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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.

IN THIS ISSUE

- Forty-four states have weighted average 2-year gain of 38 per cent. . . . . 838
- Delaware makes two-year gain of 50 per cent . . . . . 839
- Illinois appropriates \$405 million for fiscal year; enacts new income taxes on persons and corporations to produce about \$800 million a year. . . . . 839-840
- Michigan to have College of Osteopathic Medicine . . . 839-840
- Maine makes estimated two-year gain of 43 per cent . . . 840
- Nebraska appropriates nearly \$97 million for biennium. . . 841
- Ohio appropriates \$240 million for fiscal year; two-year gain appears to be 59½ per cent. . . 842
- Oregon makes two-year gain of 30½ per cent . . . . . 842

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FORTY-FOUR STATES, 1969-70  
(Six in addition to 38 previously reported)

Table 99. Appropriations of state tax funds for annual operating expenses of higher education for fiscal year 1969-70 and in previous years 1959-60 and 1967-68, in 44 states, in thousands of dollars, with dollar gains and percentage gains over most recent two years and over ten years.

States	Fiscal years ending in even numbers			1968-70		1960-70	
	1959-60	1967-68	1969-70	2-yr gain		10-yr gain	
(1)	(2)	(3)	(4)	\$	%	\$	%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Thirty-eight states previously reported -- (Table 91, GRAPEVINE page 832)							
38 states	805,851	2,561,872	3,518,209	956,337	37½	2,712,359	336½
Delaware	3,731	11,313	16,933	5,620	50	13,202	354
Illinois	90,289	301,136	405,077	103,941	34½	314,788	346½
Maine	3,356	18,167	25,984	7,817	43	22,628	674
Nebraska	15,217	33,248	48,326	15,078	45½	33,109	217½
Ohio	43,331	150,527	239,891	89,364	59½	196,560	453½
Oregon	28,719	67,305	87,683	20,378	30½	58,964	205½
44 states	990,494	3,143,568	4,342,103	1,198,535		3,351,610	
Weighted average gains					38		338½

The addition to the record of the six states above named brings the 44-state weighted average two-year gain up to 38 per cent. Only six states are now unreported for fiscal year 1969-70: California, Louisiana, North Carolina, Pennsylvania, Texas and Wisconsin. Their combined totals will probably exceed \$1½ billion. There are indications that they will not cause the rate of gain to fluctuate wildly.

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DELAWARE. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1969-70:

Table 1. State tax-fund appropriations for operating expenses of higher education in Delaware, fiscal year 1969-70, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of Delaware	\$10,836
Employer's share, Soc Secur*	536
State Employees' Pensions*	270
Scholarship Fund (Code sec 5501)	100
General scholarships	93
Aid to needy students (Sec 5520)	57
Teaching scholarships (Sec 5502)	50
Farmland evaluation program	15
Diagnostic Poultry Service	10
Shellfish Research	10
<b>Subtotal, U of D -</b>	<b>\$11,977</b>
Delaware State College	1,998
Del Tech & Community Coll	2,958
<b>Total</b>	<b>16,933</b>

\* Appropriated to the State Treasurer.

The total for fiscal year 1969-70 seems to be a gain of 50 per cent over the comparable figure for fiscal year 1967-68, two years earlier.

The ten-year gain since fiscal year 1959-60 appears to be 354 per cent.

MICHIGAN. Small tentative change-- Governor Milliken vetoed two sections of the appropriation act for higher education: the \$242,618 for a Michigan College of Osteopathic Medicine, and the \$100,000 for the Michigan Educational Television Interconnect.

The legislature directed the State Board of Education to name the university with which it wished the new Osteopathic College to be located, within ninety days. The governor signed the act creating the College, but wished to delay the funding until the university had been designated.

(Continued on page 840)

ILLINOIS. Appropriations of state tax funds for operating expenses of higher education, fiscal year 1969-70:

Table 2. State tax-fund appropriations for operating expenses of higher education in Illinois, fiscal year 1969-70, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of Illinois (all units)	\$152,144
Southern Illinois U	75,477
Northern Illinois U (Regts)	31,910
Illinois State U (Regts)	25,093
Western Illinois U (Govs)	16,453
Eastern Illinois U (Govs)	14,444
Northeastern Illinois U (Govs)	8,544
Chicago State Colleges (Govs)	7,586
Sangamon State U (Regts)	1,528
Governors State U (Govs)	266
<b>Subtotal, 10 s u's -</b>	<b>\$333,445</b>
<b>Statewide boards -</b>	
Board of Regents	263
Board of Governors	334
Junior College Board	281
Board of Higher Education	772
Grants	946
<b>Subtotal, bds -</b>	<b>\$2,596</b>
State aid to jr colls	37,982
E St Louis State Jr Coll	750
Scholarship Comm (administration)	1,905
Scholarships (merit)	12,000
Student grants (need)	14,000
Guarntd student loans	1,900
Guarntd med student loans	500
<b>Subtotal, awards and loan programs</b>	<b>\$30,305</b>
<b>Total *</b>	<b>405,077</b>
* Alternatively classified by "systems"	
Trustees of U of Ill	152,144
Trustees of So Ill U	75,477
Board of Regents	58,794
Board of Governors	47,626
Junior College Board	39,013
Scholarship Commission	30,305
Board of Higher Education	1,718
<b>Total</b>	<b>405,077</b>

(Continued on page 840)

MICHIGAN (Continued from page 839)

Certainly the consent of the designated university will be necessary. Meantime, it is said that when the legislature reconvenes in October there might be a possibility of overriding the governor's veto. At any rate, a firm report of the fate of this item can not be made now.

ILLINOIS. The biggest news of the year in the field of state revenues is the enactment of the 2½ per cent personal income tax and the 4 per cent corporation income tax, effective August 1, 1969.

These measures are expected to produce \$765 million of revenue during the eleven months prior to June 30, 1970, of which about \$65 million are earmarked for the cities and counties. This is a landmark in Illinois history.

The state supreme court sustained the constitutionality of the acts in a prompt decision prior to August 1, and promised a longer analytic and explanatory opinion later.

The decision disregards some archaic precedents which have long been used to frighten and discourages advocates of state income taxes, such as the 47-year-old case of Bachrach v. Nelson, and a 75-year-old decision of the United States Supreme Court holding that under a mandate for uniform taxation, income must be treated in the same manner as property. This was overruled by the Supreme Court itself in 1937, and is no longer an obstacle.

The legislature also raised the Illinois cigarette tax to 12 cents a pack from the former 9 cents; the liquor tax to \$2.02 from \$1.52 a gallon; the beer tax to 7 cents a gallon from the former 6 cents; and transient hotel and motel rooms to 5 per cent from 3 per cent.

MAINE. Appropriations of state tax funds for operating expenses of higher education, biennium 1969-71:

Table 3. State tax-fund appropriations for operating expenses of higher education in Maine, biennium 1969-71, by separate fiscal years, in thousands of dollars.

Institutions	Sums appropriated	
	1969-70	1970-71
(1)	(2)	(3)
U of Maine (Incl all units and 5 state colleges)		
Gorham		
Farmington		
Aroostook		
Washington		
Fort Kent		
Subtotals, U of Maine	\$22,264	\$24,283
Maine Maritime Academy *	475	500
Voc-Tech Institutes *	} 2,750	} 3,000
Schs of prac nursing *		
Scholarships *		
Other small items *		
Totals *	25,984	27,783

\* All appropriations except to the University of Maine are estimated in the absence of timely detailed reports. Detailed figures will be reported later when possible.

The legislature of 1968 having created a new statewide University of Maine, to include the five state colleges, it is possible now to report only totals for the entire new University.

The actual total for the University for 1969-70, and the estimated totals for the small institutions and activities not parts of the University, indicate a gain of about 43 per cent over fiscal year 1967-68, two years earlier. The ten-year gain would be about 674 per cent. These ratios may be revised when detailed breakdowns become available.

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**NEBRASKA.** Appropriations of state tax funds for operating expenses of higher education, biennium 1969-71:

Table 4. State tax-fund appropriations for operating expenses of higher education in Nebraska, biennium 1969-71, in thousands of dollars.

Institutions	Sums appropriated
(1)	(2)
U of Nebraska	\$40,483
Ag Experiment Sta	7,263
Ag Extension Service	4,877
Medical Center	16,543
University at Omaha *	9,766
Sch of Technical Agriculture	580
Conservation and Survey Div	526
Extension and Public Service	1,428
<b>Subtotal, U of N -</b>	<b>\$81,466</b>
State colleges -	
Kearney	5,903
Wayne	2,962
Chadron	2,747
Peru	1,794
<b>Subtotal, s c's -</b>	<b>\$13,407</b>
State aid to jr colls **	1,900
<b>Total</b>	<b>96,773</b>

\* The former Municipal University of Omaha, now the University of Nebraska at Omaha.

\*\* Estimated.

Using half the biennial total as the assumed total for fiscal year 1969-70, as has been done in prior years, it seems that the two-year gain from fiscal year 1967-68 to 1969-70 is 45½ per cent.

The ten-year gain since fiscal year 1959-60 is 217½ per cent.

**OHIO.** Appropriations of state tax funds for operating expenses of higher education, biennium 1969-71:

Table 5. State tax-fund appropriations for operating expenses of higher education in Ohio, biennium 1969-71, by separate fiscal years, in thousands of dollars.

Institutions	Sums appropriated	
(1)	1969-70	1970-71
Ohio State U	\$55,047	\$55,964
Ag Research Ctr *	4,553	4,826
Ag Exten Service	2,515	2,826
Univ Hospitals	7,835	8,237
<b>Subtotals, OSU - **</b>		
Kent State U	19,903	20,719
Ohio University	17,132	17,978
U of Cincinnati ***	15,475	15,919
Bowling Green St U	12,796	13,327
Miami University	10,755	11,204
U of Toledo	10,338	10,816
U of Akron	10,347	11,474
Youngstown St U	8,802	9,469
Cleveland St. U	8,504	9,261
Wright State U	5,530	6,487
Central State U	3,150	3,198
University branches (19)	8,530	9,655
Academic centers	1,260	1,440
Tech institutes (10)	3,030	3,692
Community colleges (4)	8,531	9,565
Med Coll of O at Toledo	2,300	2,800
Med Sch of Case-W Res +	1,500	1,500
Instructional grants	-	8,500
Public service	1,500	1,500
Special student aid	180	195
To restore to operating funds sums equal to student fees pledged for debt service	20,000	20,000
Ohio Board of Regents	373	378
<b>Totals</b>	<b>239,891</b>	<b>260,690</b>

(Continued on page 842)

OHIO (Continued from page 841)

Footnotes to Table 5:

- \* The former Ohio Agricultural Experiment Station at Wooster, Ohio.
- \*\* \$69,955,000 and \$71,713,000.
- \*\*\* "State-affiliated" municipal university, state-subsidized for first two years of programs, plus state support of programs in nursing and graduate and graduate-professional programs.
- + The private medical school of the private Case-Western Reserve University in Cleveland is state-subsidized to the extent indicated.

The total for fiscal year 1969-70 seems to be a gain of 59½ per cent over the comparable sum for fiscal year 1967-68, two years earlier.

The ten-year gain since fiscal year 1959-60 seems to be 453½ per cent.

OREGON. Appropriations of state tax funds for operating expenses of higher education, biennium 1969-71:

Table 6. State tax-fund appropriations for operating expenses of higher education in Oregon, biennium 1969-71, by separate fiscal years, in thousands of dollars.

Institutions	Sums appropriated	
	1969-70	1970-71
(1)	(2)	(3)
U of Oregon	\$14,264	\$15,336
U of O Medical School	4,404	4,778
Tchnng hosps & clinics	6,241	6,627
Crip children's div	1,417	1,494
U of O Dental School	1,633	1,817
Subtotals, U of O - *		

(Continued in next column)

OREGON (Continued from preceding column)

Table 6, continued:

Oregon State U	15,504	16,995
Ag Exp Station	3,859	3,962
Ag Exten Service	2,880	3,055
Forest Research Lab	357	394
Water Resources	12	14
<u>Subtotals, O S U - **</u>		
Portland State U	9,531	10,795
Southern Oregon Coll	3,390	3,671
Oregon Coll of Education	3,092	3,425
Oregon Technical Inst	2,115	2,286
Eastern Oregon Coll	1,643	1,783
Div of Continuing Edn	2,216	2,339
WICHE +	114	133
Bd of H E centralized activities	2,490	2,606
<u>Subtotals, Syst - ***</u>		
NDEA matching funds	230	230
Scholarship Commission	211	213
Ednl Coord Council	445	446
State aid to comm colls	11,636	13,502
Totals	87,683	95,901

\* \$27,958,195 and \$30,050,849. Actually the medical and dental schools are administratively separate from the University, but are grouped with it here for comparability with other state universities that include such schools.

\*\* \$22,612,278 and \$24,420,734.

\*\*\* \$75,160,981 and \$81,510,106.

+ Western Interstate Commission for Higher Education.

The total for fiscal year 1969-70 appears to be a gain of 30½ per cent over the comparable figure for fiscal year 1967-69, two years earlier.

The ten-year gain since fiscal year 1959-60 seems to be 205½ per cent.