recommended the enactment of legislation of this character in the following letter:

DEPARTMENT OF THE INTERIOR,
Washington, December 23, 1920.

My DEAR Mr. SNYDER: I am in receipt of your letter inclosing for report a copy of H. R. 13851, a bill to authorize mining for nonmetalliferous minerals on Indian reservations.

Authority was granted in section 3 of the act of February 28, 1891 (26 Stat. L., 795), for leasing lands within treaty Indian reservations, but there is no authority under existing law for leasing unallotted land on Indian reservations created by Executive order or legislative enactment for farming, grazing, mining, or business purposes, except under section 26 of the Indian appropriation act approved June 30, 1919, which authorizes the leasing of unallotted land on Indian reservations in several States for the purpose of mining metalliferous minerals.

It is reported that there are deposits of asbestos on the Apache Reservation in Arizona and that part of the Navajo Indian Reservation is underlain with coal. There have also been reports to the effect that on some of the reservations not subject to lease under existing authority there is oil and gas.

Many applications for leases on unallotted land on various reservations have been received from time to time and I believe it would be to the advantage of both the Indians and the public generally to authorize the leasing of unallotted land on all Indian reservations. The resources of the reservations would be developed and the Indians would benefit by reason of royalties and rentals and thus need less financial aid from the Government.

In view of the fact that many requests are being received for leases on unallotted lands not subject to lease under existing authority it is hoped that early and favorable consideration will be given the proposed legislation by your committee and the Congress.

Cordially yours,

JOHN BARTON PAYNE, *Secretary.*

Hon. HOMER P. SNYDER,
Chairman Committee on Indian Affairs,
House of Representatives.

Section 10: Under this section provision is made for the extension of an act entitled "An act for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes."

It will be noted that the committee provides for an extension for 15 years, from April 7, 1931, which period would end on April 8, 1946. It will be also noted that the bill provides for an extension of the oil and gas leases, and that it also provides definitely for leasing all of the remaining unleased lands on or before April 8, 1926. There are some 1,000,000 acres of land yet to be leased, under which there is supposed to be oil and gas.

Section 11: In this section it is provided that the bona fide owner of the surface of the land shall be compensated for any loss which shall accrue after the passage of this act, arising out of the use of such land for oil and gas mining purposes. And it will be noted, also, that it is also provided that "nothing herein contained shall be construed to prevent any surface owner from going directly to a court of competent jurisdiction upon the question of damages." It will also be observed that this bill makes it unnecessary for the surface owner to appeal to the Secretary of the Interior for the right to go to court to settle his damage against the oil operator who desires the use of his land.

Section 12 declares the members of the Osage Tribe of Indians to be citizens of the United States. The Supreme Court of the State of Oklahoma has already held that members of the Osage Tribe are citizens of the United States, but the matter has not been passed upon by the Supreme Court of the United States, and it was thought advisable to insert such a provision in this bill. Conferring citizenship does not interfere with the control of the United States over the tribal property of the members of the tribe and restrictions are removed from the members of less than one-half Indian blood. This is in line with the policy toward all Indian tribes throughout the United States. The homestead allotments are nontaxable, under the act of April 8, 1906, for 25 years. The last provision of section 12 makes it clear that the homestead allotments shall not be subject to taxation until the date provided in the act of 1906.

Section 13: In the hearings it was disclosed that, during the past few years, the Osage Tribe has been receiving what seemed to the committee fabulous sums of money—far beyond their requirements and beyond the desire of some of them—and so your committee has provided in this section a provision for the care and the responsibility of these Indians, and the prospects are that the amount which would be received by them under the present law would greatly increase, and so the committee has thought it wise to prescribe methods for the benefit of these Indians, and yet leaving them, it is believed in the best judgment of the committee, a sufficient amount of money to properly care for their families and educate their children. During the present fiscal year each of these Osages—some 2,100 in number—will receive not less than $10,000 cash, in quarterly payments.

It was disclosed that there were families, including as many as seven people, each one of whom drew the amount above mentioned, and the parent has the right of the disposal of all this money. Your committee, after careful consideration, has presented a section which will provide for the impounding of a large amount of these funds for the future benefit of these people, particularly the minors. There is

a provision in this bill which will automatically make these children citizens, and at that time they will come into possession of the funds which have been impounded for them and credited to their individual accounts.

It has also been provided that any of these Indians who are found competent, without regard to their quantum of Indian blood, shall be declared, and in that event they would come into possession of any funds which had been so impounded.

Your committee found that a very large portion of the money which is being paid to these Indians quarterly is being wasted in riotous living, and much of it is being taken away from the Indians by unscrupulous persons. In fact, it seemed to the committee that the manner in which this matter is being at present handled is almost criminal.

Section 14 deals with taxation. It will be noted that it is provided that the Osage Tribe shall be taxed, beginning with the passage of this act, as are all other citizens of Oklahoma under the tax laws of that State. And it will be also noted that the Secretary of the Interior is authorized and directed to pay to Osage County, Okla., an additional sum, equal to 1 per cent of the amount received by the Osage Tribe of Indians from royalties from the production of oil and gas, which sum shall be used by said county only for the construction and maintenance of roads and bridges therein. It is believed that this provision, if properly applied, will enhance the value of all Osage property, on the principle that good roads and bridges enhance the value of property in every other section of the county; and, since there is plenty of money for the purpose, it certainly will be a great advantage to the Osages themselves as well as to those who must carry on business relations with them.

It is realized by your committee that there necessarily will be several fundamental changes in the operation and execution of the laws under the Indian Bureau by reason of the enactment of this bill. But it will be easily understood by everyone that some time (and this seems to be the time) the Government must put itself in a position to reduce its responsibility to the Indian. And it is firmly believed by your committee after nearly a year and a half spent in intensive investigation that the enactment of this bill will have the effect of automatically and annually reducing the Government's responsibility to Indians who are fully able to exercise citizenship; it will aid the young Indian, male or female, when he is best fitted to become a citizen, to care for himself, either on Indian land or on the public domain or in any part of the United States. It will do away with the parental control over the Indian child, which it has been found is of such a nature under existing conditions to make it almost impossible for the child to become a citizen of the United States. It has been conclusively shown that a very small percentage of those who are educated actually break away from the tie; and it has been also conclusively shown that those who return to the tribes from the school do very little in the way of improving tribal conditions, and the system, as it now exists, is simply revolving and stops nowhere.

Your committee, in its judgment, believes this is the time to change present conditions and go forward in the right direction.

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