

M. M. Chambers  
Department of Educational Administration  
Illinois State University, Normal, Illinois 61761

SINCE  
1958

THIRTEENTH  
YEAR

Number 155

July 1971

Page 981

GRAPEVINE  
\* \* \* \* \*

Reports on state tax legislation; state appropriations for universities, colleges, and junior colleges; legislation affecting education beyond the high school.

IN THIS ISSUE

|   |         |
|---|---------|
| TWENTY STATES: 2-year gain of 26 per cent . . . . .   | 982     |
| Twelve-year graphs for eight states . . . . .   | 982-983 |
| <u>Arizona</u> totals \$97 1/2 million . . . . .  | 984     |
| <u>Florida</u> to vote on corporation profits tax . . . . .   | 984     |
| <u>Georgia</u> allocations to institutions . . . . .  | 984     |
| <u>Hawaii</u> makes gain of more than 43 per cent . . . . .   | 985     |
| <u>Nebraska</u> goes to total of \$52 million . . . . .   | 985     |
| <u>New Jersey</u> will vote on \$155 million bond issue . . . . .                                       | 985     |
| <u>Oklahoma</u> to get \$17 million from added tax . . . . .  | 985     |
| <u>New Mexico</u> achieves total above \$45 million . . . . .   | 986     |
| <u>Ohio</u> has nitty-gritty report by Professors<br>Burke and Weld of Cleveland State U . . . . .      | 986     |
| <u>South Dakota</u> makes small gain . . . . .  | 987     |
| <u>Tennessee</u> raises sales tax to 3 1/2 per cent . . . . .   | 987     |
| <u>Washington</u> appropriates 2 per cent less than 2<br>years ago; hit by aerospace cutbacks . . . . . | 987     |
| <u>West Virginia</u> shows 2-year gain of 26 per cent . . . . .   | 988     |

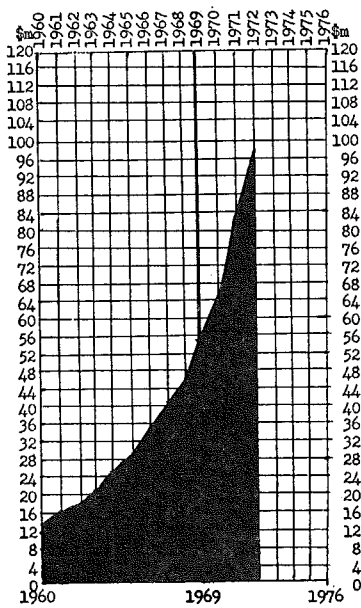
-----  
Statement of ownership and circulation of GRAPEVINE is on Page 982 (reverse hereof).

Table 87. TWENTY STATES SHOW CUMULATIVE WEIGHTED AVERAGE TWO-YEAR GAIN OF TWENTY-SIX PER CENT

| States                                  | Year      | Year        | Year        | 2-yr gain | 10-yr gain |
|---|-----------|-------------|-------------|-----------|------------|
| (1)                                     | (2)       | (3)         | (4)         | (5)       | (6)        |
| 12 states previously reported-- *       | \$281,532 | \$933,467   | \$1,214,643 | 30        | 331 1/2    |
| Arizona                                 | 17,852    | 65,611      | 97,514      | 48 1/2    | 446        |
| Hawaii                                  | 7,254     | 41,782      | 59,866      | 43 1/4    | 725 1/4    |
| Nebraska                                | 17,077    | 48,386      | 51,976      | 7 1/2     | 204 1/4    |
| New Mexico                              | 13,002    | 36,126      | 45,307      | 25 1/2    | 248 1/2    |
| S Dakota                                | 8,675     | 18,227      | 21,844      | 20        | 151 3/4    |
| Tennessee                               | 21,522    | 87,137      | 114,034     | 30 3/4    | 429 3/4    |
| Washington                              | 58,560    | 190,903     | 190,467     | - 2 1/4   | 225 1/4    |
| W Virginia                              | 19,938    | 57,005      | 69,388      | 26        | 248        |
| 20-state totals                         | \$445,412 | \$1,478,644 | \$1,865,039 |           |            |
| Cumulative weighted average percentages |           |             | -           | 26        | 318 1/2    |

\* Refer to Table 80, GRAPEVINE page 976.

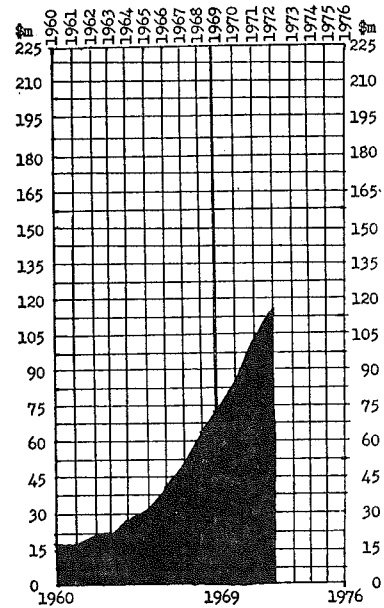
Arizona



As of June 1, 1971, twenty states had reported weighted average two-year gains of 26 per cent. The comparable figure for these same 20 states as of one year earlier (weighted average 2-year gains) was 35 1/2 per cent.

On the left and right of this page, the 12-year graphs for Arizona and Tennessee are on different vertical scales, the respective maximums being \$120 million and \$225 million.

Tennessee



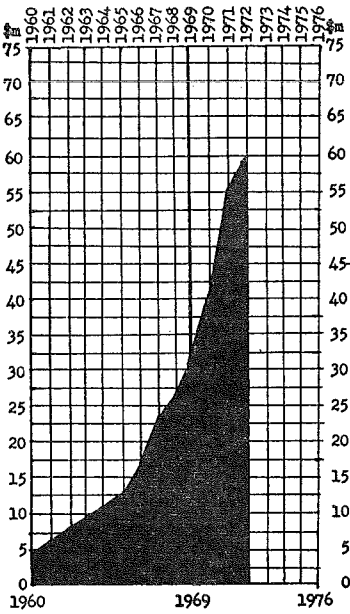
GRAPEVINE is not a publication of any institution or association. Responsibility for any errors in the data, or for opinions expressed, is not to be attributed to any organization or person other than M. M. Chambers. GRAPEVINE is circulated to numerous key persons in each of the fifty states.

Address communications to M. M. Chambers, Department of Educational Administration, Illinois State University, Normal, Illinois 61761.

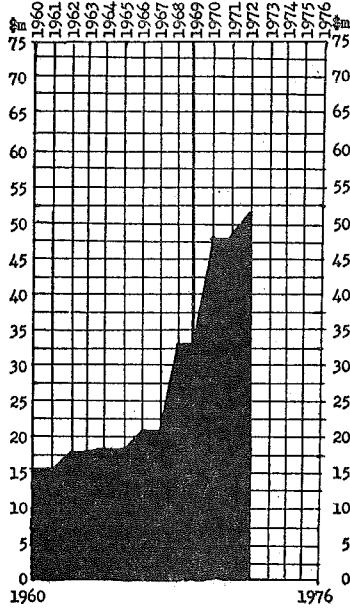
M. M. Chambers, Illinois State University, Normal, Illinois 61761

APPROPRIATIONS OF STATE TAX FUNDS FOR ANNUAL OPERATING EXPENSES OF HIGHER EDUCATION IN HAWAII, NEBRASKA, NEW MEXICO, SOUTH DAKOTA, WASHINGTON, AND WEST VIRGINIA, OVER 12 CONSECUTIVE FISCAL YEARS, 1960-1972

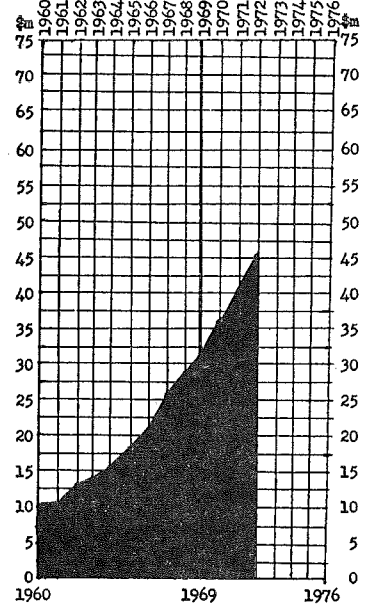
Hawaii



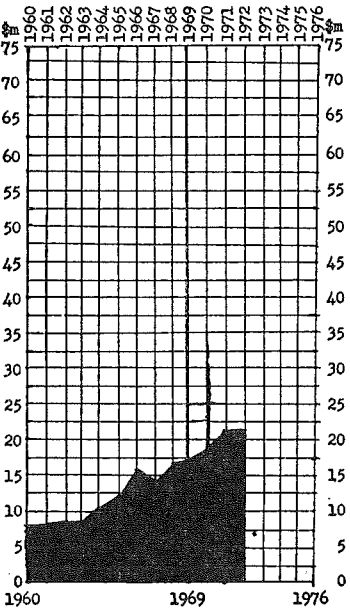
Nebraska



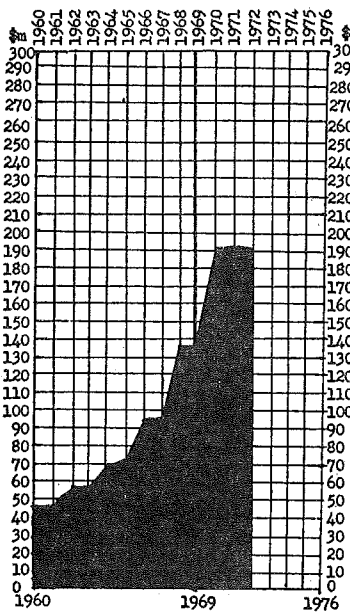
New Mexico



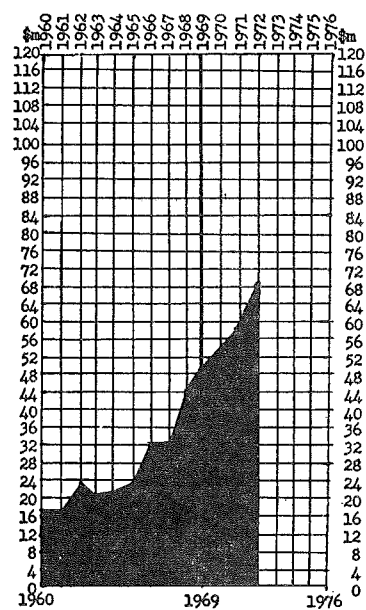
South Dakota



Washington



West Virginia



Note that the vertical scales of the separate graphs are not identical in all cases.

ARIZONA. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1971-72:

Table 88. State tax-fund appropriations for operating expenses of higher education in Arizona, fiscal year 1971-72, in thousands of dollars.

| Institutions<br>(1)     | Sums appropriated<br>(2) |
|-------------------------|--------------------------|
| U of Arizona            | \$35,570                 |
| College of Medicine     | 6,040                    |
| University Hospital     | 5,444                    |
| Subtotal, U A -         | \$47,054                 |
| Arizona State U         | 28,024                   |
| Northern Arizona U      | 10,264                   |
| Board of Regents        | 453                      |
| WICHE                   | 287                      |
| Subtotal, st u's -      | \$86,082                 |
| State aid to jr colls - |                          |
| Maricopa County *       | 6,852                    |
| Pima County             | 1,330                    |
| Pinal County            | 805                      |
| Yuma County             | 732                      |
| Cochise County          | 649                      |
| Graham County           | 498                      |
| Yavapai County          | 438                      |
| St jr coll board        | 128                      |
| Subtotal, jr colls -    | \$11,432                 |
| Total                   | 97,514                   |

\* Five Campuses

The total for fiscal year 1971-72 appears to be a gain of 48 1/2 per cent over the figure for fiscal year 1969-70, two years earlier.

FLORIDA. A proposed constitutional amendment to authorize a corporation profits tax will be submitted to the electors November 2, 1971.

GEORGIA. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1971-72:

Table 89. State tax-fund appropriations for operating expenses of higher education in Georgia, fiscal year 1971-72, in thousands of dollars.

| Institutions<br>(1)      | Sums appropriated<br>(2) |
|--------------------------|--------------------------|
| U of Georgia             | \$38,839                 |
| Ag Extension Serv        | 5,093                    |
| Ag Experiment Sta        | 5,030                    |
| Continuing Edn Ctr       | 1,290                    |
| Rural Dev Ctr            | 326                      |
| Marine resources ext div | 168                      |
| Subtotal, U of G -       | \$50,746                 |
| Georgia Inst of Tech     | 13,680                   |
| Southern Tech Institute  | 1,324                    |
| Engrng Exper Sta         | 1,683                    |
| Engrng Exten Div         | 225                      |
| Subtotal, G I T -        | \$16,912                 |
| Medical College of Ga    | 11,887                   |
| E Talmadge Mem Hosp      | 7,449                    |
| Subtotal, M C of Ga -    | \$19,336                 |
| Georgia State U          | 19,716                   |
| Urban Life Ctr           | 359                      |
| Subtotal, G S U -        | \$20,075                 |
| State colleges -         |                          |
| W Georgia Coll           | 5,329                    |
| Ga Southern Coll         | 4,730                    |
| Valdosta St Coll         | 2,723                    |
| Fort Valley St Coll      | 2,587                    |
| Albany St Coll           | 2,271                    |
| Ga Southwestern St Coll  | 2,197                    |
| Savannah St Coll         | 2,066                    |
| Ga Coll at Milledgeville | 2,057                    |
| Columbus Coll            | 1,992                    |
| Augusta Coll             | 1,713                    |
| Armstrong St Coll        | 1,492                    |
| N Georgia Coll           | 1,304                    |
| Subtotal, G S C -        | \$30,461                 |
| State junior colleges -  |                          |
| Middle Ga Coll           | 1,431                    |
| A Baldwin Ag Coll        | 1,240                    |
| Kennesaw Jr Coll         | 1,143                    |
| Clayton Jr Coll          | 1,144                    |
| Albany Jr Coll           | 1,023                    |
| Macon Jr Coll            | 1,000                    |

(Continued on page 985)

M. M. Chambers, Illinois State University, Normal, Illinois 61761

GEORGIA. (Cont from page 984)

|                                 |         |
|---------------------------------|---------|
| State Jr Colls (cont)           |         |
| South Georgia Coll              | 952     |
| Dalton Jr Coll                  | 789     |
| Brunswick Jr Coll               | 750     |
| Gainesville Jr Coll             | 743     |
| Floyd Jr Coll                   | 715     |
| <hr/>                           |         |
| Subtotal, St jr coll - \$10,930 |         |
| Regents of U System             | 1,548   |
| Regent's Scholarships           | 200     |
| Graduate Scholarships           | 75      |
| Interest on const'l debt        | 8       |
| Unallocated                     | 127     |
| Employer contrib to retir'mt    | 10,136  |
| State aid to local jr coll *    | 2,131   |
| Skidaway Inst of Oceanogphy     | 268     |
| Total                           | 162,953 |

\* Locally-based state-aided junior college in De Kalb county near Atlanta.

HAWAII. Appropriations of state tax funds for operating expenses of higher education, biennium 1971-73:

Table 90. State tax-fund appropriations for operating expenses of higher education in Hawaii, biennium 1971-73, by separate fiscal years, in thousands of dollars.

| Institutions   | Sums appropriated |         |
|--|-------------------|---------|
|  | 1971-72           | 1972-73 |
| (1)  | (2)               | (3)     |
| U of Hawaii *  | \$67,531          | 73,144  |
| Specific approp to                                       |                   |         |
| U Hawaii   | 1,031             | 394     |
| Inst of Tech Excnge                                      | 4                 | 4       |
| WICHE  | 178               | 232     |
| Stu Loan Fund  | 50                | 50      |
| Less estimated stu fees and other non-state tax receipts | -8,928            | -9,346  |
| Total  | 59,866            | 64,478  |

\* Includes outlying community colleges, Leahi Hospt, and the Edu T V network; excludes the East-West Center, which is wholly supported from federal funds estimated at \$6,646,000 for fiscal year 1971-72 and \$6,980,000 for fiscal year 1972-73.

NEBRASKA. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1971-72:

Table 91. State tax-fund appropriations for operating expenses of higher education in Nebraska, fiscal year 1971-72, in thousands of dollars.

| Institutions                | Sums appropriated |
|-----------------------------|-------------------|
| (1)                         | (2)               |
| U of Nebraska - Lincoln     | \$21,780          |
| Medical Center              | 8,631             |
| Ag Experment Sta            | 3,809             |
| Ag Extension Ser            | 2,547             |
| Conservation & Survey Div   | 304               |
| School of Tech Agri         | 366               |
| Omaha Campus                | 5,450             |
| Regent's Discretionary Fund | 313               |
| <hr/>                       |                   |
| Subtotal, U of N - \$43,200 |                   |
| State colleges -            |                   |
| Kearney St Coll             | 3,422             |
| Wayne St Coll               | 1,780             |
| Chadron St Coll             | 1,749             |
| Peru St Coll                | 947               |
| Office of Secy, st coll     | 93                |
| <hr/>                       |                   |
| Subtotal, s c's - \$7,991   |                   |
| State aid to jr colls       | 785               |
| Total                       | 51,976            |

NEW JERSEY. The legislature has approved for submission to the voters in November a bond issue of \$155 million for construction of university and college buildings. The distribution of the proceeds would be as follows:

|                             | Millions |
|-----------------------------|----------|
| N J Coll of Med & Dentistry | \$50     |
| State Colleges              | 48.7     |
| County community colleges   | 34       |
| Rutgers, the State U        | 21.9     |
| Newark Coll of Engineering  | .4       |

OKLAHOMA. A new act raises state income tax rates to \$17 million a year in additional revenue.

NEW MEXICO. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1971-72:

Table 92. State tax-fund appropriations for operating expenses of higher education in New Mexico, fiscal year 1971-72 in thousands of dollars.

| Institutions<br>(1)          | Sums appropriated<br>(2) |
|------------------------------|--------------------------|
| U of New Mexico              | \$17,954                 |
| Medical School               | 2,143                    |
| Student Exchange *           | 190                      |
| Branch colleges              | 35                       |
| <hr/>                        |                          |
| Subtotal, U of N M -         | \$20,322                 |
| New Mexico State U           | 9,797                    |
| Ag Exp Sta & Ag Ext Serv     | 2,534                    |
| Branch colleges              | 352                      |
| State Dept of Ag             | 247                      |
| <hr/>                        |                          |
| Subtotal, N M St U -         | \$12,930                 |
| Eastern New Mexico U         | 4,157                    |
| Roswell Campus **            | 469                      |
| Other branch colleges        | 153                      |
| <hr/>                        |                          |
| Subtotal E N M U -           | \$4,779                  |
| N M Inst of Mining & Technol | 1,536                    |
| State Bureau of Mines        | 656                      |
| <hr/>                        |                          |
| Subtotal, N M I M T -        | \$2,192                  |
| New Mexico Highlands U       | 2,669                    |
| Western New Mexico U         | 1,723                    |
| New Mexico Military Inst *** | 284                      |
| Board of Edl Finance +       | 143                      |
| WICHE - General Dues         | 15                       |
| State aid to jr colls        | 250                      |
| <b>Total</b>                 | <b>45,307</b>            |

\* Includes WICHE student exchange program and a supplementary dental student exchange program.

\*\* Two-year academic program and a vocational technical program of both college level and less than college level.

\*\*\* Two-fifths of students are at college level; three-fifths in grades 10-12. Appropriation is for support of entire program.

+ First time that this state coordinating board has been supported by general fund appropriation. Formerly supported by assessments against the institutions coordinated.

OHIO. A very solid and lucid report on state tax support of higher education in Ohio has just been completed by two professors in the department of economics at Cleveland State University; Edric A. Weld, Jr. and John F. Burke, Jr.

The 115-page mimeographed document, The Financing of Higher Education by the State of Ohio, 1955-1969, provides a thorough traverse of the state's economic position over the 15-year period covered, as measured by population, wealth, per capita incomes, and many other indices, showing that it is near the top among the fifty states, ranking consistently from third to sixth by almost every measure.

The report then shows some astounding facts, some of which have been only skimpily demonstrated or scarcely more than hinted at in various past issues of GRAPEVINE.

(1) Ohio's ratio of state and local taxes per \$1,000 of personal income is less than that of forty-seven of the other states.

(2) Ohio's tax support of higher education per \$1,000 of personal income is less than that of forty-six other states.

(3) Students in Ohio's tax-assisted institutions of higher education pay a higher percentage of the total cost of their education than do students in similar institutions in any other state, through high tuition and other user fees.

Review of the statistics of student enrollments, and comparisons of the ratio of enrolled students to total population, reveals what would be expected from the foregoing: substantially fewer Ohioans are getting education above high school than are citizens of the average among the 50 states; and markedly fewer in Ohio than in the neighboring six states having "Big Ten" state universities.

( Cont on page 988)

M. M. Chambers, Illinois State University, Normal, Illinois 61761

SOUTH DAKOTA. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1971-72:

Table 93. State tax-fund appropriations for operating expenses of higher education in South Dakota, fiscal year 1971-72, in thousands of dollars.

| Institutions<br>(1)                                   | Sums appropriated<br>(2) |
|---|--------------------------|
| U of South Dakota                                     | \$6,528                  |
| School of Medicine                                    | 861                      |
| Subtotal, U S D -                                     | \$7,389                  |
| South Dakota State U                                  | 7,986                    |
| Ag Experiment Sta                                     | 2,199                    |
| Co-op Ag Exten Serv                                   | 1,443                    |
| Subtotal, S D S U -                                   | \$11,628                 |
| Northern State College                                | 3,279                    |
| S D Sch of Mines & Tech                               | 2,825                    |
| Black Hills State College                             | 2,390                    |
| Southern State College                                | 1,593                    |
| Dakota State College                                  | 1,517                    |
| Regents of Education                                  | 162                      |
| For Allocation *                                      | 1,061                    |
| Less student fees and other institutional receipts ** | 10,000                   |
| Net total ***   | 21,844                   |

\* The largest two items are \$575,000 for deferred maintenance and \$328,000 for scholarships & loans.

\*\* These sums are captured by the state treasury. A fraction of them goes into a state institutional building fund, but none goes for annual operating expenses.

\*\*\* Excludes \$485,078 for the State School for the Deaf and \$250,002 for the State School for the Visually Handicapped, both of which are governed by the Regents of Education.

TENNESSEE. A new act increases the sales tax rate to 3 1/2 per cent from the former 3 per cent. Also, local subdivisions are now authorized to levy local sales taxes up to 1 3/4 per cent in lieu of the former 1 per cent limit.

WASHINGTON. Appropriations of state tax funds for operating expenses of higher education, biennium 1971-73:

Table 94. State tax-fund appropriations for operating expenses of higher education in Washington, biennium 1971-73, in thousands of dollars.

| Institutions<br>(1)                              | Sums appropriated<br>(2) |
|--|--------------------------|
| U of Washington<br>(incl Medical School) *       | \$123,096                |
| Washington State U<br>(incl ag research & exten) | 67,578                   |
| Subtotal, u's -                                  | \$190,674                |
| State colleges -                                 |                          |
| Western Wash St Coll                             | 23,379                   |
| Central Wash St Coll                             | 20,136                   |
| Eastern Wash St Coll                             | 18,485                   |
| Evergreen St Coll                                | 7,017                    |
| Subtotal, s c's -                                | \$69,017                 |
| Community colleges **                            | 117,491                  |
| Student Financial Aid Prog                       | 1,377                    |
| Aid to stu in private insts ***                  | 1,700                    |
| Council on Higher Edn                            | 676                      |
| Total  | 380,935                  |

\* Does not include an appropriation of \$4.7 million to the University of Washington for the use of King County Hospital.

\*\* The 25 community colleges receive no local tax income.

\*\*\* A new program providing grants of up to \$100 per year to resident students attending private institutions.

The total for biennium 1971-73 appears to be about 2 1/4 per cent less than the comparable sum for 1969-71, two years earlier.

Washington State has been at or near the top of the list of fifty states when ranked by per capita state tax investment in operating expenses of higher education, and when ranked by the ratio of state tax support to total personal income. The current slight decline is related to the 1970 economic recession, somewhat more severe in Washington than in many other states, due to the drastic slowdown in aerospace industries.

WEST VIRGINIA. Allocations of appropriated state tax funds for operating expenses of higher education, fiscal year 1971-72:

Table 95. Allocation of appropriated state tax funds for operating expenses of higher education in West Virginia, fiscal year 1971-72, in thousands of dollars.

| Institutions<br>(1)                                      | Sums allocated*<br>(2) |
|--|------------------------|
| West Virginia U  | \$26,248               |
| Medical Center **  | 8,860                  |
| Potomac St Coll  | 1,090                  |
| Kanawha Valley (Grad Ctr)                                | 628                    |
| <u>Subtotal, W V U -</u>                                 | <u>\$36,826</u>        |
| Four year institutions -                                 |                        |
| Marshall University                                      | 9,287                  |
| Fairmont State   | 3,765                  |
| West Liberty St Coll                                     | 3,534                  |
| Hancock County   | 65                     |
| <u>Subtotal, W L S C -</u>                               | <u>\$3,599</u>         |
| West Virginia State                                      | 3,484                  |
| W Va Inst of Tech  | 3,160                  |
| Concord  | 2,511                  |
| Shepherd   | 2,014                  |
| Glenville State  | 1,977                  |
| Bluefield State  | 1,607                  |
| Community colleges -                                     |                        |
| Parkersburg Area   | 656                    |
| Logan-Williamson Area                                    | 323                    |
| Educational T V  | 523                    |
| Student Aids +   | 390                    |
| Bureau of Coal Research                                  | 225                    |
| Title I - Matching Funds                                 | 130                    |
| Other projects ++  | 351                    |
| State Board of Regents                                   | 364                    |
| Less est student fees going<br>to State General Fund +++ | 2,300                  |
| Non-Allocated  | 494                    |
| <u>Total</u>   | <u>69,388</u>          |

- \* Allocations by the State Board of Regents from a lump-sum appropriation.
- \*\* Includes \$5,300,00 estimated proceeds of an allocated tax on sales of soft drinks.
- + Scholarship program \$300,000; Veterinary Tuition \$40,200; Awareness Program \$50,000.
- ++ Research and demonstration in agriculture & forestry, community development, etc.

(Continued in next column)

WEST VIRGINIA. (cont from precedng column)

+++ At the State colleges (but not at W Va U and Marshall U), student fees go to the State General fund; hence must be subtracted to arrive at the net state tax-fund appropriation.

OHIO. (Continued from page 986)

This "educational gap" is estimated to mean that some 400,000 Ohioans have obtained no education beyond high school over the past 15 years, who would normally have obtained some if they had resided in other states.

Say the authors: "Much of the gap presumably consists of young high school graduates, now members of the labor force... We suggest that this will result in a less productive labor force and lower levels of personal income received by residents of the state over the next 30 to 40 years..."

Furthermore, "If higher education is in fact positively related to the contribution an educated individual makes to society as a voter and as a citizen, ...this educational gap is also likely to be reflected in lower levels of political, social, and personal well-being for the citizens of the state, now and in the decades to come."

Estimating that some 60,000 Ohio high school graduates in 1969 were not going beyond high school, who would have done so had they lived in some neighboring state, the authors conclude that probably these are the poignant personal sufferers from the state's parsimonious tax support of higher education;-- to say nothing of the economic and social losses to the whole public over the ensuing half-century.

Professors Burke and Weld "talk turkey" about higher education in Ohio, and exhibit data that should be in the hands of every citizen of the state. GRAPEVINE has not yet seen as searching and well-documented a report from Ohio or from any other state.

The reference; The Financing of Higher Education by the State of Ohio, 1955-1969, by Edric A. Weld, Jr. and John F. Burke, Jr. Working Paper in Economics, No. 16, Cleveland State University, Cleveland, Ohio 44102.