

cape Council for American Private Education outlook

"Voice of the Nation's Private Schools"

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Council Members: American Montessori Society • Association of Military Colleges and Schools of the U.S. • Christian Schools International • Evangelical Lutheran Church in America • Friends Council on Education • Lutheran Church-Missouri Synod • National Association of Episcopal Schools • National Association of Independent Schools • National Catholic Educational Association • National Society for Hebrew Day Schools • Seventh-day Adventist Board of Education, K-12 • Solomon Schechter Day School Association • U.S. Catholic Conference • Affiliated State Organizations in 30 States

Enrollment Hits 30-Year High

Enrollment in America's private schools is the highest it has been in 30 years. The National Center for Educational Statistics (NCES) estimates that 5.9 million youngsters are enrolled in private schools this fall, more students than in any year since 1967.

What's more, enrollment will continue to grow for the next 10 years. According to NCES's second annual back-to-school report, subtitled *Here Come the Teenagers*, the number of K-12 public and private school students across the nation will increase by four percent by the year 2007, with enrollment in grades 9-12 up 13 percent, grades 6-8 up five percent, and grades 1-5 down one percent.

In some sections of the country, the surge in student growth will outpace the national average. States in the West will see the greatest growth, and California will lead the way with an expected 16 percent increase in K-12 students. Twenty states and the District of Columbia will experience a decrease.

Baby Boomers' Babies

According to NCES, a number of factors account for the enrollment increase: a delay in marriage and child bearing among baby boomers; an above-average birth rate for minorities; immigration; and more students staying in school.

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President Stops Parent Aid Congressional Leaders Ready to Try Again

The hope — some measure of help for poor and middle-class parents who choose private schools — was dashed by President Clinton in a sternly written warning to Congressional leaders: "I would veto any tax package that would undermine public education by providing tax benefits for private and parochial school expenses." Issued just days before the vote on the *Taxpayer Relief Act*, the President's veto threat forced House and Senate leaders to remove what had become known as the Coverdell Amendment from the historic tax plan.

Senator Paul Coverdell's (R-GA) proposal, which had passed the Senate 59-41, called for an expansion of college education savings accounts to include K-12 expenses at private or public schools. Parents would be able to save for their child's education and not pay tax on the accumulated interest (see related article). Public school parents, for example, could use the money for transportation, tutoring, or home computers; private school parents could save for tuition, and even home schoolers could cover their education-related expenses.

But shortly after the Senate approved the Coverdell Amendment, a coalition, including the NEA, AFT, PTA, National School Boards Association, Americans United for the Separation of

Church and State, and the Council of Chief State School Officers, fired off a letter to Congressional leaders and the Administration denouncing the proposal and urging its removal from the tax bill. Calling the amendment a "sibling to voucher schemes," the group claimed the proposal would shift tax dollars "from public schools to private and religious schools" and would reduce revenue for public education. The President was apparently persuaded by the arguments as well as the political pressure behind them.

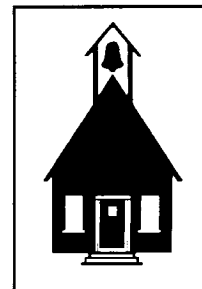
Congressional leaders were not. Days after the President's veto threat, Senate Majority Leader Trent Lott, House Speaker Newt Gingrich, and Majority Leader Dick Armey joined Senator

Coverdell at a news conference to challenge the President's opposition by announcing the introduction of H.R. 2373 / S. 1133, the *Parent and Student Savings Account Plus Act* (PASS A+), which establishes the Coverdell proposal as a stand-alone measure. During the news conference, Senator Coverdell called the President's veto threat "just the

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Sen. Coverdell



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beginning of this battle.” Speaker Gingrich said claims that the savings incentive would undermine public education were “clearly preposterous.” The plan is to have the bill, which already has over 35 co-sponsors in the Senate and more than 70 in the House, ready for a floor vote sometime within the next two months.

Perhaps indicative of the level of attention they plan to give the issue in coming weeks, Republicans touted the *A+ Accounts* — and school choice in general — in two consecutive Saturday morning radio addresses last month. In an August 9th broadcast, Senator Coverdell called the President’s threat to veto the entire tax deal over the savings accounts “a sneak attack, almost a Pearl Harbor for education reform.” He said Congress’s leaders are “committed to passing *A+ Accounts* this fall and sending them to the President.” The Senator asked Americans to call the White House at 202-456-1414 to “tell the President that all kids deserve the same quality education that senior government officials can provide for their own children” and to urge him to “help make *A+ Accounts* a reality.”

The following week, Minnesota Governor Arne H. Carlson said in the Republican radio message, “Whether public, private, or parochial, every family in America should have the right to send their children to the school that best serves their child’s needs....Let’s put the needs of children and parents first and give them the choices they need for success.” The Associated Press described the address as part of the “Republican strategy for the 1998 midterm elections: Try to undercut Democrat’s strength in polls on education matters by making school choice a wedge issue.”

Wedge issue or not, it appears that this fall Congress may pass legislation that provides some measure of tax relief for public and private school parents who incur special costs in connection with the education of their children. The question is whether such legislation will pass with veto-proof margins or, absent that, with enough public support to persuade the President to sign it.

Overview of PASS A+

What is PASS A+?

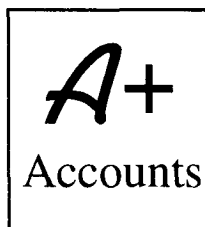
It’s a bill in Congress (H.R. 2373; S. 1133) called the Parent and Student Savings Account Plus Act.

How would it work?

The bill allows parents and others to contribute up to \$2,000 each year in after-tax dollars to an *A+ Account* to be used for a child’s education at any K-12 school — public, private, religious, or home school. The buildup of interest within the account is tax free, and neither the principal nor interest are taxable upon withdrawal if used for the child’s education.

How much is it worth?

If a parent places \$2,000 each year in an *A+ Account* starting in a child’s first year, then — assuming a 7.5% interest rate — \$14,488 would be available by the first grade, \$36,847 by the time the child starts junior high school, and \$46,732 when the child starts high school. A family where each parent earns \$35,000 annually would save \$5,000 in taxes by the time the child reaches age 14. (Illustration kindness of Senator Coverdell’s staff.)



What can the savings be used for?

For education-related expenses. For example, for a child attending public school, the money in the *A+ Account* could be used for carpooling, other transportation costs, tutoring, or a home computer. For a child attending private school, the money could be used for tuition, books, and uniforms.

Would the bill undermine public education?

No. The bill would promote, not undermine, the education of the public by encouraging parents to invest in and support their child’s learning. Besides, parents of children in public schools constitute the largest class of potential beneficiaries under the bill. They account for nearly 90 percent of the nation’s students.

Would the bill rob tax revenue from public schools?

No — unless one considers all forms of taxpayer relief to be a reduction in available revenue for public education. Is the \$500 child credit that Congress passed and the President signed a loss of revenue for public schools? Is the \$1,500 college tax credit? To argue that every tax reduction is a potential loss of resources for public schools is to assume that public education has an exclusive claim to all tax revenue.

Does the bill reflect sound public policy?

Assistance to citizens who shoulder an extra weight in pursuit of a public good has long been considered sound public policy. After all, it is the same principle that drove the \$500 tax credit to offset child-care costs and the \$1,500 tax credit to offset college costs — for students in public, private, or religious colleges, we might add.

What You Can Do

Write, call, or email the President, your Senators, and your Representative to urge them to support H.R. 2373; S. 1133.

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Scholars Discuss Vouchers and the Jewish Community

"We don't necessarily expect to have minds changed, but we hope to have minds opened." That was how Dr. David Gordis, President of Hebrew College and Director of the Wilstein Institute of Jewish Policy Studies, set the

stage for an historic, high-powered symposium titled *School Vouchers and the Jewish Community*. Cosponsored by The Susan and David Wilstein Institute of Jewish Policy Studies and the Columbus School of Law at the Catholic Uni-

versity of America, where it took place the end of last semester, the symposium brought together eminent scholars and prominent advocates of public policy to discuss and reexamine positions on issues like school choice, public education, and church-state separation.

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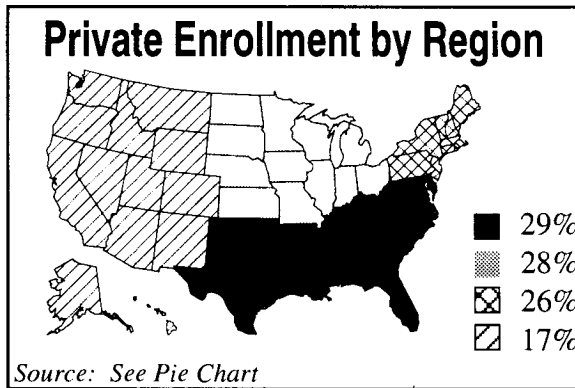
Responding to the report, Education Secretary Richard Riley said the nation will need 6,000 additional schools in the next 10 years. "Right now school overcrowding is a local concern, but it has the potential to become a national crisis," he said. Some observers suggest one cost-effective way to address the need for more classrooms is to encourage the growth of private schools through tax incentives — such as the new college-level Hope Scholarships — that promote school choice.

to the report, "Private elementary and secondary schools in the United States have been an important component of the nation's education system from the beginning and continue to play an important role, educating roughly one-tenth of the nation's young people." Not

This was not a "monochromatic" gathering where people of the same thinking reinforce each other, but rather a "deliberative process," said Gordis. "We do not respond to voices that say deliberation is *prima facie* not to be pursued."

Private School Profile

Another NCES report released this summer, *Private Schools in the United States: A Statistical Profile, 1993-94*, offers a fascinating picture of the rich diversity of schools and students that constitute the country's private school community. According



surprisingly, the report reveals that private school students attend a variety of schools (see pie chart) distributed across every region of the country (see map).

The private school report may be found at www.ed.gov/NCES/pubs.

Jewish Continuity

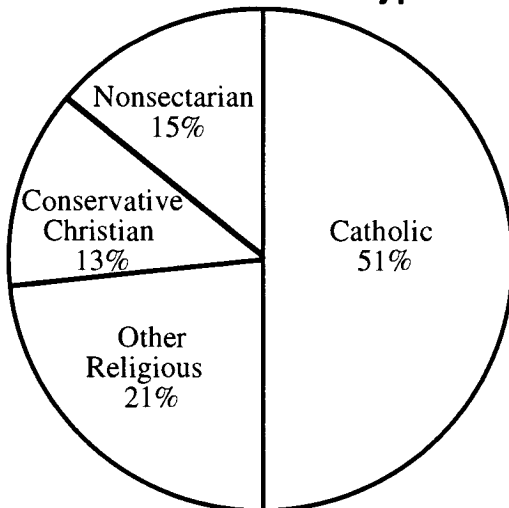
A recurring theme throughout the symposium was the issue of Jewish continuity. The Jewish day school was touted by some presenters as an important bulwark against the loss of Jewish identity through cultural assimilation and intermarriage. Vouchers were viewed by these presenters as a way to help ensure access to day schools.

Another motif of the meeting was how best to assist the children in America for whom public education is no longer working. Representative Floyd Flake (D-NY) and Wisconsin state legislator Polly Williams spoke with great passion about giving inner-city parents the same chance to send their children to successful schools that other parents have.

Gordis suggested that despite differences within the Jewish community on vouchers, there is also great agreement on some key elements surrounding the issue: the importance of a strong system of public education, the need for school improvement, the benefits of keeping church and state separated, the principle of choice in education, and the preservation of the Jewish community within the context of the common good. The challenge, he said, is to achieve as many of these as possible while compromising as few as possible.



% of Students in Types of Private Schools



Various Affiliations:

- ACSI - 9%
- Catholic - 51%
- CSI - 2%
- Episcopal - 2%
- Friends - 0.3%
- Jewish - 4%
- Lutheran - 4%
- Montessori - 1%
- NAIS - 11%
- Seventh-day Adventist - 2%

Source: National Center for Education Statistics. *Private Schools in the United States: A Statistical Profile 1993-94*, NCES 97-459.



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•The battle over national tests is intensifying. In his radio address to the nation over Labor Day Weekend, **President Clinton** renewed his call for high standards and national tests, saying he intended to “do whatever is necessary to make sure we move forward.” The President announced his staff would re-write the testing proposal “to make sure these tests are developed not by the Department of Education, but by an independent, bipartisan board created by Congress” [i.e., the National Assessment Governing Board (NAGB)].

Last month the Department of Education awarded a \$13 million contract to the **American Institutes for Research (AIR)** to oversee the development of the voluntary 4th grade reading and 8th grade math tests. Subcontractors on the project include some of the nation’s major test publishers (ETS, Harcourt Brace, CTB/McGraw Hill, Riverside Publishing). The plan calls for test items to be developed this fall, a field test to be ready in the spring, and the final version to be available in 1999.

Meanwhile, **Rep. Bill Goodling** (R-PA), chair of the House Education and the Workforce Committee, has called the tests “the biggest waste of tax dollars I’ve come across,” and has proposed an amendment to the education appropriations bill to prevent the Department from spending any money on the tests unless specifically authorized by Congress to do so. The Department claims it already has general authorization to proceed with the development of the tests.

•Public support for vouchers is growing, according to this year’s **Phi Delta Kappa/Gallup** poll on attitudes about education. Forty-nine percent favor allowing parents to choose private schools with the “government” paying all or part of the tuition; forty-eight percent oppose the idea. African Americans (64 percent) are significantly more likely than whites (47 percent) to support vouchers. When asked about allowing students and parents to choose a private school to attend at “public” (rather than “government”) expense, 44 percent of all respondents said they favor the idea, up from 24 percent in 1993.

•Another poll, this one by the **Joint**

Center for Political and Economic Studies, confirms strong and growing support for vouchers, especially among African Americans and Hispanics. According to the Joint Center, “A majority of Blacks (57.3 percent) and Hispanics (65.4 percent) support school vouchers, while whites were evenly divided (47.2 percent in favor and 47.4 percent opposed).” Support for vouchers among African Americans went up 10.6 percentage points since January 1996. What’s more, an astounding 86.5 percent of African Americans in the 26-35 age cohort expressed support for school vouchers.

•A Wisconsin appeals court ruled August 22 that the state constitution prohibits the inclusion of religious schools in the Milwaukee voucher program. Supporters plan to appeal the 2-1 decision to the Wisconsin Supreme Court.

**Save These Dates:
March 17-18, 1998
CAPE’s Legislative
Conference**