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

IN THIS ISSUE

Arkansas funds nondiscriminatory salaries for Pine Bluff campus of U of Arkansas.

Connecticut will consider reorganization.

Florida state universities and community colleges ask for larger appropriations for fiscal 1978.

Illinois restores universities' small salary increases formerly vetoed by governor.

Louisiana doubts future importance of doctoral studies.

Minnesota gets recommendation to continue Southwest Minnesota State University at Marshall.

Tennessee governor advocates graduated income tax.

Virginia enacts taxes to produce $25 million new income; will raise qualifications of school teachers.

West Virginia enacts supplemental appropriations.

LOCAL PUBLIC COMMUNITY COLLEGES GET $1 1/2 BILLION IN STATE TAX SUPPORT FOR FISCAL 1977.

In the fall of 1976, women constituted more than half (51.4 per cent) of the total statewide enrollment of all universities, colleges, and community colleges in Maryland, for the first time in history.

--As reported by the Maryland State Board for Higher Education

Statement of ownership and circulation of GRAPEVINE is on page 1424 (reverse hereof).
ARKANSAS. A progressive step by the legislature was an appropriation of $108,000 to abolish all salary differentials between the predominately black Pine Bluff campus of the U of Arkansas and other units of the U of Arkansas system. The unit at Pine Bluff is the former all-black Arkansas A M & N College, where salaries were lower in accord with long-standing customs of racial discrimination.

* * * * *

CONNECTICUT. To be considered by the present session of the legislature are the recommendations of the Committee on the Structure of State Government, appointed a year ago by Governor Ella T. Grasso. It is headed by John H. Filer, chairman of the Aetna Life and Casualty Company.

Among the usual proposals that "256 agencies be reduced and reshaped into seventeen departments reporting directly to the governor," is the to-be-expected plea that in the area of higher education, "instead of fourteen boards, offices, and commissions" there be one Commissioner reporting to one board of trustees appointed by the governor and confirmed by the legislature.

Centralization, Centralization

The scheme in its simplistic form has been advocated in various states for some eighty years. In somewhat limited degrees it was adopted by the small New England states of Maine and New Hampshire a dozen years ago. More recently it was put into effect in somewhat more inclusive form, but still not including all postsecondary education, in Wisconsin and North Carolina.

Now GRAPEVINE does not argue that some shakedown of the statewide administrative structure may not occasionally be desirable; but we continue skeptical

(Continued in the next column)

CONNECTICUT (Continued from previous col) of the idea that every state should have a totally centralized Department of Higher Education responsible directly to its governor.

Governors come and go. A few have terms of only two years, many of only four years. Some may be re-elected for one or more terms, but very few ever achieve the marathon tenure of Nelson A. Rockefeller's recent 15 years as Governor of New York.

On the other hand, state universities are permanent institutions, measuring their existence and progress in centuries rather than in years. The whole enterprise of statewide higher education progresses in accord with the needs and demands of the people—their numbers, their places of habitation, and their life-styles. Changes occur constantly, but gradually. The shock and disruption of wholesale major breaks in governance and operation are to be avoided. They should not result from passing partisan changes or evanescent popular fads.

President Glenn W. Ferguson of the University of Connecticut has been quoted as saying, "If there isn't the willingness to look at the broader questions such as how we deal with students who can't go to college or the need for additional dollars rather than just reallocating what we have, I'm not sure reorganization is the issue."

He deprecates with good reason the current wave of parsimoniousness, pointing out that an apparent tendency to let it fall heaviest on the principal state university means "a loss of quality at the upper end of the spectrum" and in fact moves toward decapitation of the statewide system, with loss of intellectual momentum that will be costly to regain in the future. The real issue is whether a restoration of economic confidence will occur in 1977.

---

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
FLORIDA. Budget requests submitted to the governor December 10, 1976 for fiscal 1977-78 call for $322 million (all budgets) for the Universities, and $187 million for the community colleges. These figures are said to represent increases over the present fiscal year of about 18 and 16 per cent respectively.

The executive assistant to the chancellor at the Board of Regents office is reported as believing the 1977 legislative session "will be more productive than last year's" for the universities. Florida is due to come out of the cellar. Total state tax support for all higher education operating expenses for fiscal year 1976-77 is only 6 per cent above what it was two years earlier--below a standstill, considering inflation. The nationwide average was 24 per cent.

At the election of November 2, 1976 the electorate overwhelmingly defeated a proposed constitutional amendment that would have restricted the number of state employees to not more than one per cent of the total population.

ILLINOIS. All employees of the ten state universities (13 campuses) were mollified by an event of December 16, 1976, when the legislature overrode an "amendatory item veto" by the current governor, despite the fact that his elected successor was on hand to argue that the veto should stand.

The legislature had enacted appropriations providing sums equivalent to a pay increase of 4½ per cent for all faculty and staff members; but the governor vetoed two-fifths of this (2 per cent). In the later "override session" the legislature killed the veto by three-fifths vote in each house.

Exact distribution of the increases was left to the respective governing boards; but presumably all, or nearly all employees benefited from an across-the-board increase of 2 per cent, retroactive to December 1. The matter is properly within the sphere of discretion of university governing boards.

(Continued in the next column)

ILLINOIS (Continued from previous col)

This may be a straw-in-the-wind indicating that Illinois, too, is coming out of the cellar. (Statewide appropriations for all higher education operating funds for fiscal year 1976-77 were only 9 per cent more than they were two years earlier.)

LOUISIANA. Word has been widely circulated in newspapers and newsletters that the Louisiana Board of Regents (a recently created coordinating board for the three major systems of higher education: multi-campus Louisiana State University; the multi-campus Southern University; and the other state colleges and universities formerly governed by the state board of education, but now by a new board of trustees) has ordered the termination of 18 doctoral programs in seven universities of the statewide system.

Admittedly uninformed as to exact details, GRAPEVINE is much inclined to believe this could be a major disaster, setting back progress for half a century. Less than a century ago all doctoral programs in the United States were new and small. What doctoral education has done for economic and cultural growth has never been adequately appraised. Development of a doctoral department is a matter of decades; and its doctoral graduates will be making their contributions to society over the half-century following. To wreck or retard such an enterprise is a serious step.

Who can estimate the number of doctoral graduates that can be employed next year, or in the next decade, or after twenty years has passed? Indeed, nobody knows how many are immediately needed if we are to solve the problems that vex the states and the nation and the world, and the private sector of business and industry.
MINNESOTA. The nineteen southwestern counties of this state, comparatively sparsely populated and declining in population in recent years, are the subject of a survey and report by the Minnesota Higher Education Coordinating Board, released at the end of 1976, and summarized in the board's newsletter, MHCEB Report for November 1976.

Main focus was on Southwest Minnesota State University at the town of Marshall, first opened in 1967 and provided with a physical plant deemed adequate for 5,200 students. Enrollment exceeded 3,000 by 1970, but receded to 1,600 in 1975.

The only other four-year state institution of higher education in the area is the southwest branch campus of the University of Minnesota at Morris, approximately 75 miles north of Marshall. It had about 1,600 students in 1975.

Fortunately the Coordinating Board resisted pressure for consolidation or abolition of any institutions, recognizing that restriction of access would result. It recommended, however, that the mission of Southwest State University should not be that of a comprehensive institution, but that of a "regional university with academic baccalaureate and vocational-technical degree programs designed to meet regional needs."

In that capacity, the board said, Southwest is making and will make important contributions to the region and the state. Accordingly, the legislature will be urged to appropriate suitable operating support.

Let us add the expectation that, with the institution continued in place and gaining history and repute year by year, it may within five, ten, or twenty years, experience considerable growth and diversification.

Statewide Enrollment Grows

The current problem of Southwest Minnesota State University is one of the comparatively rare instances where a single public college or university has had drastic decline in enrollment in recent years.

MINNESOTA (Continued from previous col)

Such instances should not be seized upon, sensationally headlined, and used as a basis of unrestrained lamentations and predictions that higher education is ebbing down the drain. Such behavior can do great harm.

Witness the fact that statewide higher education in Minnesota, including the University of Minnesota, the state universities, the community colleges and vocational-technical institutes, and the private nonprofit colleges, showed gains in enrollment for every segment for Fall 1976 over Fall 1975. The over-all gain for all segments was 4.2 per cent, from a statewide headcount of 180,046 to 187,514.

TENNESSEE. The ten community colleges, suffering under a state-imposed salary schedule that was in some instances lower than those of neighboring K-12 school districts, were, by a 1976 act, exempted from restrictions on pay raises (but not from the requirement that total expenditures be kept within appropriated funds).

Appropriations for fiscal 1977 apparently allowed leeway for average salary increase of 9 per cent (as compared with 2½ per cent for the preceding year) for faculty members of the state colleges and universities.

Student Exchange with Kentucky

The 1976 legislature authorized limited exchanges of students between the University of Tennessee campus at Martin and Murray State University at Murray, Kentucky, without regard to out-of-state fees. The two institutions are within 40 miles of each other and both are near the common state border.

Many similar situations exist in several states. (Witness the three-state arrangement among Minnesota, Wisconsin, and North Dakota.)

(Continued on page 1427)
Tennessee Sales Tax Goes Up

The state expects to gain $140 million added revenue from the 1976 act raising the state sales tax to 4½ per cent from the previous 3½ per cent. Governor Blanton is said to hope to supplant the one per cent raise with a graduated state income tax in 1977 or soon thereafter. Tennessee is now among only nine states having no income tax. That dubious fraternity lost a prominent member in 1976 when New Jersey adopted an income tax.

VIRGINIA. Although Governor Godwin proposed tax changes to bring in $97 million in additional revenue for the ensuing biennium, the 1976 legislature enacted measures to produce only one-fourth of that ($25 million) from alcoholic beverages and corporate dividends. Three-fourths of the added revenue will go to air-condition several state mental hospitals.

A proposed 4 per cent severance tax on coal would have produced $50 million, but was beaten, at least temporarily, by legislators from the coal-mining counties.

Qualifications for School-teachers To Go Up

A new law stipulates that all prospective teachers graduating from Virginia colleges have a fifth-year internship in the classroom before taking a regular job as a teacher. Effective date is fall 1981.

The four-year delay serves the purpose of avoiding any disturbance of students now enrolled in the colleges, and also of enabling unsettled details of the plan to be specified—such as: How much will the interns get? Who will pay them? Despite these present uncertainties, the act may start a trend toward better education for teachers at all levels.

(Continued in the next column)

Policy of 70 per cent State Support

Fascinated by the idea that eight of the fifteen state colleges and universities were currently getting more than 30 per cent of their annual operating income from student fees, while the other seven were getting less than that proportion, the legislature enacted that the state would provide 70 per cent from tax funds in all cases, and ordered the eight to begin to reduce their fees, and the seven to begin to raise theirs toward 30 per cent. Over $1 million was appropriated to replace the income to be lost from reduction of fees.

WEST VIRGINIA. Two relatively small supplemental appropriations were made by the second special session of the legislature in July, 1976.

Added to the Board of Regents state scholarship account was $353,000, bringing the total in that fund for fiscal 1977 up to $2 million appropriated by the state, plus $300,000 from federal sources.

The sum of $600,000 was appropriated for the purchase of a body scanner for the school of medicine of West Virginia University.

The governor requested several other supplemental appropriations on behalf of the Board of Regents, aggregating some $21 million (including $14 million for athletic facilities), which was ignored by the legislature.

The $353,000 actually appropriated supplementally increase the statewide total for operating expenses of higher education in fiscal 1977 by less than one per cent, and necessitate no change in GRAPEVINE's earlier report that the two-year gain for statewide higher education is approximately 29 per cent.
Table 59. APPROPRIATIONS OF STATE TAX FUNDS IN AID OF LOCAL PUBLIC COMMUNITY-JUNIOR COLLEGES FOR OPERATING EXPENSES, FISCAL 1977 AND TWO PRIOR FISCAL YEARS, IN THOUSANDS OF DOLLARS.

<table>
<thead>
<tr>
<th>States</th>
<th>Year 1974-75</th>
<th>Year 1975-76</th>
<th>Year 1976-77</th>
<th>2-year gain per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
</tr>
<tr>
<td>California</td>
<td>323,839</td>
<td>401,003</td>
<td>491,589</td>
<td>52</td>
</tr>
<tr>
<td>Florida</td>
<td>146,687</td>
<td>152,834</td>
<td>162,550</td>
<td>11</td>
</tr>
<tr>
<td>New York</td>
<td>123,150</td>
<td>141,254</td>
<td>156,808</td>
<td>27</td>
</tr>
<tr>
<td>Illinois</td>
<td>92,987</td>
<td>100,771</td>
<td>113,881</td>
<td>22</td>
</tr>
<tr>
<td>North Carolina</td>
<td>96,468</td>
<td>98,272</td>
<td>107,838</td>
<td>12</td>
</tr>
<tr>
<td>Michigan</td>
<td>74,226</td>
<td>90,400</td>
<td>101,575</td>
<td>37</td>
</tr>
<tr>
<td>Texas</td>
<td>57,271</td>
<td>82,067</td>
<td>97,561</td>
<td>70</td>
</tr>
<tr>
<td>Maryland</td>
<td>29,418</td>
<td>31,245</td>
<td>41,848</td>
<td>42</td>
</tr>
<tr>
<td>Oregon</td>
<td>26,083</td>
<td>33,205</td>
<td>36,000</td>
<td>38</td>
</tr>
<tr>
<td>New Jersey</td>
<td>35,895</td>
<td>31,575</td>
<td>33,877</td>
<td>-6</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>25,381</td>
<td>29,625</td>
<td>32,532</td>
<td>28</td>
</tr>
<tr>
<td>Ohio</td>
<td>19,913</td>
<td>25,090</td>
<td>31,821</td>
<td>60</td>
</tr>
<tr>
<td>Arizona</td>
<td>21,943</td>
<td>26,977</td>
<td>30,797</td>
<td>40</td>
</tr>
<tr>
<td>Iowa</td>
<td>17,357</td>
<td>25,800</td>
<td>29,800</td>
<td>72</td>
</tr>
<tr>
<td>Missouri</td>
<td>15,085</td>
<td>18,566</td>
<td>26,045</td>
<td>73</td>
</tr>
<tr>
<td>Mississippi</td>
<td>14,277</td>
<td>17,560</td>
<td>17,706</td>
<td>24</td>
</tr>
<tr>
<td>Kansas</td>
<td>8,278</td>
<td>9,413</td>
<td>11,276</td>
<td>36</td>
</tr>
<tr>
<td>Arkansas</td>
<td>4,750</td>
<td>7,191</td>
<td>8,364</td>
<td>76</td>
</tr>
<tr>
<td>Wyoming</td>
<td>4,693</td>
<td>8,176</td>
<td>8,176</td>
<td>74</td>
</tr>
<tr>
<td>Colorado</td>
<td>3,333</td>
<td>3,839</td>
<td>5,242</td>
<td>57</td>
</tr>
<tr>
<td>Georgia</td>
<td>2,839</td>
<td>3,170</td>
<td>5,040</td>
<td>78</td>
</tr>
<tr>
<td>Indiana</td>
<td>1,846</td>
<td>2,874</td>
<td>4,164</td>
<td>126</td>
</tr>
<tr>
<td>Idaho</td>
<td>2,020</td>
<td>2,479</td>
<td>2,788</td>
<td>38</td>
</tr>
<tr>
<td>North Dakota</td>
<td>1,133</td>
<td>1,384</td>
<td>2,768</td>
<td>144</td>
</tr>
<tr>
<td>Montana</td>
<td>1,072</td>
<td>2,075</td>
<td>1,375</td>
<td>28</td>
</tr>
<tr>
<td>New Mexico</td>
<td>260</td>
<td>273</td>
<td>310</td>
<td>19</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>100*</td>
<td>178</td>
<td>212</td>
<td>112</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>1,150,304</strong></td>
<td><strong>1,347,296</strong></td>
<td><strong>1,561,943</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Weighted average percentage of gain**

- Estimated.

This tabulation relates exclusively to the type of community colleges jointly supported by the states and their own local districts. Only state tax support is entered here. GRAPEVINE never reports local tax support.

The weighted average percentage of gain over two years (Column 6) at 36 per cent is substantially higher than the comparable figure of 24 per cent reported for all higher education over the same two year period, indicating that expansion is currently strongest at the community college level.

A future issue of GRAPEVINE will carry a similar tabulation of 17 states having state junior colleges receiving operating support wholly from state funds. A few states have both types.