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SENATE

{ REPORT
No. 982

AUTHORIZING THE CLASSIFICATION OF THE CHIPPEWA INDIANS OF MINNESOTA AS COMPETENTS AND INCOMPETENTS

JUNE 2, 1926.—Ordered to be printed

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

R E P O R T

[To accompany S. 1616]

The Committee on Indian Affairs, to whom was referred the bill (S. 1616) authorizing the classification of the Chippewa Indians of Minnesota as competents and incompetents, having considered the same, report favorably thereon with the recommendation that the bill do pass with the following amendments:

Strike out all after the enacting clause and substitute in lieu thereof the following:

That the President is hereby authorized to appoint a commission of three persons, one of whom shall be a member of the Chippewa Tribe of Indians of Minnesota, one an employee of the Department of the Interior, and one a resident citizen of the State of Minnesota. The members of said commission shall make oath or affirmation to support the Constitution of the United States and faithfully to discharge their duties. Said commission shall designate one of its members to act as chairman and another as secretary. The two members of the commission other than the employee of the Department of the Interior shall each receive compensation at the rate of \$10 per diem and, including such employee, their actual and necessary expenses while engaged in the performance of their duties, to be paid upon itemized accounts certified by the commission and approved by the Secretary of the Interior. The commission is authorized, with the approval of the Secretary of the Interior, to employ necessary clerical and other help. The Secretary of the Interior is hereby authorized to withdraw from the Treasury of the United States not to exceed \$25,000 of the principal fund of the Chippewa Indians of Minnesota for payment of the compensation and expenses of the commission and its employees as herein provided, to be taken from the amount set aside under section 3 hereof.

SEC. 2. Said commission shall prepare rolls of all Chippewa Indians of Minnesota living on July 1, 1927, which shall show the Indian and English names, address, date of birth, degree of blood, sex, family relationship, and date of enrollment under the act of January 14, 1889 (Twenty-fifth Statutes at Large, page 642), or otherwise, as follows:

- (1) Competent adults and their minor children.
- (2) Incompetent adults and their minor children.

(3) Minor children whose parents are both dead with the names of the parents. For the purposes of this act twenty-one years shall be deemed the age of majority.

Said rolls when approved by the Secretary of the Interior shall be conclusive for the purposes of section 3 hereof: *Provided*, That if otherwise entitled the names of any children born after July 1, 1927, shall be placed on the proper roll for future payments and distributions in conformity with section 4 of this act.

SEC. 3. Upon approval of said rolls the Secretary of the Interior is hereby authorized and directed to set apart under an appropriate designation from the principal fund of the Chippewa Indians of Minnesota accruing under the said act of January 14, 1889, or otherwise, the sum of \$1,500,000, which shall bear interest at the rate of 5 per centum per annum to be credited to the principal fund semi-annually, the combined fund of principal and interest to be subject only to annual appropriation by Congress for the benefit of all the Chippewa Indians of Minnesota. The Secretary of the Interior shall then determine the pro rata share of each enrollee in the remainder of said principal fund; pay to competent adults their respective shares; deposit at interest in properly bonded banks the shares of the minor children of competent adults; and pay not to exceed \$50 annually from the funds of each minor to the parent or guardian for the support and education of said minors: *Provided*, That the Secretary of the Interior may at any time in his discretion suspend such payments to any parent or guardian who has failed properly to use or account for previous payments, and expend the balance of said shares for the best interests of the minors. The Secretary of the Interior is hereby authorized to withdraw from the Treasury of the United States so much of the said remaining principal fund as may be necessary to carry out this provision. The aggregate of the shares of incompetent Indians, their minor children, and orphan minors shall remain undivided in the Treasury of the United States and be carried as the "Chippewa in Minnesota fund, incompetent Indians," which shall belong to and be held as a common fund for the exclusive use and benefit of the incompetent adults, their minor children, and orphan minors, at 5 per centum interest to be credited to the principal fund semiannually, the combined fund of principal and interest to be disposed of only as herein provided.

SEC. 4. All funds thereafter accruing to the Chippewa Indians of Minnesota from any source shall be deposited separately in the Treasury of the United States to the credit of the "Chippewa in Minnesota fund" and shall bear interest at the rate of 5 per centum per annum, to be credited to the principal fund semiannually and disposed of only as herein provided. Whenever the combined fund of principal and interest reaches a sufficient amount the Secretary of the Interior is authorized in his discretion to make similar withdrawals, payments, and deposits therefrom as provided in section 3 hereof to all enrolled Indians living on the date thereof.

SEC. 5. The Secretary of the Interior is authorized in his discretion, upon satisfactory showing of competency, to transfer to the competent roll the names of any adult Indians originally enrolled as incompetent and the names of any minors on the incompetent or orphan minor roll upon reaching the age of twenty-one years, and to pay to them their respective pro rata shares of the incompetent fund created by section 3 hereof then available, and upon such transfer to withdraw from the Treasury of the United States and deposit at interest in properly bonded banks the shares of the minor children of said adults subject to payment to the parents or guardians as provided in said section 3: *Provided*, That until such withdrawal the incompetent adults, their minor children, and orphan minors shall have no vested or descendible right to their respective shares, which in the event of death prior thereto shall remain in the fund.

SEC. 6. An annual appropriation is hereby authorized in such amount as may be necessary, with the approval of Congress, from the "Chippewa in Minnesota fund, incompetent Indians," for expenditure, in the discretion of the Secretary of the Interior, for the relief of distress of such incompetent Indians as may be in need thereof.

SEC. 7. Except as to section 1 hereof, this act shall not become effective until two-thirds of the properly enrolled male Chippewa Indians of Minnesota over eighteen years of age shall have agreed thereto in writing and until a proclamation of the President to that effect. The commission is authorized to present and explain this act to the Indians for the purpose of obtaining their approval and to submit a report thereof to the Secretary of the Interior.

SEC. 8. The Secretary of the Interior is hereby authorized to make all needful rules and regulations for carrying into effect the provisions of this act.

Amend the title so as to read: "A bill to authorize the classification of the Chippewa Indians of Minnesota, and for other purposes."

This bill as amended is recommended by the Secretary of the Interior, and the facts are fully set forth in letter from him under date of May 22, 1926, with inclosures, all of which are attached hereto and made a part of this report.

THE SECRETARY OF THE INTERIOR,
Washington, May 22, 1926.

Hon. J. W. HARRELD,
Chairman Committee on Indian Affairs, United States Senate.

MY DEAR SENATOR HARRELD: This will refer further to your letter of December 17, 1925, transmitting for report and recommendation a copy of S. 1616, proposing to authorize the classification of the Chippewa Indians of Minnesota as competents and incompetents by means of two rolls prepared for the purpose.

The bill provides that upon completion of said rolls fee patents shall be issued to the competent Indians who make application therefor and that except as to \$500,000 the tribal funds shall be segregated, the shares of competents to be paid to them in cash, those of incompetents and minors to remain in the Treasury subject to payment or expenditure as provided therein.

The tribal funds in question accrued under section 7 of the act of January 14, 1889 (25 Stat. L. 642), which provides that the money received from the sale of surplus land shall be deposited in the United States Treasury to the credit of the Chippewa Indians of Minnesota at 5 per cent interest for 50 years and at the expiration thereof to be equally divided among said Indians living at that time.

The bill also provides that upon the completion and approval of the rolls fee patents shall be issued to any of the competents who make application therefor. There is already ample authority of law under the act of May 8, 1906 (34 Stat. L. 182), for the issuance of fee patents to competent Indians.

Exclusive of the Red Lake Reservation, on which no allotments have been made, there are over 7,600 unallotted Indians on the various Chippewa Reservations in Minnesota. Assuming, as might well be the case under the language of section 4 of the bill, that all such Indians were found entitled to allotments, on the basis of 160 acres each and at the rate of \$8 per acre, it would require over \$9,000,000 from the tribal funds to carry out the provisions of this section. The present balance in the fund is only about \$4,800,000, and it is not likely that it will ever amount to such a large sum. But even so it would be unfair thus to utilize money in which all the Indians have an equal interest for the benefit of only part of the tribe.

This bill is identical with H. R. 438 on which a similar report is being made of even date with a copy of substitute bill in lieu thereof. The Director of the Bureau of the Budget advises that this adverse report and proposed substitute bill and report thereon are not in conflict with the financial program of the President. Copies of the report on H. R. 438 and of the substitute bill are inclosed.

Very truly yours,

HUBERT WORK.

THE SECRETARY OF THE INTERIOR,
Washington, May 22, 1926.

Hon. SCOTT LEAVITT,
*Chairman Committee on Indian Affairs,
House of Representatives.*

MY DEAR MR. LEAVITT: This will refer further to your letter of December 17, 1925, transmitting for report and recommendation a copy of H. R. 438 proposing to authorize the classification of the Chippewa Indians of Minnesota as competents and incompetents by means of two rolls prepared for the purpose.

The bill provides that upon completion of said rolls fee patents shall be issued to the competent Indians who make application therefor and that except as to \$500,000 the tribal funds shall be segregated, the shares of competents to be paid to them in cash, those of incompetents and minors to remain in the Treasury subject to payment or expenditure as provided therein.

The tribal funds in question accrued under section 7 of the act of January 14, 1889 (25 Stat. L. 642), which provides that the money received from the sale of surplus land shall be deposited in the United States Treasury to the credit of the Chippewa Indians of Minnesota at 5 per cent interest for 50 years and at the expiration thereof to be equally divided among said Indians living at that time.

The bill also provides that upon the completion and approval of the rolls fee patents shall be issued to any of the competents who make application therefor. There is already ample authority of law under the act of May 8, 1906 (34 Stat. L. 162), for the issuance of fee patents to competent Indians.

Exclusive of the Red Lake Reservation, on which no allotments have been made, there are over 7,600 unallotted Indians on the various Chippewa reservations in Minnesota. Assuming, as might well be the case under the language of section 4 of the bill, that all such Indians were found entitled to allotments, on the basis of 160 acres each and at the rate of \$8 per acre, it would require over \$9,000,000 from the tribal funds to carry out the provisions of this section. The present balance in the fund is only about \$4,800,000, and it is not likely that it will ever amount to such a large sum. But even so it would be unfair thus to utilize money in which all the Indians have an equal interest for the benefit of only part of the tribe.

A substitute bill which, it is believed, will adequately meet the situation has been drafted and is attached hereto. The bill provides for three rolls, (1) competent adults and their minor children, (2) incompetent adults and their minor children, and (3) orphan minors; the setting aside of \$1,500,000 from the principal fund subject to annual appropriation by Congress for the benefit of all the Chippewa Indians of Minnesota; payment of their shares in the remainder of the fund to the competent Indians; the deposit in bank of the shares of the minor children of competent Indians, subject to payment to the parents at the rate of \$50 annually; that the aggregate of the shares of incompetent Indians, their minor children, and orphan minors shall remain intact undivided in the Treasury with authority for the Secretary of the Interior to withdraw such amount annually therefrom as may be necessary for the relief of distress among the incompetents; that future accruals to the tribal fund shall be handled in the same way; and that the act shall not become effective except as to section 1 until approved by a majority of the Chippewa Indians of Minnesota over 18 years of age.

It is therefore recommended that H. R. 438 be amended by striking out all after the enacting clause and inserting in lieu thereof the matter contained in the substitute bill attached hereto. In this event the title of the bill should be amended to read "A bill to authorize the classification of the Chippewa Indians of Minnesota, and for other purposes."

If thus amended it is recommended that the bill be enacted into law.

The Director of the Bureau of the Budget advises that this adverse report on H. R. 438 and that the substitute bill and report thereon are not in conflict with the financial program of the President.

Very truly yours,

HUBERT WORK.