

I was just looking at the Chronicle of Higher Education here. One of the leading stories is entitled, "State Campuses To Feel Effects of Economies." And it cites the celebrated cutbacks of Governor Reagan, and he is not alone. Since I seem to be on a States rights emphasis, let me ask why aren't these State legislators showing a little political courage here and calling for the enactment of progressive income taxes so that their State can get some money for facilities?

Mr. MORTON. I suppose maybe you are in a little deeper than I can probably wade out when you ask a question like that. All I can say is that if you look at the recent history of the State appropriations for higher education it has been nothing short of phenomenal, the increases.

Mr. BRADEMAs. The same thing is true at the Federal level. What is your next point?

Mr. MORTON. Relatively speaking, I think we have increased the operating appropriations something like 275 percent in 4 years.

Mr. BRADEMAs. It must have been pretty low.

Mr. MORTON. It was pretty low. Others have done similar sorts of things, of course. We are not the only one.

Basically, the problem that they are coming up against, of course, is the fact, as you pointed out, that income and expenditures are crossing. Missouri is facing this next year.

Mr. BRADEMAs. Do you have a progressive income tax?

Mr. MORTON. Yes, although it is low. It is progressive—

Mr. BRADEMAs. But not very progressive?

Mr. MORTON. Right. This, I suspect, will be a consideration at the next session. We had a tax increase in 1964-65, I guess it was.

Mr. BRADEMAs. I am not here so much making the point that there should be a tax increase, but rather speaking of the nature of the tax. That, I think, is in large measure the key as to whether or not you are really going to be able to do a serious job of meeting the needs at the State level.

Mr. MORTON. Right. One of the things we are doing which sort of answers your question about one State, there is a constitutional amendment which will be voted on which will directly tie our State income tax as many States have done, to the Federal income tax which makes it as progressive as the Federal income tax is.

Mr. BRADEMAs. In my judgment, that is good. It will really help make States rights a reality rather than a piece of rhetoric. Let me ask you a couple of quick questions. Your testimony, I believe, was very thoughtful. You ask, in effect, however, do you not, for an expansion of the purposes for which the facilities moneys may be spent at a time—I refer to title I, for instance—at a time when we are cutting back on the amount of money that is being proposed for existing services?

Mr. MORTON. I don't think I am exactly asking for an expansion. I think I am asking for a more sophisticated approach to how we spend whatever we have. My point was that the way it is now it is purely crude, for the most part, it is crude in enrollment growth, no matter whether it is undergraduate, lower division, upper division. It could be in many cases you could really get more mileage out of your money by getting an institution ready to take enrollment; that is what I am trying to say.