

RG 30 RECORDS OF THE BUREAU OF
PUBLIC ROADS

WASHINGTON OFFICE

GENERAL CORRESPONDENCE AND
RELATED RECORDS, 1912-65.

1955-1959

ALASKA

THRU

ALASKA - GENERAL 1959 PART 2 OF 2

BOX NO.
1127

HM 1991

RG 30, Bur. of Public Roads
E. 6 D, Gen Corr. + Related Recs, 1955-59
Box 1127

ALASKA - General

1959

Part 2 of 2

RG 30, Bur. of Public Roads
E. 6 D, Gen Corr. + Related Recs, 1955-59
Box 1127

OFFICE OF THE FEDERAL
HIGHWAY ADMINISTRATOR

MAR 11 1959
9 17 PM 1 27

BU OF PUBLIC ROADS

Alaska

Canetti - 3 - 1

24-61

~~21-01~~

March 11, 1959

Mr. G. S. Davis
Utah Construction Company
100 Bush Street
San Francisco, California

Dear Mr. Davis:

Your telegram of March 7, concerning the work the Utah Construction Company did on the Alaska Highway, has been referred to me by our regional engineer in Chicago.

According to our record, your company constructed 106 miles of the Alaska Highway at a cost of \$6,536,621.19. This work consisted mainly of grading and surfacing of a relatively difficult nature. The performance of this company was satisfactory.

Sincerely yours,

F. C. Turner
Deputy Commissioner
and Chief Engineer

RHHelmintoller:pd

cc: Mr. Turner
Region 4 file - Prot. Branch
Files (2) ✓
Chron.

311324

RG 30, Bur. of Public Roads
E. 6 D, Gen Corr. + Related Recs, 1955-59
Box 1127

CONFIDENTIAL COMBATS QTR 22 11
INTL. SECURITY OF INFO 1* CONFIDENTIAL THE ONLY INFO IS

DEPT. OF TRANSPORTATION
WASHINGTON, D.C.
OFFICE OF THE ASSISTANT SECRETARY
FOR PUBLIC ROADS
WASHINGTON, D.C.

MAR 9 1959

MV
00032WAG CG 20 C-BPR
CHICAGO ILL 3-9-59 1031S
F C TURNER
BPR WA

BUREAU OF PUBLIC ROADS
WASHINGTON, D.C.

1959 MAR 9 AM 11 45

Helmuth
Please prepare
letter for me
on this - see dates
miles below
3/9

Bush

FOLLOWING MISADDRESSED TELEGRAM RECEIVED FROM C S DAVIS UTAH
CONSTRUCTION CO, SAN FRANCISCO CALIF., DATED MARCH 7: " UTAH CONSTRUCTIO
CO COMPLETED APPROXIMATELY 250 MILES ALGAN HIGHWAY 1943 BELIEVE YOUR
OFFICE ADMINISTERED CONTRACT MATTERS. WOULD APPRECIATE WRITTEN
CERTIFICATION FROM YOUR AGENCY THAT THIS WORK WAS SATISFACTORILY PER-
FORMED BY US. INFORMATION TO BE USED FOR QUALIFICATION ON OVERSEAS
WORK." PLEASE REPLY TO MR. DAVIS

HARRISON BPR CG
7 250 1943
DHJ 1039S

*\$6,536,621.19 cost at
106 miles
Grading & surfacing
work - relatively
difficult work.*

BUREAU OF PUBLIC ROADS

24-62
(Amendment Bill)
Alaska

Mr. G. W. Kenfield, General Counsel

March 10, 1959

W. H. O'Donoghue

24-62

Proposed Legislation Relative to Alaskan Statehood

Section 20, "Highways", of the proposed "Omnibus Bill" contemplates transferring to Alaska all properties and records now in the custody of the Bureau of Public Roads, excepting those required for the future operation of the Bureau's Alaska field organization. This section does not indicate whether the transfer will be with or without monetary consideration to the United States.

Section 34 refers to the President's authority to transfer any property to Alaska without monetary consideration. However, this section appears to be designed to cover the five year transitional period referred to in Section 33.

I would like to suggest that the wording of Section 20 of the proposed "Omnibus Bill" be amended to include a definite statement as to whether or not the transfer of properties and records will be without monetary consideration to the United States.

WHO: Donoghue/lax
cc: Files (2)
Reader File
Mr. E. R. Hansen
Mr. J. C. Allen

TELEGRAPHIC MESSAGE

OFFICIAL BUSINESS—U. S. GOVERNMENT

*SE
02*

60

*AFF-1
Alaska*

FROM DEPARTMENT OF COMMERCE

BUREAU BUREAU OF PUBLIC ROADS

CHG. APPROPRIATION _____

WASHINGTON, D. C. MARCH 10, 1959

GPO 1954 O-377780

24-21

E. H. SWICK
PUBLIC ROADS
JUNEAU, ALASKA

MEMPHO MARCH 5 BUREAU BUDGET ADVISES ANCHORAGE, FAIRBANKS, JUNEAU,
OTHER POINTS CONSIDERED LOCALITIES UNDER SECTION 6.2c OF GTR. UNDER
REFERENCED SECTION WHERE \$6 RATE IS NOT COMMENSURATE WITH TRAVELER'S
SUBSISTENCE EXPENSES YOU MAY AUTHORIZE OR APPROVE A RATE NOT TO
EXCEED MAXIMUM APPLICABLE TO LOCALITY FOR OTHER THAN BOAT TRAVEL.
RECOMMEND ISSUANCE TRAVEL ORDERS WHERE RATE EXCESS \$6 IS AUTHORIZED.

J. C. ALLEN

*3-12-59
JWC*

JJHanagan:gbt
cc: Mr. J. C. Allen
Mr. E. J. Martin
Mr. J. J. Hanagan
Reading file

Page 3
Alaska

Mr. E. H. Brick, Regional Engineer
Juneau, Alaska

March 21, 1959

C. E. Fincher, Jr., Chief, Finance Division
Washington, D. C.

SA-21

Amendments to standardized Government regulations.

Attached for your information is a copy of Bureau of the Budget Circular A-7 revised, transmittal memorandum No. 9 dated February 17, 1959, advising of changes in the maximum per diem rates for travel beyond the limits of the continental United States and in Alaska.

Attachment: ✓

Handwritten: 3/1/59
JH:mgw:ight ✓
cc: Files (2)
Mr. E. Brick ✓
Mr. J. J. Harnett
Reading

TELEGRAPHIC MESSAGE

OFFICIAL BUSINESS—U. S. GOVERNMENT
1959 MAR 5 AM 9 31

Alaska

FROM DEPARTMENT OF COMMERCE

BUREAU PUBLIC ROADS

CHG. APPROPRIATION

WASHINGTON, D. C. MARCH 5, 1959

GPO : 1956—O—373780

SE
01
16-00

82

E. H. SWICK
BUREAU OF PUBLIC ROADS
JUNEAU, ALASKA

RETEL NIEMI YESTERDAY SATISFACTORY TO AWARD PAXSON WELL PROJECT. FOR KODIAK PROJECT AWARD SATISFACTORY AFTER ADDITIONAL FUNDS ALLOCATED. IF REQUEST FOR FUNDS NOT YET TRANSMITTED SUGGEST ENGINEERING AND CONTINGENCY ITEM BE ADJUSTED UPWARD TO RESULT IN REQUEST FOR ABOUT \$25,000 "NAVAL MILITARY CONSTRUCTION NAD FUNDS". THESE FUNDS AVAILABLE AND CONTRACTOR MAY BE NOTIFIED AWARD PENDING. PLEASE DOCUMENT TWO AWARDS EXCEEDING ESTIMATES BEYOND TEN PER CENT BY MEMO TO ROYSTER OUTLINING CIRCUMSTANCES AND STATING THEY WERE MADE AFTER INFORMAL CLEARANCE BY ERHART.

E. H. Swick
SWICK

3-5-59

A + F - 15
Alaska

25-62

March 4, 1959

Mr. J. F. Cannon
Chief Disbursing Officer
Treasury Department
Washington, D.C.

Dear Mr. Cannon:

Enclosed is a copy of a memorandum from our Regional Engineer in Juneau with respect to your inquiry of January 21 regarding justification for two imprest fund advances in the Public Roads office in Juneau.

We trust that this information is sufficient justification for maintaining the two advances.

Sincerely yours,

Ross W. Fraser
Deputy Assistant Commissioner

Enclosure

VGGriffin:jj
cc: Files ✓
Region 10
Miss Griffin
Reader File

Copy 3/5

Alaska
Leg 1 (M-41)

BUREAU OF PUBLIC ROADS

WIM

MEMORANDUM TO FILES

February 20, 1959

From: R. L. May, Jr.
26-10 R. L. May, Jr.
Subject: H.R. 26th Congress, 1st Session
Alaska Omnibus Bill

On this date I discussed the Alaska Omnibus Bill with Mr. Edgar A. Turpin of the Department of Commerce. After conferring with Mr. Enfield and Mr. Cunningham, I suggested to Mr. Turpin that section 20(a) of the Omnibus Bill be amended as follows:

" * * * except such lands or interest in lands, personal property and records as the Secretary may determine are needed for the operations, activities and functions of the field offices of the Bureau of Public Roads in Alaska after July 1, 1959, including services or functions performed pursuant to section 33 of this Act."
(Added language underlined, deletions stricken out)

Mr. Turpin advised that it would not be necessary to amend or supplement the memorandum submitted to the Under Secretary on this subject but that he would submit the above suggested amendment to the Bureau of the Budget.

RLMay:ipc
cc: Files (2) ✓
Mr. Tallamy
Mr. Cunningham, Western Counsel
Mr. Enfield
Gen Counsel
Legis
Chron

Alaska

Office Memorandum • BUREAU OF PUBLIC ROADS • UNITED STATES GOVERNMENT

TO : Mr. Ellis L. Armstrong, Commissioner
21-00 Washington, D. C.

DATE: February 19, 1959

FROM : E. H. Swick, Regional Engineer
10-00 Juneau, Alaska

SUBJECT: Alaska Statehood

File in A.R.
Swick

The attached letter to Senator Bartlett was written on a personal basis and transmitted to him directly in accordance with our recent discussion by telephone.

FILED

Attachment 1
(c ltr 2/19 to Senator Bartlett)

1959 FEB 19 10 44 AM

FEBRUARY 19 1959

THURSDAY

Senator Bartlett

-2-

February 19, 1959

deformation of about 10% of our asphalt surfaces on unstable ground in permafrost areas; the desire of Alaskans for better traffic service, as indicated by maintenance of Isabel Pass on a year-round basis; and a small increase in the maintained mileage, including the Denali highway, extension of the Elliott Highway and others.

Probable Trends. In some of our studies here we have used a figure of 4% per year as a possible increase in motor vehicle registrations and in gasoline tax collections. Now that we have the last three years in front of us, it appears that we cannot support this increase. Our best guess right now is that registrations and motor vehicle tax collections probably will stay about constant for the next 3 or 4 years and then begin a small annual increase, perhaps 2 to 4%. As you know, these predictions can be altered completely by an increase or decrease in military activity. The present major construction in the Clear area may well bring a sharp increase in 1959. Maintenance cost increases resulting from labor costs and deterioration of the highway system seem bound to continue. Concerning those resulting from better traffic service, it is logical that the State may curtail the service which is being rendered. If this is done, with more routes closed each winter, and some of the worst bituminous surfaces permitted to return to gravel until better stabilized, there could be a sizeable reduction in the rate of increase in maintenance costs.

This isn't a very precise presentation of the information which you requested, but it is the best we can do with the data at hand. If there are further facts which we can supply, we shall be glad to do so.

Sincerely yours,

E. H. Swick

Enclosure 1
(Tabulation)

cc: Washington office ✓

RG 30, Bur. of Public Roads
E. 6 D, Gen Corr. + Related Recs, 1955-59
Box 1127

... of the Alaska and then ...
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General Report

February 19, 1959

UNITED STATES
 DEPARTMENT OF COMMERCE
 BUREAU OF PUBLIC ROADS
 REGION 10
 Juneau, Alaska

February 19, 1959

ALASKA HIGHWAY FACTS

Vehicle Registrations

Year	Passenger	Trucks	Other	Total	% of 1956	Net Revenue
1956	45,661	16,554	1,354	63,569	100.0	\$ 749,582
1957	49,115	17,233	1,453	67,801	106.7	818,591
1958	47,642	16,760	1,354	65,756	103.4	1,492,693 ^{1/1}

^{1/1} Rate of tax approximately doubled in 1958

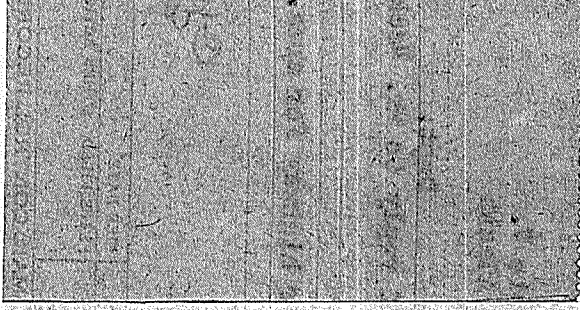
Gasoline Tax Collections - 5¢ for Highways

Year	Amount	% of 1956
1956	\$2,479,628	100.0
1957	2,317,144	93.4
1958	2,213,420	89.3

Maintenance Costs ^{1/2}

Fiscal Year	ARC or BPR Funds	Forest Highway Funds	Total
1957	\$ 3,834,964	\$ 501,978	\$4,336,942
1958	3,974,524	369,713	4,344,237
1959 (est.)	4,609,000	346,000	4,955,000
1960 (est.)	5,680,000	--	5,680,000

^{1/2} The maintenance costs include repair of existing buildings and facilities (\$150,000 in F.Y. 1960) but not new buildings which are needed at many stations.



Alaska

23-10

FEB 18 1959

Miss Elsie V. Russell
Chairman, Tower and Roads Committee
Box 4 - 956
Spennard, Alaska

Dear Miss Russell:

Your letter of February 3, addressed to President Eisenhower, has been referred to this office for reply.

You stated your concern regarding the lack of a road to serve your area located across Knik Arm from Anchorage. Mention was made in your letter of Petition No. A-58-47 which we assume contains a more detailed description of this proposed road. A copy of the petition was not forwarded with your letter.

We are aware of the importance of roads to serve Alaskan communities and to assist in the development of the new State. This matter is the subject of great concern to those authorities who are responsible for programing the limited amount of funds annually made available for road construction and for road maintenance in Alaska. The latter item is of particular significance since by increasing the mileage of roads to be maintained, the amount of funds available for construction is decreased in a corresponding amount.

However, in order that your problem may receive due consideration with other proposals, we are forwarding a copy of your letter to our regional office in Juneau. You may be assured that it will receive fair and impartial treatment.

Sincerely yours,

Handwritten initials

Paul F. Royster
Assistant to the
Federal Highway Administrator

Cleared Through
Administrator's Correspondence Unit

EEErhart:nk
Control No. R (2/18/59)
cc - Files (2)

Federal Hwy. Projs. Div. CC Unit - Room 810
Mr. B. D. Tallamy Mr. E. L. Armstrong
Mr. E. H. Swick (2-cc) Mr. Becker - Comm. Bldg. Rm. 5858
Mr. Royster - Room 814

Handwritten number 21181

RG 30, Bur. of Public Roads
E. 6 D, Gen Corr + Related Recs, 1955-59
Box 1127

Box 4-565
Seward, Alaska
Feb. 3, 1959

Mr. Eisenhower
White House
Washington D. C.

Dear President:

I do not know if you have the power to help now that Alaska has become a state, but there are 50 families at present and many more soon in dire need of an all weather road. I have written everyone I can find connected with roads to attain a Road, but to no avail.

I am writing to you in behalf of these families and asking that if you have any influence in this field to please help us. We are Alaskan Homesteaders that are homesteading to make a living off of our land, but no roads to take our crops to market so we plant, harvest and starve.

We are not asking for a super highway, but something that we can travel in other seasons besides winter. We have put in about 10 miles of road, but lack of funds have stopped us from going farther. Also before we can have electricity brought into this area we must have a road.

As a Mother of three my chief concern is to have a road so our children can go to school and receive an education. These children will soon make up the future America. Without a full education, how can they become decent citizens?

We are located across the Knik Arm from Anchorage in the area known as McKenzie Point-Goose Bay area. Our Reference is turned Petition No. A-58-47.

Until we receive some financial backing on this road we cannot have stores, post offices, etc. We do have a newspaper, but until which time we get a road the paper cannot circulate out of our committee and how can anyone hear our feeble cry for help?

We do not have Doctors, Nurses or even a minister in our midst. We are about equal to the pioneers of 1800. Please, if there is anything you can do to help us, we would be most grateful.

Very truly yours

Edna V. Russell
Chairman
POWER AND ROADS COMMITTEE

23-10

FEB 18 1959

Miss Elsie V. Russell
Chairman, Power and Roads Committee
Box 4 - 966
Spennard, Alaska

Dear Miss Russell:

Your letter of February 3, addressed to President Eisenhower, has been referred to this office for reply.

You stated your concern regarding the lack of a road to serve your area located across Kulk Arm from Anchorage. Mention was made in your letter of Petition No. A-58-47 which we assume contains a more detailed description of this proposed road. A copy of the petition was not forwarded with your letter.

We are aware of the importance of roads to serve Alaskan communities and to assist in the development of the new State. This matter is the subject of great concern to those authorities who are responsible for programming the limited amount of funds annually made available for road construction and for road maintenance in Alaska. The letter item is of particular significance since by increasing the mileage of roads to be maintained, the amount of funds available for construction is decreased in a corresponding amount.

However, in order that your problem may receive due consideration with other proposals, we are forwarding a copy of your letter to our regional office in Juneau. You may be assured that it will receive fair and impartial treatment.

Sincerely yours,

Paul F. Royster
Assistant to the
Federal Highway Administrator

EEErhart:ink

Control No. R

cc - Files (2)

Mr. B. D. Tallamy

Mr. E. H. Swick (2-cc)

(2/18/59)

Federal Hwy. Projs. Div.

Mr. Royster - Room 814

Mr. E. L. Armstrong

Mr. Becker - Comm. Bldg. Rm. 5858

Cleared Through

Director's Correspondence Unit

CC Unit - Room 810

RG 30, Bur. of Public Roads
E. 6 D, Gen Corr. + Related Recs, 1955-59
Box 1127

53-10

Box 4-966
Spenard, Alaska
Feb. 3, 1959

2/9/59

Commence

Respectfully referred for
appropriate reply. Not
acknowledged by this office.

William B. French

The Assistant to the President

Mr. Eisenhower
White House
Washington D. C.

Dear President:

I do not know if you have the power to help now that Alaska has become a state, but there are 50 families at present and many more soon in dire need of an all weather road. I have written everyone I can find connected with roads to attain a road, but to no avail.

I am writing to you in behalf of these families and asking that if you have any influence in this field to please help us. We are Alaskan Homesteaders that are homesteading to make a living off of our land, but no roads to take our crops to market so we plant, harvest and starve.

We are not asking for a super highway, but something that we can travel in other seasons besides winter. We have put in about 10 miles of road, but lack of funds have stopped us from going farther. Also before we can have electricity brought into this area we must have a road.

As a Mother of three my chief concern is to have a road so our children can go to school and receive an education. These children will soon make up the future America. Without a full education, how can they become decent citizens?

We are located across the Knik Arm from Anchorage in the area known as McKenzie Point-Goose Bay area. Our Reference is turned Petition No. A-58-47.

Until we receive some financial backing on this road we cannot have stores, post offices, etc. We do have a newspaper, but until which time we get a road the paper cannot circulate out of our communittee and how can anyone hear our feeble cry for help?

We do not have Doctors, Nurses or even a minister in our midst. We are about equal to the pioneers of 1800. Please, if there is anything you can do to help us, we would be most grateful.

Very truly yours

Elsie V. Russell

Elsie V. Russell
Chairman

POWER AND ROADS COMMITTEE

RECEIVED
FEB 10 1959

RG 30, Bur. of Public Roads
E. 6 D, Gen Corr. + Related Recs, 1955-59
Box 1127

Mr. E. K. Smith, District Engineer
Juneau, Alaska

February 14, 1959

24-40

D. P. Smith, Chief, Program Analysis Division
Washington, D. C.

Forest Highway Funds

Our expenditures and program records show that Alaska has the following balances of forest highway funds from early construction:

Forest funds - unexpended balance \$873.27

1954 and prior funds - unexpended balance \$23,519.36

- programmed to Account No. 0570-00 \$113.77

- programmed to Account No. 0581-00 \$26.50

It is requested that these old funds be allotted to active projects. The funds should be utilized so that these old accounts can be closed as expeditiously as possible.

Disbursed
on file

Mr. Kupper ✓
Mr. Smith ✓
Mr. Martin ✓
Mrs. Wiley ✓

2/12/59

Alaska

BUREAU OF PUBLIC ROADS
Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Ellis L. Armstrong, Commissioner
21-00 Washington, D. C.

DATE: February 11, 1959

FROM : E. H. Swick, Regional Engineer
10-00 Juneau, Alaska

SUBJECT: Legislation on Alaska Statehood

The writer participated briefly today in a meeting between Senator Bartlett, Acting Governor Wade, and a budget committee appointed by Governor Wade, to discuss the provisions of the "omnibus bill" as they relate to highways. The purpose of Senator Bartlett's trip to Alaska was to determine the wishes of the State administration for revisions in the provisions of the omnibus bill after it is introduced. Senator Bartlett was called away from the meeting shortly after my arrival and he participated only briefly in the highway discussions.

The basic problem recognized by the group was that of financing highway maintenance. The budget committee advised the Governor that three recommendations were possible -- (1) continuation of the existing apportionment process with the reduction of Alaska's area factor to 1/3 and the accompanying advantage of using Federal-aid monies for maintenance, (2) acceptance of the omnibus bill as written with the certain necessity after the first year or two for utilization of only a small portion of the available Federal-aid monies, and (3) effort to increase the area factor, perhaps to 2/3, with retention of Federal-aid monies for maintenance. Senator Bartlett favored the middle course and said he would attempt to have the area factor increased to 2/3 and then compromise if necessary on a 1/2 figure, with provision for maintenance with Federal-aid funds. When the problem of administrative costs was explained to the Senator and the Governor, the former agreed also to urge legislative provision for bearing those costs from Federal-aids.

The attention of the group was directed to the dual provision for maintenance during the first year of the transition (fiscal 1960) in that Section 20 (c) (2) permits utilization of 1960 monies for maintenance with Section 33 (a) providing an unspecified amount, generally recognized at four million dollars, for the same purpose. Governor Wade felt that this was an error and that one or the other of the two provisions probably would be stricken.

One of the members of the budget committee suggested that for the first year the State attempt to take advantage of both of the provisions discussed above and through them manage to match the entire \$36,000,000 that Alaska would receive under normal apportionment procedures. It was pointed out that this process would be wasteful in that a large organization would have to be built up for expenditure over a

a.B.S.

RG 30, Bur. of Public Roads
E. 6 D, Gen Corr. + Related Recs, 1955-59
Box 1127

Mr. Armstrong

-2-

February 11, 1959

very short period, with the State bankrupt of highway funds at its conclusion.

There was discussion of the possibility of divorcing the highway legislation from the omnibus bill, with the principal purpose a delay in the deadline of July 1 for transfer of functions between Public Roads and the State. It was pointed out that the provisions of Section 33 (b) and (c), under which Federal agencies may continue to perform their current services, seem to make special handling of the highway turn-over unnecessary.

The group was urged to hasten the establishment of the State department into which the Public Roads employees would be transferred and to formulate the policies under which transfer would be made. The Governor indicated that leaders had given him some assurances that the legislative process would be speeded, but he indicated doubt that this would be the case.

Later in the day Delegate Bartlett addressed a joint session of the legislature and devoted a major portion of his discussion of the omnibus bill to a very lucid explanation of the highway finance problem. He concluded with a statement that he would proceed as outlined herein, i.e., attempt to secure a 2/3 area factor with special provision for bearing maintenance and administrative costs from Federal-aid monies. He warned his audience that the road would be a hard one as regards Federal-aid for highway maintenance.



RG 30, Bur. of Public Roads
E. 6 D, Gen Comm. + Related Recs, 1955-59
Box 1127

File Alaska

BUREAU OF PUBLIC ROADS
Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Ellis L. Armstrong, Commissioner
21-00 Washington, D. C.

DATE: February 6, 1959

FROM : *AM* E. H. Strick, Regional Engineer
10-00 Juneau, Alaska

SUBJECT: Alaska Statehood

~~Juneau~~
~~all~~
~~Engineer~~

State Representative Bruce Kendall of Valdez, who is the leader of the small Republican minority in the first Alaska State Legislature, has pressed this office for a statement to use in committee or floor deliberations on procedures for transfer of Public Roads personnel to the State highway organization which must be formed in Alaska. While he was advised that statements involving Federal policy could not be made until the Federal policy was known, he insisted that there was an urgency to a beginning of consideration of the problem by the Legislature. Accordingly, the attached letter was written in an effort to quiet Mr. Kendall and at the same time avoid conflict with later policy pronouncement.

Attachment 1
(c ltr to Mr. Kendall)



ARS

RG 30, Bur. of Public Roads
E. 6 D, Gen Corr. + Related Recs, 1955-59
Box 1127

10-00

February 5, 1959

The Honorable Bruce Kendall
Member of House of Representatives
Alaska State Legislature
Federal Building
Juneau, Alaska

Dear Mr. Kendall:

You recently made verbal request for a statement from the Bureau of Public Roads as to the necessity for legislative or administrative action leading toward favorable conditions for transfer of Public Roads personnel in Alaska to the contemplated Department of Public Works.

Due to lack of legislative and policy decisions which yet are to be reached, both by the National and the State governments, concerning the proposed relinquishment by Public Roads of its responsibility for highway administration in Alaska, this office is unable to provide any definite recommendations or to suggest a course of action to the State administration. It appears in the best interest of both the Federal and the State governments to provide a favorable climate for transfer of personnel from Public Roads. The affected individuals have a considerable stake in the Federal service and are deserving of retention of the rights which they have accumulated with the former Alaska Road Commission and the Bureau of Public Roads. As a further comment, they are the persons best able to operate the Alaska highway system for reason of their extensive experience with its complex problems. This office trusts that those responsible for the transfer will be guided by these factors.

Sincerely yours,

E. H. Swick
Regional Engineer

cc: Mr. Metcalf
Washington office ✓

RG 30, Bur. of Public Roads
E. 6 D, Gen Corr. + Related Recs, 1955-59
Box 1127

X ref

TELEGRAPHIC MESSAGE

OFFICIAL BUSINESS--U. S. GOVERNMENT

Alaska Contract 4

Alaska

FROM..... **DEPARTMENT OF COMMERCE**

BUREAU..... **PUBLIC ROADS**

CHG. APPROPRIATION..... **26-30**

2-5-59

GPO 1956 O-373760

SF
0/4

272

H. E. CUNNINGHAM
WESTERN COUNSEL
BUREAU OF PUBLIC ROADS
SAN FRANCISCO, CALIFORNIA

REURTEL 2 SUGGEST INCLUSION IN FUTURE ALASKA CONTRACTS OF FOLLOWING: "THE GOVERNMENT SHALL HAVE THE RIGHT, IN ITS OPTION, TO ASSIGN AND TRANSFER THIS CONTRACT AT ANY TIME TO THE STATE OF ALASKA AND THEREBY EFFECT THE SUBSTITUTION OF THE STATE OF ALASKA IN PLACE OF THE GOVERNMENT AS A PARTY TO THIS CONTRACT AND PROVIDED THE STATE OF ALASKA ACCEPTS SUCH ASSIGNMENT AND TRANSFER THROUGH THE WRITTEN ACCEPTANCE OF THE HIGHWAY AND PUBLIC WORKS DEPARTMENT (OR THE SUCCESSOR OF SUCH DIVISION). IT IS AGREED THAT IN THE EVENT OF ANY SUCH ASSIGNMENT AND TRANSFER THE CONTRACTOR SHALL RELEASE THE GOVERNMENT, INCLUDING THE BUREAU OF PUBLIC ROADS FROM ANY AND EVERY OBLIGATION, DEBT, DEMAND, CLAIM OR LIABILITY THAT MAY HAVE ARISEN OR MAY ARISE AGAINST THE GOVERNMENT UNDER THIS CONTRACT. ALL OBLIGATIONS, DEBTS, DEMANDS, CLAIMS AND LIABILITIES OTHERWISE IMPOSED OR TO BE IMPOSED UNDER THIS CONTRACT UPON THE GOVERNMENT SHALL BE IMPOSED UPON AND SHALL BE ASSUMED BY THE STATE OF ALASKA UPON ITS AFOREMENTIONED ACCEPTANCE OF SUCH ASSIGNMENT AND TRANSFER. THE CONTRACTOR FURTHER AGREES THAT ANY SUCH ASSIGNMENT AND TRANSFER SHALL NOT RELIEVE THE CONTRACTOR OF ITS OBLIGATIONS, DUTIES AND RESPONSIBILITIES UNDER THIS CONTRACT AND THAT THE CONTRACTOR SHALL PERFORM AND FULLFILL SUCH OBLIGATIONS, DUTIES AND RESPONSIBILITIES AS REQUIRED UNDER THIS CONTRACT IN ALL RESPECTS AS IF THE GOVERNMENT HAD CONTINUED AS A PARTY HEREUNDER.

RG 30, Bur. of Public Roads
E. 6 D, Gen Com. + Related Recs, 1955-59
Box 1127

Alaska - 1877

BUREAU OF PUBLIC ROADS
Office Memorandum • UNITED STATES GOVERNMENT

ADMINISTRATIVELY RESTRICTED

TO : Mr. Ellis L. Armstrong, Commissioner
 21-00 Washington, D. C.

DATE: February 3, 1959

FROM : E. H. Swick, Regional Engineer
 10-00 Juneau, Alaska

SUBJECT: Alaska Statehood

Mr. Swick
via [unclear]
 FILE

The marked passage on page 8 of the attached copy of the Governor's message to the State Legislature on organization of the Executive Department confirms the indication given you previously of his attitude toward assumption of the State's highway responsibility. The Congressional delegation probably will be asked to work for deferment of the transitions proposed by the Bureau of the Budget. Concerning the Governor's statement that the early transition is designed to relieve the Federal budget of financial responsibility, considerable pains had been taken to explain to the Governor that the transition would have no effect on the over-all financing of the Federal-aid highway program, since revisions would be within the annual authorizations. Apparently the explanation was not understood.

The Legislature has been in session for one week and has taken no actions indicative of its attitude toward the transition. There has been no move toward establishment of executive departments except the receipt of the Governor's recommendation. It is improbable that the Governor will organize the departments without prior acceptance by the Legislature of his general recommendations. Legislative consideration of highway matters probably will be handled through committees for Labor and Commerce in both of the Houses. These committees include representation from such places as Barrow, Bethel, and Port Moller on the Alaska Peninsula, which have no road systems at all. Individuals from these localities may prove of little assistance in deliberations on highway matters.

My visit to Washington will be deferred until late February unless I am advised to the contrary by you.

Attachment 1
 (Gov message in dup)

Mr. President of the Senate, Mr. Speaker of the House, members of the Alaska State Legislature, honored guests, and fellow Alaskans:

Today the celebrations are over. Now we face the sobering responsibility of statehood. Our relationship with the Nation and with the world is quite unlike it was a year ago, a month ago, or even last week. Today we are on our own. Today we go on trial before the greatest of all courts--the court of public opinion. We must not fail.

Before I begin my formal State of Alaska message I must say that it is only through the tragic circumstance of the illness of Governor Egan that I appear before you in the capacity of acting Governor. We are all cheered by the news of Governor Egan's continued recovery.

In preparing my recommendations I have been guided by Governor Egan's thoughts and plans in all matters where his views were known to me. In other matters where I have not been aware of his plans my own decisions have prevailed and are now delivered to you for your consideration.

If my position does not agree with his, Governor Egan will, upon his return, by executive order or by necessary legislative action reshape policy in line with his thinking.

In Governor Egan's absence, and in accordance with democratic tradition, I, the elected acting chief executive, stand at the invitation of you, the elected legislators, to give my views on the State of Alaska and the problems which face it. The problems are many. They are complex. But they are not insuperable.

I consider our number one problem that of organizing the state government in conformity with our Constitution. In fact, what I have to say to you today will be largely devoted to this question, with a mere reference to legislation necessary to implement the several provisions of the Constitution. I will conclude with the outline of emergency or essential legislation.

My message will be confined to three paramount categories on the premise of first things first. Until we accomplish what should be done in these fields we cannot discuss long range legislation, let alone budget problems.

After you have acted on these measures I ask you to face the question which many legislators have mentioned to me--to recess until fall to allow the executive branch to catch up with the legislative branch. The decision is yours. Should you decide to stay in session then I would hope to come before you again and present my views on long range policy. A decision to recess would have the advantage of enabling you to hear from Governor Egan on program matters. Before fall, Governor Egan will be back with us and will then have assumed active leadership. He will have had time to evaluate what has been accomplished and can present his own program.

Speaking of organization, I was happy to see the Legislature's prompt action in getting down to business. It is a clear indication that you mean business. I look forward to a close working partnership between the legislative and executive branches of our new government.

I propose the adoption of a policy to hold the line on

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taxation and thus to keep our state budget within its foreseeable income. This can be accomplished only if both the legislative and executive branches will it.

Before relaying my thoughts to you on a permanent reorganization plan, I suggest that the Legislature immediately consider the enactment of legislation to enable the chief executive to exercise his functions as outlined by the Constitution in supervision and direction of the Executive branch of the Government. It will be some time before the effective date of any permanent reorganization plan. In the interim it is essential that the Governor be placed in control of existing agencies, boards and commissions; including the tenure of offices of the agency heads, both appointed and elected.

REORGANIZATION

I propose that reorganization of the executive branch be performed in two steps, the first to consist of enactment of a relatively brief bill to create the several principal departments enumerated later in this message. Enactment of such a bill will provide a framework within which to assign duties. I will submit such a bill to you in the next day or two. When the bill has undergone the legislative process, including those legislative prerogatives of floor amendment or committee substitution, the legislative thinking will then have been revealed as today mine is.

Enactment of such a bill will pave the way for the second step, namely, an executive order for assignment of functions within the statutory framework.

Early enactment of the bill, therefore, will permit early attention to final assembly of the executive order, and early attention to budgeting for our reorganized executive structure.

Under the Constitution, you will have 60 days in which to disapprove the executive order, or the order may be given your affirmative approval after customary deliberation and debate. If your action is affirmative, the necessity of awaiting passage of the 60-day period would be eliminated, thereby permitting earlier attention to other subject matter.

It is not necessary to go as far in spelling out the details of reorganization as some reports contemplate. Our situation does not yet require the elaborate administrative structure proposed in some of the studies. I propose a reorganization plan in broad terms, leaving to the future such filling in of the framework as changing conditions may require.

Without going into detail, I shall briefly outline the contents of the act I will propose. It will call for the creation of the following departments:

- The Department of Administration
- The Department of Law
- The Department of Revenue
- The Department of Education
- The Department of Health and Welfare
- The Department of Labor
- The Department of Commerce
- The Department of Employment Security
- The Department of Military Affairs
- The Department of Public Works

The Department of Public Safety
The Department of Local Government
The Department of Fish and Game
The Department of Licenses
The Department of Natural Resources

FISH AND WILDLIFE

In recommending the creation of a separate Department of Fisheries and Wildlife, I recognize that eventually Fish and Wildlife might be merged with the Department of Natural Resources, but during the transitional period the position in which we find ourselves as to each of these Departments will require their separate administration directly under the chief executive.

DEPARTMENT OF LICENSES

I am recommending in addition that you create a Department of Licenses. This Department would have the secretariat to provide services to the various professional and occupational examining boards. It would include the administration of the election laws. The licensing of the sale of liquor would also be in this department. This latter activity, I can testify, is not only important but time consuming.

EMPLOYMENT SECURITY

I propose to place Employment Security directly under the Governor's office. This recommendation was reached reluctantly since Employment Security ultimately belongs in the Department of Labor. However, a unique financing feature and the condition of the program today impel me to suggest its independent status at least until its position has improved.

FIFTEEN DEPARTMENTS

The total number of recommended departments is 15 which is well within the Constitutional maximum, but is greater than some of the studies have recommended.

I must emphasize that with my suggested staffing of the departments, total cost of operating the State government need not be more than under other plans advocating a smaller number of departments. In other words, the number of departments does not necessarily reflect the over-all cost.

SECRETARY OF STATE

I have not recommended specific duties for the Secretary of State. This is not an oversight. I have long felt that the Governor should have the privilege of assigning to the Secretary of State whatever duties the Secretary is best fitted to assume, and the Governor is disposed to delegate.

ACKNOWLEDGEMENTS

I wish to acknowledge that in drafting the reorganization plan which I shall put before you I drew heavily upon others. Their advice and information have materially assisted me. These were: Public Administration Service, Legislative Council, and, very particularly, the Directors of the Agencies whose long and faithful service in the day-to-day administration of their programs under the Territorial form of government provided them with invaluable knowledge upon which I drew heavily for insight into the real pro-

blems of governmental reorganization.

In commendation of the several sources which have influenced much of my thinking, may I say, that although my recommendations will depart from theirs in a number of areas, I believe all have made substantial contributions in enunciating and defining the basic problems before us.

EXECUTIVE ORDER

The contents of my executive order will be discussed with members of both Houses of the Legislature before it is reduced to final draft. A statement will accompany the executive order explaining in detail the reasoning that led to decisions reached.

To summarize: My proposed reorganization plan would give wide administrative and discretionary authority to the Governor in determining, after appointment of department heads, the detailed organization and staffing of each department. In this respect, I intend to appoint and ask you to confirm as department heads, individuals whose administrative abilities are recognized, and who are known for doing a job with a minimum of staff, in a practical, direct, efficient manner. Their tenure of office would be judged by this standard.

The executive order will not create a fixed and rigid administrative organization, but rather a flexible one so the program will be so administered with a minimum of expense. I do not feel that you, the Legislature, should be called upon to decide and legislate as to the location of field offices, or how many people should be employed to staff them in the detail some of the studies have indicated. Such decisions should be left to the head of the department, within the funds made available by the Legislature. Such administrative decisions are properly those of the executive branch. I trust that you will act affirmatively on the bill and the executive order at an early date.

THE JUDICIARY

I am aware that the jurisdiction of existing courts in Alaska has been questioned by eminent legal minds in Alaska and elsewhere. I will not detail the points involved, but I must stress that there are many good lawyers in and out of Alaska who believe that the present courts possess the jurisdiction that the Constitution and the Statehood Act purport to provide, and that there is only, and I want to underline only, a remote possibility that the courts would hold otherwise. I share this latter view. I reached this conclusion after listening to arguments on both sides, so I recommend that the state government follow the same course as the federal government by proceeding on the basis that our present courts are legal courts.

I do not recommend that we ignore the question because we should prepare for any eventuality, yet we should not push the "panic button" by creating a court system in haste. I, therefore, give you this recommendation. I urge that you immediately enact legislation implementing Article IV of the state Constitution. I will, at an early date, submit to you for confirmation the names of three lay persons as members of the Judicial Council. This will be the first step in the creation of a Supreme Court. I recommend that you then implement the Constitution by enacting a law creating a Supreme Court.

In creating the Supreme Court I would urge you to with-

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hold from it the performance of the basic judicial function. Instead assign to that body the function and responsibility of drafting a proposed judicial code. If this recommendation is followed, you would have the benefit of the best legal minds in the state to perform this most important task. If means may be found for easing the present congestion in the interim courts, short of activating our own state judiciary at once, I would urge such action both to accommodate litigants and to clear the decks, so to speak, for the new Judiciary.

As you know, the Federal Government is continuing to supply us with most of the institutions necessary to administer justice, but we must act promptly on the long-range problem of establishing our own Judicial Code in order that we can eventually provide a State judiciary.

I know of no better way to ease the financial burden of the new state than to allow the Federal Government to defray a large portion of the cost of the courts during this transition period.

I am confident that any attempt to upset the present jurisdiction of our court system will not be resolved for many months.

This is an area which, above all others, requires us to act without reference to narrow personal interests. We should be as impartial in legislating for the courts as we would expect the courts themselves to be in rendering equal justice under law.

THE BUDGET

The next subject on the priority list is the Budget. My Budget message will necessarily be delayed until you have acted upon reorganization. It must be obvious that no sound budget presentation can be made until we know for what we are budgeting. You may be assured, however, that my Budget message will be ready for delivery to you soon after reorganization has been consummated.

On the question of appropriations I regret to advise you that it will be necessary for me to send to you at an early date, perhaps tomorrow, a request for various deficiency appropriations. I am not happy about it, but it is not of our making. I hope that once the State is completely organized no such interim financing will be resorted to. I can, however, understand its necessity in this transition period. I can assure you that unless specifically directed by the Legislature, no deficit will be incurred by the executive branch under this administration.

Next I suggest your early consideration of legislation contemplated by the drafters of the Constitution to effectuate the provisions of that great document.

IMPLEMENTING THE CONSTITUTION

I invite your consideration of subjects mentioned in the Constitution which will require eventual implementation by the Legislature. Some of these are:

- Civil rights.
- Provision for filling vacancies in the Legislature.
- Regulation of lobbying.
- Executive succession.
- Duration of interim executive appointments.

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Executive clemency and parole.

State Lands: Selection, leasing, issuing of permits for exploration of public domain, sale or granting of State lands or an interest therein; issuance, types and terms of mineral leases and permits.

Water rights.

Uniform standards for appraisal of all property assessed by the State or its political subdivisions.

I would not wish you to recess, if that is your decision, until you act upon what I will label emergency legislation. My proposals are few in number, but they are important and in my opinion need your particular attention. I will refer to them only in general terms.

MENTAL HEALTH

The 1957 Alaska Legislature adopted a Mental Health Act--a forward looking humane program, but without benefit of accurate data on which to base their estimates of cost. Two years have passed, much has been learned, and medical science has steadily advanced in the treatment of the mentally ill. Hospitalization of certain types of mental patients has been found not only costly, but non-productive.

In 1954, a construction program was determined upon. Because of rapid advance of medical science the construction program then proposed may be unrealistic today.

I urge you, therefore, to take a "new look" at the Mental Health Program and Planning in light of today's situation. Consider the problem in terms of our liberal commitment policies, our financial ability to care for the many types of mentally ill now eligible under our present Act, and finally take a good look at the cost and capacity of the hospital construction planned. Then see if the plan is the one that you would adopt today. It is not too late to re-evaluate this all-important and expensive hospital program.

I am convinced that Alaska needs a mental hospital in Alaska, but I am equally convinced that there are certain types of mental illness that can be hospitalized and treated at less expense in private institutions.

EDUCATION

You will note but brief mention today of many proper subjects which will require our combined attention during this Session. I am, therefore, confining these comments to those subjects which by their nature are immediately before us. Those touched lightly in this address will be given fuller treatment in my Budget message. Particularly, will this be true of activities which have pronounced bearing on the Budget. Chief among these is Education, in which respect I join with the Department of Education in proposing a thorough review of our means of its financing. I shall amplify this in a later message devoted to Budget problems.

BLUE SKY LEGISLATION

I am sure you are all aware of the need to regulate the sale of securities in or related to Alaska. The need of such legislation has become so widespread that the Attorney General of

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