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Ann Arbor, Michigan

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TO MY CORRESPONDENTS: The GRAPEVINE is circulated free of charge, chiefly to persons in position to reciprocate by sending me good notes on significant enactments in their own states. The enclosed self-addressed prepaid air mail envelope is for your convenience.

- (1) Tax legislation
- (2) Legislation regarding education all levels
- (3) Appropriations for higher education, including junior colleges, and state school aid

Sincerely yours,

M. M. Chambers

GRAPEVINE

Iowa has appropriated over \$6 million for capital improvements at the State University of Iowa.

Massachusetts put into effect the withholding system for state income taxes February 18.

New Jersey will put before the people next November the question of a \$67 million bond issue for capital outlays at the state colleges and university. A simple majority of those voting next November will decide.

New York has passed the increased income tax act, and payroll deductions will begin April 1. Increased taxes on gasoline and diesel fuel went into effect March 2.

North Dakota has enacted a greatly increased program of state support of local public schools, including junior colleges, and substantially increased appropriations to the state institutions of higher education.

Rhode Island enacted a bill commending the report of its Commission to Study the Future Needs of Higher Education.

Utah has passed a bill to create a Coordinating Council of Higher Education.

IOWA. Governor Herschel Loveless has signed an appropriation of \$6,190,000 for new buildings and major repairs at the State University of Iowa. Priority will be given to the new Law Center, for which the contract will be let this spring. Other contracts expected to be let next fall include a new pharmacy building, a chemistry annex, and a permanent health service building. There will also be an addition to the psychopathic hospital, expansion and improvement of campus utilities, and a facility for storage of volatile solvents. The program will require 2 years or more for completion.

The state board of regents is thus enabled to begin a program of

capital improvements which it estimates will require \$20 million in all. Current capital outlay appropriations for the other two principal state institutions of higher education are not known here in detail, but the total for the 3 institutions is thought to be in the neighborhood of \$16 million.

MASSACHUSETTS. The withholding system for state income taxes went into effect February 18, 1959. This is expected to pay off a \$35 million deficit by June 30 and provide a surplus of \$15 million.

NEW JERSEY. The legislature has enacted a bill to place on the ballot at the general election in November

NEW JERSEY (Cont'd.) 1959 the proposal for a bond issue of approximately \$67 million for capital outlays by the state institutions of higher education, as mentioned on page 9 of GRAPEVINE for February. A simple majority of those voting at the election will be sufficient to approve the proposal. The amount to be authorized is actually \$66,800,000, of which Rutgers, the State University, would get \$29,850,000; the six state teachers colleges, \$18,950,000; and the Newark College of Engineering, \$7 million. An additional \$11 million would be for self-liquidating dormitories at the six state teachers colleges.

NEW YORK. Effective March 2, 1959, the new gasoline tax (6¢ per gallon instead of 4¢ as formerly and the diesel fuel tax of 9¢ (raised from 6¢) are being collected, and are expected to produce an additional \$60 million of new revenue annually.

On March 11 the legislature passed the income tax increase act which was a principal item in Governor Rockefeller's program of increased revenues. Collections through payroll deductions will start April 1; and will bring in \$112 million of new revenue this year.

Indications were strong that the rest of the Governor's budget program as sketched on page 9 of February GRAPEVINE, would soon be enacted, except that the total of \$2,041 million would be reduced by \$40 million, or about 2%.

The new income tax, to be collected by withholding, beginning April 1, will be as shown in Column 3 of Table 1 for a married taxpayer with 2 children (not counting other deductions such as Social Security).

Personal exemptions, formerly \$1,000 for a single person, \$2,500 for a married couple and \$400 for each dependent, are reduced to a uniform \$600 per person. New brackets at the upper end of the scale

raise the top bracket to 10% on taxable income above \$15,000. Formerly the top was 7% on income above \$9,000.

Table 1. Married taxpayer with 2 children

Weekly income	Federal withhold	State withhold	Take-home pay
(1)	(2)	(3)	(4)
\$100	\$ 8.64	\$ .90	\$ 90.46
150	17.64	3.30	129.06
200	26.64	6.60	166.76
250	35.64	9.60	204.76
300	44.64	14.90	240.46

NORTH DAKOTA. A new public school "foundation program" has been enacted guaranteeing payment of 60% of local public school operating costs out of state funds, to be derived from county levies of 21 mills. The new act also provides for state aid for transportation of pupils, an innovation in this state. A statute providing state aid for junior colleges was also enacted. Other new legislation includes a statewide sick-leave program and a materially improved teachers' insurance and retirement fund law.

A substantial increase in appropriations for institutions of higher learning is reported. Details are not at hand as this mailing goes out, but are thought to be substantially as recited on page 18 of this issue of GRAPEVINE.

The upshot of the entire program of educational legislation is said to be "the most far reaching forward steps in the history of the state."

RHODE ISLAND. The governor signed on March 5, 1959 a bill commending the report of the Commission to Study the Future Needs of Higher Education to the favorable consideration of the Board of Trustees of State Colleges "with the expectation that it will be of constructive assistance to said Board as it proceeds with plans for development of the institutions under its jurisdiction for the purpose of increasing their educational services to the state"

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The Commission, provided for by the legislature in 1956 and appointed by the governor in May 1957, has 11 members: 5 appointees of the governor, 4 ex officio members, 1 senator, and 1 representative. Director of studies is Edwin F. Hallenbeck, with office at 49 Westminster St., Providence. Seven research studies and a summary report have been issued-- the latter in February 1959.

UTAH. A bill to create a Coordinating Council of Higher Education passed the Senate Jan. 29, and passed the House March 4.

LEGISLATION REPORTED NOT YET  
ENACTED AT THIS MAILING

ALASKA. A measure to regroup the agencies of the executive branch into 11 departments with heads appointed by the governor was passed by the House on March 7, and expected to pass the Senate and receive the governor's signature within a short time. Don M. Dafoe, Commissioner of Education, who strenuously opposed having his office put under the governor's control and without an independent board of education, has announced his resignation. He was strongly supported by organizations of teachers in the state. The constitutionality of the reorganization act will be challenged in court, and it may have rough sledding.

Alaska's first state budget, for one fiscal year beginning July 1, 1959, calls for expenditure of \$26½ million-- about \$6 million more than last year's territorial budget. The largest single source of revenue is the existing state income tax, expected to produce more than \$8 million. Rentals from oil and gas lands, and the state's share of receipts from Pribilof Island seal-fur sales will bring in much of the remainder. No new taxes are proposed this year.

Education will get more money than last year, but the acting governor cut the education department's recommendation of \$2 million in building projects down to \$800,000. While oil and gas lease revenues were \$3 million last year and will be more this year, he warned that "sustained production is needed to make this a continuing major item of future income."

DELAWARE. The board of trustees of the University of Delaware requested an increase of \$437,428 each year in appropriations for the 1959-61 biennium-- an increase of 15.4% over the preceding biennium. The governor reduced this request by \$200,000, cutting the annual increase to about 8.5% over the current appropriations. The legislature will consider both recommendations.

FLORIDA. The regular biennial session of the legislature will begin in April. The recommendations of the state budget commission as to appropriations for operating expenditures for the biennium 1959-61 are as follows:  
Total for all institutions governed by the Board of Control, \$130½ million, as against \$139.3 million requested by the Board of Control, and as against \$105½ million actually expended (estimate) in 1957-59. Thus an over-all increase of a little over 26% is recommended. These figures include all funds from all sources.

The University of Florida at Gainesville would get \$79 million; Florida State University at Tallahassee, \$30 million; Florida A & M University at Tallahassee, over \$9 million; and the new University of South Florida at Tampa, \$3½ million. The Board of Control would get \$4½ million, including \$284,000 for its general office, about \$900,000 for its department of architecture, and nearly \$3½ million of administered funds which include \$1,680,000 for

FLORIDA (Cont'd.) state payments to the first accredited medical college in the state (at the privately-controlled University of Miami), \$760,000 for regional education, and other sums for various scholarship funds. In addition to all the foregoing, the aggregate askings also include sums for operation of the Deaf and Blind School and the Ringling Museum, both of which are governed by Board. The board will ask the legislature to remove these institutions from its control.

The board has a long-range schedule of capital outlays aggregating nearly \$52 million for about 100 projects, of which about two-thirds are in a first order of priority and one-third in a second order.

For the biennium 1959-61 the state budget director has recommended a total of almost \$11 million, being \$2,880,000 for the University of Florida, \$1,838,700 for Florida State University, \$700,000 for Florida A & M University, \$3,663,540 for the University of South Florida, and \$1,218,072 for the School for the Deaf and Blind.

The budget director also recommends a \$250,000 office building for the board and its architect, and \$100,000 for planning a new institution of higher education to be located at Boca Raton on the lower East Coast.

The board will ask the legislature to make capital outlay appropriations direct to it rather than to the Board of Commissioners of State Institutions, as required under present statutes. This is an important point.

MASSACHUSETTS. On March 13 Governor Foster Furcolo asked the legislature to vote a 3% sales tax with food, utility bills, children's clothing, and medicine exempted. The bill would raise \$120 million a year of new revenue, and provides that about two-thirds of the proceeds would go to the 351 cities

and towns of the Commonwealth.

MASSACHUSETTS. State fiscal authorities recommended \$9.9 million for the university of Massachusetts for the year 1960, as compared with actual appropriations of \$8.5 million for 1959. Aggregate recommended for the 9 state teachers colleges and the School of Art was \$5.8 million as against \$5 million for 1959. For 3 state technological institutes about \$2½ million was recommended. Expenditures for higher education are reported to total about 3.2% of total state expenditures-- one of the lowest ratios in the nation.

MASSACHUSETTS. Up to now the Commonwealth has three local public junior colleges, established and maintained by local school committees in Holyoke, Newton, and Quincy. In October 1958 the legislature enacted a statute providing for a statewide system of regional community colleges, and creating a board of 15 members to govern the entire system, with instructions to appoint a president for the system and a dean and faculty for each community college established. \$1 million was appropriated for the planning of the system and its initial development.

For the capital outlay needs of all state institutions of higher education, Governor Furcolo had recommended bond issues aggregating over \$111 million over a period of three years, including \$24 million for the regional community colleges.

The Board for the Regional Community Colleges will have control of all junior colleges established in the future, but the 3 pre-existing ones will continue under the same control as at present. The number of new regional community colleges is at the discretion of the board, but it will probably adhere to the recommendations of the March 1958 report of the Special Commission on Audit of State Needs, which proposed 9 areas be appropriately served by such institutions.

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MASSACHUSETTS (Cont'd.)

This report prompted the governor to issue a special message on needs in higher education in July 1958. The 15 members of the board for regional community colleges have recently been appointed, and the plan may be expected to proceed, with its speed depending somewhat on the provision of capital and operating funds.

Each community college is to have a local advisory board of 10 members, and may be operated in existing school buildings, though the plan contemplates the construction of new and separate facilities.

MICHIGAN. In this state appropriations are made annually, and the figures presented here are for the single year 1959-60. Requests for operating funds and capital outlay funds appear in Table 2.

Table 2. Requests for operating and capital outlay funds by 9 Michigan institutions, 1959-60

Institution	Operating funds	Capital funds
(1)	(2)	(3)
U of Mich	\$36,788,270	\$19,349,370
Mich St U	31,396,492	14,310,800
Wayne S U	15,665,871	6,117,500
W Mich U	6,351,648	3,971,041
E Mich Col	4,016,780	3,118,540
Mich Tech	4,100,370	2,636,740
C Mich Col	3,802,887	2,618,390
Ferris Inst	2,520,652	3,248,500
N Mich Col	2,117,787	3,261,817
<b>Totals</b>	<b>\$106,760,757</b>	<b>\$58,632,698</b>

Requests are for one fiscal year

The University of Michigan also makes separate requests for operating funds for separately budgeted projects: Dearborn Center (\$580,000); research and services in human resources, suspended this year for lack of funds (\$400,000); institute of labor and industrial relations (\$286,000); Great Lakes research institute (\$150,000); small business

research and service (\$200,000); Institute of Science and Technology (\$850,000).

The university's request for \$36,788,270 in operating funds represents an increase of a little less than 23% over last year's appropriation of \$30 million. President Harlan Hatcher says "The increase is imperative if the university is to maintain its standards and fulfill its obligations to the state."

Statewide primary elections scheduled for April 6 have tended to preoccupy the minds of legislators and will probably delay beyond that date any decisive action on the tax program proposed by a legislative study committee, and on the governor's budget recommendations, both of which were partly sketched on page 3 of the January GRAPEVINE.

NEW JERSEY. The legislature reconvened March 9 after a 3-week recess. There will be another recess about mid-April. Meantime it is thought that Governor Meyner's budget of \$403,235,022, described on pages 8 and 9 of GRAPEVINE for February, will be enacted into appropriation bills for fiscal 1960 without significant change.

NORTH DAKOTA. The State Budget Board, acting upon the recommendations of the State Board of Higher Education mentioned on page 10 of GRAPEVINE for February, reduced the total requested to about 17.5 million net operating funds for the nine institutions of higher education for the biennium. This is exclusive of about \$3½ million of institutional income which went to the state treasury and will be appropriated back to the institutions. The 17.5 million net apparently represents an increase of about 17% over the preceding biennium. Sums requested for minor plant improvements bring the total up to about \$18.7 million. Added is a recommendation

NORTH DAKOTA (Cont'd.) of \$5.6 million for new buildings, making a grand aggregate of \$28 million for higher education. This gross budget is 28% of a total gross requested state budget of \$101 million. Few if any states devote as large a proportion of their total expenditures for all purposes to higher education.

The House Appropriations Committee made several minor additions to the above requests, aggregating \$217,530. These included \$30,000 for veterinary diagnostic research and \$27,500 for turkey research at the agricultural experiment station, \$35,000 for a president's house at Dickinson State Teachers College, and other small plant improvements at the Ellendale and Minot state teachers colleges and at the School of Forestry at Bottineau.

Among the new buildings recommended are two for the University of North Dakota at Grand Forks: an administration building (\$850,000) and a chemistry building (\$750,000).

The net operating budget recommended for the university is about \$5.3 million; for the State Agricultural College at Fargo (including the agricultural experiment station and agricultural extension) about \$6.3 million; for the Minot state teachers college \$1½ million, and the other 4 state teachers colleges varying sums all less than \$1 million each. The State school of Science at Wahpeton would get \$1.4 million, and the School of Forestry at Bottineau a little over \$½ million.

OHIO. Governor DiSalle's budget calls for a program of expenditure of sums in excess of \$2.1 billion during the ensuing biennium. He recommends tax legislation that will bring in \$337 million in additional revenues over the biennium: increase of 2¢ a gallon on gasoline and 4¢ on diesel fuel would bring in \$123 million for highways, and

keep construction rolling at the rate of \$300 million a year; applying the sales tax to services such as hotels and motels, and restoring the sales tax of 1¢ on sales between 16¢ and 41¢ would bring in \$48 million; cigaret tax up 2¢ would produce \$46 million; Increase in liquor prices in state stores, \$40 million; sales tax on alcoholic liquors and cigarettes, \$44 million; doubling the corporation franchise tax, \$26 million; adjusting the pari-mutuel wager tax, \$6 million; and new tax on 3.2 beer, \$4 million.

The governor said "The recommendations I have given you here are not easy and are not pleasant, but they are necessary-- if our state is to respond to the needs of our society and our economy."

Out of the total of \$2.1 billion, about \$631 million would go for education, chiefly state support for local school districts. The increase over the current biennium is \$53.2 million. Higher education's \$85 million would be an increase of \$15 million, and would apparently represent about 4% of the total state budget. See page 10 of February GRAPEVINE for askings of the several separate institutions.

OKLAHOMA. On February 23, 1959 the state board of regents for higher education reported to the governor and the legislature that a minimum of \$30½ million is needed for capital improvements at the 18 institutions under its fiscal control. The board suggests a bond issue, preferably by the state. The following direct quotation is significant: "The Regents believe the students already are bearing as much as they should of the cost of higher education."

RHODE ISLAND. Bills have been introduced to change the name of Rhode Island College of Education to Rhode Island State College and enlarge its facilities so as to offer degree programs in liberal

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RHODE ISLAND (Cont'd.) arts and sciences in addition to its degree programs in professional education; to direct the Board of Trustees of State Colleges to establish a junior college in the major metropolitan area (Providence and environs); and to direct the board to survey the need for junior colleges in the state and report its findings not later than February 15, 1960.

TENNESSEE. The House of Representatives rejected on March 13 a joint resolution proposing a constitutional amendment to authorize state income taxes. The proposed tax bill was for the purpose of strengthening the support of public education, chiefly by providing adequate pay for teachers.

TEXAS. The regular legislative session automatically ends May 12. Thus far the policy has been to delay consideration of new revenue measures until after the necessary expenditures have been determined and appropriations made. It is now known that \$65 million must be provided to meet the existing deficit, and \$73 million a year in new money must be found to continue present services at current levels through the ensuing biennium. Any improvement in any state service, including education at either the public school or college and university level, will require additional revenues.

UTAH. Governor George D. Clyde recommended that the legislature stay within a limit of \$10 million in appropriations for capital outlays. The veteran Senator Alonzo F. Hopkin, chairman of the building subcommittee of the joint appropriations committee, concluded that this would not be possible. His committee decided the minimum needed to finance the program to which the 1957 legislature committed the state is \$12,821,630. This

would include \$1 million of a remaining \$2.5 million commitment to the University of Utah medical center. A campaign is also being conducted to raise \$6 million for the medical center from private sources.

The minimum of \$12,821,630 would include \$4,305,000 for the University of Utah at Salt Lake City; \$2,460,000 for Utah State University at Logan; \$846,000 for the College of Southern Utah; \$571,000 for Snow College; \$400,000 for Carbon College; \$724,000 for Dixie College; \$1,227,550 for Weber College; and smaller sums for area vocational schools and schools for the handicapped.

UNITED STATES CONGRESS. Twenty pages would be required for the briefest synopsis of the scores of bills introduced affecting education in one way or another. We hold our fire until the scene clears a bit so we can see which proposals may have some chance of enactment.

College Housing Loans. The Senate passed on February 5 the Sparkman general housing bill, one title of which provides the Housing and Home Finance Administration with an additional \$300 million in lending authority, of which \$250 million would be for dormitory construction; \$37.5 million for dining halls, infirmaries, and related facilities; and \$12.5 million for housing for student nurses and interns. A companion bill in the House, authorizing a total of \$400 million in lending authority was reported by the House Banking and Currency Committee February 25. An attempt was made to include in this bill an authorization of loans of \$250 million for academic facilities (classroom and laboratory buildings and the like), but the Committee reported the bill without this feature. Separate bills introduced by Senator Clark and Representative Moorhead of Pennsylvania would provide for it, if enacted.

College Housing Loans (Cont'd.)

An alternative to the foregoing is the plan of loan guarantees and debt service assistance being pushed by the Administration, and much advertised in the press in late February and early March. Leaders in Congress seem inclined to shelve this and support something on the order of the Sparkman and Clark-Moorhead bills as described on page 20.

Junior College Buildings.

Again introduced this year is the bill by Senator Case of New Jersey which would provide \$50 million a year for five years to help construct public 2-year colleges. There are two companion bills in the House. Senator Case also wants a national survey of college facilities, and has introduced a bill to provide for it.

GREAT BRITAIN. Parliament makes grants to the University Grants Committee at quinquennial intervals. The amounts approved at the beginning of the current quinquennium in 1957 were (in pounds sterling) 34,350,000 for 1959-60; 36,750,000 in 1960-61; and 39,500,000 in 1961-62. Heathcoat Amory, Chancellor of the Exchequer, announced in February 1959 that he proposed, on account of unexpected increases in student numbers and increased costs, that the grants be increased by 2,550,000 pounds for 1959-60; 2,660,000 in 1960-61; and 2,720,000 in 1961-62. The University Grants Committee notes that a larger proportion of school pupils are continuing in school to age 17 and qualifying for university admission; and also that the postwar spurt in the birth-rate will soon cause additional increases in university enrollments.

Please write about  
important developments  
in your state to:

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NOTE: Pages 22 - 35 were found to be missing from the file and not retrievable. Fortunately these pages comprise only the April and May issues of GRAPEVINE's first year, and no annual summaries or other major items of importance are missing. In a sense the omission is compensated for by the inclusion of five issues of January, February, and March of 1968, making the span of this document actually nine and one-fourth years, and making possible the inclusion of considerable data appertaining to fiscal year 1967-68 which could not have otherwise been made available.