

TIMELY DATA CIRCULATED WHILE CURRENT

SINCE  
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YEAR

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

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"The growing complexity in human development will require increasing numbers of scholars in every discipline at the highest academic levels."  
--Council of Graduate Schools in the United States.

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Table 62. APPROPRIATIONS OF STATE TAX FUNDS FOR ANNUAL OPERATING EXPENSES OF HIGHER EDUCATION IN FIVE STATES FOR FISCAL YEAR 1977-78 (in thousands of dollars).

States	Year 1967-68	Year 1975-76	Year 1977-78	2-yr gain per cent	10-yr gain per cent
(1)	(2)	(3)	(4)	(5)	(6)
Idaho	20,101	61,558	77,072	25	283
Kentucky*	74,371	169,691	217,405	27	192
New Mexico	28,954	74,226	95,756	29	231
Utah	33,695	87,848	117,146	33	247
Wyoming**	11,123	33,821	42,883	27	286
Totals	168,244	427,144	550,262		
Weighted average percentages of gain				29	227

\*Biennium 1976-78 reported in Table 5, page 1370, GRAPEVINE (May 1976).  
 \*\*Reported in Table 61, page 1439, GRAPEVINE (April 1977).

FLORIDA. Governor Askew proclaimed March 8, 1977 as STATE UNIVERSITIES APPRECIATION DAY, urging that the day be observed "in appropriate ways to recognize these institutions" and the "significant contributions they make to the lives, livelihood, and quality of living of Florida citizens."

After the governor recommended certain tax increases, the Florida Board of Regents unanimously adopted a resolution on April 4 "in support of the governor's leadership in proposed selected tax increases likely to generate the additional revenues required for adequate funding of public higher education and other essential state services in Florida."

The Regents said the Board has a responsibility to speak out on major issues affecting the welfare of the State University System and of the state.

IDAHO. Appropriations of state tax-funds for operating expenses of higher education, fiscal year 1977-78:

Table 63. State tax-fund appropriations for operating expenses of higher education in Idaho, fiscal year 1977-78, in thousands of dollars.

Institutions	Sums appropriated
(1)	(2)
U of Idaho	20,540
Agricultural research	3,805
Coop extension	2,488
WAMI medical school program	901
Veterinary medicine	677
Short-term applied research	75
Forestry research	185
Subtotal, U of I -	\$28,671
Idaho State U	14,571
Boise State U	14,209
Lewis-Clark State Coll	2,158

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IDAHO (Continued from preceding col)

Junior college state aid	3,176
Vocational education*	9,877
Vocational rehabilitation**	1,036
State Board of Education	376
Planning and scholarship	203
Statewide educational T-V	927
Statewide planning & reporting	434
Medical education	1,434
Subtotal, B of E -	\$3,374
Total	77,072

\*Includes secondary and postsecondary vocational education  
 \*\*Includes all ages

The total for fiscal year 1977-78 appears to be a gain of 25 per cent over the comparable figure two years earlier.

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NEW MEXICO. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1977-78:

Table 64. State tax-fund appropriations for operating expenses of higher education in New Mexico, fiscal year 1977-78, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of New Mexico	36,345
Medical school	7,496
Medical investigator*	648
Student exchange**	1,213
Gallup branch	416
Subtotal, U of NM - \$46,118	
New Mexico State U	20,219
Ag experiment station	2,496
Ag extension service	1,867
State dept of agriculture*	1,299
San Juan branch	885
Dona Ana branch	344
Alamogordo branch	368
Carlsbad branch	361
Grants branch	174
Subtotal, NMSU - \$28,013	
Eastern New Mexico U	7,299
Roswell branch	1,281
Clovis branch	419
Subtotal, ENMU - \$8,999	
N M Inst of Mining & Tech	3,057
State Bureau of Mines*	1,140
Subtotal, NMIMT - \$4,197	
New Mexico Highlands U	4,534
Western New Mexico U	2,757
New Mexico Military Inst***	160
Board of Educational Finance	365
WICHE general dues	39
State aid to junior colleges	293
SSIG	281
Total	95,756

\*State function administered through the institution

\*\*Includes WICHE student exchange program and a supplementary dental student exchange program, veterinary and optometry student exchange programs.

\*\*\*Two-fifths of students are at college level; three-fifths in grades 9-12. Appropriation is for support of entire program.

UTAH. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1977-78:

Table 65. State tax-fund appropriations for operating expenses of higher education in Utah, fiscal year 1977-78, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
University of Utah	45,098
College of Medicine	5,047
University Hospital	1,258
Research & training grants	1,158
Special enterprises*	717
Subtotal, U of U - \$53,278	
Utah State University	19,892
Ag experiment station	2,855
Coop extension	2,186
Research & training grants	321
Special enterprises**	1,483
Subtotal, USU - \$26,737	
State colleges -	
Weber State College	13,872
Utah Tech College, Salt Lake	5,355
Utah Tech College, Provo	4,466
Southern Utah State College	4,158
Dixie College	2,126
Snow College	2,120
College of Eastern Utah	1,695
Subtotal, s c's - \$33,792	
Board of Regents	598
Statewide television	824
Cooperative nursing	508
WICHE	557
Computer services	238
Student loans	109
Ethnic awareness	50
Skills Centers	455
Subtotal, B of R - \$3,339	
Total	117,146

\*Includes: Educationally disadvantaged, \$423,000; Coal research, \$25,000; Center for Economic Development, \$89,200; Seismograph stations, \$103,700; Museum of Natural History, \$76,600.

\*\*Includes: Educationally disadvantaged, \$64,000; Water Research Lab, \$611,400; Ecology Center, \$309,900; Southeastern Utah Continuing Education Center, \$114,600; Uintah Basin Continuing Education Center, \$250,400; Man and His Bread Museum, \$57,300; Exceptional Child Center, \$75,000.

NEW YORK. With New York City's municipal affairs under the thumb of a state commission of bankers, and with the City University already severely crippled financially and drastically damaged in other ways, it has been taken for granted that full support of the several senior components (city colleges) must be undertaken by the state legislature, which has hitherto provided only about half of their annual operating expenses.

This prompted the appointment of a five-member commission by the governor, to study a possible statewide reorganization of public higher education, to effect some sort of merger of the City University and the State University (CUNY and SUNY).

Chairman of the Commission was Nils Y. Wessel, president of the Alfred P. Sloan Foundation. Recommendations were not officially released until April 1977, but their general outlines became known a month earlier, and brought down a barrage of adverse criticisms from many quarters.

*Proposed Statewide Reorganization  
of Public Higher Education*

CUNY's Graduate Center and four principal senior colleges--City College, Hunter, Brooklyn, and Queens--would form a conglomerate with SUNY's four University Centers at Buffalo, Albany, Stony Brook, and Binghamton, plus SUNY's two medical colleges at Syracuse and New York City--eleven institutions in all. The conglomerate would be known as The University of New York.

All other four-year institutions in both CUNY and SUNY, plus all public two-year community colleges, would form another conglomerate to be known as Empire State University.

Thus statewide public higher education would continue to be two separate large conglomerates of institutions, but CUNY and SUNY as they have been known would disappear and be supplanted by two

layers--a top layer mainly of universities having advanced graduate schools and higher-level professional schools; and a second layer containing all other institutions of higher education, including two-year community colleges.

Governor Carey is said to have objected to having so many institutions relegated to "second class" status, and particularly to commingling the community colleges with other types, because he suspects that their flexibility and innovative character could be smothered.

*Many Objections*

The Board of Trustees of SUNY adopted a statement saying the proposal was "silent about rationale, speculative about consequences, and insensitive to tradition"; and declared the plan would "neither improve access nor diminish costs"; would "complicate administration and make it more difficult for students to transfer"; would "create, not solve, problems."

It appears that much of the commendably distinctive identity of the City University would inevitably be lost. Irwin Polishook, president of the CUNY faculty union, says increased state support for the City University could be obtained within the present structure. He suspects that a real reason for the proposed restructuring is that it would involve abolition of statutory tenure for CUNY faculty and reduction of CUNY salaries, which are indeed among the highest in the nation.

A hearing on the plan was held in the state senate in March, where it was vigorously opposed by the senate minority leader and other legislators. Even the august Board of Regents, top statewide regulatory body, takes a dim view and says the plan "may contribute further to the uncertainty surrounding higher education in New York State."

One might guess that the present structure should be retained.

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SHOULD STATE LEGISLATURES INSIST ON APPROPRIATING FEDERAL FUNDS?

The advisory Commission on Intergovernmental Relations (726 Jackson Place, Washington, D. C. 20575) has issued *Bulletin* No. 76-4, dated November 1976, entitled State Legislatures and Federal Grants (13 pp.). The Commission specifically recommends that state legislatures include all federal aid in appropriations bills; prohibit spending of federal funds over the amount appropriated by the legislature; and set specific spending priorities by establishing sub-program allocations.

The Commission also dispatched a letter dated February 11, 1977 to all state legislatures and state executive and budget officers, carrying "suggested state legislation and model constitutional language calling for state legislative appropriation of federal funds."

Total federal aid in 1976 was equal to 40 per cent of the total general revenue of the states from their own sources (about 20 per cent of state budgets and 20 per cent aggregate local subdivision budgets). The total of federal grants is about \$60 billion. As is well know, they flow through a thousand channels and for a vast variety of purposes.

*Diversity in State Practices*

Some state legislatures do not meddle with the federal grants at all, while a few insist on appropriating them; some have attempted to delegate a monitoring and releasing authority to a legislative committee; some appropriate no federal funds except in grants that require state matching; and there is a multifold diversity of practices between and among these examples.

To clarify the main issue, we quote on the one side, the governor of Pennsylvania: "It is my belief that federal funds can only be appropriated by the United States Congress and that those funds are earmarked directly for the agencies and programs embodied in the federal legislation and regulations."

In the same vein, the Colorado supreme court has said: "(We believe) federal contributions are not the subject of the appropriative power of the state legislature."

On the other side, the press for legislative control stems from two sources: (1) the fact that in most states no living person knows precisely how much federal

money is coming into the state; and (2) a response on the part of some legislative leaders to the overaggrandizement of state governors that has been a general characteristic of state governments for half a century and more, and opposing the thought of allowing the handling of federal funds in the state to be left to the executive branch, by-passing the legislature.

The first cause (chaotic lack of information) could be remedied by a reasonably current system of reporting of all federal grants. Jumping to legislative monitoring and appropriation of all federal grants would be using a shotgun to kill a gnat.

The second cause (power-struggle between legislature and governor) is an in-house friction which seems to have been greatly stimulated by some legislative leaders attending the 1976 annual meeting of the National Conference of State Legislatures. The recommendations of the ACIR may be in some part a result of this. However the ACIR recommends both "a strengthened legislative role" and "firmer gubernatorial control."

*State University Autonomy?*

The matter will be recognized as related to the effort in many states to centralize totally in the statehouse unlimited control of every dollar of income of state universities and colleges, from any and all sources derived, thus eroding more and more vestiges of the authority of the university governing

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boards to manage the financial and academic affairs for which they are responsible.

As to that, the Advisory Commission on Intergovernmental Relations dodges the issue. In Section 2 (a) of its "suggested legislation" (Definitions) it says: "'Agency' means all state offices, departments, divisions, boards, commissions, councils, committees, [state colleges or universities], or other entities of the executive branch, offices of the judicial branch, and offices of the legislative branch of state government."

It then explains that the phrase in *brackets* is so marked to indicate that it may be included or deleted according to the preference of the state legislature, "depending on the state's own appropriations procedures and its history of dealing with its public institutions of higher learning. Some states prefer to closely monitor appropriations and activities of state colleges and universities; others give them almost total autonomy in their budgets and actions."

This ostensible deference to local traditions and choices has the effect of masking somewhat the overwhelmingly centralizing tendency of the recommendations as a whole. It is probably unlikely that many state legislatures, if any, would thoughtfully pause to exclude their state universities or colleges from the operation of a measure of the kind proposed.

#### *Of What Use Is University Autonomy?*

This is the place, no doubt, to say *why* federal grants to state universities or colleges, or community colleges should not be subjected to the frictions, delays, and frustrations that would ensue from subjecting them to the necessity of every dollar thereof being appropriated by the state legislature prior to disbursement.

Although roughly half of the annual operating support of a state college or university (and, especially for the small and medium-sized state colleges, a good

deal more than half) comes from appropriations of state tax funds, yet in nearly all instances substantial additions come from other sources such as federal grants, private gifts, endowment earnings, and student fees.

Additions from these sources make the difference between a good university and a great university. Historically these funds are expended by the university without the intervention of the legislature; and, as the ACIR has said, several states allow the university's governing board wide discretion in expending all its operating funds, including state-appropriated funds. This is the way world-renowned state universities, such as those at Ann Arbor, Minneapolis, Berkeley, and others have flourished and become great.

#### *These Matters Need Discussion*

There are many complexities in this story that can not be dealt with in the small space available here.

Fortunately recovery is probably already in progress from the recent panicky years of cynicism and lack of confidence. The civic health of the nation may now be on the way to a higher level than ever before. A month ago GRAPEVINE reported (March 1977, page 1430) that misguided initiatives intended to phase out all acceptance of federal support in the states of North Dakota and Utah were heavily defeated at the polls.

Anyone who understands the national economy can see that federal aid to the states and local subdivisions and institutions will increase, not be phased out. It is legitimate to raise serious question as to whether state universities will not lose heavily in morale and quality, and also probably in dollars, if state legislatures demand detailed dictation of the expenditure of every dollar of operating income from all sources. This runs counter to the law of charities and to the law of contracts, as well as to the nature of higher learning.