

M. M. Chambers  
Education Building, Indiana University  
Bloomington, Indiana  
47401

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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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Statement of ownership and circulation of GRAPEVINE is on Page 592 (reverse hereof).

CALIFORNIA. Legislative appropriations to the University of California are in lump sum to the Board of Regents. Subsequent allocation of sums to each of the ten campuses of the University is by the Board of Regents. Hitherto GRAPEVINE has not reported these allocations. We are now able to exhibit close approximations for the fiscal year 1966-67.

Table 98. Approximate allocations of appropriated state tax funds for operating expenses to the ten campuses of the University of California, for fiscal year 1966-67.

Ten campuses (1)	Sums allocated (2)
Berkeley	\$55,520
Los Angeles *	52,778
Davis	28,764
San Francisco	18,942
Santa Barbara	16,105
Riverside	13,825
San Diego	12,331
Irvine	7,637
Santa Cruz	5,241
California Coll of Medicine **	2,558
University-wide Programs	26,971
<u>Total University***</u>	<u>240,674</u>

\*The figure here includes \$11,955,123 for the Medical Center at UCLA.

\*\*Former private college of osteopathy, acquired by the state and intended to become an allopathic medical school.

\*\*\*The total here is larger by \$287,000 than the total recently reported in the statewide tabulation which included the state colleges and the junior colleges (GRAPEVINE, page 581).

INDIANA. A statute of 1965 created a legislative Committee to Study Medical Education in Indiana, to consider the necessity of providing additional facilities for medical education in the state. Indiana ranks thirty-fourth among the fifty states in the ratio of physicians to population.

The Committee released some recommendations August 9, 1966. In brief summary, they are reported to be:

(1) Increased support for the Indiana University Medical Center in Indianapolis.

(2) Provision of \$2½ million to Indiana University to implement a statewide regional-hospital-affiliated program of internships and residencies.

(3) Establishment of a second state medical college at Ball State University in Muncie, with an initial appropriation for \$300,000 for planning and preliminary organization.

Earlier studies and recommendations by a management consultant firm and by a citizens' group in northern Indiana had proposed respectively that the Indiana University Medical Center be doubled in size and developed as a great medical university, and that a second state medical college be established at South Bend, adjacent to the University of Notre Dame.

It is also proposed that medical education could be advantageously decentralized to some extent by allowing considerable numbers of medical students to get their pre-clinical education in biological sciences at other campuses in the state, including the Bloomington campus of Indiana University; and the number of graduate students now doing advanced medical-biological work on that campus could be increased.

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Address communications to M. M. Chambers, Education Building, Indiana University, Bloomington, Indiana, 47401.

M. M. Chambers, Education Building, Indiana University, Bloomington

PENNSYLVANIA. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1966-67:

Table 99. State tax-fund appropriations for operating expenses of higher education in Pennsylvania, fiscal year 1966-67, in thousands of dollars.

Institutions	Sums appropriated
(1)	(2)
Pennsylvania State U	\$36,188
Tuition reduction supplmts*	3,098
<u>Subtotal, Pa St U -</u>	<u>\$39,286</u>
State colleges -	
Indiana U of Pennsylvania	4,041
West Chester	3,937
Clarion	3,142
California	3,042
Slippery Rock	2,876
Millersville	2,831
Edinboro	2,287
Bloomsburg	2,208
Shippensburg	2,180
Kutztown	2,078
East Stroudsburg	1,939
Mansfield	1,702
Lock Haven	1,611
Cheyney	1,479
<u>Subtotal, St Colls -</u>	<u>\$35,855**</u>
Private institutions -	
Temple University	11,752
Tuition reduction suppl***	8,355
<u>Subtotal, Temple U -</u>	<u>\$20,107</u>
U of Pittsburgh	9,417
Tuition reduction suppl***	10,340
<u>Subtotal, U of Pitt -</u>	<u>\$19,757</u>
U of Pennsylvania	9,340

Total is not entered here because this tabulation can not be completed as of the deadline date of this report. Estimated statewide total, used in the fifty-state summary table on page 596 of this issue of GRAPEVINE, is \$110 million, and now appears to be substantially lower than the actual total will probably turn out to be. The complete table will be prepared and circulated as soon as the necessary data become available to GRAPEVINE.

(Continued in next column)

Footnotes appertaining to Pennsylvania -

\*This sum, specifically to enable the University to reduce its fees without loss of operating income, is allocated: for full-time students who are residents of Pennsylvania, \$2,298,000; for part-time students who are Pennsylvania residents, \$800,000.

\*\*This subtotal includes a \$500,000 "reserve", unallocated.

\*\*\*These sums, specifically to enable the selected private institutions to reduce their fees toward reasonable levels without loss of operating income, are allocated (a) for all students other than medical, (b) for medical students, and (c) for students at off-campus centers, as follows:

	(a)	(b)	(c)
Temple U	7,887	418	50
U of Pitt	9,264	294	783

The total of tuition reduction supplements, for the Pennsylvania State University, Temple University, and the University of Pittsburgh, is \$21,793,000.

NOTE: The appropriation of nearly \$22 million to three large universities, expressly to enable them to reduce tuition fees without loss of operating income, is an event of major importance.

The statewide plan for higher education prepared by the State Board of Education and released July 22, 1966 envisioned the three large universities named above as constituting "the Commonwealth University Segment" of the statewide system.

This involves some changes in the relationships of Temple and Pitt to the state of Pennsylvania, which are probably not now fully formulated or entirely clear, but will be developed.

The action of the legislature in appropriating large sums to the three universities to enable them to reduce fees is in accord with the declared purpose of the statewide plan: "To guarantee the availability of quality higher education at low cost to the individual student."

## THE BACKGROUND OF PENNSYLVANIA'S "TUITION REDUCTION SUPPLEMENT"

### APPROPRIATIONS TO THREE BIG UNIVERSITIES

In 1965 the Pennsylvania legislature began the practice of making appropriations to Pennsylvania State University, in addition to its regular support, specifically for the purpose of enabling it to reduce its tuition fees without loss of operating income.

At the same session an appropriation, at first intended to be in excess of \$3 million, was also made for the same purpose to Temple University (large private university in Philadelphia). After extended delay in the progress of this bill, beyond the time when it could have become effective at the beginning of the ensuing semester, the amount was greatly reduced.

GRAPEVINE reported these events (page 559, Table 76) in April 1966. Soon thereafter, in conversation with a highly-placed individual (not a state officer or employee) in Pennsylvania, GRAPEVINE inquired as to whether this policy was likely to become permanent. "No," said he, "I think it is a one-shot-proposition--just a convenient way to dispose of a part of the surplus of state revenue for this fiscal year."

That he was grossly mistaken is demonstrated by the recent action of the 1966 legislature in appropriating a total of nearly \$22 million for fiscal year 1966-67, not to one university alone, or to two universities, but to three large universities, as shown in some detail in Table 99, page 593, of this issue of GRAPEVINE, as "tuition reduction supplements".

Temple University and the University of Pittsburgh are, of course, private nonprofit corporations, and continue to be such, even though statutes provide that a fraction of the members of their governing boards shall be appointed by the governor of the state.

Large direct subsidies out of state tax funds to private universities would be out of harmony with the traditions of nearly all other states, and indeed obviously unconstitutional in

most of them; but not in Pennsylvania.

Here it may be noted that the private University of Pennsylvania, though it has no part of the "tuition reduction supplement" appropriations, continues to receive other substantial direct state subsidies, aggregating well over \$9 million for fiscal year 1966-67; and a dozen other smaller private institutions of various types will continue to receive their customary subsidies, and are not the subject of statutory gestures toward making them "semi-public" or "quasi-state" institutions, as Temple University and the University of Pittsburgh are.

Comprehending that the situation would seem awkward or anomalous in almost any state other than Pennsylvania, one can trust Pennsylvania to develop the picture in its own way, and meantime take satisfaction in the fact that for a second consecutive fiscal year the Commonwealth has continued and expanded its policy of broadening higher educational opportunity by specifically paying for the reduction of student fees on a large scale in three large universities.

Instead of "twisting the arm" of the universities to browbeat them into raising their fees against their will and contrary to their better judgment, as many state legislatures have done in recent years, Pennsylvania's lawmakers seem to have recognized that the time for a turning-point has been passed; that the provision of educational opportunity beyond high school is a public responsibility--as was made permanent public policy as far as public elementary and secondary education in Pennsylvania were concerned approximately a century and a quarter ago.

M. M. Chambers, Education Building, Indiana University, Bloomington

Preliminary annual summary of appropriations of state tax funds for operating expenses of higher education in the fifty states:

The tabulation on the reverse of this page is the early version of September 1, 1966. It is subject to the following rectifications, subsequently received.

It will be noted that in some instances the additional funds appropriated by legislative special sessions are substantial enough to be of importance locally, but that their aggregate makes only slight changes in the nationwide scene as recorded September 1. The next revision of the tabulation will embody the corrections here listed, and possibly some others.

Rectifications of the tabulation on the reverse of this page--

All totals are for fiscal year 1966-67, entered in Column 5 on back of this page

	<u>Plus</u>	<u>Minus</u>
<u>Ala.</u> - Chiefly because of supplementary appropriations by the 1966 Special Session, the 1966-67 total goes up to \$54,782,000	\$13,373	
<u>Conn.</u> - Due chiefly to an additional sum made available by an Executive Order of June 27, 1966, the 1966-67 total goes up to \$34,897,000	793	
<u>Minn.</u> - Percentage gain over six years (Column 9) is 86 $\frac{1}{4}$		
<u>Nev.</u> - Special session in 1966 added \$379,524 to University for new faculty positions, bringing 1966-67 total to 8,074,000	380	
<u>N. H.</u> - Legislature added \$750,000, bringing 1966-67 total to \$7,185,000	750	
<u>N. C.</u> - Statewide total for 1966-67 comes up to \$81,194,598	1,733	
<u>Ore.</u> - Statewide total for 1966-67 comes up to \$55,614,000	803	
<u>Tenn.</u> - Appropriation of \$500,000 for junior colleges by the Regular Session, and supplementary appropriations by the Extraordinary Session of 1966 aggregating \$1,817,000 bring statewide total to \$50,256,000	2,317	
<u>Texas</u> - Total for San Angelo State College should be \$1,274,000, reducing state total to \$164,548,000		\$1,159
<u>Vt.</u> - Special Session of 1966 brings total to \$6,998,000	113	
<u>Totals</u>	20,262	1,159
<u>NET PLUS</u>	19,103	

The NET PLUS of \$19 million raises the 1966-67 total in Column 5 on the reverse of this page to \$3,485,069--an increase of about one half of one per cent; and raises the two-year percentage gain to 42 and three-fourths per cent, and the six-year percentage gain (Column 9) to 130 per cent.

APPROPRIATIONS OF STATE TAX FUNDS (IN THOUSANDS OF DOLLARS) FOR OPERATING EXPENSES OF HIGHER EDUCATION IN 4 ALTERNATE FISCAL YEARS (1961-1967), WITH CHANGE OVER MOST RECENT 2 YEARS AND TOTAL CHANGE OVER PERIOD OF 6 YEARS IN DOLLAR GAINS AND PERCENTAGE GAINS

States (1)	Fiscal years ending with odd numbers				1965-67		1961-67	
	1960-61 (2)	1962-63 (3)	1964-65 (4)	1966-67 (5)	2-yr gain (6)	% (7)	6-yr gain (8)	% (9)
Ala	\$ 22,397	\$ 22,659	\$ 30,421	\$ 41,409	\$ 10,988	36	\$ 19,012	89
Alaska	2,323	3,301	5,300	7,314	2,014	38	4,991	215
Ariz	16,218	21,007	29,742	40,492	10,750	36	24,274	149½
Ark	13,551	16,599	20,369	28,722	8,353	41	15,171	112
Cal	221,592	277,708	351,982	489,102	137,120	39	267,510	120¾
Colo	24,332	31,255	35,837	51,916	16,079	45	27,584	113¼
Conn	13,080	15,948	19,706	34,104	14,398	73	21,024	161
Del	3,734	5,094	6,889	8,740	1,851	27	5,006	134
Fla	41,412	53,452	75,695	95,477	19,782	26	54,065	130½
Ga	26,605	32,162	41,770	59,193	17,423	41½	32,588	122½
Hawaii	5,825	8,515	12,580	23,868	11,288	90	18,043	310
Ida	8,800	10,137	11,203	15,490	4,287	38½	6,690	76
Ill	90,290	116,293	148,170	204,403	56,233	38	114,113	126½
Ind	50,163	62,709	80,134	104,312	24,178	30	54,149	108
Iowa	34,861	39,705	48,328	61,285	12,957	27	26,424	76
Kas	27,938	35,038	44,103	54,781	10,678	26¼	26,843	96
Ky	19,672	29,573	42,782	63,166	20,384	47½	43,494	221
La	44,557	46,760	65,031	87,139	22,108	34	42,582	98
Me	5,599	7,429	9,709	13,457	3,748	38½	7,858	140¼
Md	25,166	30,678	39,177	61,567	22,390	57	36,401	144½
Mass	13,361	16,503	28,415	40,000	11,585*	40½	26,639*	199½*
Mich	101,836	109,759	138,063	196,425	58,362	42¼	94,589	93
Minn	38,920	45,117	55,059	72,463	17,404	31½	33,543	88
Miss	18,347	19,863	25,931	36,720	10,789	41½	18,373	100
Mo	25,641	33,603	46,847	74,817	27,970	59½	49,176	192
Mont	11,231	10,661	13,367	16,784	3,417	25½	5,553	49½
Nebr	15,218	17,078	18,820	21,894	3,074	16¼	6,676	44
Nev	4,107	5,325	6,518	7,695	1,177	18	3,588	87¼
N H	4,106	4,733	5,104	6,435	1,331	26	2,329	57
N J	24,457	34,179	45,816	75,652	29,836	65	51,195	209¼
N M	11,239	14,372	18,636	26,088	7,452	40	14,849	132
N Y	94,116	163,656	228,614	353,793	125,179	54¾	259,677	276
N C	30,574	36,815	51,431	79,462	28,031	54½	48,888	160
N D	9,368	10,505	12,109	13,989	1,880	15½	4,621	49½
Ohio	45,326	55,620	67,670	93,269	25,599	38	47,943	106
Okla	27,020	30,020	33,505	41,867	8,362	25	14,847	55
Ore	28,719	34,263	39,998	54,811	14,813	37	26,092	91
Pa	43,472	56,187	68,819	110,000*	41,181*	60*	66,528*	153½*
R I	5,271	7,697	10,283	15,387	5,104	50	10,116	192
S C	13,141	15,440	19,286	27,464	8,178	42½	14,323	109
S D	8,128	8,702	12,338	14,251	1,913	15½	6,123	75¼
Tenn	17,023	22,359	31,892	47,939	16,047	50¼	30,916	181½
Texas	72,133	90,282	114,156	165,707	51,551	45	93,574	130
Utah	13,139	15,580	19,154	24,891	5,737	30	11,752	89½
Vt	3,399	3,750	5,445	6,885	1,440	26½	3,486	102¼
Va	29,861	34,625	42,421	64,134	21,713	51	34,273	115
Wash	47,441	58,387	71,973	94,980	23,007	32	47,539	100¼
W Va	16,919	20,743	23,761	32,294	8,533	36	15,375	91
Wis	37,417	44,670	60,410	95,160	34,750	57½	57,743	154¼
Wyo	4,935	5,916	6,707	8,773	2,066	31	3,838	78
Totals	1,513,980	1,892,432	2,441,476	3,465,966	1,024,490	42	1,951,986	129

\* Estimated. Report not available when this tabulation was completed Sept. 1, 1966