

PLEASE NOTE NEW ADDRESS

M. M. Chambers
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GRAPEVINE

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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 newsnotes regarding pertinent events in their respective states.

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"No thoughtful person can fail to recognize the practical role played by our present-day institutions of higher learning in expanding our economy and standard of life. Our economic frontier is no longer a geographic one. It is in the minds of men-- men and women working in laboratories across the world, dedicatedly and undramatically, having one fundamental common denominator: curiosity, putting questions to nature, to man and to his institutions..."

-- Chancellor Franklin D. Murphy, University of California at Los Angeles.

* * * * *

"College enrollments, according to estimates by the United States Office of Education, will rise about 30 per cent between 1960 and 1965, as the baby crop of the mid-1940's becomes the college-age population of the early 1960's. Moreover, enrollments in tax-supported schools have been growing much more rapidly than in private schools.

"These factors, plus state efforts to reach standards set in school foundation programs and the fact that salary increases were proposed for college faculty and school teachers more frequently than for other state employees, have made educational requirements the predominant factor in the need for additional revenue in 1961-63."

-- Leon Rothenberg, Research Director of the Federation of Tax Administrators, writing on "State Budgets--1961" in State Government 34: 98 (Spring 1961).

Statement of ownership and circulation of GRAPEVINE appears on page 218 (reverse hereof).

APPROPRIATIONS OF STATE TAX FUNDS FOR SUPPORT OF OPERATING EXPENSES
OF LOCAL PUBLIC COMMUNITY-JUNIOR COLLEGES

For the first time in 1961 we report a fragmentary tabulation of state aid for operating expenses of local junior colleges for fiscal 1961-62. In a later issue this year we hope to expand Table 47 to include 20 states, making its coverage substantially complete. The present version is an early flash.

Table 47. State tax fund appropriations for operating expenses of local public community-junior colleges (in 13 states), for fiscal years 1957-58 through 1961-62 inclusive, in thousands of dollars, with percentages of increase for 1961-62 over 1959-60 (representing change over a period of 2 years).

States	Year 1957-58	Year 1958-59	Year 1959-60	Year 1960-61	Year 1961-62	2-year gain	Percentage increase
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
California	\$20,390	\$22,947	\$26,539	\$26,280	\$33,189	\$6,650	25
New York	2,200	2,750	3,450	4,610	5,690	2,240	65
Michigan	3,420	3,600	3,620	3,820	4,382	762	21
Mississippi	1,415	1,683	1,683	2,147	2,147	464	27½
Colorado	396	426	475	1,050	1,050	624	146½
Minnesota	400	400	605	670	878	273	45
Maryland	252	337	405	432	554	149	37
Oregon	0	0	NR	NR	426*	-	-
North Carolina	140	168	150	234	409	259	172½
Kansas	0	0	0	0	325	325	-
Wyoming	40	40	200	200	317	117	58½
Arizona	300	300	300	300	300	0	0
North Dakota	0	0	115	115	119	4	3½
Totals	28,953	32,651	37,542	39,858	49,786	-	-
Approximate weighted average	-	-	-	-	-	-	32½

*This sum is one-half the appropriation for biennium 1961-63.

Observe that the approximate rate of gain for these 13 states (32½%) is a half larger than the rate of gain reported for 16 states over the 2-year period 1958-59 through 1960-61, in Table, GRAPEVINE page 147.

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CALIFORNIA. The following figures (Table 48) can be relayed regarding the details of the California picture for fiscal year 1961-62.

Table 48. Appropriations of state tax funds for higher education in California, fiscal year 1961-62 (operating expenses and capital outlays shown separately) in thousands of dollars.

Institutions (1)	Operating expenses (2)	Capital outlays (3)
U of California	\$133,024	
Berkeley		\$12,721
Davis		3,944
Los Angeles		15,813
Riverside		5,855
San Diego		3,155
San Francisco		560
Santa Barbara		2,664
Statewide		3,288
Subtotal	133,024	48,000
State Colleges		
San Jose	10,584	2,818
Cal Polytechnic	8,062	2,638
San Francisco	7,851	376
Los Angeles	7,494	2,475
San Diego	7,493	1,115
Long Beach	6,422	1,153
Fresno	5,551	244
San Fernando	4,402	9,364
Sacramento	4,152	226
Chico	3,451	702
Humboldt	2,777	1,308
Orange County	1,378	8,543
Alameda	1,217	8,870
Stanislaus	817	510
Sonoma	414	
San Bernardino	128	
South Bay	128	
Maritime Acad	383	5
State College Trustees	938	
Subtotals	73,640	40,349
Hastings Coll Law	399	
Coord Council	227	
Schlrshp Comm	1,793	
Apparent totals	209,292	88,349

CALIFORNIA (continued). It is reported that state aid for operating expenses of

local public community-junior colleges in 1961-62 will amount to \$33,189,000, a gain of 25% over the preceding fiscal year.

IDAHO. For the biennium 1961-63 the University of Idaho will get \$9.8 million of state tax funds for operating expenses, as compared with \$8.6 million two years ago. This is a 14% gain. The University will also receive \$5 million for capital outlays, chiefly for new science and education buildings.

The foregoing relates to the University of Idaho only, and does not include the Idaho State College at Pocatello. GRAPEVINE will report the statewide picture later.

For local public elementary and secondary schools, a new "weighted-classroom unit" foundation program was enacted, under which state aid for operating expenses will amount to \$33 million for the biennium as against \$27 million in the preceding biennium. Here the increase is 22 $\frac{1}{2}$ %.

ILLINOIS. On July 1, 1961 collection of the retail sales tax at the rate of 4% on the dollar, instead of the former 3 $\frac{1}{2}$ %, began. This will bring in about \$50 million a year of new revenue. Governor Kerner signed the measure the night before, a few hours after it had been passed by both houses of the legislature. Illinois is the fourth state to adopt the 4% sales tax rate, following Washington, Pennsylvania, and Michigan.

As of the time of this writing, the fate of the other tax measures advocated by Governor Kerner is not known. These include an extension of the coverage of the sales tax to include items now exempt (principally sales of food items) which would produce \$66 million a year, and increases in corporation franchise taxes sufficient to bring in \$19 million a year.

INDIANA. The 1961 legislature established a Post-High School Education Study Commission "to survey the entire problem of post-high school education in Indiana, including the cost of higher education

INDIANA. (continued from page 219)
in our present colleges and universities, both public and private, the problem of financing such institutions, the question of community colleges, junior colleges, area technical schools, and other types of institutions designed to meet the needs of persons who have terminated their high school education either by graduation or withdrawal."

The Commission is to report to the governor and the legislature by October 1, 1962. It is composed of 17 members: 2 members of each house of the legislature appointed by the respective presiding officers, with each major political party represented by 1 member in each case (4 in all); and 13 appointed by the governor upon nomination by specified boards and associations. These latter include 1 each to be nominated by the Board of Trustees of Indiana University, the Board of Trustees of Purdue University, and the State College Board; 3 to be nominated by the Indiana Conference of Higher Education (to represent the private colleges and universities); and one each to be nominated by the Superintendent of Public Instruction, the Indiana State Chamber of Commerce, the State AFL-CIO, the Indiana Farm Bureau, the Indiana State Teachers Association, the Association of School Superintendents, and the Indiana School Boards Association.

The governor has named John W. Hicks, Assistant to the President of Purdue University, as Chairman of the Commission; and the Commission has employed as its Director of Research George Pinnell, Associate Dean of the School of Business at Indiana University.

Operating funds for the Commission will be allocated from moneys appropriated to the Indiana Legislative Advisory Commission, and its work is under the general supervision of that body. It is also authorized to accept gifts.

A preamble to the act creating the Commission contains a series of "whereases" that are eloquent and to the point:

(continued next column)

(1) The growing population of the state is resulting in an ever-increasing number of qualified students seeking education beyond the high school level.

(2) The complexity of our modern industrial society makes necessary and desirable a higher level of education for all of our citizens;

(3) Shorter working hours and earlier retirement bring with them increased leisure which can beneficially be used in the pursuit of knowledge by a larger segment of our society;

(4) The huge increase in knowledge which has taken place during the last century, and which now appears to be proceeding at an even more rapid rate, lengthens considerably the period needed for each individual to attain an adequate education;

(5) Purdue University and Indiana University have through their university centers established various types of post-high school education in various regions of the state, and desire in conjunction with Indiana State College and Ball State Teachers College to pursue an orderly development of these programs to serve the people of the state;

(6) The privately supported institutions of higher learning in the state also are vitally interested in an orderly development of post-high school education;

(7) Equality of educational opportunity is vital to the well-being of a democratic society, and has long been a cherished goal in Indiana.

* * * * *

MASSACHUSETTS. Appropriations of state tax funds for higher education for fiscal year 1961-62 are reported as in Table 49.

(continued on page 221)

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MASSACHUSETTS. (continued from page 220)

Table 49. State tax-fund appropriations for operating expenses and for capital outlays for higher education in Massachusetts, fiscal year 1961-62, in thousands of dollars.

Institutions	Operating expenses	Capital outlays
U of Massachusetts	\$11,393	\$6,470
<u>State Colleges</u>		
Bridgewater	1,286	2,380
Fitchburg	966	
Framingham	831	
Lowell	448	15
North Adams	346	
Salem	768	
Westfield	449	
Worcester	640	2,854
Boston	943	
Coll. of Art	373	
Maritime Academy	514	60
Lowell Technol Inst	1,584	3,350
New Bedford Inst Tech	490	
Bradford Durfee Coll	478	
<u>Community Colleges*</u>		
Massachusetts Bay	192	
Berkshire	147	
Northern Essex	78	
Cape Cod	79	
Additional colleges		750
Totals	22,006	15,879

*The regional community colleges are state institutions. (See GRAPEVINE, Page 139).

The total of \$22 million for operating expenses appears to represent a gain of 26 $\frac{1}{2}$ % over the comparable appropriation for fiscal year 1959-60, two years ago.

MINNESOTA. Appropriations of state tax funds for operating expenses of higher education are reported as in Table 50.

Table 50. Appropriations of state tax funds for operating expenses of higher education in Minnesota, for fiscal year 1961-62, in thousands of dollars.*

Institutions	Sums appropriated
(1)	(2)
U of Minnesota	\$26,991
U Hospitals	3,897
Psychopathic	673
Rehabilitation	444
Child Psychiat	261
M Schlerosis	55
Gen Ag Exten	710
Gen Ag Research	525
Special Research and Misc Projects	1,725
<u>Subtotal</u>	<u>\$35,281</u>
<u>State Colleges</u>	
Bemidji	1,021a
Mankato	2,461a
Moorhead	1,075a
St. Cloud	1,760a
Winona	847a
<u>State Coll Bd</u>	<u>83</u>
<u>Subtotal</u>	<u>\$7,247b</u>
Coordinating Committee	21
Total (approximate)	43,030

*Appropriations are made biennially, but separate sums are specified for each fiscal year. The total for 1962-63 is \$44,058,100.

a-These figures are only approximations, as estimated by GRAPEVINE. Actually the funds are allocated to the separate institutions quarterly by the State College Board, and the exact amounts to go to each can not be known in advance.

b-This includes the tax-fund appropriation to the maintenance fund, plus other comparatively small special appropriations to other operating accounts.

(Table 50 next column)

MINNESOTA. (continued from page 221)

The total for 1961-62 appears to be a gain of about 15% over the comparable appropriation for fiscal year 1959-60, two years ago. Operating funds for the University of Minnesota are appropriated from the proceeds of a 1.23-mill levy on property, and from the occupational tax on the severance of iron ore, plus additional amounts from the state general fund.

New authorizations for capital outlays for the biennium 1961-63 for the higher educational institutions seem to aggregate about \$16½ million, but nearly all of this is conditioned upon the adoption of a constitutional amendment which was proposed by the 1961 legislature and will be submitted to popular vote in November 1962.

Approximate authorizations for capital outlay for 1961-63 are as in Table 51.

Table 51. Approximate authorizations for capital outlays for higher education in Minnesota, biennium 1961-63, in thousands of dollars (nearly all conditioned upon adoption of constitutional amendment in November 1962).

Institutions (1)	Authorizations (2)
U of Minnesota	
Minneapolis Campus	\$4,733
St. Paul Campus	1,227
Duluth Campus	1,461
Branch Ag Exp Stas	80
Subtotal	\$7,501
State Colleges	
Bemidji	921
Mankato	2,704
Moorhead	610
St. Cloud	3,111
Winona	1,614
Subtotal	\$8,960
Total (approximate)	16,461

*Available for the purposes until such purposes shall have been accomplished or abandoned.

The proposed amendment would remove the long-standing limit of \$250,000 on

the total of state indebtedness. For some years the limit has been evaded by issuing "certificates of indebtedness" which are technically not bonds of such nature as fall within the constitutional limitation; but a 1960 decision of the state supreme court indicates that this device will not be countenanced indefinitely, and thus makes the proposed amendment necessary.

The State College Board was also authorized to issue \$6 million in revenue bonds for the construction of self-liquidating dormitories.

The amount appropriated for state aid for operating expenses of local public junior colleges for 1961-62 is \$877,800, a gain of 45% over the comparable appropriation of two years ago for 1959-60. For 1962-63 it is \$965,700, an increase of 44% over 1960-61, two years earlier.

For state aid for operating expenses of local public elementary and secondary schools, \$140,854,000 for 1961-62 is a gain of 16½% over 1959-60; and \$150,354,000 for 1962-63 is an increase of nearly 18% over 1960-61.

NORTH CAROLINA. The legislature has enacted a new "tax package" expected to produce about \$66 million of new revenue for education for the biennium. The chief item is the extension of the 3% sales tax to cover sales of food items, good for \$50 million.

Appropriations for local elementary and secondary schools are increased by about \$100 million, an increase of nearly 28% over 1959-1961. There will be salary increases aggregating \$70½ million, raising state salaries from \$3,600 to \$5,600, replacing \$2,946 to \$4,556, meaning a gain of about 22%. School districts are permitted to supplement state salaries.

Gains in appropriations for higher education amount to over \$14 million for the biennium, a gain of about 24%. Somewhat \$4½ million is for academic

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NORTH CAROLINA. (continued from page 222) increases for teaching positions, an average about 10% for all teachers in all institutions, not "across the board" but at the discretion of administrative officers, partly in order to recognize and hold distinguished faculty members.

An increase of nearly $\frac{1}{2}$ million for library books and journals is a gain of $42\frac{1}{2}\%$ over 1959-1961. Capital outlay funds authorized for the biennium exceed \$33 million in bond issues, including nearly \$30 million subject to popular vote, over \$3 million not requiring popular votes, plus \$143,500 in direct appropriations. The policy of financing half the cost of new dormitories by legislative appropriations, with the other half financed by the federal Housing and Home Finance Agency, was continued.

State appropriations for aid to community-junior colleges for operating expenses are \$409,059 for 1961-62 and \$426,007 for 1962-63, a gain of 127% over the comparable appropriations for the preceding biennium.

Appropriations of state tax funds for operating expenses of the several institutions are reported as in Table 52. (this page next column)

GRAPEVINE'S new address, effective immediately, is 705 Stoddard Building, Lansing 23, Michigan.

Please send us occasional newsnotes from your state. When convenient, enclose copies of new statutes, newspaper clippings, tearsheets, or printed or mimeographed documents.

Table 52. Appropriations of state tax funds for operating expenses of higher education in North Carolina, biennium 1961-63, by separate fiscal years, in thousands of dollars.

Institutions	Sums appropriated	
	1961-62	1962-63
(1)	(2)	(3)
Consol U of N C		
Gen admin	\$207	\$208
U of N C - Acad	6,008	6,010
UNC - Health	2,917	3,029
N C State College	6,039	5,966
Woman's Coll	2,084	2,086
Related services		
Ag Exp Sta	2,369	2,383
Ag Exten Serv	2,781	2,787
Industrial Ext	100	101
Memorial Hosp	1,582	1,683
Psychiatric Ctr	599	615
Planning	35	35
Computation Rsch	76	77
WUNC-TV	243	238
Fisheries Rsch	88	89
East Carolina Coll	2,139	2,184
A & T Coll of N C	1,555	1,561
N C Coll at Durham	1,344	1,348
Appalachian St T C	1,207	1,221
Western Carolina Col	937	905
Winston-Salem T C	540	537
Elizabeth City STC	441	432
Fayetteville S T C	431	418
Pembroke St Coll	237	240
Totals	33,961	34,152
Reserve for		
enrollment increase	962	1,625
For summer schools		
and other reserve	755	755
Grand *totals*	35,678	36,532

*Not including sums appropriated for state aid to local public junior colleges, mentioned in the text above.

The total for operating expenses for fiscal 1961-62, including the added reserves, seems to represent a gain of $26\frac{1}{2}\%$ over comparable appropriations for fiscal year 1959-60, two years ago.

WISCONSIN. Appropriations of state tax funds for operating expenses of higher education for fiscal years 1961-62 and 1962-63 can now be reported, subject to some possible subsequent rectification, as in Table 53.

Table 53. Appropriations of state tax funds for operating expenses of higher education in Wisconsin, fiscal years 1961-62 and 1962-63, in thousands of dollars.

Institutions	Year	
	1961-62	1962-63
(1)	(2)	(3)
U of Wisconsin	\$28,258	\$30,601
U Hospitals	2,164*	2,164*
Wis State Colleges	10,473	11,905
Totals	40,895	44,670

*These sums are only estimates of the amounts necessary to pay the state's share for the care of state patients. Actually the appropriation is for a "sum sufficient" which can not be precisely predetermined in advance.

Precisely to what extent the state's payments to the hospitals are merely reimbursement for non-educational services, and to what extent in support of teaching facilities which are essential to the instructional and research activities of the university medical school, does not appear. Presumably the latter is largely the case.

MORE OF THE NATIONWIDE PICTURE OF STATE TAX SUPPORT OF HIGHER EDUCATION

Table 54 is a small extension of Table 45 (GRAPEVINE, page 215). Table 45 will not be repeated until all, or nearly all, the fifty states have reported.

Table 54. Appropriations of state tax funds for operating expenses of higher education in 4 states for three successive fiscal years, 1959-60 through 1961-62, with dollar gains and percentage gains for 1961-62 over 1959-60, showing change over a period of 2 years, in thousands of dollars.

States	Year 1959-60	Year 1960-61	Year 1961-62	2-year gain	Percentage gain
Massachusetts	\$17,381	\$19,087	\$22,006	\$4,625	26 $\frac{1}{2}$
Minnesota	35,568	38,250	43,030	7,462	21
North Carolina	28,269	30,340	35,678	7,409	26 $\frac{1}{4}$
Wisconsin	34,834	37,417	40,895	6,061	17 $\frac{1}{2}$
Totals	116,052	125,094	141,609	25,557	
Approximate weighted average					22

GRAPEVINE'S CHANGE OF BASE

As of July 1, 1961, your faithful correspondent, M. M. Chambers, accepted appointment as executive director of the Michigan Council of State College Presidents, and established an office at 705 Stoddard Building, Lansing, Michigan.

The Michigan Council of State College Presidents is a voluntary association of the heads of the nine state universities and colleges in Michigan. It has functioned for some fifteen years, and has substantial accomplishments to its credit, including a number of studies and survey reports published in 1955 and 1956, and further reports prepared during 1960.

As a voluntary agency of statewide coordination in public higher education, it is suited to the atmosphere of autonomy which has made Michigan's state universities and colleges great, and placed the state in the forefront nationally in respect of higher education.

The chairmanship of the Council is rotated annually. Chairman for the fiscal year 1961-62 is President John A. Hannah of Michigan State University at East Lansing. He succeeds Victor F. Spathelf, President of the Ferris Institute, a degree-granting state college at Big Rapids.

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