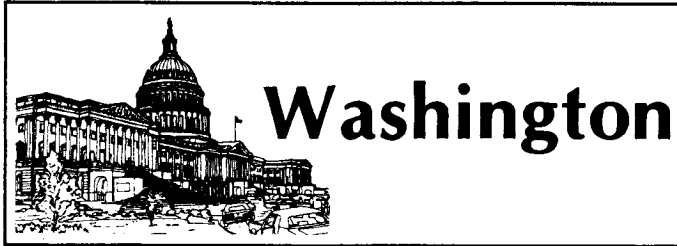


# OUTLOOK

A report from CAPE, the Council for American Private Education, Washington, D.C.,  
a coalition of 15 national organizations serving private schools (K-12)

Number 68 • February 1981



## Bell on Private Education

Terrel H. Bell, approved by the Senate on January 22 as Secretary of Education, made these comments on private education at his confirmation hearing before the Senate Labor and Human Resources Committee on January 15, 1981:

*Sen. Don Nickles (R-OK):* Do you support tuition tax credits?

*Bell:* I do.

*Nickles:* What about the voucher proposal?

*Bell:* The voucher... would be a state and local responsibility.

*Nickles:* Do you have an opinion on it...?

*Bell:* I understand that the National Institute of Education has funded a voucher project. It might be something we could do with our research money to prove the feasibility and success of it but... I think it ought to be on the state and local level.

*Sen. Jeremiah Denton (R-AL):* The IRS has promulgated a new revenue procedure which would seek to reverse or remove the tax exemption from private schools which do not meet IRS criteria for nondiscriminatory policy. The result would be a particular hardship on many private schools... How do you feel about these IRS regulations?

*Bell:* I think generally we all ought to be concerned about strengthening the private sector in education... I think the schools and colleges are in a lot of trouble during these inflationary times. I think we need the variety and the options and the choice... that private schools provide. I think the tax questions probably ought to be deferred, on my part, to Treasury. But I support private education. I've worked closely with private education people and I want to do what I can to enhance both the private schools and colleges. I think this will be healthy for the public as well as the private sector, to have that variety and that choice...

*Sen. Orrin Hatch (R-UT, Committee Chairman):* [referring to a "vendetta against private schools"]: ... Part of this was the doing of the Internal Revenue Service. But part was the doing of the Office, and later, the Department, of Education. I might cite opposition to the tuition tax credits, Baby BEOGs, delays in assuring private schools full participation in Title I and other ESEA programs, and denial of proposals by qualified scholars to conduct research on nonpublic education... Now will you... commit yourself to do your utmost to assure that nondiscriminatory nongovernmental schools and their students will be treated as full-fledged and legitimate and valued components of American education?

*Bell:* Yes... I've been concerned about what's happening to private schools... under the pressures of inflation... We need to give them as much assistance and encouragement as we can... I look forward to doing that. I will try to get an effective representative of private education on my staff....

*Sen. John East (R-NC):* Some of us are concerned that private schools will be regulated in conformity with public schools... We are concerned that they get... all forms of assistance to which they are entitled under current law and the new forms of assistance such as tuition tax credits which you've endorsed...

*Bell:* Yes, they surely will receive my assistance.

*Sen. Claiborne Pell (D-RI):*... I don't think you've touched on your plans as to whether or not to continue the Assistant Secretary for NonPublic Education.

*Bell:* I think we need someone responsible for nonpublic education reporting directly to me... I am under considerable persuasion to reduce the number of assistant secretaries... but I would assure you that we will have a high-level... officer responsible for nonpublic schools and I'll assure you that I'll have that individual report directly...

*Pell:*... In this connection of helping nonpublic schools, do you have any thoughts about [giving] what used to be called "Baby BEOGs" and are now being called "Pellettes"... to students in private secondary schools...?

*Bell:* If we could find the resources in these enormously stringent times this might be a way of giving some assistance that would be useful.

(continued on page 2)

(continued from page 1)

*Pell:* . . .The cost of a tax credit. . .would probably far exceed a Pellette.

*Bell:* I'm not informed about what those costs are. . . .

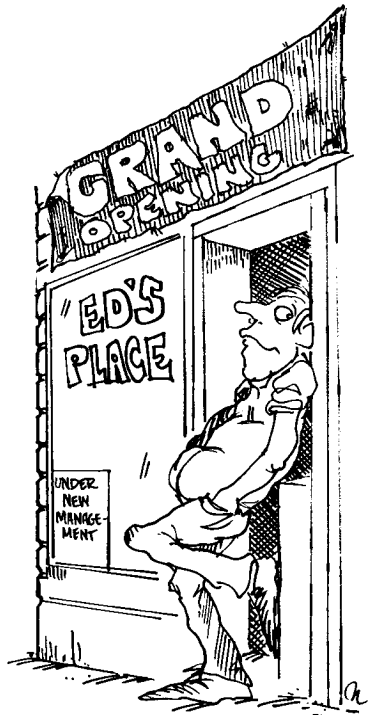
*Pell:* . . .I think you'll find that the costs would be less doing it this way. . . . Do you see yourself supporting this concept. . . ?

*Bell:* I think so. I'd need to look at what the costs are. . .and I'd have to rank that with all the priorities we're going to have. . . . The demand is going to be on me to cut, and not increase. . . .

*Pell:* But when you're talking about cutting, you have to look at the whole picture, and the tax benefit costs just as much to the taxpayer in the end in reduced revenue to the federal government as an outright payment of the same amount. . . .

*Sen. Dan Quayle (R-IN):* Do you share [the view] that private schools. . .are "recipient institutions" and therefore under federal guidelines by accepting GI benefits or something that elusive?

*Bell:* I think it should go further than that. I think they would have to have their noses in the federal trough deeper than that before I could call them "recipient insitutions."



*Quayle:* The "burden of proof test" that IRS uses with private schools in determining whether they have discriminated or not [now requires] those schools. . .to prove that they do not discriminate. . . . I'd like to know. . .what your thoughts would be in relation to private schools having that undue burden. . . .

*Hatch:* . . .Some of us have found that to be a pretty heinous regulation, and thus have put off its effectiveness until next year. I hope we will put it off beyond next year. . . .

*Bell:* . . .It would seem to me that that puts it the opposite way from what it ought to be. . . .

*Hatch:* . . .It gives the federal government awesome power to be able to put any private school out of business. . . .

*Bell:* The fiscal burden of defense. . .would be enormous.

## CAPE on Tuition Tax Credits

In view of the increased public interest in, and the Republican Party platform support of, tuition tax credit legislation, the CAPE Executive Board has adopted the following statement:

*The Council for American Private Education (CAPE) strongly endorses the enactment by Congress of an educational tax credit law to provide tax relief to parents and students in elementary, secondary and higher education. In supporting this legislation, the Council emphasizes its desire that such a program would confer significant benefits on low-income parents and students.*

*We would hope that the enactment of an education tax credit law would not result in the reduction of the over-all level of federal education assistance to these families. We urge the enactment of a tax credit law that has the necessary protections to insure that none of the benefits thereof inures to the advantage of parents who choose to educate their children in institutions that discriminate on the basis of race, color or national origin. Without such protections, the Council cannot support this legislation.*

## Legislative Update

### Tuition Tax Credits

Illustrative of el/sec bills is H.R.380 (Luken, D-OH) to "provide a 25% tax credit for tuition, with a maximum credit of \$100 per year (rising to \$200 by

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1982) for elementary and secondary students. . . ."  
Pending before House Ways and Means Committee.

### **Tax-Exempt Status of Private Schools**

Six bills have been introduced in the House, illustrative of which is H.R.82 (Ashbrook, R-OH) to prohibit the IRS from implementing "certain rules relating to the determination of whether private schools have discriminatory policies until Congress provides specific guidelines for such determinations."

Pending before House Ways and Means Committee.

### **Charitable Deductions to Extend to Non-Itemizers**

H.R.501 (Conable, R-NY and Gephardt, D-MO) and similar bills.

S. 170 (Packwood, R-OR and Moynihan, D-NY).

House bills pending before Ways and Means Committee.

Senate bill pending before Finance Committee.

## **Capenotes**

. . . Dwight Crum, formerly private school liaison in the Office of the Commissioner of Education, has been appointed Special Assistant to the Administrator of the National Center for Education Statistics.

. . . CAPE's fund-raising efforts are proceeding very satisfactorily. Over 100 gifts from individuals, schools, churches and other organizations have been received since the drive opened in December. It goes without saying that CAPE welcomes (tax deductible) gifts of all sizes from its *Outlook* readers.

. . . CAPE's edited tape of the Bell confirmation hearings has been circulated to the 50 CAPE State Representatives and all Catholic Diocesan Superintendents.



## **Writing Progress (?)**

The National Assessment of Educational Progress says that there is good news, as well as bad, to be found in its third survey of students' writing skills. Reporting on its studies conducted 1969-70, 1973-74 and 1978-79, NAEP announced that while the majority of students tested at ages 9, 13 and 17 appeared to be in command of the basic conventions of writing, a minority at each age was still grappling with very serious problems.

NAEP was encouraged to find that since 1969, the gap between the performance of black teenagers and the nation as a whole had narrowed substantially. Similarly, it learned that the work of the "disadvantaged urban group," while still below national levels, had improved with each appraisal.

The Assessment noted that enjoyment of writing declines with advancing age. While about 66% of the youngest group sampled found pleasure in writing, the percentage dropped to 59% in the middle group and 53% in the oldest. About 25% of the students at all ages felt they were "no good at writing."

Research findings substantiate the claim that time spent on the business of writing is time well invested. Children who wrote the best essays in the sample reported a greater involvement with writing than their less successful peers. However, very few students (7% of the 17-year-olds and 3% of the 13-year-olds) reported that they were asked to deal with their essay assignments by prewriting, creating multiple drafts, responding to teachers' comments and working to improve papers after they were returned.

Roy Forbes, director of the National Assessment, commented, "We have shown that improvements can be made in writing skills, but there is need for more student writing in schools and greater exposure to comprehensive writing programs. Yet these are expensive things to implement in the schools, especially in times of tight or reduced budgets. We must either be willing to provide comprehensive writing programs in our schools or, as a society, we are going to have to modify our values and expectations."

The NAEP is funded by the National Institute of Education and conducted by the Education Commission of the States. It administered the tests to a nation-wide sample of 40,000 students, including about 4,000 private school students. Essays were examined in terms of overall quality, rhetorical skills (expressive, persuasive and explanatory writing), coherence and cohesion, syntactic fluency and mechanical correctness. Students were queried about their classroom writing experiences and their attitudes about themselves as writers.

The 3-volume report, entitled *Writing Achievement, 1969-79, Results From the Third National Writing Assessment*, may be obtained from the National Assessment of Educational Progress, Suite 700, 1860 Lincoln Street, Denver, Colorado, 80295.

(A word of caution to bear in mind in advance of receiving Volume III on 9-year-olds: if your child has a penchant for sending away for prizes advertised on the backs of cereal boxes, it might be well to remind him to include his address in his letter of request. Apparently, two-fifths of the children in this age group neglected to do so when demonstrating their otherwise considerable skill in writing routine business letters.)



## Capeline

● **Refugee Regs, I:** The final regulations implementing the Transition Program for Refugee Children and the Educational Services for Cuban and Haitian Entrant Children Program are printed in the *Federal Register* of January 14, 1981. The programs provide "supplementary educational assistance to meet the special educational needs of refugee children (and Cuban/Haitian 'entrant children') and to enhance their transition into American society." Regulations for the Transition Program are on pp. 3378-87. Section 538.22 of Subpart C (p. 3382) deals with the participation of children in private schools. The regs for the Cuban/Haitian program are on pp. 3387-91. Section 539.22 of Subpart B (p. 3389) treats participation of nonpublic school children.

● **Refugee Regs, II.** January 16's *Federal Register* (pp. 4562-66) announces proposed regulations to implement the Impact Assistance for Refugee Children Program (Title III of the Refugee Education Assistance Act of 1980). The program authorizes grants to states, based on the number of eligible Cuban, Haitian and Indochinese refugee children enrolled in public schools (or nonpublic schools within eligible school districts). To qualify for a subgrant, a district's enrollment of refugee children must be at least 500 students or 5% of the total student enrollment, whichever number is smaller. Comments are due March 17 to Dr. Josue Gonzalez, Education Dept., 400 Maryland Ave., S.W., Washington, D.C. 20202.

● **Asbestos Regulations:** The January 16 edition of the *Federal Register*, pp. 4536-58, contains final regulations implementing the Asbestos School Hazard Detection and Control Act of 1980. Effective February 17, the regs "establish procedures to make available federal grants to assist LEAs and SEAs in the identification of asbestos hazards in school buildings and federal interest-free loans to LEAs to correct those hazards." To date, no funds have been appropriated for either the Asbestos Detection Program or the Asbestos Control Program. Note: on p. 4538, one of the definitions applied to "local educational agency" is: "the governing authority of a nonprofit private elementary or secondary school . . ."

● **Stamp of Approval:** The Education Department's Office of Private Education (OPRE) presented departing Secretary Shirley Hufstедler and Under Secretary Stephen Minter with sets of colorful Christmas seal stamps as mementos of their "contributions to public and private education." A similar presentation welcomed the incoming Secretary, Terrel Bell. The sheet of 87 stamps, illustrating the message "Good News to Every Home!", was composed by the Wheat Ridge Foundation from 4000 drawings submitted by private schoolchildren throughout the world. Free seals are available from the Foundation, 7 S. Dearborn, Chicago, IL 60603.

● **Title I Regs:** The *Federal Register* of January 19, 1981, sets forth final regulations for Title I of the Elementary and Secondary Education Act of 1965. The regs implement all changes required by the Title I statute as re-enacted by the Education Amendments of 1978 (P.L.95-561). Subpart F of Part 201 deals with the participation of children enrolled in private schools (pp. 5172-5173). Comments on such participation, and the Department's responses to them, are on pp. 5218-20.

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