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TIMELY DATA CIRCULATED WHILE CURRENT

SINCE SIXTEENTH
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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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"If we are to preserve and enhance a society of free citizens, then we must provide the means to attain it through education...A continuing commitment to low-cost public education now can be an investment in self-supporting citizens which later will pay dividends for us all."
- - Stephen Horn, president of California State University at Long Beach.

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FLORIDA. New College a ten-year-old denominational college at Sarasota, is currently in transition, in process of being acquired by the University of South Florida whose main campus is at Tampa. The state will pay \$3 million for the New College campus, and pay New College some \$800,000 to enable it to operate during this current academic year. New College will immediately house some of the upper division work of the University, and is expected to become the site of the University's upper division and graduate

work after July 1, 1975.

In the fall of 1974 the University of South Florida established a "residence center" at Fort Myers to serve an area on the southwest coast that has not hitherto had ready access to an institution of higher education. This new center is currently reported to have some 600 students and three full-time faculty members, as well as thirty faculty members who commute from the University, and a few local part-time "adjunct professors."

GRAPEVINE rarely reports enrollment figures, because they are available in other widely-circulated sources. However, we reproduce here a preliminary report of October 3, 1974 from the State University System of Florida, showing a gain of approximately 11 per cent over the Fall of 1973 in the nine state universities there.

Anything to counteract the amazingly persistent dolorous jeremiads predicting declining enrollments!

STATE UNIVERSITY SYSTEM OF
FLORIDA
PRELIMINARY HEADCOUNT ENROLLMENT
October 3, 1974

INSTITUTION	ACTUAL FALL 1973*	PRELIMINARY FALL 1974	PERCENT INCREASE
University of Florida	25,346	28,263	11.5%
Florida State University	20,089	21,414	6.6%
Florida A & M University	5,144	5,262	2.3%
University of South Florida	19,405	20,563	6.0%
Florida Atlantic University	6,070	6,873*	13.2%
University of West Florida	4,305	4,925	14.4%
Florida Technological University	7,814	8,808*	12.7%
Florida International University	8,453	10,589	25.3%
University of North Florida	3,156	3,937*	24.7%
State University System Total	99,782	110,634	10.9%

*Excludes Faculty & Staff

Preliminary figures may include estimates of continuing education enrollments, students who registered but have not met all their fee obligations, faculty and staff members registered under fee waiver, and students who registered but have subsequently withdrawn from the university.

Source: MEMO, Florida Board of Regents, Vol. 7, No. 39, October 11, 1974.

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LOUISIANA. For many years this state had the Board of Supervisors of Louisiana State University and Agricultural College (provided for in the state constitution) to govern Louisiana State University and its branches. Some ten other state institutions of higher education were governed by a state board of education which was also responsible for the state's hand in the elementary and secondary school system.

In recent years there was much controversy over the issue of whether all higher education should be governed by one consolidated board. In 1972 the legislature enacted a statute creating a board of regents for the purpose. This was declared unconstitutional by the state supreme court April 30, 1974, holding that the constitutional Board of Supervisors of Louisiana State U & A&M could not be abolished by the legislature.

New State Constitution January 1, 1975

Meantime a new state constitution was adopted by the electorate April 20, 1974, to go into effect January 1, 1975. It creates a new Board of Regents with jurisdiction over all higher education, but as a coordinating board. The Board of Supervisors will continue to manage the Louisiana State University system. There will be a wholly new Board of Supervisors for the Southern University system (the predominantly black university with main campus at Baton Rouge and branch campuses in New Orleans and Shreveport).

There will also be a wholly new Board of Trustees for State Colleges and Universities, to govern the several other existing state universities and such other state institutions of higher education as may be created in the future.

Thus the picture will be that of three governing boards governing three distinct systems, with the new Board of Regents as a coordinating body. This arrangement was actually chosen by popular vote. On the ballot, the electors were given a choice as between one single consolidated statewide governing board

and the arrangement just described. They chose the latter, by a plurality of approximately 100,000 votes. It would seem that the strong faction in Louisiana which has for years been pushing for the abolition of the Board of Supervisors and the creation of an all-powerful single statewide governing board has been finally defeated.

New Board of Regents Will Be Coordinating Body, Not Governing Board

The new constitution also creates a new State Board of Elementary and Secondary Education to supervise the lower school system and vocational-technical education and special schools. This means that the state will have four governing boards instead of the former two. In addition there will be the new Board of Regents as a coordinating body (not a governing board). There is presently a functioning Coordinating Council for Higher Education which will be superseded by the Board of Regents.

The members of all the newly-created boards are to be appointed by the governor with the consent of the senate. The Board of Regents will have fifteen members, at least one but not more than two from each of the eight Congressional districts.

The three governing boards for separate sectors of the statewide higher educational system will each have two members from each Congressional district, plus one member from the state at large, making seventeen in all. The Constitution authorizes the legislature to add one student as a nonvoting member of each board.

The provisions for the transition are complex. Members of the existing boards will be permitted to serve out their present terms on the successor boards, and members of the present Board of Education are allowed to choose individually whether they will continue on the new State Board for Elementary and Secondary Education or on the new Board of Trustees for State Colleges and Universities.

No detailed implementing legislation has yet been enacted by the legislature, but this will probably be begun in an extraordinary session which began at the end of October 1974, and perhaps in the subsequent special session in January 1975.

NEBRASKA. After many years of too much dependence on property taxes, not only for local purposes but also for designated state purposes, Nebraska adopted a constitutional amendment entirely prohibiting the use of property taxes for state purposes.

This took place after the state's first income tax act, enacted in 1965 to go into effect in 1967, was prevented from becoming effective by a popular referendum. Hence the legislature of 1967 was faced with the choice of either enacting some of the features of a modern state revenue system or leaving the state without any major source of revenue. It responded by enacting both an income tax and a general sales tax, both of which have been continued.

Court Decision Prevents Legislature from Requiring County Levies for Local Support of Reorganized State System of "Technical Community College Areas"

Academic two-year junior colleges had been established at McCook (1926), Scottsbluff (1926), Norfolk (1928), Fairbury (1941), North Platte (1965), and Columbus (1969). In 1941 an exclusively vocational or occupational two-year college was set up at Milford, and later another at Sidney. These were state-financed and state-operated, whereas the six academic junior colleges just named were based on local taxing districts, usually a county, and were locally controlled and supported.

An act of 1966 authorized the establishing of area vocational schools over multi-county areas. They were area-controlled and financed by an area property tax levy. They were set up successively at Hastings, North Platte, Norfolk, Omaha, and Lincoln. An act of 1969 officially named them "technical colleges".

An act of 1971 swept all the thirteen two-year institutions (of three types as described above) under the umbrella of a "new statewide independent system of technical community colleges" named the Nebraska Comprehensive Technical Community College System, locally governed in each of eight demarcated areas by area boards. An act of 1973 reduced the number of areas

to seven and drew the boundaries so as to include all counties or parts of counties in the state in one or another of the areas.

Each of the seven areas has an area board of eleven members, at first appointed by the governor but hereafter to be elected by the voters within the area. Over all is a State Technical Community College Board composed of one member chosen by each of the seven area boards, plus one member of the State Board of Vocational Education. The area boards are charged with the operation of the two-year institutions within their areas, but virtually every decision of any importance is "subject to the approval of" or "in conformity with the regulations of" the State Board of Technical Community Colleges.

The legislature assumes responsibility for the major part of financial support, but each area board was authorized and required (on pain of loss of state funds) to levy a property tax of one mill on the dollar of all taxable property within the area. The state supreme court, confronted with the question of whether this one-mill property tax is actually "for a state purpose" and therefore in contravention of the constitutional prohibition of any property tax for state purposes (Nebraska Constitution, Article VIII, section 1A), decided on June 27, 1974, that the tax is unconstitutional.

Mandatory Local Property Tax for Two-Year Colleges in Nebraska Is Unconstitutional

The practical effect apparently is that Nebraska joins the growing number of states wherein community colleges get their tax support wholly from state-collected revenues (other than income from federal sources).

--State ex rel. Western Nebraska Technical Community College Area v. Tallon, (Nebr.), 219 N. W. 2d 454 (June 27, 1974).

Justice McCown, writing the opinion of the unanimous court, relied in part upon Schleiger's The Evolution of the Nebraska Comprehensive Technical Community College System in sketching the legislative history.

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WISCONSIN. The Board of Regents of the statewide University of Wisconsin System unanimously approved in October 1974 the recommendation of President John C. Weaver that resident undergraduate tuition fees be reduced by half, beginning in the fall of 1976.

The recommendation was made after experimental trials on two campuses demonstrated that reductions in fees were followed by large increases in enrollment.

This development is reminiscent of a prophetic resolution adopted by the old Board of Regents of the University of Wisconsin in March 1961, and quoted on page 413 of Higher Education in the Fifty States:*

"Fees for students must not be expected to cover a greater percentage of the cost of education than they currently do. In fact, efforts should be made to return to the traditional concept of free public higher education, as the percentage of our young people attending college continues to increase, and as college-going becomes a part of the expected educational program for a majority of the state's youth."

In the same year the Wisconsin Coordinating Committee for Higher Educa-

tion adopted a similar resolution, concluding:

"The lowering of financial barriers to higher education certainly should enable our society more effectively to encourage the garnering and use of the full talents of its citizenry."

ILLINOIS. In 1973 a recommendation by the State Board of Higher Education that tuition fees in the state universities be raised by 6 per cent was opposed by Governor Dan Walker and rejected by the legislature, which appropriated some additional funds in lieu of the increased fees.

In 1974, in response to recurrent rumors of renewed pressure for raising tuition fees, Governor Walker twice announced publicly on October 17 and 21 that he would oppose any increase in fees at the public universities.

This, together with other prevailing conditions, makes it seem highly probable that the long-continued trend toward higher fees in the state universities of Illinois is permanently halted. None of the university governing boards is desirous of "pricing out" students and prospective students.

*Higher Education in the Fifty States. Danville, Illinois 61832: Interstate Printers and Publishers, Inc., 1970. Pp. 452.

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STATE REVENUE MEASURES IN 1974

One of the many services of the Tax Foundation, Inc., of 50 Rockefeller Plaza, New York, N. Y. 10020, is publication of the monthly Tax Review. Annually it carries a nationwide summary of state tax actions.*

For 1974 it is reported that 27 states have made tax changes. As in the immediately preceding year, no great change was made in the over-all total of state collections. This is due in part to the fact that many of the states during the two years found themselves with substantial surpluses of revenue at the end of the fiscal period, and this tended to dull any sense of urgency regarding the raising of additional money.

Actually the report shows at this point that the nationwide total may be about \$350 million less than in the preceding year. If however, New Jersey enacts a pending measure to increase state taxes by \$565 million, primarily to replace local school financing, then the total may exceed last year's by more than \$200 million.

Arizona increased the sales tax rate to 4 per cent from the previous 3 per cent; Tennessee went from the prior 3 per cent to 3½ per cent; and it was reported likely that Maryland may go from 4 to 5 per cent.

The summary cited below* provides many additional details.

* "State Tax Action in 1974," in Tax Review, Vol. XXXV, No. 10, October 1974.

WHICH IS BETTER: NO DATA, OR DATA
SUSCEPTIBLE OF MISINTERPRETATION?

The question is readily answered: all data are to some extent subject to misinterpretation and manipulation.

Another maxim: the policies and practices of each state are different in several respects from those of any other. This means that condensed reports such as those of GRAPEVINE do not provide anything more than a crude approach to comparability among states and among institutions. Literal and exact comparability is impossible.

GRAPEVINE repeatedly warns against naïve acceptance of oversimplified comparisons and contrasts derived from highly condensed data. Are such data then worthless? We think not. That would be obscurantism, which has no place in our time. The data have limited uses, but can only be properly used with full and constant comprehension of their limitations. What is necessary is abstention from building any elaborate statistical house-of-cards that will not stand up.

Each State Is Unique

An example of what triggers the foregoing recurrent statements is the sequel to a tabulation on page 8 of The Chronicle of Higher Education for March 19, 1973, based partly on GRAPEVINE data and partly on data from the U. S. Department of Commerce.

This was a ranking of the 50 states based on (1) per capita dollars of state tax support for annual operating expenses of higher education, and (2) the percentage of per capita income used in state tax support of higher education.

These rankings placed Pennsylvania in 42nd and 45th place, respectively.

This may be explained, but only in part, by noting the unique character of the statewide system of higher education in that Commonwealth. (It is also necessary to note that Pennsylvania is one among several populous and industrialized states that rank low in per capita tax support.)

Forty-two per cent of all students in Pennsylvania are in private colleges and universities, whereas for the nation as a whole the percentage is only 24; in some states it is less than ten. Pennsylvania is among the five states (all in the Northeast) having the highest percentages of students in private institutions. Although nearly half of Pennsylvania's annual state appropriations for higher education goes to private institutions, directly or indirectly, it is not to be expected, at least at this stage, that state tax funds in this kind of a statewide picture would aggregate proportionally as much as they would in states having only small percentages of students in private colleges.

This is merely one illustration of the fact that each of the 50 states is unique in many important ways, resulting from its history, traditions, and social and economic setting. Cold statistical comparisons among them must therefore not be taken too literally or relied upon alone to represent the whole picture. This is also equally true of individual universities and colleges.

This comes full circle, back to our opening paragraphs: GRAPEVINE is not an encyclopedia of social science, but only a slim offering of cold statistics and little else; but "it is better to light one small candle than to curse the darkness." Let us have much broader and more numerous efforts to illuminate the financing of higher education and its bearings upon the future welfare of the states, of the nation, and of civilization.