A new EdChoice study reports that voucher programs across the country have saved taxpayers billions of dollars. *Fiscal Effects of School Vouchers*, a report authored by Martin Lueken, analyzes 16 voucher programs in nine states plus the District of Columbia. The conclusion: voucher programs have generated a “cumulative net savings to state and local budgets worth $3.2 billion from when they were launched to FY 2015.” This equates to $3,400 in savings per voucher recipient. In 2015 alone voucher programs have saved taxpayers $408.5 million.

In arriving at the study’s conclusions on savings, two key factors are zeroed in on: first, “the number of students who would have attended public schools without the financial assistance from the voucher program,” and second, “the costs directly associated with educating a given student and that would not be spent if that student were not enrolled.”

**Answering Objections**

School choice opponents often claim that voucher programs deprive district schools of funding while district costs remain the same. In addressing this objection, the report explains: “If it was true that schools have high fixed costs, and by extension there are no savings from enrollment declines, then it follows that there would be no added costs when enrollment increases. Of course, this is not the case. To be sure, it is common for public school officials to testify in front of appropriations committees to request more funding because they anticipate enrollment growth. In reality, both revenues and costs change with enrollment, though not in perfect unison.”

According to the report, “No fiscal analysis of any voucher programs in the United States that accounts for both costs and savings—including this one—has found that students exercising choice through voucher programs results in a net negative fiscal impact on taxpayers.”
Private School Leaders Meet in Washington

On September 20, the US Department of Education’s (USDE) Office of Non-Public Education (ONPE) held its annual private school leadership conference in Washington DC. ONPE is the office charged with representing the interests, activities and needs of the private elementary and secondary school community at the Department of Education. The conference, now in its 14th year, played host to private school leaders from across the country who assembled to hear from Department officials as well as from innovators working in private schools.

Agenda Highlights

Secretary of Education Betsy DeVos headlined the event and in addressing the attendees offered her continued support for school choice. While indicating that choice should be an endeavor led by the states, not Washington DC, she also held out the possibility of positive movement on the issue at the federal level.

Friends of CAPE were pleased to see CAPE member organization Agudath Israel of America featured in the “Association Spotlight” portion of the program. Agudath’s Executive Vice President Rabbi David Zwiebel spoke briefly to the history of the organization and then unveiled a video highlighting the tremendous growth of Jewish schools in America. Ashes to Renewal: Agudath Israel and the Growth of Jewish Education in America is available for viewing online.

Attendees also heard an update on the critical position of state Ombudsman, which was created by the Every Student Succeeds Act of 2015 (ESSA) in order to help ensure equitable services for eligible private school children. With a significant number of state ombudsman present at the conference, Isadora Binder and Jenay Morrissey with ONPE updated developments on the position. Meanwhile, Maryland State Ombudsman for Equitable Services Barbara Scherr shared some of her experiences in the role. Outlook readers should be sure to take notice of USDE’s quarterly Ombudsman Update.

In the Community

Dan Sherman and Martine Romero with St. Madeleine Sophie Catholic School in Bellevue offered a very stirring presentation of their effort to create a fully inclusive school. Laying out the principles that motivate the Inclusion Program at St. Madeleine, Sherman and Romero described how children with special needs are welcomed into the regular classroom environment with other students, a situation that yields great fruit not only for the special needs students but for all of the students in the school.

Rebecca Bautista described the operations of the Archdiocese of Miami Virtual Catholic School, the only accredited virtual Catholic school in nation. Interestingly, a majority of the students are outside the state of Florida. Courses are available 24 hours a day, seven days a week, the school’s teachers keep office hours, and students can earn a high school diploma.

USDE Team

The director of USDE’s Center for Faith and Opportunity Initiatives, Andrea Ramirez, gave an impassioned talk on the role that faith has played in her life. Maureen Dowling, Director of ONPE, and Jason Botel, Principal Deputy Assistant Secretary for the Office of Elementary and Secondary Education, updated attendees on the Education Department’s work in the realm of private education. Other items on the agenda included an address from Theresa Carr, a local high school student, expressing gratitude for her school experience and an update on Supreme Court cases of interest to private school groups by USDE attorneys.

Last but not least, after having kicked off the proceedings, Maureen Dowling returned to close the show with Education Program Specialist Pamela Allen. The ladies sang a rousing rendition of “We’re Your Team,” about the mission and work of ONPE, to the tune of the Sound of Music’s “Do-Re-Mi.” It was a fitting tribute to the Office of Non-Public Education in its 40th anniversary year.
Lawsuit to Challenge Maine Tuition Law Excluding Religious Schools

A federal lawsuit has been filed challenging a law in Maine that does not allow parents to access a state tuition program if they choose a religious school for their children. The Pine Tree State operates what is believed to be the second oldest school choice program in the nation, dating back to 1873. Maine’s town tuitioning program allows students from small towns without a public high school to attend either a public school in another town or a private school. The “sending” school district pays a student’s tuition directly to the “receiving” school district. There is a catch, however: Maine does not allow students using the program to attend a religious school.

For most of the program’s history, this was not the case. However, after the Maine Attorney General concluded that it was unconstitutional to pay tuition for students who attend sectarian schools, the Maine Legislature enacted the religious exclusion in 1982. It is this policy that is now the subject of a lawsuit being brought on behalf of three Maine families from the towns of Orrington, Glenburn, and Palermo by the Institute for Justice (IJ) and the First Liberty Institute (FLI).

Grounds for Lawsuit

IJ and FLI argue that the Maine policy violates the First Amendment’s Free Exercise, Establishment, and Free Speech Clauses, and the Fourteenth Amendment’s Equal Protection and Due Process Clauses. According to Tim Keller, IJ’s lead counsel in the case, “By singling out religious schools, and only religious schools, for discrimination, Maine violates the U.S. Constitution.”

This is IJ’s third attempt at overturning Maine’s religious schools policy. The two previous efforts in 1997 and 2002 failed. In the intervening 16 years, however, the US Supreme Court has handed down two decisions that the litigators believe will establish the constitutionality of using vouchers at private religious schools. Then, crucially, there was last year’s Trinity Lutheran Church of Columbia, Inc. v. Comer case. This landmark 7-2 decision made clear that government programs cannot discriminate against faith-based organizations purely on the basis of their being religious. As Chief Justice John Roberts wrote in the decision, “the exclusion of Trinity Lutheran from a public benefit for which it is otherwise qualified, solely because it is a church, is odious to our Constitution . . . and cannot stand.”

The Zelman and Trinity Lutheran decisions cast a whole new light on the Maine law, which, by excluding only religious schools, violates the religious freedom and equal protection guarantees of the Constitution according to IJ. Lea Patterson, associate counsel with FLI, put it this way: “Maine offers school choice to everyone except those who choose religious schools. Under the U.S. Constitution, that’s religious discrimination, and we intend to restore our clients’ religious liberty.”

Plaintiffs

Alan and Judy Gillis, plaintiffs in the case who send their daughter to a Christian school at their own expense, were quoted in an IJ release as saying, “We feel discriminated against because of our religious convictions. If our neighbors have the freedom to choose a private school and receive tuition from our town, why are we denied this same benefit just because we desire a religious education for our daughter?”

IJ’s litigators have been busy. The organization’s work in the Montana tax credit scholarship case was detailed in the May 2018 issue of Outlook. And in August, Puerto Rico’s Supreme Court upheld the Free School Selection Program, a newly enacted program designed to give disadvantaged children scholarships to attend either private schools or public schools in other neighborhoods. A teachers union on the island had filed suit against the law almost immediately after its passage by the Puerto Rican legislature. IJ partnered with three Puerto Rico families to defend the program, successfully.

New Precedent

The 2002 Zelman v. Simmons-Harris decision established the constitutionality of using vouchers at private religious schools.

DC Update

Taxes – Last year’s changes to the federal tax code received a lot of attention, but one provision that slipped under the radar screen at the time has begun to attract notice. The Tax Cuts and Jobs Act of 2017 (TCJA) included language applying a 21% tax on some of the fringe benefits nonprofit organizations, including private schools, provide their employees. Those benefits include transportation-related expenses like parking, transit passes, and commuting subsidies. The new rule applies to both religious and secular nonprofits.

It is not clear how many nonprofit groups, or even how many members of Congress, knew about this provision in the new tax law at the time of its passage. But the realization of its existence has been an unwelcome one for many in the nonprofit community. Mike Batts, chairman of the board of the Evangelical Council for Financial Accountability, was quoted in Politico as saying, “What we’re talking about is an income tax on the church for providing parking to its employees.”

The concern has been further exacerbated by significant levels of confusion over how nonprofits are supposed to comply. Some of the smaller traditionally tax-exempt organizations are accustomed to precious little contact with the IRS, while even larger nonprofit groups point to a lack of clarity in the new policy’s guidance.

Several members of Congress have introduced bills to address the situation.

Spending – On September 28, President Trump signed legislation funding the federal education budget. As described in further detail in the September and March 2018 editions of Outlook, the final package did not include the new school choice program proposed by the president or the cuts to education funding his budget recommended.
On October 1, U.S. Secretary of Education Betsy DeVos announced the names of 349 schools identified by the U.S. Department of Education as the National Blue Ribbon Schools for 2018.

Schools were selected either because their test scores in reading and math placed them among the top-performing schools in the nation or state, or because they made notable improvements in closing achievement gaps.

Forty-nine private schools were among the awardees this year. Each state’s commissioner of education nominates public schools for the award, and CAPE nominates private schools. All winning schools will be honored at an awards ceremony November 7-8 in Washington, DC.

“I’m pleased to celebrate with you as your school is named a National Blue Ribbon School,” said U.S. Secretary of Education Betsy DeVos in a video message to the honorees. “We recognize and honor your important work in preparing students for successful careers and meaningful lives. Congratulations on your students’ accomplishments and for your extraordinary commitment to meeting their unique needs.”

Now in its 36th year, the program has cumulatively recognized more than 8,800 schools.

More information about the program, including the application, procedures, and assessment standards for the 2019 cycle, is available on CAPE’s Web site at www.capenet.org/brs.html.

The following private schools were named 2018 National Blue Ribbon Schools:

- California – San Diego Jewish Academy Lower School, San Diego
- Connecticut – Saint Mary’s School, Simsbury
- Georgia – Athens Academy, Athens
- Illinois – Cardinal Joseph Bernardin Catholic School, Orland Hills
- Iowa – Resurrection Elementary School, Dubuque
- Kansas – Magdalen Catholic School, Wichita
- Kentucky – Bishop Brossart High School, Alexandria
- Louisiana – Sacred Heart Model School, Covington
- Maryland – Harford Day School, Bel Air
- New Jersey – Christ The Teacher School, Fort Lee
- Ohio – Mother Teresa Catholic Elementary School, Liberty Township
- Pennsylvania – Ancilla Assumpta Academy, Wynnewood
- Texas – Saint John Paul II Catholic School, Houston
- Virginia – Blessed Sacrament School & Early Childhood Center, Alexandria.