

GRAPEVINE

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A newsletter on state tax legislation; state appropriations for universities, colleges, and junior colleges; state support of public school systems; legislation affecting education at any level. There is no charge for GRAPEVINE, but recipients are asked to send occasional news-notes regarding pertinent events in their respective states.

NOTES FROM THE STATES

**CALIFORNIA.** The survey team for the Master Plan (See GRAPEVINE, page 73) is recommending that 22 new public junior colleges should be added to the nearly 70 now operating in the state, and that the policy of freely admitting all high school graduates to the junior colleges should be continued.

The survey team wants admissions to the 4-year state colleges and to the University to be somewhat more restricted than now. It would have the state colleges admit only from the upper third of high school graduates instead of from the upper 40% as now; and it would have the University of California admit only from the upper 12½% instead of the upper 15% as at present.

Hitherto the state colleges have not been authorized to confer doctoral degrees. The survey team proposes that they be permitted to do so in cooperative programs with the University of California; that is, the state colleges would offer such parts of a doctoral program as they can provide without excessive cost or duplication of university facilities, and the remaining parts of such programs should be given at the University under a cooperative agreement with the state college concerned in each case.

The state colleges have been restive under the control of the state board of education as their governing board, and under extremely tight fiscal and personnel controls from other state agencies. The survey team recommends that the 14 state colleges be removed from the jurisdiction of the state board of education and placed under a newly created governing board which

would resemble the Board of Regents of the University of California in structure and functions, and presumably would have a substantial degree of autonomy in its sole responsibility for the government of the state colleges. A constitutional amendment to establish this structure will be introduced into the 1960 session of the legislature, beginning February 1, if both the state board of education and the Board of Regents and their voluntary Liaison Committee agree upon it.

This is an interesting possibility, and may mark another step in the current trend toward restoring a reasonable independence to state colleges and universities, which is so cogently advocated in the reports of the Committee on Government and Higher Education (Baltimore 18: Johns Hopkins Press, 1959). Recall also that the people of Michigan bestowed constitutional autonomy on Wayne State University in the election of April 6, 1959.

The California survey team also proposes that there be an advisory state-wide Coordinating Council to consist of 12 members, 3 representing the University, 3 the state college system, 3 the junior colleges, and 3 the private colleges. Most actions of this Council would require the concurrence of at least 4 of the 6 University and state college representatives. It is noteworthy that at all events the Council's functions would be only advisory, so that it would occupy a position somewhat similar to that of the

CALIFORNIA (Cont'd.) present Liaison Committee, which has a list of substantial accomplishments to its credit as an agency of voluntary coordination. The survey team does not recommend that the Coordinating Council have any mandatory coercive authority.

This again seems in harmony with a recent trend toward lateral liaison among institutions and systems, as distinguished from topside compulsion, and represents a more civilized approach to the problem of statewide coordination.

All in all, the recommendations of the survey team seem admirably well-conceived for the large-scale and complex panorama of California's state-supported higher education. Whether their essentials will be embodied and put into effect in a duly adopted constitutional amendment is a question of great interest and importance. The forthcoming debates and legislative steps will be well worth observing.

MICHIGAN. On December 18 the legislature enacted a stop-gap revenue program to continue in force until July 1961, after having been deadlocked for 11 months on the issue of a graduated personal and corporate income tax, which was recommended by a bipartisan legislative Tax Study Committee in 1958.

The newly-enacted package includes a 3% tax on telephone and telegraph services, a doubling of the former tax of \$1.25 a barrel on beer, a doubling of the present 4% tax on liquor, raising the cigarette tax from 5¢ to 6¢ a pack, and a 20% tax on the wholesale price of cigars and pipe tobacco.

The expected yield from the foregoing new taxes is \$34 million a year. Besides, the 4-mill corporation franchise tax, based on net worth, was increased to 5 mills, and this will bring in \$13 million.

Liquidation of the veterans' trust fund, also voted, will produce about \$40 million. The principal of this fund will be restored over a 10-year period by taxation, and meantime the customary annual income of about \$1,800,000 for the benefit of veterans will be appropriated annually out of tax funds.

One purpose of the stop-gap legislation is to carry the state to the election in November 1960, when it is expected that the people will be given opportunity to vote on a proposed constitutional amendment authorizing the general sales tax to be raised to 4%, and also possibly upon a measure providing for a state income tax.

MINNESOTA. The Board of Regents of the University of Minnesota, in response to a request made by the 1959 legislature, is considering the feasibility of establishing courses of college level at the "Schools and Experiment Stations" located at Morris (western Minnesota) and Crookston (northwestern Minnesota). Hitherto these institutions have offered 6-month programs of high-school level agricultural courses.

Establishment of a state college in southwestern Minnesota, at a location yet undesignated, is also under consideration. These matters are being studied because in general the entire western half of the state is less heavily populated than the eastern half, and is not as well supplied with accessible facilities for higher education. The Regents are requested to report their conclusions to the legislature before January 15, 1961.

MISSISSIPPI. The executive budget of the state for the biennium 1960-62, as recommended by the Commission of Budget and

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MISSISSIPPI (Cont'd.) Accounting and approved by the governor for transmission to the legislature in the session which began January 5, was issued bearing date of December 1, 1959. State appropriations recommended for 11 higher educational units are as in Table 57, Column 3.

Table 57. State appropriations for 1958-60, and governor's budget askings for state appropriations for higher education in Mississippi, for fiscal biennium 1960-62.

Institutions	Actual 1958-60	Recommended 1960-62
(1)	(2)	(3)
U of Miss	\$4,038,000	*
School of Med	2,350,000	\$ 2,550,000
Teaching Hosp	2,600,000	3,000,000
Sch of Nursing	350,000	400,000
Miss State U	3,959,000	*
Miss So Col	2,470,000	*
Miss S C for Wo	1,317,000	*
Jackson St Col	1,120,000	*20,000,000
Miss Voc Col	902,000	*
Delta St Col	989,000	*
Alcorn A&M Col	945,000	*
Totals	21,040,000	25,950,000

\* To be included in the \$20 million recommended for the 8 institutions so marked. The original askings of these 8 institutions aggregated nearly \$26 million. The \$20 million recommended is 23% less than the original askings, but 25% more than actual appropriations for 1958-60 for these 8 institutions. The original askings of each institution are also tabulated in the executive budget as it goes to the legislature.

For the total of 11 units in Table 57, it appears that the appropriations recommended for 1960-62 are about 23½% greater than actual appropriations for 1958-60. The legislature convened on January 5.

MONTANA. President Harry K. Newburn of Montana State University at Missoula reports that before the end of 1960 the university will have under way 3 new buildings costing an estimated \$2.6 million: a Law building, a Liberal Arts addition (which will permit centralization of the social

sciences and humanities, and also house the School of Education), and a Health Sciences building. Much of the additional space is needed now, especially for some departments now housed in unsatisfactory temporary buildings; and anticipated enrollment increases within the next few years will put all the buildings into use at full capacity probably by the time they are ready for occupancy.

NEW HAMPSHIRE. Figures regarding current appropriations for the 3 state institutions appear on GRAPEVINE page 78. Information below applies to the University alone:

Total state appropriation for the University of New Hampshire for the current biennium is \$6,488,273. This is a 28.8% increase in operating funds over the appropriation of \$5,016,732 for the previous biennium. The 1959 Legislature included \$759,000 for salary increases as a part of this total.

A new salary budget adopted by the Board of Trustees brings UNH averages almost equal to national averages in land-grant colleges and universities. The University's rank of professor was increased to an average of \$9,251 from last year's average of \$8,042. At the rank of associate professor, the New Hampshire salary budget was increased to \$7,592 on the average from a previous \$6,490. Assistant professors were increased to an average of \$6,246 from last year's average of \$5,509. Instructors went up to \$4,915 from a previous average of \$4,390.

While a major portion of the new salary funds went to the teaching faculty, adjustments were also made in the salaries of most of the University's personnel, including nearly 500 maintenance and clerical employees. All salary increases were based on merit.

NEW JERSEY. Governor Robert B. Meyner has received budget askings from all the state departments and agencies, aggregating considerably over \$600 million for fiscal 1961. The present revenue system will produce not over \$400 million. Accordingly the governor has asked his advisers to study the situation and

NEW JERSEY (Cont'd.) recommend necessary new taxes. Although he may cut the budget requests drastically, at least some new revenue will be required.

Among measures receiving some study are a personal income tax on incomes of \$6,000 or more, which would yield \$35 million a year; a 2% general sales tax, exempting food, which would produce \$85 million a year; and raising the levy of 1.75% on corporation net incomes to 3%, which would bring in \$18 million. Raising the  $2\frac{1}{2}\%$  tax on cigarettes to  $3\frac{1}{2}\%$  has also been suggested.

New Jersey operates on a relatively narrow tax base. It is not known whether Governor Meyner will undertake a major revamping of the revenue system prior to the expiration of his term of office in January 1962.

NEW MEXICO. The Council of State Governments reports that New Mexico will invest over \$1 million a month for the next  $4\frac{1}{2}$  years in common stocks, selected by a board composed of the governor, the state treasurer, the state land commissioner, the finance director, the state investment officer, and 4 private citizens appointed by the governor. The total will be about  $\frac{1}{4}$  of the state's permanent fund, derived from the income of state lands allocated to schools and public institutions.

NEW YORK. Governor Nelson Rockefeller and Chancellor John F. Brosnan of the Board of Regents of the University of the State of New York announced on December 20, 1959, that a new three-man task force has been asked to "determine how the state can assure a college education for every qualified youth." The triumvirate is composed of Henry T. Heald, president of the Ford Foundation; Marion B. Folsom, management adviser of the Eastman Kodak Company; and John W. Gardner, president of Carnegie Corporation of New York.

NEW YORK CITY. Charles F. Preusse, City Administrator (a post somewhat analogous to that of city manager in some cities) made public a report December 20, 1959 in which he makes trenchant comments on the fiscal structure and operations of the Board of Education:

(1) The Board's purchasing and supply

operations are at a relatively high level of efficiency, with some room for improvement.

(2) The school system's purchasing functions should not be consolidated with those of the city's Department of Purchase. (This "would produce no substantial gains and have many disadvantages." The school system spends \$30 million annually on supplies and equipment.)

(3) "Expense budget appropriations to the Board of Education should be made in a lump sum, with allotments to be made by the Superintendent of Schools under policies approved by the Board of Education."

The third recommendation is in direct contradistinction to the present practice of "line-item" budgets, with non-educational fiscal officers authorized to cut out specific items. Mr. Preusse points out that this can severely damage an educational program and cause great waste. He favors a program budget with lump-sum appropriations, placing more discretion in the hands of the educational authorities.

Here is a notably clear call for a degree of independence for New York City's fiscally hamstrung school system.

OHIO. Governor DiSalle appointed on December 8 an Interim Commission on Education Beyond the High School, as authorized by the 1959 legislature. The commission has broad authority to study the need and desirability of establishing technical institutes, junior colleges, and university branches; to study the whole subject of planning for the future of higher education, including policies of admission, the use of television, and the need for a state system of scholarships and loans. It will report to the governor by December 1960, and is expected to continue in operation until March 1, 1964.

Chairman of the 9-member Commission is Ralph M. Besse, executive vice president of the Cleveland Electric Illuminating Co. Others include 3 leading members of the legislature; Charles H. Maloon, state director of finance; Charles Ingler, director of the metropolitan survey of Dayton; Terry Wickham, president of Heidelberg College; John C. Baker, president

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OHIO (Cont'd.) of Ohio University; and Clarence W. Stoughton, president of Wittenberg College.

OREGON. A constitutional amendment adopted in 1950 permits the state to issue general obligation bonds to finance self-liquidating university and college buildings (which are chiefly dormitories, but which may also be married student housing, health service and athletic facilities, and student activity buildings); but limits the amount of such bonds outstanding at any one time to three-fourths of 1 per cent of the assessed value of all taxable property in the state. The present ceiling is \$24 million, and bonds are outstanding up to that limit. Accordingly the 1959 legislature proposed an amendment which would raise the limit to three-fourths of 1 per cent of the true cash value of taxable property in the state. This is a larger and more stable base, and it is estimated that its adoption would enable the legislature to raise the ceiling at intervals to authorize some \$42 million to be borrowed to finance the self-liquidating new buildings planned for the entire state system of higher education during the next 10 years.

These buildings could be financed by "special fund" bonds not obligating the state; but such bonds command a substantially higher rate of interest than general obligation bonds of the state. Hence considerable savings in debt service will be made if the people of Oregon adopt the proposed new amendment at the general election in November 1960.

A near-doubling of enrollments is forecast for the next 10 years in an informative 30-page brochure entitled Colleges for Oregon's Future, 1960-70, issued by the State System of Higher Education.

On the subject of student fees, a paragraph from page 19 of the brochure is quotable:

"The students' contribution to the cost of higher education is about two and one-half times what it was in dollars in 1939. In considering whether students should bear a still larger part of the cost of instruction during the next 10 years, it should be noted that...(in

Oregon)...at all the institutions the percentage increases in student fees have been much greater than the increase in the cost-of-living index since 1939. At the time of the establishment of the land-grant colleges and state universities, one of the first principles expressed was that these institutions should make education available to all citizens at low cost, so that wealth would not be a criterion in the selection of students. Most of the students attending the publicly supported colleges and universities come from families of moderate means. It is known that some qualified high school graduates do not go on to higher education because they cannot meet the rapidly increasing costs of attending college. It is generally recognized that a college education is of benefit to the individual student, but that society at large is also benefited by a rise in the level of education."

PENNSYLVANIA. Henceforth this state will have annual legislative sessions, as provided in a constitutional amendment adopted by popular vote November 3, 1959. The 1960 session began January 5. On November 21, 1959, Governor Lawrence signed the biennial appropriation acts for higher education for the biennium 1959-61, the sums being reported as in Table 58.

Table 58. State appropriations for higher education in Pennsylvania (operating expenses), for biennium 1959-61.

Institutions	Sums appropriated
(1)	(2)
Pennsylvania State U	\$34,277,335
State-aided private insts	
U of Pennsylvania*	10,226,361
U of Pittsburgh*	11,114,111
Temple University*	7,079,587
Other institutions	9,271,293
State Teachers Colleges	19,050,000
Total	91,018,687

\* In each case this includes a medical school.

Two new additions to the list of state-aided private institutions were Drexel Institute (\$750,000), and Dickinson Law School (\$250,000).

PENNSYLVANIA. (Cont'd.)

The total appropriated seems to represent an increase of nearly 17% of the comparable total of \$77,951,945 appropriated in 1957 for the biennium 1957-59.

Capital expenditures for colleges and universities are financed by the General State Authority, a borrowing agency. As of December 17, 1959 no decision had been reached as to these expenditures for the current biennium.

The 1960 session is limited to consideration of matters of revenue and public finance.

TEXAS. In December President Logan Wilson of the University of Texas announced that last year the university received \$5 million in private gifts. A 10-year campaign to raise \$100 million from private sources has been inaugurated. Funds from these sources are used to supplement legislative appropriations and other university income, to support research and a variety of other activities not adequately covered otherwise.

President Wilson points out that the University of Texas "is now and will continue to be the criterion for quality in higher education in this region," and will

continue to be the major source of supply for teachers, administrators, scholars and scientists for other institutions in the Southwest. "Excellence in its program," says he, "will quickly be diffused into stepped-up quality for other programs." With the success of this campaign, the University of Texas can become one of the ten best in the nation, he told a 100-citizen committee which is headed by Hines Baker of Houston, former president of Humble Oil and Refining Company.

VERMONT. The session beginning January 12 is expected to deal with (1) changes in the biennial appropriations, (2) reorganization of state government, and (3) highway financing; and Governor Stafford hopes the session will continue no more than 3 weeks. There are indications, however, that advocates of a general sales tax, opposed by the governor "at this time", may seek suspension of the rules to permit introduction of a sales tax measure; and 15 bills held over from the last session may prolong the session.

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IN OTHER COUNTRIES

CANADA. A small new quarterly periodical, University Affairs, is now being published by the Canadian Universities Foundation, 77 Metcalfe Street, Ottawa 4, Ontario, Canada. This is the executive agency of the National Conference of Canadian Universities and Colleges.

AUSTRALIA. The Commonwealth Government has established an Australian Universities Commission of five members to advise it on university development. Chairman is Sir Leslie Martin, Pro-Vice-Chancellor of the University of Melbourne.

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Nineteen state legislatures will be in session by the end of January. Three others will convene in February, and one (Louisiana) in May. Please send newsnotes, clippings, tear-sheets, or documents to M. M. Chambers, U.H.S. 4200-G, University of Michigan, Ann Arbor Michigan.

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