A newsletter on state tax legislation; state appropriations for universities, colleges, and junior colleges; state support of public school systems; legislation affecting education at any level. There is no charge for GRAPEVINE, but recipients are asked to send occasional timely newsmotes regarding pertinent events in their respective states.

IN THIS ISSUE

Tennessee has appropriated state tax funds for operating expenses of higher education for the biennium 1961-63 in amounts representing an increase of about 22% over the current biennium.

West Virginia has enacted a new personal income tax act, retroactive to January 1, 1961. Individuals will pay to the state 6% of the amount of federal income tax paid by them.

This issue of GRAPEVINE reviews reports of recent statewide surveys of higher education in Nebraska and South Dakota; and reports of the State College Board and the Liaison Committees on Higher Education in Minnesota.

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From the Report of the Liaison Committee for Higher Education in Minnesota:

"The Liaison Committee affirms its belief in the principle of state support of higher education as a major investment in its own economy. The state should provide, at the lowest possible cost to the student, higher educational opportunity for all capable youth in Minnesota, regardless of the student's economic status."

Statement of ownership and circulation of GRAPEVINE appears on page 178 (reverse hereof).
CALIFORNIA. The State Department of Education published in January 1961 its Recommendations on Public School Support, a 378-page printed report to the legislature as required by a 1959 statute. Here we have space only to comment upon Chapters V and XII, dealing with support for junior colleges.

In simple terms, an increase of $86 per student per year in state aid for operating expenses is recommended for all districts having less than $150,000 of assessed valuation per student. From that point, in districts having higher valuations, the $86 would be decreased by $10 for each $20,000 of added valuation, reaching zero in districts having more than $350,000 per student. This would be in addition to the present basic state aid of $125 per student, which is within the framework of the present "foundation program" of $494 per student. The recommendation is that the "foundation program" be boosted to $580. This is roughly 95% of the estimated actual average level of current expenses for fiscal 1961-62.

The "Master Plan Act" of 1960 made the junior colleges and all their functions definitely a part of the tripartite system of higher education, but did not embody some recommendations of the Master Plan, such as (1) by 1964 the University of California and the state colleges should discontinue all admissions of students not meeting their regular standards (thus ceasing a substantial amount of service now classified as suitable only for junior colleges), (2) between now and 1970 twenty-two areas in the state will need either a new junior college (or to be annexed to existing junior college districts), and (3) no new campuses of the University or new state colleges should be established in any areas not already adequately served by junior colleges.

The present report points out that it was the intent of the Master Plan Survey Team and of the Liaison Committee that about 50,000 students who would under present expectations, enter the University and the state colleges, should by 1975 be diverted to the junior colleges each year, by such methods as the governing boards of the University and the state colleges would determine at their own discretion. To make this intent practicable, the Liaison Committee recommended that "the proportion of total current support paid to the junior colleges from the State School Fund (augmented) be increased from the approximately 30% now in effect to approximately 45% to be achieved not later than 1975."

The proposals for state aid to junior colleges as sketched in the second paragraph of this note would raise, it is estimated, the state support to about 33% of total current support, thus constituting a first step toward the 1975 goal set by the Master Plan and the Liaison Committee.

CONNECTICUT. For the next biennium Governor Dempsey proposes a state budget of $580 million. This will require additional revenues of $150 million. The governor recommends increases in the cigarette tax, insurance and business taxes, inheritance and sales taxes.

In 1959 under the administration of Governor Abraham Ribicoff, the sum of $30 million was "diverted" from state motor vehicle fee income into the general fund.
CONNECTICUT. (Continued from page 178) Previously this had been earmarked for the special fund for highway construction. A faction in the legislature now demands that the "diversion" be discontinued. Governor Dempsey opposes this and adds that it would necessitate a further increase of $30 million in state taxes.

ILLINOIS. As a memento of the successful effort to obtain the necessary approval by popular vote of the projected bond issue of $105 million for capital improvements at the state universities in Illinois, a handsome cloth-bound volume entitled Universities Bond Issue has been prepared, containing copies of campaign materials used by the Universities Bond Issue Committee. Chairman of this committee was Harold E. Gibson of Illinois State Normal University, Normal, Illinois. I am not informed as to how many copies are available, but I am confident that at least a few copies would be given or loaned on request to persons in other states who may be interested in planning a similar effort. The book contains a large number of pamphlets, speeches, mailing-pieces, news stories, editorials, and other publicity materials which were used to disseminate the story of the capital outlay needs of the universities among the people of Illinois.

MINNESOTA. Two useful documents touching higher education in Minnesota became available around the first of the year. The Biennial Report of the Minnesota State College Board to the Governor is a 55-page lithographed paper packed with data regarding the 5 state colleges, issued from the office of the board, 457 Centennial Office Building, St. Paul. Roy C. Prentis is Executive Director of the 9-member board. Among other things, the report shows that the state colleges have had an increase in enrollment of 125% within the past 6 years.

The Report of the Liaison Committee on Higher Education in Minnesota, 1959-60, is the first report of the voluntary coordinating agency set up by the Regents of the University of Minnesota, the State College Board, and the State Board of Education, at the suggestion of the 1959 legislature. This report is a 50-page mimeographed document sketching the activities of the Liaison Committee; summarizing its interviews with representatives of the University of Minnesota, the state colleges, junior colleges, and private colleges; sketching the instructional programs of all institutions; and presenting statistical data on college attendance. Twenty recommendations are added.

One of these is that the Committee should develop a broad general statewide plan for higher education on a basis of voluntary agreement. This would include provision for continuing research on higher education in the state, and to that end the Committee asks the legislature to provide it with $69,000 for the on-coming Viennian, through the three boards which it represents.

An impression of the tenor of the Committee's outlook can be gained from its recommendation number 14, which is here quoted in full:

"The Liaison Committee affirms its belief in the principle of state support of higher education as a major investment in its own economy. The state should provide, at the lowest possible cost to the student, higher educational opportunity for all capable youth in Minnesota, regardless of the student's economic status."

NEBRASKA. Released early in February was The Nebraska Study of Higher Education conducted by Lyman A. Glenny of Sacramento State College for the Committee on Higher Education of the Nebraska Legislative Council, as authorized by the legislature of 1959. This is a 103-page printed document issued by the Legislative Council, P.O. Box 4814, State Capitol, Lincoln, Nebraska.

Specific recommendations, exceeding 100 in number, fill 10 large-format pages. Only a few can be mentioned here. The expected gain in student enrollment by 1970 is about 80%--somewhat less than for many other states which are gaining population faster than Nebraska. The state has a net

(Continued on p. 180)
NEBRASKA. (Continued from page 179)

In-migration of about 400 undergraduates, almost balanced by net out-migration of
graduate and professional students. Sixty-eight per cent of Nebraska's students
are in public institutions, and 32% in private.

The public institutions include the
state university, four state teachers
colleges, a municipal university, and
four local public two-year colleges. Generally speaking, attrition is high and
enrollments are heavily weighted in the
lower division and relatively scanty in
upper division and graduate study. One
of the recommendations is that the Uni-
versity of Nebraska, without reducing the
scope and variety of its offerings and
without drastically changing its lower
division enrollment, should move gradual-
ly toward becoming more of an upper di-
vision and graduate institution, with
greater emphasis on graduate, research,
and service functions.

The teachers colleges, thinks Glenny,
should continue primarily for tea-
cher-education, but also offer occupa-
tional programs such as business, indus-
trial arts, and home economics; and
should also place more emphasis on their
regional responsibilities for providing
liberal arts and pre-professional cur-
rriculums. The University of Omaha (the
municipal institution) should continue
with its undergraduate and adult educa-
tion emphases, and be encouraged to ex-
and master's programs, especially in
terminal fields, such as business admin-
istration, public administration, social
work, and applied arts. The junior col-
leges should go right on with their
college-parallel courses, but make much
greater efforts toward providing tech-
nical-terminal and adult education pro-
grams, and also more comprehensive
guidance and counseling services.

A substantial majority of Glenny's
recommendations were adopted by the
Legislative Council; and in some in-
stances the Council softened his words
only slightly, indicating substantial
agreement. For example, his recommenda-
tion that the state of Nebraska adopt
no state scholarship system until the
general level of support for the public
institutions has been raised, was
approved with the substitution of the
words "for the time being." This places
Nebraska alongside Washington State
(GRAFEPINE, page 168) in recommending
against a state scholarship plan of any
kind.

Speaking of the statewide picture of
the control of the state institutions,
Glenny says with refreshing simplicity
and candor that "No central board for co-
ordination is necessary." But here he
apparently overlooks or rejects an oppor-
tunity to suggest that the presidents of
the several institutions might well emu-
late Indiana's excellent plan of voluntary
coordination whereby the state fiscal
officer, the legislature, and the public
are kept superbly informed of the academic
and fiscal operations and needs of all
the state-supported institutions.

Conceding that "the legislature has
need for pertinent information about the
institutions and their operations," he
recommends a survey every five years.
This is an ante-diluvian remedy as com-
pared with the continuous service which
can be afforded by a good scheme of volun-
tary coordination, as in Indiana.

While wisely refraining from advo-
cating the creation of any bureaucratic
superstructure, the report, in perceptive-
ly describing the Board of Education of
State Normal Schools (governing the 4
teachers colleges), discloses quite plain-
ly that consolidation of the control of
several institutions in one governing
board may easily give rise to more prob-
lems than it solves. It appears that the
7-member board habitually has one or more
members resident in the immediate vicinity
of each of the colleges, and that each
such member tends to be a powerful parti-
san of his own institution, so that de-
cisions have usually been made on a basis
of power and persuasion rather than of
information and deliberation. This situa-
tion is perpetuated by the fact that the
secretary of the board is only a recorder
and often participates in policy-making
in the fashion of other members of the
board, but does not function as a director
of research and information. The board
deals directly and separately with the 4
presidents. This, it could have been re-
marked, tends to (Continued on page 181)
NEBRASKA. (Continued from page 180) 
degraded their status as well as to cause 
them to regard each other with suspicion 
or hostility.

Glenny's remedy for these defects is 
to increase the board to 11 members, and 
add the drastic requirement that "only one 
member shall be an alumnus from any one of 
the state teachers colleges or chosen from 
the county in which a teachers college is 
located or counties contiguous thereto." 
This would assure that nearly two-thirds 
of the board members would be resident a 
substantial distance from any of the col-
ges; but it might severely hamstring 
the exercise of the governor's appointing 
power. Ideally, the governor should have 
a free hand to select the best-qualified 
appointees.

An important feature of the recommend-
ed remedy is that the board be authorized 
to appoint an Executive Officer who would 
runt the four colleges as a tight bureau-
cracy, with the approval of the board. 
This is something different from a direc-
tor of research and information who would 
keep the board and the public informed of 
the facts and encourage the colleges to 
work out their academic and fiscal pro-
grams cooperatively for presentation to 
the board. I am not prepared to say dog-
matically which of these alternatives is 
preferable for Nebraska; but they are 
different.

Let it be added that the recommen-
dations of the report seem generally sound, 
and that the people of Nebraska are to be 
congratulated on having obtained so thor-
ough a study of the status and prospects 
of higher education in the state. Director 
Glenny was assisted by seven educators now 
resident in Nebraska, each of whom pre-
pared a separate report on some one aspect 
of the survey. Particularly to be com-
nended, in my estimation, is the report 
on Instructional Programs, by Karl W. 
Meyer, Dean of Instruction at the Nebraska 
State Teachers College at Wayne.

The report as a whole closes with two 
commendations which afford evidence that 
the director and staff of the survey have 
some cognizance of "the efficiency of free-
dom" for state institutions of higher ed-


equity responsible for approval and pre-audit 
of expenditure of moneys (Continued on p.182
SOUTH DAKOTA. (Continued from page 181) appropriated to implement the budget approved by the governor and legislature.

Again, apparently aware that South Dakota has been stuck for 25 years with a consolidated governing board which has never exercised enough leadership to generate much real cooperation among the 7 state institutions, the survey team wisely suggests that the Regents and the executive director should "exercise leadership toward more voluntary coordination (italics mine) of the several operating aspects of the institutions by holding more frequently planned work conferences of persons holding like positions on the administrative staffs (such as business officers, registrars, admissions officers, directors of student services, and academic deans) of the institutions."

There is a voluntary Council of State College Presidents which meets regularly at the same time and place as the Regents, and considers statewide problems such as appropriations, recruitment, admission and retention of students, and staff personnel. However, it does not appear that either the Regents or the presidents have ever been able to involve the institutional faculties and administrative staffs in systematic and continuing studies of the statewide system; and a recommendation that recurs at various points is that some of these persons should be led to organize voluntary teams to execute the necessary ongoing collection of data upon which planning could be based.

South Dakota's population has shown a slight decrease over the last 30 years, and prospects do not seem to indicate any great increase in population or in per capita income. In this situation it is intriguing to note that the survey team advises the state to prepare to accommodate 30% more students by 1970. The recommendation envisions not only an increase in the proportion of people of college age who will actually go to college; it also urges South Dakota to take measures to attract more students from outside the state, pointing out that relatively small and uncrowded institutions are often in a position to receive additional students at relatively small additional cost to the institution; and also pointing out that an out-of-state student who comes to the state for the purpose of attending college thereby strengthens the economy of the state. In other words, with his expenditures for living expenses and other necessary personal outlays, he is an economic asset, in somewhat the same manner as a tourist, and South Dakota, with its sparse college population, is advised to go into the business of attracting students from other states. There is something to be said for this advice, but I do not hasten to pass judgment upon it, either favorable or unfavorable.

TENNESSEE. The appropriation act enacted by the legislature January 16 and signed by Governor Buford Ellington on the same day provided state tax funds for operating expenses of the state institutions of higher education as shown in Table 16.

<table>
<thead>
<tr>
<th>Institutions</th>
<th>Sums appropriated 1961-62</th>
<th>1962-63</th>
</tr>
</thead>
<tbody>
<tr>
<td>U of Tennessee</td>
<td>$9,700</td>
<td>$9,916</td>
</tr>
<tr>
<td>Ag Extension</td>
<td>1,400</td>
<td>1,500</td>
</tr>
<tr>
<td>Ag Exp Sta</td>
<td>900</td>
<td>944</td>
</tr>
<tr>
<td>Memorial Research</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Municipal Adv Serv</td>
<td>53</td>
<td>53</td>
</tr>
<tr>
<td>Tenn A &amp; I State U</td>
<td>2,186</td>
<td>2,351</td>
</tr>
<tr>
<td>Memphis State U</td>
<td>1,700</td>
<td>2,141</td>
</tr>
<tr>
<td>East Tenn State Coll</td>
<td>1,638</td>
<td>1,909</td>
</tr>
<tr>
<td>Middle Tenn St Coll</td>
<td>1,228</td>
<td>1,456</td>
</tr>
<tr>
<td>Tenn Polytech Inst</td>
<td>1,399</td>
<td>1,588</td>
</tr>
<tr>
<td>Austin Peay St Coll</td>
<td>773</td>
<td>851</td>
</tr>
<tr>
<td>Enrollment reserve</td>
<td>500</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>21,522</td>
<td>22,599</td>
</tr>
</tbody>
</table>

The total for the biennium represents a gain of about 22% over the preceding biennium.

For capital improvements for higher education the appropriation is $12 million, being $4,800,000 for the University of Tennessee and $7,200,000 for the state colleges.

WASHINGTON. Appropriations of state tax funds as requested by (Continued on p.183)
WASHINGTON. (Continued from page 182)
Governor Albert D. Rosellini for operating expenses of higher education for the biennium 1961-63, in his budget message of January 13, 1961, are as in Table 17.

Table 17. Governor's recommended appropriations of state tax funds for operating expenses of higher education in Washington, for biennium 1961-63, rounded to thousands of dollars.

<table>
<thead>
<tr>
<th>Institutions</th>
<th>Sums recommended</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
</tr>
<tr>
<td>U of Washington</td>
<td>$56,897</td>
</tr>
<tr>
<td>Washington State U</td>
<td>32,321</td>
</tr>
<tr>
<td>Eastern Washington Coll</td>
<td>4,945</td>
</tr>
<tr>
<td>Central Washington Coll</td>
<td>41,766</td>
</tr>
<tr>
<td>Western Washington Coll</td>
<td>9,068</td>
</tr>
<tr>
<td>Western Interstate Commission for Higher Ed</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>105,717</td>
</tr>
</tbody>
</table>

The total recommended represents a gain of nearly 25% over the appropriations for the current biennium.

Addressing the legislature, the governor noted that his recommendation for expenditure of state tax funds for operating expenses of education at all levels is $114.7 million larger than 2 years ago, and that for this reason the proposed expenditures will exceed general fund revenues by nearly $55 million, unless additional revenues are provided for.

He said: "We need more money to pay for education. We can balance the budget without raising taxes, but only at the expense of education.

"You may sit through this session, and end it without raising taxes. The authority is yours. The responsibility is yours. But if that is your choice, our schools will suffer and our children will suffer. "Think of the consequences."

He asked the legislature to submit to the people a proposal for a state income tax. He would then hope to eliminate the sales tax on food and medicines, or perhaps reduce the general sales tax rate from its present 4% to 3%; and he would abolish the business and occupation tax.

Recognizing that since an amendment to the constitution is deemed necessary to authorize an income tax, it may not be possible to secure the needed revenues from an income tax within the ensuing biennium, he nevertheless wanted no increase in the rates of the general sales tax or the business and occupation tax, but suggested additional excise taxes or upward adjustment of property taxes.

WEST VIRGINIA. A new state personal income tax statute has been enacted, imposing a levy of 6% of the amount of federal income tax paid, retroactive to January 1, 1961. It is expected to produce about $15 million annually.

Simply basing the state tax on the federal income tax automatically dispose of many complexities in the administration of a state income tax. It also tends to give the state tax a broader base, and to provide more refined graduations, especially in the higher brackets, than have hitherto generally characterized state income taxes.

WISCONSIN. The governor's recommendations regarding appropriations of state tax funds for higher education for the 2 fiscal years of the ensuing biennium are as in Table 18.

Table 18. Governor's recommendations of state appropriations of tax funds for operating expenses of higher education in Wisconsin, for fiscal years 1961-62 and 1962-63, in thousands of dollars.

<table>
<thead>
<tr>
<th>Institutions</th>
<th>1961-62</th>
<th>1962-63</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
</tr>
<tr>
<td>U of Wisconsin</td>
<td>$32,153</td>
<td>$36,929</td>
</tr>
<tr>
<td>State Colleges</td>
<td>10,827</td>
<td>12,725</td>
</tr>
<tr>
<td>Totals</td>
<td>42,980</td>
<td>49,654</td>
</tr>
</tbody>
</table>

The governor's recommendations represent substantial reductions of the sums requested on behalf of the institutions by the Coordinating Committee; but they seem to be higher than the appropriations received over the preceding biennium by 30% or more. The exact percentage is not yet
WISCONSIN. (Continued from page 183) ascertainable, because some of the appropriations for 1960-61 were for "a sum sufficient" which can not be precisely known until after June 30, 1961. Readers of GRAPEVINE will also recall that appropriations for the biennium 1959-61 were made at different times, the first appropriations being only a temporary stop-gap at the request of Governor Gaylord Nelson, pending his further recommendations regarding revenue measures.

OHIO. The Interim Commission on Education Beyond the High School, 700 Bryden Road, Columbus 15, Ohio, of which E. A. Whitaker is executive secretary, issued under date of February 17 a report to Governor Michael V. DiSalle on A Proposed Policy for the State of Ohio for Community Colleges and University Branches. The 75-page mimeographed document contains a draft of a proposed statute which would authorize a county or combination of counties having at least 100,000 population to establish a junior college district to be governed by a board of trustees to consist of 7 local residents appointed by the governor for overlapping terms of 5 years.

The local board of trustees would be empowered to determine whether the junior college should be operated wholly by the district and the board itself, or whether it should be operated wholly or in part under contract with an accredited university or college. This provision is the result of a compromise with the facts of life in Ohio, where at present there are no public junior colleges, but where the six state universities are operating a total of 29 extension centers offering two years of college-parallel work. The university presidents are unanimous in advocating the continuation and development of these centers as university "branches", while the local public school authorities generally favor the local public junior college.

The proposed statute would place the supervision and leadership of junior colleges from the state level in the hands of an independent "state community college board" consisting of the governor or his representative and 6 members appointed by him with the advice and consent of the senate for overlapping terms of 6 years. Added would be the state superintendent of public instruction and one president of an accredited 4-year college or university in Ohio, as "advisory members" serving at the pleasure of the governor. This board would employ an executive secretary.

Two of the nine members of the Interim Commission entered short dissenting reports in which they indicated that in their opinion the proposed legislation is unnecessary and would only complicate the development of decentralized higher educational opportunities through university branches. One of these dissenters conceded, however, that a local public 2-year community college should be established at once in the city of Cleveland.

The Interim Commission on Education Beyond the High School in Ohio exists under a statute of 1959 which provides for its continuance at least until 1963, and presumably it will be investigating and reporting upon various other aspects of higher education in the state during the next 2 years or more.

* * * * * * * * *

Can you send GRAPEVINE a brief tabulation of this year's appropriations of state tax funds for operating expenses of each of your state's institutions of higher education during the ensuing fiscal year or biennium?

Please exclude such items as student fees and any other appropriated income from non-tax sources.