

Camp Vs. United States

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Court : US Supreme Court

Decided On : Dec-31-1969

Appeal No. : 113 U.S. 648

Appellant : Camp

Respondent : United States

Judgement :

Camp v. United States - 113 U.S. 648 (1969)

U.S. Supreme Court Camp v. United States, 113 U.S. 648 (1885)

Camp v. United States

Argued January 27-28, 1885

Decided March 2, 1885

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APPEAL FROM THE COURT OF CLAIMS

SYLLABUS

When a regulation, made by the head of an executive department in pursuance of law, empowers subordinates of a class named to contract on behalf of the United States as to a given subject matter, and further directs that "any contract made in pursuance of this regulation must be in writing," a verbal executory contract relating thereto is not binding upon the United States.

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When an executive regulation directs officers of one class to make a contract on behalf of the United States, it confers no authority to make it upon officers of a different class, although employed about the same government business.

Independently of the question of authority, the record does not show that the contract set up in the plaintiff's petition was entered into.

The appellant brought this action on the 13th day of April, 1869, to recover a balance alleged to be due as compensation for collecting and delivering to the United States, in 1864, a large amount of cotton in bales which was captured and abandoned property within the meaning of the acts of Congress. He claims to have performed the services in question under an arrangement or agreement with an agent of the Treasury Department which the Secretary of the Treasury subsequently recognized as a valid contract with the government. He admits certain payments on his claim, and asks judgment for the further sum of \$80,000. The court below dismissed his petition.

The material facts, as found by the Court of Claims, were in substance as follows:

In the early part of 1864, one Hart, an assistant special agent of the Treasury Department for the District of Natchez in the State of Mississippi, made a verbal arrangement with Camp whereby it was understood and agreed between them that the latter should bring out and turn over to the United States, through their agent in Natchez, about 2,200 bales of cotton, stored on the banks of Buffalo Bayou, in Adams County, Mississippi, within that district, and the property of one John K. Elgee, a resident of Alexandria, Louisiana, then within the lines of rebel

occupation. "The agent," the findings of fact state,

"was then to represent the arrangement and business, whatever it might be, to the Secretary of the Treasury, and was likewise to represent that he had assured the claimant by the arrangement that the Secretary would allow to him twenty-five percent of the proceeds of the cotton at least. No bond of indemnity was given by the claimant. By the arrangement, the claimant was also to pay to the agent Hart out of the proceeds, when received by him, from

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\$5,000 to \$10,000, provided the Secretary of the Treasury should see no impropriety in his (the agent's) accepting from the claimant a portion of the proceeds."

On or about March 31, 1864, Camp, representing himself as a Treasury agent, engaged the services of a transport which, under the protection of a gun boat, ascended Buffalo Bayou, took on board 572 bales of the Elgee cotton, and brought it to Natchez, where it was seized by General Tuttle, commanding the federal military forces, on suspicion that the claimant intended to appropriate it to himself, and placed under guard in the government yard. Shortly thereafter, Camp informed the supervising special agent and the assistant special agent of the Treasury of what he had done.

By direction of the supervising special agent, the cotton was forwarded to St. Louis, consigned to O. S. Lovell, an agent of the Treasury Department. After it reached that city, Elgee brought an action of replevin against Lovell in the Circuit Court of St. Louis County. The United States took charge of the defense, and on June 22, 1864, a stipulation was entered into between the Treasury Department and Elgee whereby that action was removed to the circuit court of the United States and the cotton was sold, the proceeds, after paying certain charges, being invested in bonds which were held to abide the result of the litigation. In that suit, a judgment was obtained by the government which was affirmed by this Court.

The appellant presented his claim for compensation to the Treasury Department, which, by its assistant Secretary, on the sixth of December, 1865, directed the Commissioner of Customs to

"state an account and make a requisition in favor of Benjamin F. Camp upon F. E. Spinner, treasury agent, to be paid from the proceeds of captured and abandoned property, for the sum of \$30,000, being part of the proceeds of certain property known as the Elgee cotton, collected as captured or abandoned property by said Camp, for an interest therein, said sum being an advance to said Camp on account of his expenditures in relation to said cotton."

This order recited that Camp had executed bond, with surety to the United States conditioned that he would repay the said sum on demand of the Secretary of the Treasury

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and fully indemnify the government against all loss and damage by reason of such payment. In pursuance of that order, the sum of \$30,000 was paid to him. On the 7th of March, 1866, the further sum of \$15,000 was paid to William Prescott Smith (who had acquired a joint interest with the claimant), the order which directed the payment reciting that that amount was "an advance to Smith on account of his joint interest with Camp in said cotton." The net proceeds of the sale of the cotton, with the interest that had accrued on the bonds in which they were invested -- in all, \$366,170.83 -- were covered into the Treasury in pursuance of a joint resolution of Congress approved March 30, 1868.

On the 20th of August, 1868, the heirs and representatives of Elgee brought suit against the United States in the Court of Claims under the Captured and Abandoned Property Act to recover those proceeds. That suit was pending and undetermined when the present action was commenced. The claim of Elgee's heirs and representatives was established, his loyalty having been shown only by proof that on the 2d day of May, 1864, he took the oath prescribed by President Lincoln's amnesty proclamation of December, 1863.

It was in evidence that twenty-five percent of the proceeds of captured cotton was the remuneration ordinarily allowed by the Treasury Department to contractors under the Treasury regulations for collecting and bringing in such property.

MR. JUSTICE HARLAN delivered the opinion of the Court. He stated the facts in the foregoing language and continued:

Pursuant to authority conferred by the Act of March 12, 1863, 12 Stat. 820, the Secretary of the Treasury of the Treasury established and promulgated regulations providing for the appointment of supervising special agents, assistant special agents, and other

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agents for receiving and collecting abandoned and captured property found within their respective agencies and within the lines of military occupation by the United States forces, except such as had been used or was intended to be used for carrying on war against the United States.

One of those regulations provided that when property was liable to be lost or destroyed in consequence of its location's being unknown to the special agents or from other causes, and parties proposed, for compensation, to collect and deliver it to such agents at points designated by them,

"supervising special agents may contract on behalf of the United States for the collection and delivery to them of such property in their respective agencies on the best possible terms, not exceeding twenty-five percent of the proceeds of the property, which percentage must be full compensation for all expenses, of whatever character, incurred in collecting, preparing, and delivering such property at the point suggested."

But it was also provided that

"prior to any such contract's being made, the party proposing must submit *in writing* a statement of the kind and amount of property proposed to be collected, the locality whence to be obtained, and all the facts and circumstances connected

with it, particularly as to its ownership;"

that

"any contract made in pursuance of this regulation must be in writing and restricted to the collection and delivery of particular lots at named localities, or, when circumstances clearly justify it, to the general collection and delivery of all abandoned property in limited districts, not greater in any case than one parish or county, and not more than one district to be assigned to one contractor,"

and that

"should a case arise, in the opinion of the supervising special agent, justifying the payment of a larger percentage than one-quarter of the proceeds of the property, he will make a statement of the facts and circumstances, and the reasons in his opinion justifying such additional allowance, and refer the same to the Secretary for instruction."

Reg. XII. By another regulation of the same series, it is expressly enjoined that no liability be incurred or assumed, *or contract be made*, on the part of the United States by such agents except as authorized. Reg. XIII.

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These regulations were in force when the claimant made the before-mentioned verbal "arrangement" with Hart, who was merely an assistant special agent, and not, as alleged in the petition, a supervising special agent of the Treasury Department. Under them, only supervising special agents could bind the United States by contracts with parties proposing, for compensation, to collect and deliver captured and abandoned property. They could not allow more than twenty-five percent of the proceeds without referring the matter to the Secretary. And no contract of that character made even by them bound the government unless it was in writing. Plainly, therefore, the verbal arrangement which Camp had with an assistant special agent was not binding upon the United States even had it been reduced to writing. It imposed upon the government no legal obligation whatever.

Whiteside v. United States, [93 U. S. 250](#) .

It is equally clear that it was not otherwise understood by the claimant, for Hart only agreed "to represent the arrangement and business, whatever it might be, to the Secretary of the Treasury," and to inform the latter that he "had assured the claimant, by the arrangement, that the Secretary would allow him twenty-five percent of the proceeds of the cotton, at least." Camp evidently undertook to bring in the cotton and deliver it to the proper agent of the United States in reliance upon such action as the Secretary of the Treasury, in the exercise of his discretion, might ultimately take touching his compensation, and not at all in the belief that he had a binding contract with the government. He must be held to have known that the Secretary was not compelled to accept the arrangement with Hart as obligatory upon the government, but was at liberty, without violating any legal rights that Camp had, to allow less compensation than was ordinarily allowed under written contracts made by supervising special agents. Indeed, had the Secretary, in view of the nonconformity of the proceedings to his regulations, determined not to allow any compensation whatever, it is not perceived how the jurisdiction of the Court of Claims could have been invoked by Camp as upon contract express or implied.

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The counsel for appellant rely upon [Salomon v. United States](#), 19 Wall. 17, and [Clark v. United States](#), [95 U. S. 539](#) . Those cases differ radically from the present one. In Salomon's case, the property appropriated and used by the government was admitted to belong to the claimant. In Clark's case, the government received the property from the claimant under such circumstances as precluded it from raising any question as to his title. In each case, the United States were held liable as upon implied contract to make compensation to the owner. But there is no claim that Camp ever owned the cotton which he delivered at Natchez. As between him and the United States, it was the property of the latter. At any rate he could not legally have withheld it from the United States. Its seizure by the government was not a taking of his property, and, as he did not

conform to the regulations prescribing the only mode in which the government could become bound by contract to make compensation for the recovery of the property, he was not in a position to demand compensation as matter of legal right. Any other view would lead to the conclusion that parties who voluntarily brought in and delivered to the United States captured and abandoned property were entitled, as upon implied contract, to be compensated for their services, for the services rendered by Camp under an arrangement with an assistant special agent who had no authority whatever to bind the United States in respect of compensation presents no stronger case in law for compensation as upon implied contract than if they were voluntarily rendered without such previous arrangement. An interpretation of the regulations in question different from that indicated would have resulted in transferring to the courts the determination of matters which the acts of Congress committed entirely to the discretion of the Secretary of the Treasury.

But it is contended that the government, having availed itself of the labors of claimant, and the Treasury Department having made two payments on his claim, to be compensated on the basis fixed by the arrangement with Hart, that arrangement must be deemed to have been ratified by the Secretary of the Treasury as a contract with the United States, binding

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them to allow what was ordinarily paid by the Department in such cases, or what was, under all the circumstances, reasonable.

The precise form in which appellant's claim for compensation was presented at the Treasury Department is not shown by the findings of fact. The orders given in 1865 by the assistant Secretary for the statement of an account and a requisition in favor of the claimant discloses the fact that Camp had collected the cotton "for an interest therein," and that the payment of \$30,000 was intended as an advance to him on account of his expenditures in relation to the cotton, while the payment of \$15,000 to Smith was "on account of his joint interest with Camp in said cotton." But this falls far short of an agreement by the Department to make further

payment. These facts, at most, imply necessarily nothing more than that the Department was willing under the circumstances to compensate him to the extent of the foregoing sums. Whether he should receive any compensation or how much should be awarded him were matters which depended, as we have seen, upon the discretion of the Secretary of the Treasury. No one acting by his authority had bound the government to make compensation. If the Secretary refused to pay anything, the claimant had no remedy except to apply to Congress for a special appropriation in his behalf. The mere payment of \$45,000 on a claim for a much larger sum as compensation for services rendered in delivering captured or abandoned property to the government -- for which services it was under no legal obligation, express or implied, to make compensation -- cannot be deemed a recognition of a legal liability to make further payments on such claim. We find in the record no evidence of any purpose or agreement upon the part of the Secretary of the Treasury to make compensation to claimant beyond that already allowed, and to say that the court may award such compensation as it deems just and proper is to impose upon the government the obligations of a contract in respect of captured or abandoned property which, under the acts of Congress, only the Secretary of the Treasury or such agents of the Department as he designated for that purpose had authority to make.

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These views make it unnecessary to consider other questions argued by counsel, and lead to an affirmance of the judgment.

Judgment affirmed.