

# OUTLOOK

SENATE-HOUSE CONFEREES GET  
TUITION TAX CREDIT BILLS;  
SCHOOL TUITIONS KEY ISSUE

Provision for tax credits to parents of private elementary and secondary schoolchildren is the key issue to be resolved by House-Senate conferees in reconciling the tuition tax credit bills passed by the two chambers this summer. The House bill (H.R. 12050) allows credits of 25 percent for tuitions paid private elementary and secondary schools and public and private colleges. Maximum credit for school tuitions is \$50 per student in 1978, \$100 in 1979 and 1980. For college tuitions, the maximum credit is \$100 in 1978, \$150 in 1979, and \$250 in 1980. The Senate bill, also numbered H.R. 12050, limits aid to college tuitions, providing a credit of one-half the amount paid by full-time students, to a maximum of \$250 per student in 1978 and \$500 in October, 1980. The bill would expire in 1983.

As reported for floor action by the Finance Committee in February, the Senate bill (then numbered H.R. 3946) would have provided tax credits of 50 percent, up to \$500 per student, for public and private precollegiate and college-level tuitions. The bill also provided for cash refunds to parents whose tax obligations were less than the amount of the credit. In early August, the Senate Finance Committee reconsidered the bill, scaled the maximum credit down to \$250, eliminated the "refundable" clause and the provision for public school students, and re-reported the bill as H.R. 12050. Provisions for elementary and secondary school tuitions were subsequently eliminated during floor debate when an amendment proposed by Senator Ernest F. Hollings (D-S.C.) passed by a vote of 56 to 41. The Hollings amendment arguments focused on three issues: the constitutionality of private elementary and secondary school credits, their effect on public schools, and their cost.

No date has been set for conference committee deliberations. The Senate has named its conferees; the House has not.

MINNESOTA DEDUCTION FOR  
PUBLIC, PRIVATE SCHOOL  
FEES RULED CONSTITUTIONAL

Tax deductions for tuitions and other fees paid to public and private elementary and secondary schools were recently upheld as constitutional by a federal district court in Minneapolis. The Minnesota law on which the court ruled has been in effect--and unchallenged--since 1955. It allows parents a state income tax deduction of up to \$700 per school-age child for educational expenses such as tuition, transportation, and secular textbooks. Ruling in Minnesota Civil Liberties Union v. Roemer, the court said the law did not violate the First Amendment in its provision of a deduction for expenses at church-related schools.

The court's decision was based largely on U.S. Supreme Court rulings upholding any "passive abstention from taxation not necessitating excessive contacts between church and state." The Minnesota law, it said, only provides "remote" benefits to the religious function of church-related schools; it is not subject to charges of establishment of religion because it provides benefits to parents of public and private school children alike. The court further noted that state and federal governments have traditionally allowed tax deductions for charitable contributions that aid the religious functions of sectarian institutions. This "unbroken practice," the court said, "is not to be lightly cast aside."

IRS PROPOSES REGULATIONS  
TO DETERMINE CIVIL RIGHTS  
STANCE OF PRIVATE SCHOOLS

Private schools having a tax exemption under section 501(c)(3) of the Internal Revenue Code would be subject to proving they are racially nondiscriminatory under new guidelines being proposed by the Internal Revenue Service (IRS). Failing proof, they would lose their tax-exempt status. The IRS says it is "particularly concerned" with two categories of schools currently holding exemptions: first, those which have been found guilty of discrimination by a court and, second, those which were established or expanded their enrollments by more than 10 percent at the time public schools in their communities were being desegregated and now have few or no minority children enrolled. Private school leaders, long active in support of nondiscriminatory practices in their schools, are sympathetic to the IRS' intent but are concerned at the same time that the details of the proposed regulations may be ill-advised.

The guidelines provide specific tests by which suspect schools could prove that their practices were nondiscriminatory. One acceptable proof would be a "significant" minority enrollment. IRS defines the acceptable minimum as 20 percent of the percentage of minority students in the school-age population of the community served by the school. A second acceptable proof would be for a school to show that it is operated "in good faith" with regard to nondiscrimination. IRS defines "good faith" as meeting four of five conditions: the presence of minority scholarship programs; minority recruitment efforts; minority teachers; increasing minority enrollment; and such other "substantial evidence" of nondiscrimination as extensive special efforts to recruit students and faculty members, participation with integrated schools in athletic and extracurricular activities, and provision for minority representation on boards of control.

The Council for American Private Education (CAPE) is strongly, and publicly, committed to admissions policies which are racially nondiscriminatory, Dr. Robert L. Lamborn, CAPE Executive Director, points out. "Our fifteen members, all national organizations serving private schools, actively support this position--and in their 15,000 schools they enroll about 90 percent of all children attending private schools." CAPE supported the black parent plaintiffs on both the Court of Appeals and Supreme Court levels in Gonzales and McCrary v. Fairfax Brewster School, Inc., Russell L. Runyon, et al. and Southern Independent School Association. The case was decided in favor of the parents, who charged racial discrimination in the consideration of their children's applications to private schools. "We agree without reservation that tax-exempt status should be restricted to schools which are nondiscriminatory," Lamborn says, "but the proposed guidelines, however well-intentioned, presume guilt and suggest measures of good faith which, injudiciously applied, could unfairly jeopardize a school's tax status and its very existence."

Present requirements for tax-exempt status call for schools to adopt a nondiscriminatory policy in their charter or bylaws, refer to that policy in all school brochures or catalogues, and annually publish or announce the policy. These requirements would continue under the new guidelines, which were published by IRS in the August 22, 1978, Federal Register and will not be effective until public comment has been received and considered. Written comment must be delivered or mailed by October 23, 1978.

LISTING OF PRIVATE SCHOOLS  
PROVIDES FOUNDATION DATA  
FOR PUBLIC POLICY STUDIES

A "universe list" of 20,193 private schools is available for the first time through the collaborative efforts of the National Center for Education Statistics (NCES), the National Catholic Educational Association, and CAPE.

Created as an initial step in developing basic information needed to make sound public policy decisions related to both public and private education, the list makes it possible to identify schools by state and Congressional district, as well as by city, county, and zip code. Such information is regularly requested by legislators, education officials, scholars, media representatives, and private school advocates working on the national, state, and local levels. The list is available in whole or in part from NCES.

MICHIGAN: 300,000 ASK THAT  
STATE TAX, VOUCHER SYSTEM  
REPLACE SCHOOL PROPERTY TAX

Michigan voters will have the opportunity in November to radically change the state's education finance system. Citizens for More Sensible Financing of Education, a coalition of interest groups, has proposed an amendment to Michigan's constitution to prohibit the collection of property taxes--which now pay more than half the cost of public education in Michigan--for the support of schools, authorizing instead a program of general state taxation for school support. Under the program, the state would issue vouchers to be used to pay for each child's precollegiate education at a public or private school of the parent's choice. More than 300,000 petition signatures were filed by the Coalition July 10 in support of the initiative; 265,000 were required.

An April poll of voter attitudes showed strong citizen support of the voucher plan, with a 52.6 percent majority of those polled saying they would vote for the amendment. Most supported the plan out of dissatisfaction with the property tax as a means of financing education. Although opponents of the amendment fear it would cause the "death" of public education, three out of four parents polled said they would keep their children in the same schools they now attend if the voucher plan is approved. Supporters of the proposal believe it will meet constitutional tests because it benefits all children in all schools, an accepted criterion of constitutionality in past court cases. Passage of the amendment in November requires a majority vote.

AELC JOINS CAPE, BECOMES  
15TH MEMBER OF COALITION

The Association of Evangelical Lutheran Churches (AELC) has joined the Council for American Private Education, becoming CAPE's 15th member organization. AELC is a national organization of 251 Lutheran congregations, with memberships totaling 110,000, that separated from the Lutheran Church--Missouri Synod. It serves 17 Lutheran schools enrolling 3,000 students in California, Illinois, Minnesota, Missouri, New York, Pennsylvania, and Texas. Mr. Elwyn Ewald, AELC Executive Secretary, will represent the organization on CAPE's Board of Directors. AELC headquarters are in St. Louis, Missouri.

AUDUBON INSTITUTE STUDENTS  
STUDY U.S. ECOSYSTEMS IN  
"EXPEDITION COMMUNITIES"

America's social and natural environments are "both textbook and classroom" to students of the National Audubon Society's New York based Expedition Institute for Environmental Education. Institute students form small, self-governed expedition communities of 20 members. They study ecology through observation of a variety of ecosystems--beaches and dunes in Maine, hardwood forests in Vermont, and cypress swamps in the Florida Everglades. The deserts of the Western United States are classrooms for Pueblo Indian archeology, while a Pennsylvania Amish farm provides an opportunity to study the anthropology of an Amish community. The Institute began 10 years ago as Trailside Country School, changing its name when it became affiliated with the National Audubon Society this year. High school and college students and their parents are among the program participants, who may enroll in programs varying in length from a three-week "intersession" to a full school year.

NATIONAL ORGANIZATION OF  
CHRISTIAN SCHOOLS RENAMED

The National Union of Christian Schools, a charter member of CAPE, has changed its name to Christian Schools International (CSI). "We have an international ministry," says CSI Director Michael T. Ruiter, "and we want our name to reflect the character of that ministry." CSI has 323 member schools in the United States and Canada, most of them affiliated with the Christian Reformed Church, a Dutch Calvinist denomination. In addition, CSI provides services to affiliate schools in Australia and the Netherlands. The name change became effective September 1. The group's headquarters remain in Grand Rapids, Michigan.

JOURNAL TO REPORT RESEARCH  
RELATED TO PRIVATE SCHOOLS  
FOR SCHOLARS, PRACTITIONERS

The Private School Monitor, a semiannual journal published initially this past spring, is the first publication to address itself on a continuing basis to identifying, cataloging, and abstracting current studies particularly pertinent to private schools. Produced for the benefit of scholars and practitioners who are members of the Associates for Research on Private Education (ARPE), the journal is one evidence of the group's vitality. A special interest group of the American Educational Research Association, ARPE has grown to a membership of more than 170 in less than two years.

The new publication is edited by Donald A. Erickson, Director of the Center for Research on Private Education at the University of San Francisco and ARPE President. Abstracts in the first issue represent the work of 36 contributing editors who systematically scan journals for relevant materials. As a reference source for articles and books published earlier, Erickson recommends Nancy I. Zeidner's "excellent bibliography," Private Elementary and Secondary Education: A Bibliography of Selected Publications (1950-1974), published in 1976 by the Council for American Private Education.

INDEPENDENT SCHOOL HEADS  
CONSIDER IMPLICATIONS OF  
EDUCATION REFORM PROPOSALS

Can the traditional secondary school environment be expanded to include the "real world" experiences of adult life and work and still maintain a commitment to academic excellence? The Expanding School Environment, a collection of essays recently published by the Commission on Educational Issues, an affiliate of the National Association of Independent Schools, addresses this question from the perspectives of six independent school heads. The publication reflects the school heads' views on the major recommendations offered by education reformers during the mid-1970s and the potential impact of these recommendations on independent schools.

High school students, according to major reports of the period, are hindered in their transition to adulthood and maturity by schools that are too isolated from the adult world of work and community participation. Youth: Transition to Adulthood, The Reform of Secondary Education, and The Education of Adolescents, for example, all recommend that schools concentrate on preparing students for adulthood by being as concerned with social maturation as they are with academic development, by arranging that more education take place outside the school in work and internship experiences, by having youth study with learners of all ages in "intergenerational" learning environments, and by granting students more responsibility and independence.

The independent school panelists, funded in their deliberations by the Geraldine R. Dodge Foundation, stress the role of the family in the educational process and call for a working partnership of parents and schools. They emphasize the need to maintain academic standards as schools respond to the diverse needs of youth. "Humane" learning environments are needed, they believe, to foster both independent and social responsibility. The heads challenge independent schools to balance their response to the academic and maturational needs of their students, insisting that schools maintain the quality of the school environment as it expands to meet the needs of diverse school populations.

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