

M. M. Chambers, U.H.S. 4200-G
Center for the Study of Higher Education
University of Michigan
Ann Arbor, Michigan

GRAPEVINE
* * * * *

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 timely newsnotes regarding pertinent events in their respective states.

IN THIS ISSUE

The California Story: New Board for State Colleges.....112-116

Arizona.....112	Maryland.....117
Colorado.....116	Massachusetts.....117
Illinois.....116	Mississippi.....118
Kansas.....116	Missouri.....118
Kentucky.....116	New Jersey.....118
Maine.....116	New York.....118

THE CUMULATIVE TABLE OF STATE APPROPRIATIONS OF TAX FUNDS
FOR OPERATING EXPENSES OF HIGHER EDUCATION, 1960

Table 74. Annual appropriations of state tax funds for operating expenses of institutions of higher education, for fiscal years 1958-59 through 1960-61, in thousands, with percentages of increase for 1960-61 over 1958-59.

States	Year 1958-59	Year 1959-60	Year 1960-61	2-year increase	Percentage increase
(1)	(2)	(3)	(4)	(5)	(6)
Arizona	\$11,041	\$13,742	\$15,818	\$4,777	43 $\frac{1}{4}$
California	147,421	162,065	195,312	47,891	32 $\frac{1}{2}$
Colorado	15,595	19,796	23,282	7,687	49 $\frac{1}{2}$
Georgia	21,356	24,058	26,605	5,249	24 $\frac{1}{2}$
Kansas	23,429	25,036	27,939	4,510	19 $\frac{1}{4}$
Kentucky	13,351	14,954	19,672	6,321	48
Maryland	21,383	23,413	26,088	4,705	22
Nevada	2,411	3,636	4,107	1,696	70 $\frac{1}{4}$
New York	52,540	60,886	69,774	17,234	33
Rhode Island	4,221	5,026	5,918	1,697	40 $\frac{1}{4}$
Vermont	3,036	3,208	3,287	251	8 $\frac{1}{4}$
Virginia	19,606	19,943	23,187	3,581	18 $\frac{1}{2}$

NOTE: Figures are subject to subsequent verification and rectification, but believed to be substantially correct. Informed persons who may detect any substantial error will please notify M. M. Chambers, U. H. S. 4200-G, University of Michigan, Ann Arbor.

Statement of ownership and circulation of GRAPEVINE appears on page 112 (reverse here).

ARIZONA. State appropriations of tax funds for higher education for fiscal year 1960-61 are as in Table 75.

Table 75. Appropriations of state tax funds for operating expenses and for capital outlays for institutions of higher education in Arizona, 1960-61 fiscal year, in thousands.

Institutions	For operating expenses	For capital outlays
(1)	(2)	(3)
U of Arizona	\$8,867	\$3,300
Arizona State U	5,779	3,246
Ariz State Coll	1,172	1,125
Totals	15,818	7,671

The appropriation for operating expenses represents an increase of about 43% over the comparable appropriation of 1958-59, two years ago.

The customary appropriation of \$150,000 for operating expenses of the two local public junior colleges, at Thatcher and Phoenix, was made, and a lively future for junior colleges in Arizona was augured by the enactment of a statute to become effective July 1, 1961, to provide a systematic frame for their development. This provides for a state board of junior college directors, to consist of the president and one additional member of the Board of Regents of the State Universities and College, the State Superintendent of Public Instruction and the State Director of Vocational Education, plus ten citizens appointed by the governor. Any county with at least 320 potential junior college students and an assessed valuation of at least \$60 million is authorized to establish a junior college district. Up to a maximum of \$500,000, the state will match each dollar supplied by the local district for initial plant

construction, and will also contribute \$115 per student per year for continuing capital outlays. For operating expenses, the state will pay \$525 per student per year for the first 320 students, and \$350 per student above that number.

The state appropriation for operating expenses of local public elementary and secondary schools, on the new basis of \$170 per pupil adopted in 1959 (GRAPEVINE, p. 37), is estimated at \$44,505,000, as against \$25,285,000 for 1958-59, two years ago-- an increase of 76% over the two-year period.

A new 1960 statute provides that no new high-school district can be formed without \$2 million in assessed valuation and at least 200 students.

\$10,000 was appropriated to support an "inventory" survey of the subjects taught in the elementary and secondary schools of the state.

CALIFORNIA. Appropriations of state tax funds for higher education for fiscal year 1960-61 are reported here in a series of tables. (Tables 76, 77, and 78).

Table 76. Appropriations of state tax funds for the University of California, fiscal year 1960-61, in thousands of dollars.

	For operating expenses	For capital outlays
(1)	(2)	(3)
U of California Campuses	\$122,357	\$50,693
Berkeley	*	14,709
San Francisco	*	9,457
Los Angeles	*	7,214
Davis	*	5,958
Santa Barbara	*	432
Riverside	*	723
La Jolla	*	5,829
Statewide**		6,371
Totals	122,357	50,693

*,** (See notes at top of p. 113.)

GRAPEVINE is owned and circulated by M. M. Chambers. It is not a publication of the University of Michigan or of any other institution or association. Responsibility for any errors in the data, or for opinions expressed, is not to be attributed to any organization or person other than M. M. Chambers. GRAPEVINE is circulated chiefly to persons in position to reciprocate by furnishing prompt and accurate reports from their respective states regarding tax legislation, appropriations for higher education, state support for elementary and secondary schools, and legislation affecting education at any level. Address communications to M. M. Chambers, U.H.S. 4200-G,

University of Michigan, Ann Arbor, Mich.

M. M. Chambers, U.H.S. 4200-G, University of Michigan, Ann Arbor

(Notes for Table 76).

*Operating funds are at the disposal of the Board of Regents, a constitutionally independent body; and allocations to the several campuses are not made by the legislature.

**For subsequent allocation.

The operating appropriations for the University of California alone constitute approximately 5% of the entire state budget of \$2,476 million. The increase in the university operating appropriation over the comparable figure of 2 years ago seems to be slightly less than 29%.

Table 77. Appropriations of state tax funds for the state colleges of California, for fiscal year 1960-61, in thousands of dollars.

State colleges	For operating expenses	For capital outlays
(1)	(2)	(3)
San Jose	\$10,876	\$4,016
San Francisco	8,307	470
Los Angeles	7,473	5,513
San Diego	7,239	4,842
Polytechnic	7,952	11,531
Long Beach	6,538	1,837
Fresno	5,791	1,692
Sacramento	4,228	1,029
Chico	3,537	1,825
San Fernando	3,803	2,195
Humboldt	2,880	1,892
Orange	1,000	1,574
Alameda	1,079	808
Stanislaus	373	200
Other Institutions		
Maritime Acad	406	51
Hastings Coll of Law	378	-
Scholarship Comm	1,245	-
Totals	72,955	39,485

The figures in Tables 76 and 77 represent appropriations and do not purport to show precisely the actual amount of state tax funds expended by the institutions in a given fiscal year. It is reported that in the case of the state colleges (Table 77) actual annual expenditures of state tax funds have been in the vicinity of \$2 million less than the totals appropriated for each of the fiscal years 1958-59 and 1959-60. only six new members will be appointed

Statewide totals for both the University of California and the state colleges are combined for convenience in Table 78.

Table 78. Appropriations of state tax funds for the University of California and the California state colleges, for fiscal year 1960-61, in thousands of dollars.

Institutions	For operating expenses	For capital outlays
(1)	(2)	(3)
U of California	\$122,357	\$50,693
State colleges	71,710	39,485
Scholarship Comm	1,245	-
Totals	195,312	90,178

The grand total of appropriations of state tax funds for operating expenses appears to be slightly less than 8% of the entire state budget of \$2,476 million. This same total for operating expenses represents an increase of slightly less than 32% over the comparable figure of 2 years ago, for fiscal year 1958-59.

Regarding the action of the legislature on the recommendations of the Master Plan Survey Team for Higher Education (GRAPEVINE, p. 85), the gist of the story is that the legislature balked at proposing the recommended constitutional amendments, but enacted most of the features of the recommended plan in the form of statutes.

Thus there is created a new Board of Trustees of the State College System, which may be organized on or after July 1, 1960, but which will not have the power and duty to operate the state colleges until July 1, 1961. The legislature appropriated \$81,860 for a 9-month period (presumably from October, 1960 through June, 1961) for planning and other preliminary work by the new Board.

The Board of Trustees will consist of the governor, the lieutenant governor, the Superintendent of Public Instruction, and the Speaker of the Assembly, plus 16 members appointed by the governor; but at first the 10 members of the present State Board of Education will serve until their respective terms expire, so that

(CALIFORNIA Cont'd.) by the governor at first. Terms are 4 years (overlapping) because the Constitution does not permit a longer term. A constitutional amendment to extend the terms to 8 years was approved by the legislature, and will be submitted to popular vote in November 1960. The president of the University of California is authorized to sit with the Trustees in an advisory capacity, if the Trustees consent.

Justification of the appropriation of \$81,860 above mentioned was based on the expectation that the Board would employ a chief executive officer for the state colleges at a salary of \$25,000 to \$27,500 a year, and two or three additional staff members, one of whom would be a lawyer; but actually the new positions and salaries depend upon decisions to be made by the Board after it is organized. The Division of State Colleges and Teacher Education in the State Department of Education will continue to perform its usual duties regarding the state colleges until July 1, 1961.

In lieu of proposing a constitutional amendment to give the Board of Trustees of the State College System a sphere of autonomy similar to that of the Regents of the University of California, as recommended by the Master Plan Survey Team, the legislature enacted several measures tending to produce a similar result, but without the dignity and permanence of constitutional amendments, and hence subject to change by legislative act in the future. In this manner the Board of Trustees is authorized to employ architectural services on its own behalf without depending upon the State Division of Architecture; to receive gifts and administer trusts; and to take over the control of classifications and salaries of all academic and administrative personnel of the colleges, but leaving the adjudication of appeals from dismissals, demotions, and suspensions in the hands of the State Personnel Board.

A Senate Concurrent Resolution, adopted by both Houses, specifically expresses the desire of the legislature that future budget bills for state college system shall provide the same exemptions from detailed fiscal and budgetary controls as are granted to the Regents of the University of California. It thus appears that a partial

escape from fiscal straitjacketing is provided for, at least for the time being. Some rumblings suggest that these matters may be fought again in the 1961 session.

Eventually to take the place of the Liaison Committee of the Regents of the University of California and the State Board of Education, a voluntary non-statutory agency which, with its Joint Staff, has been in existence since 1945 and has accomplished much in the design and development of the tripartite system of higher education in California, the new statute provides for a new Coordinating Council for Higher Education, to consist of 15 members: 3 appointed by the Board of Regents of the University of California, 3 appointed by the Trustees of State College System, 3 representing the public junior colleges, 3 representing private institutions, and 3 representatives of the general public; the last-mentioned 6 to be appointed by the governor.

Apparently the Regents are free to select their 3 representatives from their own membership, or from their staff, or otherwise. The Trustees are required to select their executive officer and 2 of their own members. The Board of Education is required to choose either its executive officer (the Superintendent of Public Instruction) or one of its own members, plus 1 member of a local public junior college governing board, plus 1 public junior college administrator. Each of the latter 2 individuals must be chosen from a panel of 5 names submitted by the appropriate statewide associations. The 3 representatives of private colleges and universities may be either members of governing boards or of academic or administrative staffs. These details are of interest because they seem to guarantee that at least 2 members of the Coordinating Council will be professional educators, and appear to create a possibility that as many as 9 of the 15 members could be in that category, though this might not be likely to occur. At any rate the Council will be a mixed body of laymen and professionals.

The Council will be advisory to the governing boards represented and to other appropriate state officers, with power only to "comment on the general level of

- - - - - M. M. Chambers, U.H.S. 4200-G, University of Michigan, Ann Arbor - - - - -

(CALIFORNIA Cont'd.) support sought" in the respective budgets, and to make recommendations regarding the orderly growth and development of higher education in the state, including the appropriate programs of the different segments of the system and the need for new facilities and programs.

The Council is authorized to appoint a professional director and staff. A two-thirds vote will be necessary for the appointment or removal of the director. The legislature approved a budget of \$50,000 for 6 months (presumably January through June 1961). The Finance Department estimated the director's salary at \$20,000 a year; with 3 specialists, each at \$15,000, in academic affairs, fiscal matters, and facilities planning; and 3 clerical employees at \$4,000 each; but all these details will be determined by the Council.

The 1960 statute makes no revolutionary changes in the tripartite system. Functions of the junior colleges are much the same as before. The state colleges are permitted a broad range in undergraduate work and through the Master's degree. Their existing 2-year programs in agriculture may continue, but no other 2-year programs will be authorized except when mutually agreed upon by the Trustees and the State Board of Education. Two significant innovations are: doctoral degrees may be conferred jointly with the University of California, in cases where the University concurs; and some faculty research may be permitted when consistent with the functions and facilities of the college concerned.

The University of California retains, of course, its historic constitutional independence, and is recognized as the primary state-supported academic agency for research, with sole authority to confer doctoral degrees (except when it concurs in a joint award, as above noted). It may give instruction in all the liberal arts and sciences and in the professions, including the teaching profession; and it has exclusive jurisdiction over graduate instruction and research in law, medicine, dentistry, veterinary medicine and architecture.

To make a long story short, the new 1960 statutes establish a third board for the tripartite system, and provide for a statutory but only advisory Coordinating Council, with a single-executive professional staff, to replace on July 1, 1961 the voluntary Liaison Committee and its Joint Staff, which have done yeoman service to the state since 1945.

The new structure and allotment of functions offers some promise of releasing the state colleges from undesirable fiscal shackles; but whether this gain will become permanent is not yet known.

The legislature authorized the establishment of 3 new state colleges, but appropriated no operating funds for any of them. Sonoma State College will be at the town of Cotati; a new state college will be in the San Bernardino-Riverside region; a third new one will be in the western Los Angeles area. Funds for site acquisition were appropriated for Sonoma State College only.

As to the 3 new University of California campuses recommended by the Master Plan Survey Team, the legislature appropriated \$3 million for "campus planning and development, including real property acquisition, as may be determined by the Governor, Board of Regents, and the Director of Finance."

A new act makes the State Scholarship Program permanent, doubles the number of state scholarships available, and raises the current maximum stipend of \$600 to \$900. Another act establishes 100 state scholarships for enrollees in agricultural programs each year until a total of 400 such scholarships is available each year.

On June 7, 1960, the voters of California will approve or disapprove a \$300 million bond issue to finance for the next 2 years the 10-year-old program of state aid to local school districts for the construction of buildings. The money goes in loans and grants to school districts which have reached the limit of their ability to meet construction needs from local sources, and still have insufficient housing for their schools.

COLORADO. Governor McNichols vetoed a bill which would have authorized counties and cities to levy a 2 per cent sales tax. The constitutionality of the bill was questioned by the attorney general and it appeared that the supreme court would be divided on the issue so that a conclusive decision might not be possible. The measure was desired chiefly by mayors and county officers in the metropolitan area of Denver. They are now carrying on a campaign to have an appropriate constitutional amendment voted by popular initiative. The governor is in favor of such an amendment.

ILLINOIS. The State Commission of Higher Education has recommended that 13 local public junior colleges be established in specified communities, in addition to the 17 already in operation in the state. The designated localities are Decatur, Springfield, Peoria, Alton-Wood River, Centralia-Mt. Vernon-Salem, Rockford, Waukegan, Northfield, Galesburg, Kankakee, Rock Island-East Moline, Oak Park-River Forest, and Sterling-Rock Falls.

Community leaders in these places are being urged by the Commission and by the State Office of Public Instruction to survey the need and feasibility of establishing junior colleges, as a means of providing sufficient facilities for greatly increased prospective enrollments in education beyond the high school. Robert Johns, Director of the Commission, estimates that the present state-wide enrollment in higher education of 184,000 will go up to 300,000 by 1970.

At present the state pays \$228 per student per year toward the operating expenses of local public junior colleges. Currently this amounts to about \$2,150,000 a year. The 13 local districts named by the Commission all have sufficient population and local tax valuation to support a junior college. The Commission sees additional junior colleges as an important means of meeting part of the expanded needs of the present decade and thereafter.

A 1959 statute permits a local public junior college to be established in an area having at least 30,000 population and at least \$75 million taxable valuation.

In November 1960 the voters of Illinois will pass upon a proposed \$195 million

bond issue for academic buildings at the state institutions of higher education.

KANSAS. A correction is necessary as to the meaning of "all funds" as used in Tables 68 and 69 (GRAPEVINE, pp. 106 and 107). The term "all funds" as reported by the state budget office normally includes only funds which are deposited in the state treasury. Endowment funds, athletic association funds, and any other funds controlled by separately incorporated nonprofit organizations connected with the state institutions of higher education are not included. Also excluded from state budget reporting are some types of funds in the state treasury, such as scholarship and trust funds, construction funds derived from revenue bond issues, and working capital accounts.

KENTUCKY. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1960-61, appear in Table 79.

Table 79. State tax funds appropriated for operating expenses of higher education in Kentucky, 1960-61, in thousands.

Institutions	Sums appropriated
(1)	(2)
U of Kentucky	\$12,203
Eastern State College	1,648
Western State College	1,641
Murray State College	1,560
Morehead State College	1,246
Kentucky State College	698
Totals	18,996*

*Additional sums appropriated to the Council on Public Higher Education, to be used chiefly for the medical scholarship program at the University of Louisville and payments under the Southern Regional Education Board, bring the total up to \$19,672,000.

The total is an increase of 48% over the comparable figure for 1958-59, two years ago.

MAINE. In a 10-day special session in January, the legislature defeated a measure to authorize cities and towns to transport pupils to private schools. The state supreme court had previously held

----- M. M. Chambers, U.H.S. 4200-G, University of Michigan, Ann Arbor -----

(MAINE Cont'd.) the practice to be unlawful unless authorized by the legislature.

MARYLAND. Appropriations of state tax funds for higher education for fiscal year 1960-61 appear in Table 80.

Table 80. Appropriations of state tax, funds for higher education in Maryland, fiscal year 1960-61, in thousands.

Institutions	For operating expenses	For capital outlays
(1)	(2)	(3)
U of Maryland	\$20,273	\$5,099
Morgan State Coll	1,879	174
Towson S T C	1,504	150
Bowie S T C	489	104
Frostburg S T C	823	600
Salisbury S T C	511	78
Coppin S T C	399	678
St. Mary's College	209	11
Totals	26,087	6,894

The total for operating expenses is an increase of 22% over the comparable figure for 1958-59, two years ago. It is about five and one-third per cent of the grand total state budget of \$489 million.

The Governor's Commission to Study the Problem of Expansion of the University of Maryland completed and published in February 1960 its Plan for Expanding the University of Maryland, a 44-page pamphlet, recommending that the teachers colleges at Towson, Frostburg, and Salisbury be converted to become branches of the University of Maryland, with continued emphasis on the education of teachers but with added facilities to provide B. A. and B. S. courses in other selected curricula. The next step recommended is the establishment of 3 additional branches of the University in designated areas:

- (1) Washington and Frederick counties,
- (2) Central Eastern Shore, and (3) Southern Maryland.

Thus the University at College Park would have its cluster of professional schools in Baltimore, as at present, and have 6 outlying undergraduate branches. The remaining state institutions now in operation would presumably continue to be developed.

The Commission estimates that if the University had no outstate centers, the enrollment at College Park would reach 23,000 by 1970; and would require an expenditure of \$42 million for additional facilities, at a cost of \$3,070 per additional student. With the proposed 6 outlying centers, it estimates total enrollment of the University will reach 29,000 by 1970, requiring \$49 million for additional facilities, at a cost of \$2,858 per additional student. It urges that immediate action is necessary.

MASSACHUSETTS. The first regional community college, under the comprehensive plan initiated by Governor Furcolo in 1958, will be opened in the fall of 1960 in Pittsfield, to serve all of Berkshire County, the westernmost county in the state. The city of Pittsfield is furnishing a building, a former junior high school plant. Funds for capital repairs and equipment are available from the 1958 capital appropriation of \$1 million for the planning and development of the state-wide system of regional community colleges. (GRAPEVINE, p. 17). In April 1960 the legislature appropriated about \$82,000 for faculty and staff salaries for the year 1960-61 at the Pittsfield institution.

The governor recommends that provision be made for the opening of two additional regional community colleges in the fall of 1961, one to be in the Greater Boston area and the other in an area yet undetermined. The central state office concerned with this development is that of Thomas O'Connell, Director of the Massachusetts Board of Regional Community Colleges, Room 318, State House, Boston.

The Supreme Judicial Court has ruled that federal social security payments are not taxable under the state income tax law. Previously the state had been collecting about \$4 million annually in income taxes on federal social security payments received by Massachusetts residents. Since state law authorizes taxpayers to claim rebates for overpayments

(MASSACHUSETTS Cont'd.) during the past 3 years, it is possible that the state's total loss of revenue from this decision may be as high as \$12 million.

MISSISSIPPI. A correction is necessary in the statement in GRAPEVINE, page 108, relating to executive budget recommendations for 1960-62:

The amounts recommended by the Commission of Budget and Accounting are as follows: For institutions of higher learning, \$32,424,600, an increase of approximately 18% over the preceding biennium; for state support of local public junior colleges, \$4,650,000; for state aid to local public elementary and secondary schools, \$111,762,521,000, an increase of approximately 11% over the preceding biennium.

The 1960 legislature has enacted Governor Ross Barnett's "industrial bill of rights" measure, under which a new Mississippi Industrial and Technological Research Commission will be set up to inaugurate a "broad and effective program of research, economic, scientific, technological and otherwise, for the industrial and economic development of the state." It is expected to establish a research center, in which industrial and other organizations will be encouraged to establish laboratories.

The measure also includes a provision for gradual reduction of the present rate of the state income tax on the top bracket (incomes of \$25,000 or more) from the current 6% to 3% by 1966, the reduction to be accomplished by cutting down $\frac{1}{2}$ of 1% each year.

MISSOURI. Governor James T. Blair, Jr., has taken the initiative in forming a voluntary Coordinating Council on Higher Education, composed of the presidents of the state university and the state colleges, and the chairmen of their respective governing boards.

Committees of the Council are studying admissions policies, tuition fees, financial reporting, and a review of

programs and curricula. Representatives of the Bureau of the Budget are cooperating with the Council in a study of space requirements which is intended to be of assistance in estimating capital improvement needs for the institutions of higher education.

Regarding state support for operating expenses of local elementary and secondary schools, the 1959 legislature revised the school foundation program formula to increase the equalization quota from \$110 per pupil to \$130, and to step up the flat grant from \$75 per pupil to \$102. Besides, the new formula provides for substantial increases in the payments based on teacher preparation at different levels. It is now estimated that fulfillment of the plan will require about \$30 million a year in additional state funds. Fully financing the plan will be the responsibility of the 1961 legislature.

NEW JERSEY. The governor is recommending appropriations of \$24 $\frac{1}{2}$ million of state tax funds for operating expenses for fiscal year 1960-61 for higher education, including Rutgers, the State University, the Agricultural Experiment Station, the Newark College of Engineering, and the six state colleges. Actual appropriations will be reported in a future issue of GRAPEVINE.

NEW YORK. A report of total appropriations of state tax funds for operating expenses of higher education, fiscal year 1960-61, shows \$69,774,000, which represents an increase of approximately 33% over the comparable figure for fiscal year 1958-59, two years ago. A detailed report of the allocations to the numerous units of the State University of New York, as well as the subsidies to the Board of Higher Education of the City of New York, and the substantial state appropriations for scholarships and fellowships, has been received and will appear in an early number of GRAPEVINE.