

INVESTIGATING CERTAIN MATTERS CONCERNING
FUNDS AND SECURITIES OF THE SEVERAL INDIAN
TRIBES

JULY 11 (legislative day, JUNE 27), 1951.—Ordered to be printed

Mr. BUTLER, from the Committee on Interior and Insular Affairs,
submitted the following

REPORT

[To accompany S. Res. 147]

The Committee on Interior and Insular Affairs, to whom was referred Senate Resolution 147, authorizing and directing that a study and investigation for the purpose of ascertaining the amounts of the funds and securities of the several Indian tribes for the period beginning July 1, 1928, having considered the same, report thereon with the recommendation that it do pass without amendment.

The purpose of this resolution is to require the General Accounting Office to make a study and investigation to ascertain the amounts of the funds of the several Indian tribes for the purpose of bringing up to date the report of the Comptroller General, printed as Senate Document No. 263, Seventieth Congress, made pursuant to the Second Deficiency Act, fiscal year 1920 (45 Stat. 887).

The study and investigation as proposed in this resolution is a normal function of the General Accounting Office and the Comptroller General welcomes the opportunity to conduct such investigation for the Congress.

Your committee deems it highly essential that this study and investigation should be undertaken at this time. The results of such a study and investigation your committee believes will be of much assistance to it and the Congress in the consideration of matters pertaining to the Indians.

Such an investigation was undertaken more than 20 years ago by the Comptroller General and as a result a complete and informative report (S. Doc. 263, 70th Cong.) was made available to your committee and Congress for the period ending June 30, 1928. The investigation proposed by this resolution would bring up to date the said report printed as Senate Document No. 263, Seventieth Congress.

2 INVESTIGATING CERTAIN MATTERS CONCERNING INDIAN FUNDS

The text of this resolution was, at the suggestion of the Comptroller General, substituted for Senate 1305, which bill is similar in purpose to Senate Resolution 147 except that it contained an authorization for appropriation. The text of Senate Resolution 147 does not authorize any appropriation and is identical with the draft of a resolution submitted by the Comptroller General.

Copies of the reports of the Comptroller General, dated May 29, 1951, on Senate 1305, and on Senate Resolution 147, dated June 5, 1951, are hereto attached and made a part of this report, as follows:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, May 29, 1951.

HON. JOSEPH C. O'MAHONEY,
Chairman, Committee on Interior and Insular Affairs,
United States Senate.

MY DEAR MR. CHAIRMAN: Further reference is made to your letter of April 12, 1951, acknowledged by telephone April 16, 1951, and by Office letter dated May 18, 1951, enclosing a copy of S. 1305, Eighty-second Congress, entitled "A bill to provide for an investigation by the General Accounting Office for the purpose of ascertaining the amounts of funds of the various Indian tribes," and requesting a study by this Office and report thereon.

The bill as proposed provides after the enactment clause as follows:

"That the General Accounting Office is authorized and directed to make a study and investigation for the purpose of ascertaining the amounts of the funds of the several Indian tribes, including funds of tribal organizations, and the rates of interest on such funds, and such other information with respect to such funds for the period beginning on July 1, 1928, as it may deem pertinent, for the purpose of bringing up to date the report of the Comptroller General (S. Doc. 263, 70th Cong.) made pursuant to the Second Deficiency Act, fiscal year 1928 (45 Stat. 887).

"Sec. 2. The General Accounting Office shall report to the Congress at the earliest practicable date the results of the study and investigation made pursuant to this act.

"Sec. 3. There is hereby authorized to be appropriated such sum as may be necessary to enable the General Accounting Office to carry out the provisions of this act."

As is indicated from the language of the proposed legislation, quoted above, the purpose of such study and investigation by this Office is to bring up to date the report of the Comptroller General transmitted to the United States Senate on February 28, 1929, and made pursuant to the Second Deficiency Act, fiscal year 1928 (45 Stat. 887). This would entail placing before the Congress not only information pertaining to tribal funds and tribal organization funds, including both principal and interest, but also data concerning the status of unpaid reimbursable loans to various Indians, tribes, and tribal organizations made pursuant to the act of June 18, 1934 (25 U. S. C. 470 and 471). Also the report will include information showing securities and other intangible assets held by the various Indian tribes and tribal organizations. Failure to include such information would result in an incomplete disclosure of the amounts of the funds of such tribes and tribal organizations.

It is noted that pursuant to the authority contained in the act of June 18, 1934 (48 Stat. 984 (25 U. S. C. 461-479)), many Indian tribes have organized, adopted a constitution and bylaws, and have been granted a charter under which they have the power, among other things, to own, hold, manage, operate, and dispose of property both real and personal. Under this authority some of the tribal organization funds are handled by Government disbursing officers through an official checking account with the Treasurer of the United States while others are handled by elected treasurers through accounts with local banks. Since, in the absence of clear statutory authority, any investigation of the accounts maintained in local banks would require permission and cooperation of the responsible officers of the tribal organizations and the banks, the results of the investigation and study of these tribal organization funds maintained in local banks will, of course, be limited to the measure of cooperation extended in each case.

While it is noted that the purpose sought to be accomplished is by means of the proposed bill (S. 1305) which authorizes an appropriation to enable this Office to carry out the provisions thereof, it is my opinion that an investigation of the

INVESTIGATING CERTAIN MATTERS CONCERNING INDIAN FUNDS 3

sort contemplated is a normal function of this Office when requested by the Congress, the cost of which may be absorbed in the regular appropriations made to this Office. Accordingly, since the matter appears to be one primarily of interest in the Senate it is suggested that a resolution be substituted for the proposed bill in the form as shown on attached sheet. The proposed resolution contains additional language for the purpose of including securities as well as funds for investigation and study and also language to cover funds in private banks to indicate possibly to any recalcitrant tribal organization, officer thereof, or bank, the intention of the Senate with respect to the investigation and study of such tribal organization funds by this Office. Otherwise with the exception of the change in section 2 requiring the report to be made to the Senate rather than the Congress and the omission of section 3 the proposed resolution is the same.

This Office welcomes the opportunity to conduct the investigation for the Congress whether accomplished by legislation or by a simple resolution.

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General of the United States.

Enclosure.

RESOLUTION

Resolved, That the General Accounting Office is authorized and directed to make a study and investigation for the purpose of ascertaining the amounts of the funds and securities of the several Indian tribes, including those of tribal organizations, whether held in the Treasury of the United States, in private banks, or elsewhere, and the rates of interest on such funds, and such other information with respect to such funds for the period beginning on July 1, 1928, as it may deem pertinent, for the purpose of bringing up to date the report of the Comptroller General (S. Doc. 263, 70th Cong.) made pursuant to the Second Deficiency Act, fiscal year 1928 (45 Stat. 887).

Sec. 2. The General Accounting Office shall report to the Senate at the earliest practicable date the results of the study and investigation made pursuant to this resolution.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, June 5, 1951.

HON. JOSEPH C. O'MAHONEY,
Chairman, Committee on Interior and Insular Affairs,
United States Senate.

MY DEAR MR. CHAIRMAN: Reference is made to your letter dated May 31, 1951, requesting a study by this Office and report on an enclosed copy of Senate Resolution 147, Eighty-second Congress, which would require the General Accounting Office to make a study and investigation to ascertain the amounts of the funds of the several Indian tribes for the purpose of bringing up to date the report of the Comptroller General, printed as Senate Document No. 263, Seventieth Congress, made pursuant to the Second Deficiency Act, fiscal year 1928 (45 Stat. 887).

By letter dated April 12, 1951, a similar request was made by your committee on S. 1305, Eighty-second Congress, a bill similar in purpose to Senate Resolution 147 except that it contained an authorization for appropriation. In Office letter of May 29, 1951, reporting on S. 1305, the suggestion was made that since an investigation of the type contemplated is a normal function of the General Accounting Office, a resolution be substituted for the proposed bill. A draft of the proposed resolution was enclosed with that report. Inasmuch as Senate Resolution 147 conforms in all respects to the language in the draft of the resolution proposed by this Office and otherwise meets with all the recommendations made, I recommend favorable consideration thereof by your committee.

Sincerely yours,

FRANK L. YATES,
Acting Comptroller General of the United States.