

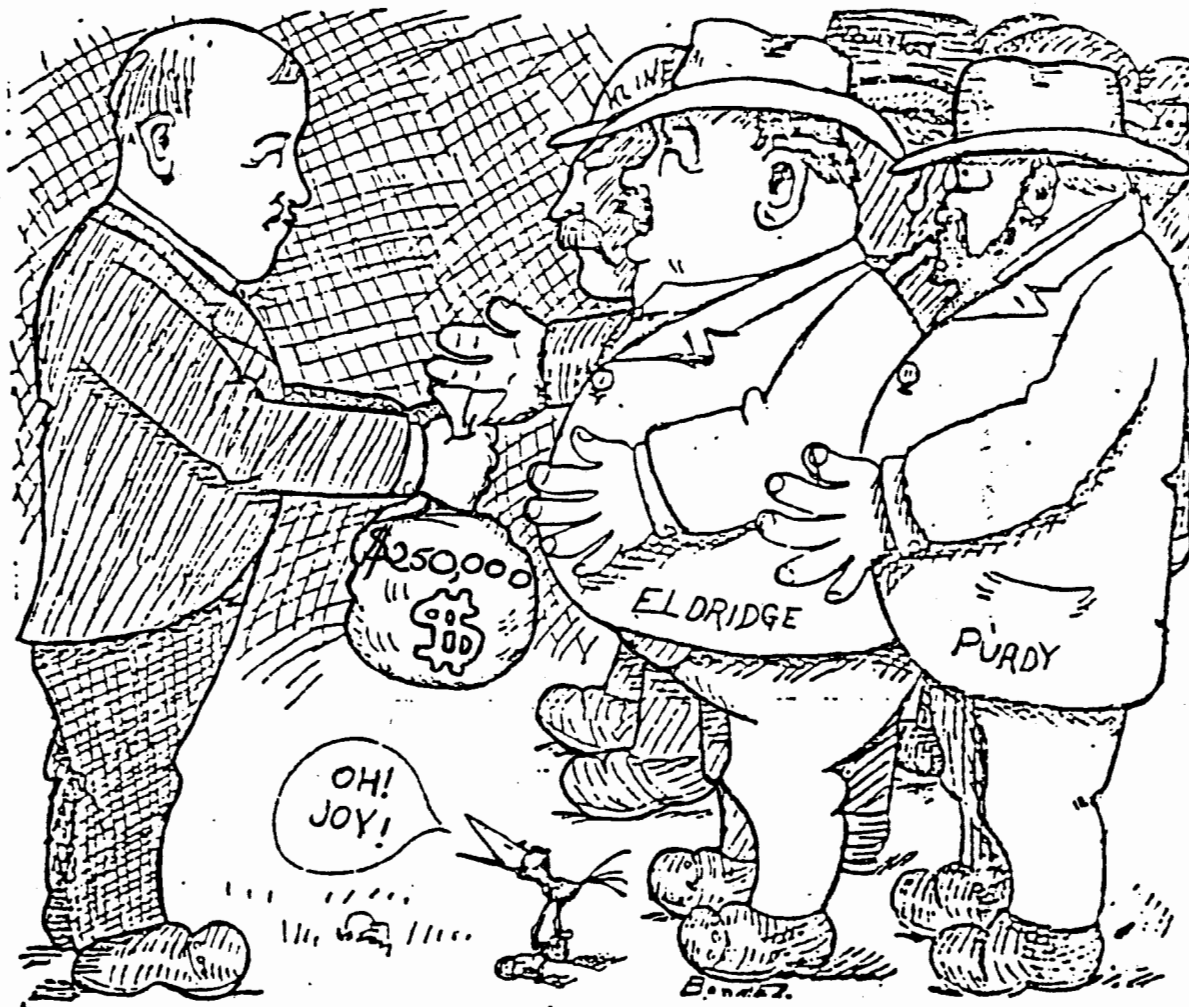
Pacific Northwest Quarterly

OCTOBER 1989

VOLUME 80

NUMBER 4

Probable Gift of B. B. I. Co. to R. R. Subsidy Committee



J. J. Donovan, the Modern Santa Claus

Alaskans have always complained about the treatment they receive from the federal government. When not neglecting Alaska altogether, the government has assigned it a status unequal to that of the contiguous states. That Alaska struggled for 40 years for inclusion in the Federal-Aid Highway Act is proof, its residents insist, of the discrimination that plagued the territorial period.

By 1900, the expansion of western settlements had resulted in nearly 2 million miles of rural roads. Most of these were unsurfaced. Although there were only 8,000 motor vehicles in the United States, bicycles and horse-drawn conveyances required more and better roads. Congress responded to these evolving needs and created the Office of Public Roads in the Department of Agriculture in 1904.¹

By 1915 there were 2 million automobiles in the nation. The next year Congress passed the Federal Road Act, which provided for joint road construction by the federal government and the states, and appropriated \$75 million to implement the legislation. As Americans took to the roads in increasing numbers, all states enacted motor vehicle registration laws and taxed automobiles. Oregon levied the first gasoline tax in 1919, to be used for road construction, and within a few years other states were following Oregon's lead. In 1921 Congress amended the 1916 law, specifying that federal funds should be spent primarily on "such projects as will expedite the completion of an adequate and connected system of highways, interstate in character." By 1925, the head of what had become the Bureau of Public Roads envisioned a network of arterial highways that would serve all cities of 50,000 or more inhabitants. Highway building and maintenance had become national priorities.²

But Congress had not neglected its northern territory. In 1904 it had created the Board of Road Commissioners for Alaska, soon simply known as the Alaska Road Commission. Starting its functions in 1905, the commission operated much like a state or territorial highway department, first under the War Department, then from 1932 until 1956 within the Department of the Interior. Under difficult conditions of terrain and

climate, it built and repaired trails and roads in the territory. Although after 1916 the territorial legislature contributed modestly, federal moneys—by 1948 some \$38,696,545—paid for Alaska's road system.³

Meanwhile, the original Federal Road Act was amended frequently over the years, and by 1936 the law came to be called the Federal-Aid Highway Act (FAHA). Under each version the government assisted the states in the important work of road building throughout the nation. Federal funds were apportioned, and each state's contribution was ascertained, according to a formula involving population, existing road mileage, and acreage. Government assistance was generous, and the states were free to initiate projects, develop long-range plans, and choose the locations and types of roads to be built. But government moneys were earmarked for construction only; repair, administration, and regulation of the roads fell to the states or territories, which were required to establish and operate highway departments equipped to handle the responsibility.

The government made construction money available through three basic channels: the interstate highway program; the federal-aid primary, secondary, and urban roads (ABC) program; and federal domain roads programs. Under the latter, executive agencies having jurisdiction over publicly owned lands within the state or territory administered construction projects financed entirely by the government. (Roads in Alaska's Tongass and Chugach national forests, for example, fell under the purview of the Department of Agriculture.) The most important of the three programs, however, and the most costly, were the inter-

Alaska and the Federal-Aid Highway Acts

Claus-M. Naske

1. Herbert W. Busching and Randolph Russell, "American Road Building—Fifty Years of Progress," *Journal of the Construction Division, Proceedings of the American Society of Civil Engineers*, Vol. 101 (1975), 567.

2. *Ibid.*, 568; 42 Stat. 213 (1921).

3. Claus-M. Naske, *Paving Alaska's Trails: The Work of the Alaska Road Commission* (Lanham, Md., 1986), 1, 74, 229.

state and the ABC, money for which came in part from highway user taxes on fuel, trucks and buses, tires, parts, and accessories. Under these programs, the states and the federal government cooperatively built many thousands of miles of roads. The National System of Interstate and Defense Highways was the most ambitious project, intended to encompass 41,000 miles and cost \$41 billion, of which the government would pay \$37 billion, or 90 percent.⁴

It is small wonder that Alaska was eager to be included in the Federal-Aid Highway Act. The *Daily News* of Washington, D.C., noted that "no area under the American flag is in greater need of roads and highways" than Alaska, and residents of the territory concurred. Time and again the territory's delegates to Congress attempted to amend the law so that Alaska might benefit from its provisions. They failed when the revised act was passed in 1921 and every time the act was amended for decades thereafter. With 586,400 square miles (365,000,000 acres), Alaska is subcontinental in proportions, one-fifth the size of the 48 contiguous states. The 1940 census listed a tiny population of 72,524; there were only 2,750 miles of roads. This vast, road-

less area and insignificant population entitled Alaska to a large share of the total FAHA appropriation—unduly large, thought anxious members of Congress. A calculation of the federal-territorial ratio of funds based upon area showed that Alaska would be required to put up 14 percent and the government 86 percent of road construction costs, an arrangement highly favorable to the territory.⁵

There were disadvantages, however, and one of the most important was the FAHA requirement of a state or territorial highway department to administer road programs. The federal government would not pay the cost of operating the central office or engineering branches of these highway departments. Nor could federal funds be used for the maintenance of projects constructed under the provisions of the act. Therefore, if Alaska were to be included in the Federal-Aid Highway Act, Congress undoubtedly would dissolve the Alaska Road Commission and transfer all roads, highways, and bridges built by the commission to the territory. In 1953, the cost of maintaining the territorial road system came to about \$4,150,000 annually; the commission paid all but a minute portion.⁶

Expenses were bound to increase with the expansion of the highway system. In fact, Alaska would need to come up with about \$5 million annually for supporting a highway department, acquiring equipment, and maintaining roads. And only after that could the territory set aside



As E. L. Bartlett, above, recognized, Alaska could benefit from the FAHA only if special terms permitted use of federal funds for road maintenance as well as construction. (Author's collection)

Vast distances, difficult terrain, severe climate, and a tiny population kept Alaska's road system minimal even into the 1940s. (Francis E. Pope Collection, Alaska and Polar Regions Dept., University of Alaska, Fairbanks)

funds to match federal moneys for construction. When the territorial highway engineer concluded that Alaska was "unable to take advantage of the Federal-Aid Act," many territorial officials agreed. Financial resources were slim, and the Alaska legislature had always been reluc-

4. Congressional Quarterly Service, *Congress and the Nation, 1945-1964: A Review of Government and Politics in the Postwar Years* (Washington, D.C., 1965), 524, 525.

5. Washington, D.C., *Daily News*, Jan. 28, 1956; Claus-M. Naske, *Alaska's Inclusion in the Federal-Aid Highway Act of 1956, the Work of the Bureau of Public Roads and the Transition to Statehood: Final Report*, Alaska Dept. of Transportation and Public Facilities (Fairbanks, 1987), 2-3; notes accompanying H.R. 2323 of Feb. 23, 1945, "Proposal for Extension of Federal Highway Act to Alaska," E. L. Bartlett Papers, Box 1, Federal Departments and Agencies, Interior, Roads, 1945-58, University of Alaska, Fairbanks, Archives; Naske, *Paving Alaska's Trails*, 265-66.

6. Naske, *Paving Alaska's Trails*, 266. For a history of Alaskan complaints against the federal government, see Ernest Gruening, *The State of Alaska*, 2d ed. (New York, 1968).



tant to raise taxes for even the most basic governmental functions. In a fashion, the federal government had supported this reluctance to tax because it provided for most of the territory's needs, which, besides highways and roads, included a judicial system and fish and game resource management, to mention but a few.⁷

The government stepped in again in February 1942, when President Franklin D. Roosevelt authorized construction of the Alaska Highway. Built in haste lest Alaska be cut off by Japanese blockading sea routes to the North, the 1,422-mile-long pioneer road from British Columbia cost \$19,744,585 and was completed in eight months. In 1947 the U.S. Army complained that "the limited capacity of the Alaska Railroad and the deficiencies of the road system in mainland Alaska jeopardize the mission of National Defense." Congress quickly responded and approved a massive six-year road development program costing in excess of \$135 million. A construction boom followed, and 1953 saw at last the completion and paving of the territory's basic road system.⁸

By 1955, President Dwight D. Eisenhower had proposed a 10-year road construction program for the nation. Many Alaskans wanted the territory to participate, and as Congress prepared to amend the FAHA, they began to lobby in earnest in November 1955.

That month the Alaska Chamber of Commerce held its annual convention in Fairbanks. Governor B. Frank Heintzleman delivered the opening address. Although he spoke of many things, he particularly noted the need for speedy construction of additional main highways, secondary and access roads. He urged chamber members to lobby Congress to have the territory included in the new FAHA amendments, but with one proviso: that Alaska be excepted from the restriction that funds be used for construction only. Because "of the great need and sparse population, Alaska will require federal aid for maintenance as well," Heintzleman said. Accordingly, the chamber of commerce resolved that Alaska be included in the FAHA and granted special funds to be administered by the Alaska Road Commission for maintenance of federally constructed roads.⁹



From 1905 to 1956, the federal Board of Road Commissioners built and repaired Alaska's trails and roads—among them the Richardson Highway, above. (Roy Huddleston Collection, APRD)

In the meantime, Alaska's delegate to Congress, E. L. Bartlett, had begun the long process of information gathering and research required to prepare suitable legislation. The Bureau of Public Roads, he learned, offered "scant encouragement." Officials in the Commerce Department believed that Congress might compel Alaska to be included in the FAHA on exactly the same terms as the states, Hawaii, and Puerto Rico. This meant that the territory would have to pay several million dollars in maintenance expenses annually along with about 12.5 percent of the cost of new construction. Bartlett had hoped that Governor Heintzleman, a Republican, would secure the Eisenhower administration's support for Alaska's inclusion in the FAHA under favorable terms, thereby preventing Congress from "forc[ing] us into any situation inimical to Alaska's best interests."¹⁰

Heintzleman soon reported to Bartlett that Frank DuPont, the commissioner of the Bureau of Public Roads, declared it a waste of time to devise special provisions for Alaska in the FAHA. If Alaska received funds for road maintenance, the states and territories would immediately demand the same treatment, "and because of this prospect Congress would turn us down flat." According to DuPont, the states would oppose Alaska's special treatment under the new highway act, as

would officials in the Department of Commerce, especially since the territory already received federal funding under the Alaska Road Commission arrangement with the Interior Department.¹¹

Early in January 1956, Bartlett asked his old friend Senator Warren G. Magnuson of Washington to help him push legislation through Congress that would bring Alaska under the FAHA with "some kind of special consideration." He maintained that Alaska paid "a dreadful penalty for not being in the system" and claimed that, instead of the current \$6.3 million allocated to the Alaska Road Commission for construction, Alaska would receive fully \$27.9 million under the Federal-Aid Highway Act. Yet, he admitted, Alaska could not afford to maintain its existing roads, much less contribute even the modest percentage toward construction costs required by the law. The territory needed both the large amounts of construction money that the FAHA made available and the continuity in road programs that it assured, continuity

7. Quoted in Naske, *Paving Alaska's Trails*, 266.

8. *Ibid.*, 227 (qtn.), 229.

9. Address Given before the Alaska Chamber of Commerce Convention Sessions, Fairbanks, November 3-5, 1955, Resolution 5, Bartlett Papers, Box 5.

10. E. L. Bartlett to B. Frank Heintzleman, Dec. 12, 1955, *ibid.*

11. Heintzleman to Bartlett, Dec. 17, 1955, Bartlett Papers, Box 5.

impossible under fluctuating Interior Department appropriations.¹²

Bartlett, convinced that "we can surrender much and still gain much," outlined his plan: give Alaska half the construction money it would be entitled to if included in the FAHA, specifically \$15 million annually, and allow the territory to use the funds for both construction and maintenance; require that the territorial legislature contribute \$2.5 million annually to be used together with the federal funds for construction and maintenance; transfer the functions of the Alaska Road Commission to the Bureau of Public Roads; and eliminate the special provisions for Alaska after 10 years. Even as he tried to persuade Magnuson to "get in the fight" for Alaska, Bartlett acknowledged that "a tremendous selling job will have to be done with the Congress and the administration too. Neither has expressed any monumental interest in the territory's position."¹³

In February, with the Federal-Aid Highway legislation pending in Congress, a delegation of Alaska mayors and city managers arrived in Washington, D.C., to lobby for their cause. Bartlett and the former governor Ernest Gruening had talked with members of the Senate Public Works Committee and mustered consid-

Though the Alaska Highway provided a connection to the lower 48, within Alaska, even major cities were only imperfectly linked, as this photograph suggests. (Anchorage Museum of History and Art)



erable support; the director of the Office of Territories tried to enlist the aid of the White House. On February 21, the assistant secretary of the interior, Wesley A. D'Ewart, testified before the Roads Subcommittee of the House Public Works Committee on the current bill to amend the FAHA. The new measure, he said, did not cover Alaska because the territory lacked the required tax base—and its population was too small to raise enough revenue no matter how high territorial taxes were raised. D'Ewart, therefore, proposed not that Alaska be included in the new FAHA but, rather, that the territory's special situation be addressed by adding a section authorizing the secretary of the interior "to develop and carry out a program for the accelerated construction of highways within Alaska." For the coming fiscal year, the Interior Department had requested \$7.8 million for construction and about \$3.6 million for maintenance for the Alaska Road Commission; that would be increased under D'Ewart's plan.¹⁴

At the end of the month Bartlett testified before the same subcommittee. He rejected D'Ewart's proposal outright and instead asked that Alaska be included in the FAHA but that it be eligible for funding on the basis of only one-half of its acreage. Rather than adhere to the act's prescribed ratio of government-state payments, the territory would contribute a sum worth no less than 10 percent of federal funds allocated annually, to be deposited in a special U.S. Treasury Department account for use in conjunction with the federal funds. Alaska's governor, the territorial highway engineer, and the secretary of commerce were to select road projects, and both territorial and federal moneys were to be used for maintenance as well as construction.¹⁵

As the delegate had feared, the House Public Works Committee rejected his amendment to the new bill. On April 26 he complained to his colleagues in the House that Alaska had once again been excluded. The nation would gain from the legislation; all Americans would be taxed for the benefits. Taxes paid by Alaskans, however, would "pay for roads elsewhere." Bartlett then painted the familiar, if untrue, picture of congressional neglect of Alaska's needs. After 89 years as an American possession, the territory

boasted of fewer than 4,000 miles of road. Between 1920 and 1940 only about 250 miles of new roads had been constructed; the following decade had brought a few hundred more, but now activity had virtually ceased. Had the federal government "deliberately decided to maintain Alaska as a wilderness, it could not have chosen a more effective means than to make sure no roads were built." The government never treated Alaska like an organized, incorporated territory of the United States and a constitutional member of the Union, Bartlett went on; to lawmakers it was simply "a distant, unwanted, uncared for colony"—although, as others would point out, "Congress never fails to remember Alaska when voting taxes."¹⁶

What Bartlett did not mention was the territory's minuscule population, its gigantic size, and the rough terrain and often brutal climate that severely limited road construction. He also failed to point out that most northern residents were unwilling to tax themselves for services they desired. Alaskans had traditionally looked to the federal government to perform these functions, and the government had always provided.

Bartlett and those who supported Alaska's inclusion in the FAHA now turned their attention to the Senate. In early May, the Senate Committee on Public Works recommended that the full body pass the House measure except for title 1,

12. Bartlett to Warren G. Magnuson, Jan. 9, 1956, *ibid.*

13. *Ibid.* (1st, 2d qtns.), Bartlett to William K. Boardman, Jan. 10, 1956 (last qtn.), Bartlett Papers, Box 5.

14. Bartlett to F. O. Eastaugh, Feb. 14, 1956, and "Statement of Assistant Secretary of the Interior Wesley A. D'Ewart before the House Committee on Public Works," Feb. 21, 1956 (qtn.), *ibid.*

15. "Proposed Amendment to H.R. 8836," Feb. 27, 1956, and Bartlett to Richard L. Neuberger, March 1, 1956, both in Bartlett Papers, Box 5.

16. Bartlett to Neuberger, April 20, 1956, *ibid.*; *Congressional Record*, 84th Cong., 2d Sess., 1956, pp. 7136 (1st qtn.), 7137 (2d, 3d qtns.); Washington, D.C., *Daily News*, May 5, 1956 (last qtn.).

for which it substituted a 1955 Senate version. This bill extended by 13 years the 1944 interstate highway-building program, and it also launched a vast new plan for improving and modernizing the interstate system. Senator Richard Neuberger of Oregon notified his colleagues that he planned to sponsor an amendment to bring Alaska within the provisions of the new legislation. He intended to modify the formula for allocation of funds so that the territory's large land-mass "will not make disproportionate the benefits thus conferred."¹⁷

Neuberger was a friend of Alaska. He had served as a captain in the U.S. Army in Alaska during World War II. While there, he had written articles extolling the north's natural resources and opportunities. Governor Gruening had become his friend, as had Bartlett, then serving as secretary of Alaska. Neuberger was an early supporter of Alaskan statehood, and he lent a helping hand to the territory throughout his career.

On May 17, the senator submitted his amendment authorizing the inclusion of Alaska in the FAHA of 1956 "on the same terms and conditions as the several States, Hawaii, and Puerto Rico, insofar as expenditure for projects on the Federal-aid primary, secondary, and urban systems is concerned." As Bartlett had in February, Neuberger proposed that only 50 percent of Alaska's acreage be used in computing the apportionment of funds; that the territory contribute a minimum of 10 percent of the amount of federal funds apportioned each fiscal year; and that all road functions be transferred to the Bureau of Public Roads. On Bartlett's advice, however, Neuberger did not mention the matter of Alaska's using federal funds for both construction and maintenance, though the amendment contained the crucial provision. In the course of the Senate debate on May 29, Neuberger agreed to reduce to only 33.3 percent the area of Alaska used in determining apportionment of funds.¹⁸

Meanwhile, Bartlett had been lobbying hard for the cause; he came early to the debate, he wrote, in order "to buttonhole as many Senators as I can find and urge their support of the Neuberger amendment." In the end the effort succeeded



Until eligible for funding under the FAHA, Alaska had little control over development of its road system. (Huddleston Collection, APRD)

beyond his wildest expectations. He found it difficult to express his gratitude to Neuberger adequately, for that "would have required a wonderful collection of dotting adjectives and general all-around purple prose." Bartlett admitted to the Oregon senator that he had

entertained only slight hope that your efforts in Alaska's behalf in including us in the National Highway Bill would be successful. The odds were all against you. But even if you had gone down to defeat, your unstinting cooperation, your leadership, your devoted search for means whereby Alaska might come under the bill would have been forever appreciated by me.

In short, the Senate passage was a "wonderful victory."¹⁹

Bartlett had been confident all along that Congress would be willing to give Alaska the permission to use FAHA funds for both construction and maintenance in exchange for reducing the land formula for the apportionment of moneys. Yet the bill had to go to the House Conference Committee, and there still was the possibility that "the House conferees may refuse adamantly to accept Alaska or the amendment may be switched all around to the disadvantage of Alaska." He immediately set to work to persuade his House colleagues to vote for the Neuberger

amendment. On June 21, 1956, Bartlett reported success.²⁰

The FAHA would include Alaska using 33.3 percent of the territory's area for computing allotments. The measure authorized appropriations for three years, 1957 to 1959, of which Alaska's estimated share was \$1,900,000 in 1957 (the Department of the Interior appropriated \$11,425,000 for Alaska road construction and maintenance that year, the last time moneys would come from that source), \$13,200,000 in 1958, and \$13,500,000 in 1959. The territory's match would be 10 percent. The House and Senate accepted the conference report, and on June 29, 1956, President Eisenhower signed the Federal-Aid Highway Act into law. The *Daily Alaska Empire* of Juneau carried a headline reading "New Road Building Era Dawns in Alaska," and the Fairbanks

17. 84th Cong., 2d Sess., 1956, S.R. 1965, Vol. 3, pp. 1-2, 22 (qtn.) (Serial 11888).

18. *Congressional Record*, 84th Cong., 2d Sess., 1956, pp. 8338 (qtn.), 9204; Bartlett to Homer E. Capehart, May 28, 1956, Bartlett Papers, Box 5.

19. Bartlett to J. H. Goding, May 29, 1956 (1st qtn.), to Neuberger, May 31, 1956, Bartlett Papers, Box 5.

20. Bartlett, "Memorandum on Alaska Road Situation," June 1, 1956 (qtn.), and Bartlett to George A. Dondero, June 4, 1956, *ibid.*

Daily News-Miner called the law a "Boon to Entire Territory."²¹

Bartlett was ecstatic. He credited Neuberger with making Alaska "at long last . . . a partner in the Federal-Aid Highway System." For the first time in its history, he said, the territory could develop long-range road programs.²²

Alaskans complained that they paid taxes for roads throughout the nation yet remained almost roadless; the Washington Post sympathized. (April 22, 1956)

Despite the consistent complaining of northerners, Alaska had done very well. From 1905 to 1956 the federal government had financed the road and trail system with negligible contributions from the territory. And once again, in the 1956 FAHA, Congress had treated Alaska generously. The territory received substantial federal funds at a minimum match and was allowed to use these moneys for construction and maintenance. Although the FAHA required the territory to establish its own department of highways, another exception was made, and the Bureau of Public Roads performed that function

under contract until 1960. Statehood finally put Alaska on an equal footing with other states. Only then did road maintenance become its responsibility. As for construction, Alaska highway planners focused on primary, secondary, and urban roads and obtained federal money through the ABC program; in about 1979 four of the state's major highways, including the Alaska Highway, were designated interstate in nature, qualifying Alaska for federal funding under the interstate program. In 1989 Alaska road-building programs cost approximately \$140 million, of which the federal government furnished 88.68 percent, and the state 11.32 percent; the matching ratio for interstate funds was even better, 93.21 federal and 6.79 state.²³

In summary, Alaska has indeed had unequal treatment at the hands of the federal government. Despite the claims of northerners, however, the unequal treatment has not always been to Alaska's disadvantage. In the case of the Federal-Aid Highway Act of 1956, Alaska came out ahead. □

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21. *Congressional Record*, 84th Cong., 2d Sess., 1956, pp. 10985-86, 10997-98; Bartlett memorandum, June 21, 1956, and Bartlett to George C. Shannon, June 27, 1956, Bartlett Papers, Box 5; 70 Stat. 374 (1956); *Daily Alaska Empire* (Juneau), June 28, 1956; *Fairbanks Daily News-Miner*, June 30, 1956.

22. Bartlett to John S. LeFevre, June 30, 1956, Bartlett Papers, Box 5.

23. Information on 1989 Alaska road moneys supplied by Norm Piispanen, Northern Region Planning and Research, Alaska Dept. of Transportation and Public Facilities, Fairbanks.

Off-the-Highway Robbery

