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GRAPEVINE

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A newsletter on state tax legislation; state appropriations for universities, colleges, and junior colleges; 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.

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"Where one is developing an organization for thought,  
the less formal the organization the better."  
-- Faculty Committee of the University of Edinburgh.

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Statement of ownership and circulation of GRAPEVINE is on  
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FORTY-ONE STATES REPORT TWO-YEAR GAINS OF 45%; EIGHT-YEAR GAINS OF 239½%

Table 20. Appropriations of state tax funds for annual operating expenses of higher education in forty-one states for fiscal year 1968-69, in thousands of dollars, showing dollar gains and percentage gains over most recent two years and over eight years since fiscal year 1960-61.

States	Fiscal years ending in odd numbers			1967-69		1961-69	
	1960-61	1966-67	1968-69	2-yr gain	%	8-yr gain	%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Thirty-seven states reported in Table 15, GRAPEVINE page 742 --	854,137	1,856,232	2,726,855	870,623	47	1,872,718	219½
Hawaii	5,825	23,868	30,987	7,119	30	25,162	432
New York	94,116	353,793	482,986	129,193	36½	388,870	413½
Rhode Island	5,271	15,387	21,545	6,158	40	16,274	309
So Carolina	13,141	27,464	39,645	12,181	44½	26,504	201½
41 states	972,490	2,276,744	3,302,018	1,025,274		2,329,528	
Weighted average percentages of gain					45		239½

Among the four states reported in Table 20, New York's appropriation of \$483 million dominates the scene. The spectacular eight-year gains of Hawaii, New York, and Rhode Island cause the weighted average for forty-one states to go up to 239½ per cent, a jump of twenty percentage points above the 219½ per cent where it stood for the thirty-seven states previously reported.

Among the nine states yet unreported, four are among the most populous and wealthy: California, Pennsylvania, Texas, and Michigan.

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HAWAII. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1968-69:

Table 21. State tax-fund appropriations for operating expenses of higher education in Hawaii, fiscal year 1968-69, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of Hawaii *	\$36,246
Research studies	60
WICHE **	83
Less: estimated student fees and other non-state-tax receipts	-5,402
<b>Total</b>	<b>30,987</b>

\* Includes community colleges and the educational TV network, but excludes the East-West Center, which is wholly supported from federal funds, estimated at \$5,800,000 for fiscal year 1968-69.

\*\* Western Interstate Commission for Higher Education.

The total for fiscal year 1968-69 seems to be a gain of 30 per cent over the comparable figure for fiscal year 1966-67, two years earlier. The 8-year gain since fiscal year 1960-61 appears to be 432 per cent.

NEW JERSEY. The press recently reported that the 1968 legislature and Governor Hughes had reached agreement to submit to the electorate in November 1968 proposals for state bond issues aggregating \$990 million.

Of this total, \$230 million would be for educational structures, mostly state college buildings; and \$7½ million for a public television broadcasting system.

Highway construction would get \$440 million, and commuter railroads \$200 million. State institutions (other than higher educational) would get \$100 million; and \$12½ million would provide state subsidies to reduce the interest rate on housing construction loans, with the hope of stimulating private investors to put \$75 million into housing construction, mostly in the cities.

The legislature has enacted some tax measures: (1) the rate of the state corporate income tax is raised to 4½ per cent; (2) the state gasoline tax goes up to 7 cents per gallon from the previous 6 cents; and (3) the cigarette tax goes to 14 cents per pack from the former 11 cents.

These measures are estimated to produce annually about \$117 million in additional revenues.

Now ready --

NINE YEARS OF GRAPEVINE: State Tax Support of Higher Education in the Fifty States, 1959-68

An offset reproduction of prior issues of GRAPEVINE from 1959 through March, 1968. Large format (14" x 17"), 121 pages, blue paper cover. Contains 728 pages of GRAPEVINE in convenient form, with Table of Contents and Index. An "only-one-of-its-kind" item; a comprehensive source of the history of state support of higher education in this decade.

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THE STUDENT ASSOCIATION FOR HIGHER EDUCATION OF INDIANA UNIVERSITY  
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NEW YORK. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1968-69:

Table 22. State tax-fund appropriations for operating expenses of higher education in New York, fiscal year 1968-69, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
<u>State U of New York -</u>	
<u>University Centers</u>	
Buffalo	\$49,491
Stony Brook	23,984
Albany	22,359
Binghamton	11,376
<u>Subtotal, U Ctrs - \$107,210</u>	
<u>Medical Centers</u>	
Downstate (N Y City)	21,877
Upstate (Syracuse)	19,523
<u>Subtotal, Med Ctrs - \$41,400</u>	
<u>Colleges of Arts and Science *</u>	
Buffalo	11,952
New Paltz	9,895
Oswego	9,743
Oneonta	8,245
Brockport	8,201
Cortland	7,612
Geneseo	7,072
Plattsburgh	6,865
Potsdam	6,633
Fredonia	6,319
Old Westbury	937
Purchase	665
Rome-Utica-Herkimer	100
<u>Subtotal, C of A&amp;S - \$84,239</u>	
<u>Statutory Colleges **</u>	
Agriculture (Cornell)	12,823
Home Economics (Cornell)	3,242
Ag Exp Sta (Cornell)	2,780
Veterinary (Cornell)	2,673
Indus-Labor R (Cornell)	2,443
Genl services (Cornell)	2,901
<u>Subtotal, Cornell - \$26,862</u>	
Ceramics (Alfred U)	1,792
<u>Subtotal, stat - \$28,654</u>	

(Continued in next column)

NEW YORK (Contd from preceding column)  
Table 22, continued --

<u>Specialized Colleges -</u>	
Forestry (Syracuse)	5,311
Maritime (N Y City)	2,772
<u>Subtotal, Spec - \$8,083</u>	
<u>Ag &amp; Tech Colls (2-year) -</u>	
Farmingdale	6,415
Alfred	4,791
Morrisville	3,080
Cobleskill	2,926
Delhi	2,625
Canton	2,556
<u>Subtotal, A &amp; T - \$22,393</u>	
<u>University-wide -</u>	
Administration	5,106
SUNY Scholarship Prog	2,000
Ctr for Internat Studies	1,261
Genl Univ-wide Progs ***	25,005
<u>Subtotal, U-wide - \$33,372</u>	
<u>Less amounts financed by fees@ -47,968</u>	
<u>SUNY NET TOTAL from Tax Funds 277,382</u>	
<u>Other -</u>	
City University of New York +	75,480
Scholar incentive program	35,500
Schol'shps and fellowships	34,303
Higher Edn Asstnce Corp	13,580
Community Colleges ++	34,400
Two-year Urban Ctrs	3,750
Equal Opp Program (N Y City)	5,000
Equal Opp Prog (Upstate)	1,973
Private Medical Colleges @@	618
Endowed Chairs	1,000
<u>Subtotal, Other - \$205,604</u>	
<u>Grand Total 482,986</u>	

\* Recently State University Colleges.

\*\* Formerly called "Contract Colleges."

\*\*\* Includes sums to be allocated to the campuses at later dates.

@ Adjustment of SUNY total operating budget by deducting funds derived from other than state tax sources.

+ Municipal university, state-aided.

++ The state provides one-third of the annual operating funds.

@@ For operating expenses only. An appropriation of \$9 million was made for capital outlays.

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NEW YORK (Continued from page 750)

The total for fiscal year 1968-69 is a gain of 36½ per cent over the comparable figure for fiscal year 1966-67, two years earlier. The 8-year gain since fiscal year 1960-61 is 413½ per cent.

The 1968 legislature enacted several tax measures, but not sufficient in the aggregate to produce the additional half billion dollars proposed by Governor Rockefeller. One press report says the governor's plan would have produced \$500 million of new revenue this year and \$700 million next year; but that the measures enacted will produce only \$340 million this year and \$440 million next year.

The final part of the "package" enacted during the last days of the session, included raises in the rates of the cigarette tax, the gasoline tax, and the state income tax, to produce about \$153 million of the additional revenue.

The 20 per cent surtax to be added to the existing income tax rates was not enacted. Instead, the new income tax measure consists chiefly of four new high-income brackets added at the top of the schedule. It was said that this would affect only about 5 per cent of the taxpayers, while the surtax would have affected all. Thus it is hailed in some quarters as a "soak-the-rich" plan, and a victory for "little people"; but its revenue-producing potential is rather limited. Democratic Speaker Travia of the Assembly, who espoused it, was dubbed Robin Hood.

All political leaders admit that another revamping of New York State's revenue system will be necessary next year; and the prognosis will be better in 1969 (not an election year) than it was in 1968.

NEW YORK (Continued from preceding column)

The action of the 1968 legislature regarding state tax support of private colleges, as recommended by the Governor's Select Committee on the Future of Independent Colleges and Universities (commonly called the Bundy Committee, because its chairman was McGeorge Bundy, president of the Ford Foundation) was somewhat ambivalent.

On the one hand, the legislature enacted a bill providing for subsidies of \$400 per year for each bachelor's degree or master's degree conferred, and \$2,400 for each doctoral degree conferred (based on statistics of the preceding year) for private colleges and universities, to begin with fiscal year 1969-70.

It is understood by all, however, that this measure can be applicable only to nonsectarian institutions, and not to denominational institutions, unless and until the state constitution is amended. And the amending process requires a minimum time approaching two years, because an amendment must be proposed by two successive regular sessions of the legislature, and thereafter be approved by the people at the polls.

A bill was introduced proposing to amend the constitution by deleting the section which specifically forbids the appropriation of state tax moneys to denominational institutions. This measure was passed in the Senate, but died in the Assembly. It would now seem impossible to accomplish such an amendment before 1971 at the earliest.

This apparently means that the 60 private nonsectarian institutions can begin to be subsidized in 1969 if the 1969 legislature appropriates the money to implement the act of 1968; but that any direct subsidy to the 83 denominational institutions is unlawful unless and until the constitution is amended.

RHODE ISLAND. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1968-69:

Table 23. State tax-fund appropriations for operating expenses of higher education in Rhode Island, fiscal year 1968-69, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of Rhode Island	\$13,382
Rhode Island College	4,905
Rhode Island Junior College	1,608
Bd of Trustees of St Colls	97
<u>Subtotal, U &amp; colls - \$19,992</u>	
State Scholarship System *	1,538
Scholarships, Bryant College **	15
<u>Total</u>	<u>21,545</u>

\* Scholarships for 5% of annual graduating classes in public and private high schools, to attend any accredited college in the United States.

\*\* A private nonprofit 4-year institution specializing in business training. The scholarships are for teacher-training in business subjects.

The 1968 legislature approved a proposed bond issue of \$10,750,000 for capital improvements at the institutions of higher education, to be placed on the ballot for popular adoption or rejection in November, 1968.

The total appropriation for operating expenses for fiscal year 1968-69 appears to be a gain of 40 per cent over the comparable figure for fiscal year 1966-67, two years earlier. The 8-year gain since fiscal year 1960-61 seems to be 309 per cent; -- well above the nationwide average among the fifty states, and in step with the general surge toward adequate tax support of public higher education in the New England and Middle Atlantic states.

SOUTH CAROLINA. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1968-69:

Table 24. State tax-fund appropriations for operating expenses of higher education in South Carolina, fiscal year 1968-69, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of South Carolina	\$12,203
Medical College of S C	10,184
Clemson University	8,275
Winthrop College	3,240
S C State College	2,979
The Citadel	2,764
<u>Total</u>	<u>39,645</u>

The total for fiscal year 1968-69 appears to be a gain of 44½ per cent over the comparable figure for fiscal year 1966-67, two years earlier. The 8-year gain since fiscal year 1960-61 is 201½ per cent.

The legislature approved a state bond issue of \$5½ million for new construction at South Carolina State College, the institution predominantly for Negroes.

This is part of a \$32½ million bond issue authorized for various state purposes, including state parks, state office buildings, and the state's tri-centennial exposition in 1970.

In March 1968 Negro students staged a demonstration at the Capitol and presented a petition to Governor Robert E. McNair. The bond issue for the college was recommended by the governor, and by a committee composed of Lieutenant Governor John C. West and three members of the state senate who visited the campus and inspected its facilities.