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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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PART OF THE STORY OF 1964-65 IS ALREADY WRITTEN

Of the thirty states making biennial appropriations in odd-numbered years, more than half make separate appropriations for each of the two fiscal years of the biennium. Thus it is possible now, in October 1963, to report the appropriations for the fiscal year 1964-65 by the fifteen states listed in Table 59, on page 376.

FIFTEEN STATES SHOW GAIN OF 28% FOR 1964-65 OVER 1962-63, TWO YEARS EARLIER

Table 59. Appropriations of state tax funds for operating expenses of higher education in fifteen states for three successive fiscal years (1962-63 through 1964-65), in thousands of dollars, with dollar gains and percentage gains over the period of two years.

States	Year 1962-63	Year 1963-64	Year 1964-65	2-Year gain	Percent gain
(1)	(2)	(3)	(4)	(5)	(6)
Alabama	\$22,051	\$27,298	\$28,360	\$6,309	28 $\frac{1}{2}$
Arkansas	16,599	20,369	20,369	3,770	22 $\frac{1}{2}$
Connecticut	15,948	18,585	19,706	3,758	23 $\frac{1}{2}$
Indiana	62,709	70,866	80,134	17,425	27 $\frac{1}{2}$
Maine	7,429	9,099	9,709	2,280	30 $\frac{1}{2}$
Minnesota	44,058	48,103	52,871	8,813	20
Nevada	5,299	5,994	6,470	1,171	22
New Hampshire	4,733	5,146	5,104	371	21 $\frac{1}{2}$
North Carolina	36,352	46,768	51,431	14,899	41
Ohio	55,620	60,450	67,670	12,050	21 $\frac{1}{2}$
South Dakota	8,702	10,133	10,568	1,866	21 $\frac{1}{2}$
Tennessee	22,359	28,324	31,892	9,533	42 $\frac{1}{2}$
Texas	83,282	106,963	106,489	23,207	28
Vermont	3,750	4,986	5,445	1,695	45
Wisconsin	44,670	51,025	60,410	15,740	35
Totals	443,741	513,209	556,628	122,887	
Approximate weighted average	-	-	-	-	28 $\frac{1}{4}$

Column 4 of table 59 indicates that these fifteen states have appropriated an aggregate of nearly \$57 million for 1964-65. This is about one-fourth of the \$2 $\frac{1}{4}$ billion which is likely to approximate the fifty-state total for that same fiscal year. The full nationwide picture (Continued on page 77)

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FIFTEEN STATES (Continued from page 376)

for fiscal year 1964-65 will not be available, of course, until mid-1964 at best, because 17 states appropriate annually, and the report will have to await the results of the 1964 sessions of their legislatures. Three states (Kentucky, Mississippi, and Virginia) appropriate biennially in even-numbered years.

Meantime some observations can be made on Table 59. Column 6 of the table shows that the weighted average rate of two-year gain for these 15 states is more than 28%. In only one of the states was it less than 20%, and in only three was it above 35%. The average of 28% is better than the weighted nationwide average gain in any recent two-year period.

Very great restraint ought to be exercised in using any of the figures in Table 59 as bases of comparison among states. The rate of gain, as shown in column 6, is only for a two-year period, which is too short to be of great significance. The rate may be affected by the fact that the state began the period in a relatively high or a relatively low position. It may be strongly influenced by the proportions of the state's total of college students attending public institutions (state, municipal, district), and private institutions; and this ratio varies widely among different states. It is likely also to be affected by the current and recent rate of population increase; and we know that between 1950 and 1960 two states actually lost population by about 7%, while another four states gained by more than 70% and the nationwide gain was 18 1/2%. It may also be affected by the traditional attitude of the state's people toward higher education.

Another whole series of factors relate directly to the differing abilities of the states. The per capita annual income, per capita tax payments for all purposes, and per capita tax costs of higher education can be computed, and show variation from state to state. GRAPEVINE does not do all this work for you. It only gives you timely figures on appropriations of state tax funds for higher education.

CALIFORNIA. A special session, called immediately following the regular session, appropriated additional funds for salary increases at the University of California and the state colleges, to be effective January 1, 1964 and thus be in effect during the second half of the fiscal year 1963-64. The appropriation also runs through the fiscal year 1964-65.

Including academic and nonacademic pay increases, the appropriations are reported to be approximately \$3.8 million for the University of California, and \$2.12 million for the state colleges. Thus GRAPEVINE'S earlier report of appropriations for operating expenses for 1963-64 (Page 364, Table 46) is too low by nearly \$6 million.

The similar appropriations for salary increases for the full fiscal year 1964-65 aggregate about \$13.65 million.

MARYLAND. The new Board of Trustees of State Colleges (created by Chapter 41, Laws of 1963, approved February 26) has had two meetings. The new Advisory Council on Public Higher Education is also inaugurating its work. The Board of Trustees of Morgan State College, a liberal arts and multi-purpose institution, continues until such time as at least three of the five state colleges (formerly teachers colleges) shall have attained accreditation as a liberal arts college. The statute provides that in the event of that occurrence, Morgan State College shall then come under the jurisdiction of the Board of Trustees of State Colleges.

MASSACHUSETTS. An act of 1960 provided for the establishment of a new state institution of higher education to be known as the Southeastern Massachusetts Technological Institute, and created a board of trustees of 16 members.

A site has been acquired at the town of North Dartmouth, and the legislature has appropriated \$6 million for plant construction. The board has elected Dr. Joseph L. Driscoll as president of the projected institution.

The statute provides that the new board shall take over all the properties and powers of the present boards of trustees of the Bradford-Durfee College of Technology and the New Bedford Institute of Technology, but only when the new board certifies to the governor that the initial buildings on the new campus have been completed. Present plans contemplate the opening of the new institution in September 1965.

The new institution is intended to be more than a mere merging of two older technological institutes. It is expected to offer a broad liberal arts curriculum, and also to add certain specialized technical studies appropriate to the leading industries of the region, such as hotel and restaurant management and other aspects of tourism, and fisheries and oceanography.

A conservatively structured survey of the area indicates an expected enrollment of 2,200 students in 1965, rising to 6,000 by 1975. The estimates allow for the expectation that the University of Massachusetts and the State College of Bridgewater will continue to draw from southeastern Massachusetts the same percentages of all students in the region that they are now drawing.

The cities of New Bedford and Fall River, with a combined population of over 200,000, are from 5 to 6 miles from the new campus, within easy commuting distance. To an observer from outside the Commonwealth, the emergence of a new multi-purpose "university-type" institution in

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southeastern Massachusetts is an exciting development.

In comparison with most other states, Massachusetts has too long relied complacently upon the fact of having prestigious high-fee private universities within its borders, and has been too slow to develop its state university and state colleges. In consequence, the Commonwealth is an "exporter" of ambitious students to state universities in many other states.

A more regrettable result is that increasing numbers of college-worthy young people of Massachusetts are in fact deprived of any higher educational opportunity at all, in cases where no low-fee public institution is within commuting distance from their homes. Allowing this situation to continue indefinitely is an almost certain way of retarding the economic growth of the Commonwealth and of the New England region.

Fortunately the development of adequate public systems of higher education, including important state universities, is progressing in the New England states.

MINNESOTA. The legislature's interim study group known as the Committee for Study of Tax Resources and Economy of Minnesota will study the possibility of a sales tax, as well as other proposals. It will hold a series of public hearings, and submit recommendations to the next session of the legislature.

OREGON. Measures designed to increase the state revenue by \$60 million for the biennium 1963-65 will be submitted to the voters of the state at a special election October 15, 1963. They embrace \$48 million to be gained by revision of the state income tax, and \$12 million to be picked up by changing employers' withholding tax reporting from a quarterly to a monthly basis.

PENNSYLVANIA. An act approved in June 1963 reorganized and reconstituted the state board of education, so that it will consist of 17 members appointed by the governor and senate, to serve for overlapping terms of 6 years.

The novel feature of the new board is that it is composed chiefly of two panels of 7 members each, known respectively as the Council of Basic Education and the Council of Higher Education, the first being charged with duties appertaining to schools below the level of higher education (including area vocational schools), and the second with duties appertaining to higher education (including community colleges and technical institutes).

There will also be three "members-at-large" of the board, entitled to attend meetings of both panels. The governor will select from among the 17 members the chairman of the board itself and the chairmen of each of the two panels. A quorum at meetings of the full board consists of a majority of the board, including at least four members of each panel. A recorded affirmative vote of a majority of all the members of the board is required for the adoption of policies and regulations.

The "superintendent of public instruction or his designated representative" is the chief executive officer of the board, and policies or regulations of the board are binding upon the department of public instruction.

A minority representation of professional educators on the board is made possible by the provisions that "not more than two members" of either panel may be employees of any school system or any educational institution, and "at least two members" of each panel "shall have had previous experience with technical education or training."

Budget requests of institutions of higher education will be reviewed by the Council of Higher Education and by the full board, and "returned to the department (of public instruction) with comments, if any, prior to their submission to the budget secretary (of the Commonwealth)."

The inevitable and ubiquitous phrase "master plan" occurs in the statement of duties of the Council of Higher Education. The same idea, better expressed, appears in the following duty enjoined upon the full board: "The State Board of Education shall engage in a constant review and appraisal of education in the Commonwealth. The board's evaluation shall take into account such matters as educational objectives, alternative organizational patterns, alternative programs of study, and the operating efficiency of the educational system."

Knowledgeable readers will recognize that the whole scheme embodies more than one feature that is virtually unique among the fifty states. It is an interesting departure from traditional forms of structure and function for a state board of education; and accordingly its progress will merit observation, regardless of whether it may ultimately be appraised as successful or less.

SOUTH DAKOTA: The state legislative Interim Committee on Taxation will study the feasibility of a state income tax, to modernize the revenue system and especially to get away from too heavy dependence on property taxes.

VERMONT. Our report in August 1963 on this state (GRAPEVINE, page 368, Table 54) did not show the breakdown of operating funds among the three state colleges and the Vermont Technical College, because appropriations for these four institutions are made to the Board of Trustees of Vermont State Colleges, a corporation which governs them all and is authorized to allocate the state tax funds among them.

Subsequently we have been informed that the allocations for fiscal year 1963-64 have been made, as shown in Table 60.

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

Institutions	1963-64	1964-65
(1)	(2)	(3)
U of Vermont and State Ag College	\$3,879	\$4,275
State colleges **		
Gastleton	355	
Lyndon	228	
Johnson	182	
Vt Tech Coll	177	
Unallocated	41	1,046
Subtotals* (See footnote)		
Private institutions		
Middlebury College	24	24
Norwich University	100	100
Totals	4,986	5,445

* The subtotals for the five state institutions are respectively \$4,862,000 and \$5,321,000.

** \$983,005 appropriated to the four colleges for 1963-64 has been tentatively allocated as in Column 2.

\$1,046,000 appropriated for 1964-65 has not yet been allocated (Column 3).

Readers will recall that some two or more years ago the Board of Trustees was authorized to sell or lease the plant and assets of the Lyndon State College and it seemed probable that it might thus become a private institution. This occurrence is no longer likely. Additional academic facilities and self-liquidating dormitories at all four of the state colleges are being planned and financed.

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