



Texas State Railroad
Board of Managers Audit Papers
1921-1952, bulk 1943-1950

2004:014

Processed by:
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Historical/Biographical Sketch

The Texas State Railroad, a tourist railroad since the middle 1970s, has an intriguing history dating back to at least 1882, when Governor Oran M. Roberts decided to construct 1.3 miles of railroad between the state's new East Texas Penitentiary at Rusk and the nearby tracks of the Kansas & Gulf Shortline (K&GSL) railroad. The spur was necessary to provide fuel to the prison's charcoal-fired iron smelting furnace and also provide an outlet for heavy iron products manufactured at the prison. Although built by the state, the spur was operated by K&GSL until 1886, when the state, under Governor John Ireland's direction, purchased a used locomotive and rail cars and began independent train operations over the short spur. In 1893 Governor James Hogg initiated the state's construction of another line of railroad originating at the prison heading westward toward Palestine, in Anderson County, completing nine miles by 1896, but stopping short of the Neches River. The state abandoned six miles of this extension in 1903 and began construction of a new, more northerly route, reaching the present site of

Maydelle in 1904. Between 1907 and 1909, under push from Governor Thomas M. Campbell, the state exercised power of eminent domain and finally completed the Palestine objective initiated 16 years earlier.

Unlike other state-owned and operated railroads in Brazoria, Fort Bend, and Walker counties, the 33-mile Texas State Railroad between Rusk and Palestine organized under special legislation in 1907 as a common carrier of public freight and passengers. As such, civilians composed all operational train and regular maintenance crews. Between 1910 and 1920 the Rusk-Palestine operation regularly employed between 36 and 70 civilians monthly, paying wages comparable to private railroad companies in Texas operating over similar distances.

Some Texas governors sought to make the state-owned railroad a tool the state Railroad Commission could use to better regulate private carriers. Yet despite the state's best intentions, the Texas State Railroad was a much publicized drain on the state treasury. Because of construction cost overruns and numerous "emergency" operational appropriations to the railroad, legislators labeled the line "a white elephant on the hands of the state" during the 1910s. To mitigate further financial losses, the state leased the line to private railroad companies, including Texas & New Orleans, Texas Southeastern, and Missouri Pacific, between 1921 and the early 1970s, then transferred the railroad to the Texas Parks & Wildlife Department in 1972. The line reopened to the public as a State Historical Park in 1976, providing steam passenger tourist excursions seasonally. In 2007 the state privatized the railroad, transferring authority to a rail operating agency and a private operator.

For more information on the railroad's history, see Jonathan K. Gerland's *Steam in the Pines: A History of the Texas State Railroad* (Nacogdoches: East Texas Historical Association, 2004).

Scope and Content Note

This small collection of papers was assembled early in 1952 when Southern Pine Lumber Company considered purchasing the Texas State Railroad, which was then leased by the Texas & New Orleans Railroad Company (T&NO). At the heart of the collection is a twenty-nine page audit report for the years 1943-1950. The report begins by reviewing an earlier audit of the years 1921 to 1943 and provides a three page narrative history of the railroad's construction and operation to 1950. Interestingly, the audit questions T&NO's reported operational losses during the lease years. Also included in the papers is an itemized list of additions and retirements to track facilities made by T&NO between 1921 and 1951.

Physical Description

Vintage papers in good condition, mostly letter size, with one sketch map measuring 103 inches wide by approximately 10 inches tall unfolded.

Arrangement Note

The papers are arranged in reverse chronological order within five folders.

Related Collections

The Clyde Thompson Papers (2004:014) contain records of Southern Pine Lumber Company receiving logs from their forestlands in Anderson and Cherokee counties via the Texas State Railroad during the 1950s.

Provenance Note

These records are part of a larger collection of business records transferred from storage at the old Southern Pine Lumber Company commissary building to The History Center and its predecessor, the T.L.L. Temple Memorial Archives, between 1993 and 2004.

Inventory

- Folder 1 Letter, R.E. Minton to Alva Sanders, January 10, 1952, regarding Southern Pine Lumber Company's interest to purchase the Texas State Railroad.
- Folder 2 Letter, W.B. Bartel to Alva Sanders, November 29, 1951, regarding the Interstate Commerce Commission's return of the Texas State Railroad to the Texas State Railroad Board of Managers.
- Folder 3 Letter, E.A. Craft to E.M. Decker Jr., November 2, 1951, regarding Texas and New Orleans Railroad Company's providing a map and statement of existing facilities in 1921 and changes made thereafter. The folder also includes, as presumed enclosures, a large, folded and colored track map and a four-page itemized list of additions and retirements as made by the Texas and New Orleans Railroad Company between 1921 and 1951.
- Folder 4 Bound report, 29 pages, *Audit Report to the Board of Managers of the Texas State Railroad, September 1st, 1943 to August 31st, 1950.*
- Folder 5 Typescript, S. B. No. 498 of the 41st Texas Legislature, Ratifying Contract Leasing the Texas State Railroad, CH. 267, January 22, 1929.