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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 timely newsnotes regarding pertinent events in their respective states.

SIX STATES REPORT 1963-64 APPROPRIATIONS INCREASE 19% OVER 1961-62

Table 11. Appropriations of state tax funds for operating expenses of higher education in six states for five successive fiscal years, 1959-60 through 1963-64, in thousands of dollars, with dollar gains and percentage gains for 1963-64 over 1961-62, showing change over a period of two years.

States	Year 1959-60	Year 1960-61	Year 1961-62	Year 1962-63	Year 1963-64	2-year gain	Percent gain
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Arkansas	\$13,551	\$13,551	\$16,599	\$16,599	\$20,369	\$3,770	23
Georgia	24,058	26,605	29,046	32,162	35,270	6,224	21½
New Mexico	11,165	11,239	13,002	14,372	15,960	2,958	23
South Dakota	8,078	8,128	8,675	8,702	10,133	1,458	17
West Virginia	14,791	16,919	19,938	20,743	22,286	2,348	12
Wyoming	4,735	4,735	5,599	5,599	6,347	748	13½
Totals			92,859		110,365	17,506	19

Reports from states whose legislatures have adjourned indicate that tax-fund appropriations for operating expenses of higher education are being substantially increased. The early reports in the last three columns of Table 11 are especially impressive when it is remembered that most of the six states named are comparatively small in population and wealth, and that currently their rates of population gain are well below average for the nation.

It may be reasonable to anticipate even larger increases in state tax support in the more populous and more heavily industrialized states, in some of which dramatic gains in population are taking place.

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ARKANSAS. Appropriations of state tax funds for operating expenses of higher education for each fiscal year of the biennium 1963-65 are reported as in Table 12.

Table 12. State tax-fund appropriations for operating expenses of higher education in Arkansas for each fiscal year, (biennium 1963-65) in thousands of dollars.

Institutions (1)	Each fiscal year (2)
U of Arkansas (Incl Ag Exp Sta, Ag Exten Serv & Grad Inst Tech)	\$8,865
Medical Center (Incl Child Guid Clinic)	3,845
Soils Testing Lab	109
Industrial Research	130
Arkansas State College (Incl Beebe Branch)	1,589
Ark State Teachers Coll	1,093
Ag, Mech & Normal Coll	1,147
Henderson St Tchrs Coll	1,027
Arkansas Polytech Coll	860
Southern State Coll	776
Arkansas A & M Coll	718
Regional edn (SREB)	95
Ednl TV Commission	116
Total	20,369

The total appears to represent an increase of about 23% over the sums appropriated for each of the two fiscal years composing the biennium 1961-63.

CALIFORNIA. The Coordinating Council for Higher Education issued its 1963 Budget Report to the Legislature, bearing date of February 20. It is a 49-page large-format printed document.

The recommendations are generally favorable to the requests of the institutions. One comment carrying some adverse tone relates to the complicated "staffing formula" which has been laboriously developed over a dozen years for the state colleges.

The Report says: "The intricacy of the formulas, and their alleged rigidity, inadequacy, and lack of recognition of the individuality of the Colleges, warrant endorsement of a complete study of these formulas with a view toward simplification, flexibility in their application, and adequacy in meeting the needs of the rapidly changing State Colleges."

Increased state support of the local public junior colleges is strongly advocated, and a study of the financing of the junior colleges is recommended.

The Report notes that Senate Concurrent Resolution No. 16 of 1960, which announced a policy of giving the state colleges more fiscal freedom than in the recent past, was implemented in part by adding Section 31.5 to the annual appropriation bill. This has worked well in the opinion of the Coordinating Council, and it is recommended that further modification in the same direction be continued.

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

GEORGIA. Appropriations of state tax funds for operating expenses of higher education for biennium 1963-65 have been made. Allocations for fiscal year 1963-64 are reported as in Table 13.

Table 13. Allocations of state tax funds for operating expenses of higher education for fiscal year 1963-64 by Regents of University System of Georgia, out of funds appropriated by the legislature early in 1963, in thousands of dollars.

Institutions (1)	Sums allocated (2)
U of Georgia	\$7,370
Continuing Edn Ctr	436
Ag Exten Service	2,281
Ag Experiment Stas	2,270
Ga Inst of Technology	4,804
Southern Technical Inst	506
Engrng Exp Sta	986
Engrng Exten Div	31
Georgia State College	2,252
Medical Coll of Georgia	1,696
Talmadge Mem Hosp	3,600
Georgia Southern Coll	1,062
Woman's Coll of Georgia	816
West Georgia Coll	686
North Georgia Coll	561
Valdosta State Coll	495
Fort Valley St Coll	864
Savannah State Coll	847
Albany State College	635
Augusta College	440
Abraham Baldwin Ag Coll	406
Armstrong College	368
Middle Georgia Coll	311
Ga Southwestern Coll	284
Columbus College	279
South Georgia College	262
Regents' Office	235
Scholarships for Negroes	225
Regents' Scholarships	100
Regional education	79
Interest on const debt	8
Total	35,270

Allocations aggregating \$500,000 for plant improvements and extensions, and \$4,730,000 for Building Authority rentals were made, bringing the total for capital

outlays and operating expenses to \$40,500,000.

The allocation for Building Authority rentals is \$1,200,000 higher than for 1962-63. This is in harmony with the contemplated construction of about \$16 million worth of buildings during 1963-64. (The Building Authority finances the buildings and amortizes their cost from rentals).

The grand total of \$40,500,000 appropriated by the legislature represents a gain of 19 $\frac{1}{2}$ % over the comparable sum appropriated for fiscal year 1961-62, two years ago.

The sum appropriated for fiscal year 1964-65 is \$43,800,000, a gain of 21% over the comparable sum for 1962-63.

Comparing the totals for operating expenses only (excluding capital outlays) for 1963-64 and 1961-62, the rate of increase over the two-year period seems to be about 21 $\frac{1}{2}$ %.

ILLINOIS. The first Biennial Report of the State Board of Higher Education is a 23-page lithoprinted document of small format, dated February 1963.

The Board has set up a procedure under which the state universities can obtain its endorsement of new units of instruction and announces that 24 such innovations of various kinds were approved for the various institutions during the year 1962.

Elaborate plans are under way for a statewide "master-plan study" of higher education in Illinois. The names of the members of ten major committees for the study, aggregating nearly 100 persons, are carried in the Report.

Evidently an effort will be made to involve the interest and attention of the statewide public. If successful such an effort may be productive of better understanding and support than in the past.

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NEBRASKA. The current session of the one-house legislature was reported in March as being in a great tizzy about state revenues and expenditures. The chairman of the legislative budget committee was featured in a sound and color film distributed over the state by the state chamber of commerce, declaring that the state administrative departments and institutions are out of hand and that the legislature has abdicated its responsibility of controlling them.

This general idea led to the hasty introduction of a number of bills, one of which would require the institutions, including the University of Nebraska and the state colleges, to get specific permission from the legislature before constructing buildings with money allocated to them from the state institutional building fund, which is financed by a special one and one-tenth mill statewide property tax.

Attorney General Clarence A. H. Meyer is reported to have given his opinion that this bill would be an unconstitutional encroachment on the authority of the executive department.

It may be hoped that the to-do over control of expenditures will not entirely obscure the need of attention to the revamping of Nebraska's antique revenue system. Nebraska is now one of only two states (the other is New Jersey) having neither a state income tax nor a general retail sales tax, both of which are productive sources of revenue. About thirty-six states have each of these types of taxes, and some twenty states have both.

In these times of growing population and advancing technology, necessitating swift expansion and upgrading of public services, including especially higher education, keeping state revenue systems reasonably abreast of the times cannot be neglected.

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NEW MEXICO. Appropriations of state tax funds for operating expenses of higher education for fiscal year 1963-64 are reported as in Table 14.

Table 14. State tax-fund appropriations for operating expenses of higher education in New Mexico, fiscal year 1963-64, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of New Mexico	\$6,085a
New Mexico State U	4,632b
New Mexico Highlands U	1,265
Western New Mexico U	969c
Eastern New Mexico U	1,829
N M Inst Mining & Tech	1,021d
N M Military Institute	159e
Total	15,960f

a - Includes \$150,000 for the WICHE Student Exchange Program and a supplementary dental student exchange program. In addition the Board of Educational Finance received \$15,000 for WICHE.

b - Includes \$183,430 for administering the State Department of Agriculture.

c - Includes \$35,000 for administering the state school bus safety program.

d - Includes \$265,000 for the State Bureau of Mining and Mineral Resources, of which \$100,000 comes from federal mineral leasing funds and is appropriated at the state's discretion.

e - Only about 40% of the students are at college level, 60% being in grades 11 and 12. The appropriation is for the whole program.

f - Includes \$36,388 appropriated to four institutions for state planning research.

The total appears to represent a gain of about 23% over the comparable figure for the fiscal year 1961-62, two years ago.

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OKLAHOMA. The State Regents for Higher Education published in January the Operating Budget Needs of the Oklahoma State System of Higher Education for the 1963-65 Biennium, a 24-page printed document.

Total needs from state appropriated funds are placed at \$41,438,883 for the fiscal year 1963-64, and \$43,780,146 for fiscal year 1964-65. These sums represent increases of approximately 38% and 43% respectively over the comparable sums appropriated for the fiscal years 1961-62 and 1962-63, two years ago.

The Budget Needs document is something of a model of simplicity and clarity in briefly describing the statewide system of 18 academic institutions plus 7 other units, and in explaining lucidly the relatively simple formulas by means of which the minimum basic requirements as to numbers of faculty members needed and the minimum sums needed for each of the six major functions of the operating budget for educational and general purposes are arrived at.

The fact is not stressed in the document, but one may hope that it is actually keenly recognized in Oklahoma, that this oversimplified and routinized approach to budget-building may be of considerable usefulness and convenience as a first step, but that the crucial phase of the process is beyond this stage, and consists of soul-searching application of judgment to questions relating to what improvements and innovations above and beyond current practice are essential in order to enable the institutions to keep abreast of their growing responsibilities.

If Oklahoma can retain the admirable simplicity of its statewide organization, and at the same time allow its institutions ample elbow-room for the flexibility which the swift changes of our times require, it will do well.

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SOUTH DAKOTA. Appropriations of state tax funds for operating expenses of higher education for each fiscal year of the biennium 1963-65 are reported as in Table 15.

Table 15. State tax-fund appropriations for operating expenses of higher education in South Dakota, separately by fiscal years for the biennium 1963-65, in thousands of dollars.

Institutions	Sums appropriated	
	1963-64	1964-65
(1)	(2)	(3)
U of South Dakota	\$2,384	\$2,495
S D State College	4,771	5,060
Sch of Mines & Tech	1,024	993
Northern State T C	854	885
Black Hills T C	377	406
General Beadle T C	356	385
Southern State T C	367	344
Totals	10,133	10,568

NOTE: There is a separate appropriation of \$177,500 for a "Chem Lab" for the biennium; and the Board of Regents gets \$509,200 for the biennium. Apparently these would raise the yearly totals by roughly \$350,000. The Board also governs institutions for the blind and the deaf, for which it gets \$445,000 for the biennium.

The total for 1963-64 seems to represent a gain of about 17% over the comparable figure for 1961-62, two years ago; and that for 1964-65 appears to be 21½% higher than 1962-63. If the items for "Chem Lab" and "Board of Regents" were added, apparently the rate of gain would be slightly greater.

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WEST VIRGINIA. Appropriations of state tax funds for operating expenses of higher education for fiscal year 1963-64 are reported as in Table 16.

Table 16. State tax-fund appropriations for operating expenses of higher education in West Virginia, fiscal year 1963-64, in thousands of dollars.

Institutions	Sums appropriated
(1)	(2)
West Virginia U	\$11,363
Potomac State Coll	548
Marshall University	2,967
West Virginia State Coll	1,466
Concord College	1,155
Fairmont State Coll	1,030
W Va Inst of Technology	975
West Liberty St Coll	828
Glenville State Coll	690
Shepherd College	679
Bluefield State Coll	584
Total	22,286

The total appears to represent a gain of a little less than 12% over the comparable sum appropriated two years ago for fiscal year 1961-62.

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WYOMING. Appropriations of state tax funds for operating expenses of higher education for biennium 1963-65 are reported as in Table 17.

Table 17. State tax-fund appropriations for operating expenses of higher education in Wyoming, biennium 1963-65, in thousands of dollars.

Institution	Sums appropriated
(1)	(2)
U of Wyoming	\$10,719
Ag Exten Serv	908
Retirement costs	997
Scholarships	70
Total	12,694

The total represents a gain of slightly less than 13 $\frac{1}{2}$ % over the comparable appropriation of two years ago, for biennium 1961-63.

The appropriation of state tax funds for state aid to operating expenses of the local public junior colleges is reported as \$720,000 for the ensuing biennium, roughly divisible as of the order of \$360,000 for each of the two fiscal years. This is about 13 $\frac{1}{2}$ % larger than the comparable appropriations of two years ago.

Wyoming has no private institutions of higher education, and no public ones other than the University of Wyoming and the local public junior colleges. There is a statewide Junior College Commission in which the University and each junior college is represented. This Commission is thus a species of statewide coordinating agency for all higher education in the state.

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