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 newnotes regarding pertinent events in their respective states.

FORTY-EIGHT STATES APPROPRIATE MORE THAN $1.99 BILLION OF STATE TAX FUNDS FOR OPERATING EXPENSES OF HIGHER EDUCATION FOR FISCAL YEAR 1963-64

Table 45a. Appropriations of state tax funds for operating expenses of higher education in 5 additional states for five successive fiscal years, in thousands of dollars, with dollar gains and percentage gains for 1963-64 over 1961-62, showing change over a period of two years.

<table>
<thead>
<tr>
<th>States</th>
<th>Year 1959-60</th>
<th>Year 1960-61</th>
<th>Year 1961-62</th>
<th>Year 1962-63</th>
<th>Year 1963-64</th>
<th>2-year gain</th>
<th>Percent gain</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
<td>(5)</td>
<td>(6)</td>
<td>(7)</td>
<td>(8)</td>
</tr>
</tbody>
</table>

Forty-three states reported in Table 45 (page 363) ... $1,818,799 $364,550 25

$1,454,249

Alabama     $21,823 $22,397 $20,535 $22,051 $27,298 6,763 33

Delaware    3,731 3,734 4,368 5,094 5,831 1,463 33

Missouri    24,744 28,641 28,901 33,253 40,500 11,559 40

North Carolina 28,269 30,340 35,678 36,532 46,768 11,090 31

Wisconsin 34,834 37,417 40,895 44,670 51,025 10,130 25

Totals (48 states) - - 1,584,626 - 1,990,221 405,595

Weighted average (approximate) - - - - 25

Only two states as yet unreported in GRAPEVINE are Massachusetts and Pennsylvania. There is a Massachusetts story on page 370, and a Pennsylvania story on page 374 of this issue. The combined tax-fund appropriations for operating expenses of higher education in these two states may be reasonably expected to aggregate $90 million for 1963-64, putting the total for fifty states well above $2 billion, as GRAPEVINE has been predicting for many months. This does not include appropriations in some twenty states for state aid for operating expenses of local public junior colleges, which aggregate an additional $100 million or more.

Statement of ownership and circulation of GRAPEVINE is on page 370 (reverse hereof).
**ALABAMA.** Appropriations of state tax funds for operating expenses of higher education for fiscal years 1963-64 and 1964-65 are reported as in Table 55.

Table 55. State tax-fund appropriations for operating expenses of higher education in Alabama, separately for fiscal years 1963-64 and 1964-65, in thousands of dollars.

<table>
<thead>
<tr>
<th>Institutions</th>
<th>1963-64</th>
<th>1964-65</th>
</tr>
</thead>
<tbody>
<tr>
<td>U of Alabama</td>
<td>$10,453</td>
<td>$10,873</td>
</tr>
<tr>
<td>Auburn University</td>
<td>9,755</td>
<td>10,142</td>
</tr>
<tr>
<td>Ala State College</td>
<td>1,317</td>
<td>1,370</td>
</tr>
<tr>
<td>Ala A &amp; M Inst</td>
<td>1,265</td>
<td>1,316</td>
</tr>
<tr>
<td>Jacksonville S C</td>
<td>1,114</td>
<td>1,150</td>
</tr>
<tr>
<td>Florence St Coll</td>
<td>1,020</td>
<td>1,054</td>
</tr>
<tr>
<td>Alabama College</td>
<td>962</td>
<td>998</td>
</tr>
<tr>
<td>Troy State College</td>
<td>919</td>
<td>949</td>
</tr>
<tr>
<td>Livingston St Coll</td>
<td>483</td>
<td>508</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>27,298</strong></td>
<td><strong>28,360</strong></td>
</tr>
</tbody>
</table>

The total for 1963-64 seems to be a gain of 33% over the comparable figure for fiscal year 1961-62, two years ago. The total for 1964-65 represents a gain of about 28% over 1962-63.

Alabama's general retail sales tax rate was raised to 4% on the dollar, effective July 1, 1963, with the expectation of producing $50 million of additional annual revenue for schools. The former rate was 3% on the dollar.

**DELAWARE.** Appropriations of state tax funds for operating expenses of higher education for fiscal year 1963-64 are reported as in Table 56.

Table 56. State tax-fund appropriations for operating expenses of higher education in Delaware, fiscal year 1963-64, in thousands of dollars.

<table>
<thead>
<tr>
<th>Institutions</th>
<th>Sums appropriated</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
</tr>
<tr>
<td>U of Delaware</td>
<td>$5,210</td>
</tr>
<tr>
<td>Delaware State Coll</td>
<td>621</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,831</strong></td>
</tr>
</tbody>
</table>

The total for 1963-64 appears to represent a gain of about 33% over the comparable figure for fiscal year 1961-62, two years ago.

**MASSACHUSETTS.** It is reported that about August 10, 1963 the legislature enacted a measure changing somewhat the statewide administrative structure for the nine state colleges.

It is said that under the new act the state colleges will no longer constitute a division of the state department of education; but their statewide executive officer will report to a board of trustees for state colleges. This board will be composed of the same persons as the state board of education, acting in this new and distinct capacity as a separate body.

Apparently the new measure will not only tend to disentangle the state colleges from the (Continued on p. 371)
state department of education, but also to free them in some degree from the un-
duly tight detailed control by state-
house fiscal and personnel offices under
which they have labored for many years.

Massachusetts seems to be leading
the way in the correction of the over-
centralization which has hampered public
higher education in several northeastern
states. These states are now awake to
the great potential of the state colleges
and the state university in the develop-
ment of the state's human and material
resources.

MISSOURI. Appropriations of state tax
funds for operating expenses of higher
education for biennium 1963-65 are
reported as in Table 57.

Table 57. State tax-fund appropriations
for operating expenses of higher
education in Missouri, biennium 1963-65, in thousands
of dollars.

<table>
<thead>
<tr>
<th>Institutions</th>
<th>Sums appropriated</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
</tr>
<tr>
<td>U of Missouri</td>
<td>$28,351</td>
</tr>
<tr>
<td>Sch of Med, Nursing and</td>
<td>11,798</td>
</tr>
<tr>
<td>Univ Hosp</td>
<td></td>
</tr>
<tr>
<td>Sch of Mines &amp; Metallurgy</td>
<td>5,896</td>
</tr>
<tr>
<td>Kansas City Campus (new)*</td>
<td>5,800</td>
</tr>
<tr>
<td>Ag Exten Serv</td>
<td>3,936</td>
</tr>
<tr>
<td>Ag Exp Sta</td>
<td>3,473</td>
</tr>
<tr>
<td>St. Louis Campus (new)**</td>
<td>686</td>
</tr>
<tr>
<td>Space Technology Ctr (new)</td>
<td>250</td>
</tr>
<tr>
<td>Subtotal - $60,188</td>
<td></td>
</tr>
</tbody>
</table>

State colleges
| Central Mo St Coll           | 5,980             |
| Southeast Mo St Coll         | 4,957             |
| Southwest Mo St Coll         | 4,718             |
| Northeast Mo St Coll         | 4,259             |
| Northwest Mo St Coll         | 3,272             |
| Subtotal - $23,186           |                   |

Lincoln University            | 2,641             |
Total                          | 86,015***         

*The plant of the ongoing private
University of Kansas City was trans-
ferred to the state of Missouri, to be
operated as the University of Missouri
at Kansas City, a new unit of the
University of Missouri.

**Another urban unit of the University
of Missouri, to be known as the Univer-
sity of Missouri at St. Louis, is in-
augurated. Its operating expenses are
comparatively small, pending the con-
struction of additional plant facil-
ities out of an appropriation of $3½
million for that purpose.

***This total is exclusive of
$3,376,000 appropriated for state aid
for operating expenses of local public
junior colleges.

The totals for the separate fis-
cal years 1963-64 and 1964-65 were
approximately $40½ million and $45½
million respectively, representing
gains of about 40% and 37% over the
comparable fiscal years two years earlier.

Establishment of the two urban
campuses of the University of Missouri
is a forward-looking and much-needed
step in Missouri.

NEW HAMPSHIRE. The statewide reorgan-
ization for higher education, newly
enacted, makes the two state colleges at
Keene and Plymouth "divisions of the
University of New Hampshire", and cre-
ates an enlarged board of trustees to
govern the entire university.

The new board will have 22 members:
6 ex officio, 12 appointed by the
governor with the approval of his Coun-
cil, and 6 elected by the alumni. Of
the latter, 4 will be chosen by the
alumni of the University of New Hamp-
shire, and 1 each by the alumni of each
state college. The 6 ex officio mem-
ers will be the governor, the commis-
sioner of (Continued on page 372)
NEW HAMPSHIRE (Continued)

agriculture, the commissioner of education, and the presidents of each of the 3 institutions.

The state board of education is to retain authority over technical institutes, and is directed to study the feasibility of the establishment of comprehensive 2-year community colleges.

The act also creates a new Coordinating Board of Advanced Education to "coordinate the activities of higher education, including community colleges", and to "accredit" all institutions of higher education (prospectively, not including those already established and accredited).

The body is to be composed of the commissioner of education, the presidents of each of the 3 state institutions of higher education, the chairman of the state board of education, and four other members named by the governor, of whom one must be connected with one of the private colleges in the state.

NEW JERSEY. A proposed state bond issue of $750 million will be put to popular vote November 5, 1963, in two parts: $475 million for roads, and $275 million for health, education, and welfare facilities.

This latter would include $125 million for the senior state institutions of higher education (to be made available $25 million a year for five years); and $10 million as the state's contribution to the capital outlays for two-year community colleges (to be made available at $2 million a year for five years).

It is reported that a dozen of New Jersey's 21 counties are now conducting surveys looking toward providing proof of their need and ability to support two-year community colleges, under authority of statute effective July 1, 1965, and mentioned in an earlier issue of GRAPEVINE.
NORTH CAROLINA (Continued from page 372)

* For the entire consolidated UNC, totals are $32,236,000 and $34,939,000 respectively.

** For ten senior colleges, totals are $13,870,000 and $15,366,000 respectively.

*** For community colleges, $388,000 and $850,000 respectively.

This is to restore educational income to be lost by placing auxiliary enterprises on separate accounts and allowing them to carry forward their own surpluses, if any.

The total for 1963-64 seems to be a gain of about 31% over the comparable figure for 1961-62, two years ago; and the total for 1964-65 appears to be a gain of nearly 41% over 1962-63.

A commendable feature of the picture is that the funds made available for faculty salaries at all the institutions will make possible average increases of 9% for each of the two ensuing fiscal years. Increases will be allocated by each institution at its own discretion in individual cases, subject to maximum salaries for each rank set by the state department of administration "with the understanding that exceptions may be made in some cases."

Direct appropriations for capital outlays for land and buildings at the institutions of higher education aggregated nearly $36 million for the biennium. This was possible because there was a general fund surplus of over $108 million. Additional capital outlay amounting to over $19 million will be financed by legislatively-authorized bond issues not requiring a vote of the people. The legislature also recommended that the institutions finance an additional $27 million worth of self-liquidating projects. These are dormitories, related student-service buildings, and athletic facilities. Discretion as to when they are needed is left to the governing board of each institution.

Provision was made for an expanding state system of community colleges, headed by the state board of education, which also is the state agency for technical institutes and industrial education centers. Under the new provisions the faculty and administrative salaries of community colleges will be paid by the state, and this will constitute about 65% of their annual operating expenses. Another 15% will come from local tax sources, and about 20% from student fees. They may also receive state subsidies covering half the cost of their physical plants, subject to a maximum state contribution of $12 million in each case.

These arrangements will mean that the community colleges will be rather largely state-supported, and (as in the case of the regional community colleges in Massachusetts, for example) will have much of the character of 2-year state colleges, though a fraction of their support will continue to come from their respective local taxing districts. The trend toward the expansion of state support and control of junior colleges was also exemplified in a Minnesota act of 1963 (GRAPEVINE, page 353).

OHIO. Pursuant to a resolution of the legislature a proposed state bond issue of $250 million, of which $175 million would be for capital improvements at the state universities, municipal universities, and community colleges, will be submitted to popular vote in November 1963.
PENNSYLVANIA. The legislature adjourned August 3 without having made any appropriations for the operation of Pennsylvania State University or for the several private universities and colleges that have customarily received appropriations of state funds each year.

It is speculated that the appropriations may be made by a special session in November, or by the next regular session in January 1964. Meanwhile the institutions will probably have to engage in some hasty short-term borrowing in order to maintain their operations during the first half of the current fiscal year.

Appropriations were made for the operation of the 14 state colleges, aggregating $16,890,647, which is very close to the amount recommended in the governor's budget. The legislature also authorized the General State Authority to provide buildings for the state colleges in the amount of $38,466,066. Of this, $22$ million is for planning new buildings, construction funds for which would presumably be appropriated by the next legislature.

The same bill also contained authorization of $14,284,421 for buildings for Pennsylvania State University, including for the first time provision for capital outlays on two of the "commonwealth campuses": $600,000 for a classroom building on the Soranton Campus, and nearly half a million for remodeling on the Pottsville Campus.

A bill was also enacted to provide for the establishment and operation of community colleges, and making an appropriation of $500,000 to the Department of Public Instruction for community college purposes, but limiting the amount to be spent during the current fiscal year to $75,000.

Wisconsin. Appropriations of state tax funds for operating expenses of higher education for fiscal years 1963-64 and 1964-65 are reported as in Table 60.

Table 60. State tax-fund appropriations for operating expenses of higher education in Wisconsin, separately for fiscal years 1963-64 and 1964-65 in thousands of dollars.

<table>
<thead>
<tr>
<th>Institutions</th>
<th>1963-64</th>
<th>1964-65</th>
</tr>
</thead>
<tbody>
<tr>
<td>U of Wisconsin</td>
<td>$33,539</td>
<td>$39,739</td>
</tr>
<tr>
<td>U of W Hospitals</td>
<td>3,261</td>
<td>3,237</td>
</tr>
<tr>
<td>Nine state colleges</td>
<td>14,126</td>
<td>17,434</td>
</tr>
<tr>
<td>Totals</td>
<td>51,025</td>
<td>60,410</td>
</tr>
</tbody>
</table>

The total for 1963-64 is a gain of about 25% over the comparable figure reported to GRAPEVINE two years ago for 1961-62; and the total for 1964-65 is apparently a gain of about 35% over the figure for 1962-63. These percentage gains would be slightly less if computed on actual expenditures of state tax funds during the fiscal years 1961-62 and 1962-63, which appear to have been slightly larger than the sums initially appropriated for those years.

At the end of July 1963 a long deadlock over revenue measures and the level of state expenditures, involving a Democratic governor and a Republican-controlled legislature, was broken by the enactment of a "budget-tax package" including measures which will raise $142 million of new revenue.

The principal new revenue measures are (1) a broad extension of the selective 3% sales tax to cover many additional items and services, but excluding food, prescription drugs, and clothing; and (2) a boost in state income tax rates of three-tenths of one per cent.