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GRAPEVINE

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A newsletter on state tax legislation; state appropriations for universities, colleges and junior college; 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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DELAWARE. Appropriations of state tax funds for operating expenses of higher education for fiscal year 1962-63 are reported as in Table 97.

Table 97. State tax-fund appropriations for operating expenses of higher education in Delaware, for fiscal year 1962-63, in thousands of dollars.

Institutions	Sums appropriated
(1)	(2)
U of Delaware	\$4,557
Delaware State Coll	537
Total	\$5,094

The total for 1962-63 seems to represent a gain of about 36½% over the comparable sum for fiscal year 1960-61, two years ago.

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GEORGIA. The Regents of the University System recently approved plans for construction of \$3½ million worth of dormitories at several colleges. This completes a program of construction of self-liquidating dormitories for 5,000 students at a cost of about \$15 million, executed during the past 4 years.

The Regents are reported to have decided to terminate this program, and the Chairman of the Board of Regents is quoted as saying that future dormitories in the University System of Georgia would have to be financed by the State Building Authority or with appropriations by the legislature. "We are pricing students out. Dormitory rates are about as high as they can go," he is reported to have said.

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ILLINOIS. Press reports indicate that the Trustees of the University of Illinois on June 20 adopted a budget of \$118½ million for the fiscal year 1962-63 (about 5% higher than the \$113 million budget for 1961-62).

Only 56% of the money comes from state-appropriated funds--a little less than \$66½ million. The remainder is derived from student fees, revenue from student housing and auxiliary services, research contracts and grants, federal funds, and private gifts.

The University is now said to be in position to meet an enrollment increase of 1,000 to 1,200 students in the fall of 1962. About 88% of the faculty will receive salary increases based on merit, and provision is also made for 69 new academic positions and 60 additional non-academic jobs to serve the increased enrollment.

About 74% of the operating funds for 1962-63 will be spent at the main campus at Champaign-Urbana; about 21% at the professional colleges in Chicago, and slightly less than 5% at the Chicago undergraduate division at Navy Pier.

The budget is described as "tight", and the increase over the preceding fiscal year is made possible largely by savings accomplished in the operations during fiscal 1961-62, permitting substantial carryovers of operating funds into the next fiscal year.

The anticipated enrollment expansion by more than 1,000 additional students is about twice as large as was estimated when legislative appropriations were made in 1961 for the biennium 1961-63.

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MARYLAND. Appropriations of state tax funds for operating expenses of higher education for fiscal year 1962-63 are reported as in Table 98.

Table 98. State tax-fund appropriations for operating expenses of higher education in Maryland, fiscal year 1962-63, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
U of Maryland	\$22,344
Morgan St Coll	2,002
Towson St T C	1,706
Frostburg S T C	1,118
Salisbury S T C	574
Bowie S T C	557
Coppin S T C	507
St Mary's Sem & Jr Coll*	238
For matching NDEA	113
Subtotal	\$29,159
State-aided private insts	
Johns Hopkins U	210
Hood College	100
Washington Coll	100
Western Md Coll	100
St. John's Coll	80
Peabody Institute	35
Maryland Institute	25
Subtotal	\$650
Grand Total	\$29,809

* A state institution, not to be confused with the 9 county and local junior colleges.

The total for 1962-63 appears to represent a gain of about 14 3/4% over the comparable figure for fiscal year 1960-61, two years ago.

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MISSISSIPPI. Appropriations of state tax funds for operating expenses of higher education for biennium 1962-64 are reported as in Table 99.

Table 99. State tax-fund appropriations for operating expenses of higher education in Mississippi for biennium 1962-64, in thousands of dollars; showing also (Column 2) allocations to the respective institutions by the Board of Trustees of Institutions of Higher Learning for the one fiscal year 1962-63.

Object of appropriation (1)	Allocation for one fiscal year 1962-63 (2)	Appropriation for <u>biennium</u> (3)**
General support		\$22,000
U of Mississippi	2,572*	
Miss State U	2,614*	
U of So Miss	1,840*	
Jackson St Coll	890*	
M S C for Women	848*	
Delta St Coll	659*	
Alcorn A&M Coll	640*	
Miss Voc Coll	543*	
Central office and reserves	232*	
Interest funds	80*	
Gulf Coast Research Lab	80*	
Subtotal	11,000*	
Extension service		2,800
Ag Experiment Station		2,188
Medical School		2,800
Teaching hospital		3,480
School of nursing		400
Graduate and tech students		450
Regional education		400
Aid of nursing education		104
Chemical regulatory		305
Gulf Coast Research Lab		60
Foundation herds		35
Total		35,022

* Sums in Column 2 are for the one fiscal year 1962-63.

** Sums shown in Column 3 are for the biennium 1962-64.

The total for the biennium appears to represent a gain of 8% over the comparable figure for the preceding biennium.

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MICHIGAN. Going into effect July 1, 1962 is a package of relatively minor taxes estimated to produce \$76 million of additional revenue in 1962-63, thus enabling the state's public services to be financed on an austerity basis and possibly some slight reduction made in the current state deficit. The taxes: Cigarettes, up from 5¢ to 7¢; beer, up from three-eighths of a cent to 1 and five-eighths cents a bottle; corporation franchise, up from 4 mills to 5 mills; liquor excise, up from 4% to 8%; and a new tax of 4% on telephone service.

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NEW JERSEY. Appropriations of state tax funds for operating expenses of higher education for the fiscal year 1962-63 are reported as in Table 100.

Table 100. State tax-fund appropriations for operating expenses of higher education in New Jersey, fiscal year 1962-63, in thousands of dollars.

Institutions (1)	Sums appropriated (2)
Rutgers, the State U	\$17,988
Newark Coll of Engrng	1,760
State colleges	
Trenton	2,987
Montclair	2,738
Glassboro	2,484
Newark	2,187
Paterson	2,122
Jersey City	1,713
Total	\$33,979

The above total does not include \$100,000 appropriated to the Trenton Junior College.

The total of \$33,979,000 seems to represent a gain of 39% over the comparable sum for fiscal year 1960-61, two years ago.

To be effective July 1, 1963 a new statute was approved May 14, 1962, providing a well-charted plan for the establishment and operation of "county colleges" in New Jersey. These "county colleges" are specifically defined in the act as institutions offering in-

struction extending not more than 2 years beyond high school, and are of a type similar to those known in other states as "community-junior colleges."

The statute is lengthy and detailed, but its salient features can be briefly mentioned.

Any county or group of counties may establish such a college, but only after convincing the State Board of Education that it is needed and that it is financially feasible; i.e., that the local revenue resources are sufficient. This will be done by submitting a report of a survey of local needs, with a description of the proposed college and a sketch of its proposed budgets of operating and capital expenditure, plus a recital of the condition of the local revenues and taxable resources.

Upon receipt of such data, the State Board of Education shall then direct the Commissioner of Education to make an independent study of the same subject; and if, after scanning both reports, the Board deems the proposed college needed and financially feasible, it will approve the proposal.

The county authority in New Jersey is known as the "board of chosen freeholders"; and this board, having obtained the approval of the State Board of Education, may provide by resolution for the establishment of a county college after having held a public hearing on the question; and such a resolution shall be sufficient unless there is filed within 45 days after its passage a petition signed by 5% of the registered voters requesting a referendum, in which event the question must be submitted to the registered voters of the county at the next general election.

If there is a favorable majority of all votes cast for and against the question, then the board of chosen freeholders will proceed to establish the college; if not, the proposal may not again be submitted until the third general election thereafter, but alternate proposals may be submitted at any general election.

Each county college will be governed by a corporate board of trustees composed of the county superintendent

NEW JERSEY (continued)

of schools and 8 persons appointed by the director of the board of chosen freeholders with the advice and consent of that board. Two shall be appointed each year for terms of 4 years.

Each board of trustees of a county college will have broad powers to govern and operate the college, subject to general rules and regulations established by the State Board of Education.

The amounts of money necessary to be appropriated for operating expenses and capital outlays each year by the county are to be determined by a "board of school estimate" for each college, composed of the chairman of the board of chosen freeholders and 2 members thereof chosen by that board, and 2 members of the board of trustees, chosen by that board.

It is the intent that the state shall provide not to exceed one-half of the funds for necessary capital outlays, and either one-third of the annual operating expenses or \$200 per equated full-time student, whichever is the lesser.

In keeping with the proper identification of the county college (or junior college) with "higher education", the New Jersey plan places the local support and control of the institution on a basis different from that of the local public elementary and secondary schools, and apparently contemplates that the county colleges shall be separate institutions, each with its own plant and campus, and not merely an adjunct of a high school or a step-child of a city school system.

This probably augurs well for the future system of New Jersey county colleges. Its development over the next few years will be watched with keen interest.

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TEXAS. The sales tax act of 1961 (GRAPEVINE, page 237) specifically exempts public and nonprofit organizations. The state comptroller at first ruled that contractors on construction jobs for such organizations must pay the tax on purchases of materials; but he has recently reversed his own earlier ruling and now holds that such purchases are exempt.

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VIRGINIA. Governor Harrison has set up a 15-member Commission, headed by former Governor Thomas B. Stanley, to conduct a comprehensive statewide tax study to be reported by September 1, 1963.

A principal question will be whether Virginia should adopt a state sales tax; but other state and local taxes will be scrutinized, and the future needs of the state in education, health, and welfare, and other areas will be considered.

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WISCONSIN. Governor Gaylord Nelson addressed a joint meeting of the Coordinating Committee on Higher Education, the University of Wisconsin Board of Regents, and the State College Board of Regents at Oshkosh State College April 27, 1962, making 26 specific proposals "for your immediate consideration and evaluation, and for such early action as you may deem essential to assure every Wisconsin student an opportunity for higher education."

The governor suggests that the Coordinating Committee study Wisconsin's unique system of vocational and adult education, and that this segment of education-beyond-high-school be given representation in the membership of the Committee, as a recognized part of higher education in Wisconsin.

Regarding the University and the

WISCONSIN (continued).

state colleges, he is impressed by the high cost of physical expansion of the University campus, and urges study to determine the "logical limit" to the size of the institution. He thinks the state colleges must prepare to accommodate the major part of the increases in undergraduate enrollment, and notes that because of their location in smaller cities for the most part, they can acquire land and construct buildings at lower cost than this can be done in Madison or Milwaukee.

In urging that the state develop a long-range plan to guide the growth of the entire system of higher education, the governor wisely comments that pains should be taken to "assure adequate diversification to fulfill state needs, and promote maximum individuality in the character of the several institutions."

Seeing a necessity for rapid and orderly development of the extension system of the University, he suggests the possibility of state participation in the financing of plants for the extension centers. Establishment of a new 4-year state college to serve the populous and growing Southeastern Wisconsin area, is suggested, since he believes the Milwaukee campus of the University of Wisconsin has a close limit for the feasibility of physical expansion.

He suggests cooperative arrangements whereby graduate students at the University could be given experience as assistant teachers at the state colleges, and maximum use could be made of the talents of college faculty members in university-supervised research projects.

The governor advocates central processing of all applications for enrollment in the state institutions of higher education, adding that "this program is not intended in any way to restrict the student from applying for admission to the institution of his choice." Somehow, good though the governor's intentions undoubtedly are,

this one smacks of an odious bureaucratic Big Brotherism, under which it could become possible for a student to be assigned to a college he never wished to attend, with disastrous effects upon his morale and the optimum fulfillment of his potentialities.

Year-round operation of the institutions is urged, with such necessary accompaniments as new arrangements for paid leaves for faculty members, and the equalization of student enrollments among the different terms of the year, so far as feasible.

Cognizant of the gains derived from the presence of many students from other states and other nations, the governor proposes that the University of Wisconsin place no limit on the enrollment of out-of-state graduate students, but suggests that out-of-staters be limited to 20 per cent of the undergraduate body at Madison (the percentage is currently 26).

He favors further increases in the state-appropriated student loan funds, and renews his proposal (defeated in the last two legislatures) to amend the state constitution to permit borrowing for capital construction on the general obligation of the state. (Hitherto many buildings have been financed by borrowing on the credit of specially created nonprofit private corporations, a familiar "self-liquidating" method; but the governor rightly characterizes this process as comparatively cumbersome and costly).

Not all the recommendations are recounted here. Seldom has a governor of any state given such detailed attention to higher education. It is possible that Governor Nelson goes a bit beyond his depth in detail at some points. Many of his proposals are good; some others will not sit well with the eminent educators at Madison and elsewhere, and not be palatable to Wisconsin citizens who hold for individual freedom of choice and flexibility of opportunity in higher education.

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