Land Grant Universities: A Unique State – Federal Partnership

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The US in the 1800s

- 85% of the population resided on farms or small towns
- Higher education was dominated by Private Universities with emphasis on Law, Medicine, Philosophy and Literature
  - Available only to the “landed gentry”
  - Generally elitist
  - Education was a “state’s right” issue, not a federal matter
Historical Background

- Justin Morrill believed that American social and economic development was best served if higher education was made broadly available to all.

- His first attempt at federal support for public higher education was passed by Congress, but vetoed by President Buchanan in 1859.

- He reintroduced the “land grant bill” in 1861 and it was signed into law in 1862 – The Morrill Act.
The Morrill Act of 1862

- July 1862, President Lincoln
  - Establishes USDA
  - Signs the Homestead Act
  - Signs the Morrill Act
- Congress chose not to use federal funds, but LAND (via the Homestead Act), to encourage states to participate
- Established a public, federally assisted system of higher education
  - “to teach such branches of learning as related to agriculture and the mechanical arts, in order to promote the liberal and practical education of the industrial classes”
Hatch Act of 1887

- Created and funded a research and experimentation effort focused on the public interest – State Agricultural Experiment Stations
- Shared the research and discovery costs with the states and their newly formed colleges thru state matching
- Established the role of government in stimulating local and regional economic growth and development
Smith - Lever Act of 1914

- Seaman Knapp saw a need to provide farmers information, resulted in first formal on-farm demonstrations in 1902
- Lead to legislation that formalized the Cooperative Extension Service as a federal – state – county partnership
- To apply research and provide education in agriculture thru a network of local agents associated with the state’s land grant institutions
Second Morrill Act of 1890

- The second Morrill Act provided land grant status to 17 historically black institutions and Tuskegee.
- Also authorized funding 1890 Institutions Extension Program.
- Evans-Allen Act of 1977 provided funding for food and agricultural research at the 1890 land-grant institutions and required state matching funds.
Equity in Educational Land Grant Status Act of 1994

- The conferred land grant status on Native American colleges and created an endowment to support these institutions
- Lead to authorization of the 1994 Research & Extension Program
Federal Capacity (Formula) Funds

- Authorized by each of these Congressional actions to be the base funding for land grant colleges of agriculture
- Distributed by formula and require at least a 1 to 1 state match
- Smith-Lever and Hatch are matched by 4 to 8 times
- FY 2016 funding levels (millions) –
  - Smith-Lever – ~$300.0
  - Hatch – ~$243.7
  - Evans-Allen – ~$54.2
  - 1890 Extension – ~$45.6
  - McIntire-Stennis – ~$34.0
  - 1994 Research & Extension – ~$6.3
- Matched by roughly $4 billion in state funds!
Federal & State Capacity Funds are Critical

- Capacity funds provide –
  - Rapid response to acute regional and state issues
  - Support long-term research and Extension programs
  - Maintain and expand global competitiveness of local, state, and regional economies
  - Facilitate stable long-term public–private partnerships
  - Ensure intellectual and infrastructure capacity for success in competitively funded programs.

- Annualized marginal rate of return on agricultural capacity funding is as high as 50% over the last 40 years
  - Huffman and Evenson, Amer. J. Agr. Econ. 88(4), Nov 2006: 783-798
Federal, State, County, Public, and Private Partnerships

- Unique federal funding mechanisms & strong partnerships have allowed land grant ag colleges to drive economic development
- Two regional economic impact studies by Battelle Institute –
Impact and Innovation – Battelle Inst.

“The Southern Region’s Extension Service and Experiment Station System represents a uniquely powerful resource for sustaining and securing the region’s competitiveness and leadership in what is, and will be, a sector of core economic, social, and strategic importance.”

Questions?

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