



WHY SHOULD CATHOLICS SUPPORT SCHOOL CHOICE?

Q: Why should I support Catholic education?

Catholic schools are diverse, available to all members of the community, regardless of religion, race, ethnicity or economic standing and operate with a preferential option to serve the poor. Catholic school students are more likely to graduate, go to college and become responsible, tax-paying citizens. Supporting families in educating their children is part of our obligation to promote the common good. Parents have the duty and responsibility to provide the best education possible for their children. They have a fundamental right to determine which school best suits their child. For many parents, the best school for their child is a values-based, academically excellent Catholic school. The state has the duty and the responsibility to support parents in this effort. Families who enroll their children in nonpublic schools willingly make an enormous financial sacrifice to pay tuition in addition to paying their state and local taxes. They do it

because they believe strongly that the nonpublic school is best for their child. In doing so, they save the state and local districts the cost of educating their children in public schools. Outsourcing to Catholic schools saves the state money now.

Q: What does LB 50 propose?

Scholarships would be provided to eligible families by scholarship-granting organizations (SGOs). The SGOs would be funded by contributions by individuals, married couples, and businesses. The cap on the annual aggregate credits available would begin at \$10 million in year 1 and would increase every year. Donors would receive a non-refundable 65% state tax credit for donations. A credit is more beneficial to the taxpayer than a line-item deduction. The 65% credit would allow SGOs to generate up to \$13 million in donations per year. Up to 5% of those donations could be reserved for administrative expenses. These SGOs may be established statewide and/or on

a diocesan or regional basis. In Iowa, for example, the Catholic SGOs are organized on a diocesan basis. The incentive of these new scholarships will induce at least some students to transfer from public to private schools, keeping private schools' enrollment up and allowing Catholic schools to limit and control tuition increases.

Q: Who qualifies?

Eligible families for scholarships must jump over two separate hurdles: 1) have eligible children residing in Nebraska and enrolling in either a) kindergarten, b) ninth grade, or c) any-grade (K-12) public-to-private school transfers; and 2) satisfy LB 50 income means test (up to three times the federal free and reduced lunch level [K-8] and up to four times the federal free and reduced lunch level for high school).

Q: Where is LB 50 in the legislative process? What are its future prospects?

LB 50 is held in the Revenue Committee and is a carryover bill, meaning
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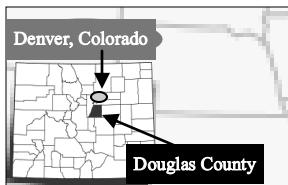
VOUCHERS ARRIVE IN DOUGLAS COUNTY, COLORADO

In a unique arrangement, thought to be the first of its kind in the nation, the Douglas County R-1 Board of Education, Colorado on March 15, 2011 unanimously voted to establish a pilot "choice scholarship" program. The program was created to "provide greater educational choice for students and parents to meet individualized student needs". Up to 500 students could be enrolled in "partner" private schools this fall as part of the plan. Demand for the scholarships is high and a lottery has already been held to fill the available slots for the program.

Scholarships of \$4,575 in tax

funds would help cover tuition for the 2011-12 school year. Seventy-five percent of per-pupil funding would follow the student to participating private schools.

The remaining twenty-five percent would be retained by the Douglas County school district. The district will write checks to participating parents, who will then sign those checks over to the private schools they have chosen for their children. Although the pilot program is set up for one year, the board of education can renew it



annually. Thirty-one schools have applied to participate as partner private schools in the program, including five independent, non-religious schools.

Two separate lawsuits were filed to challenge the plan. The plaintiffs in those suits are the ACLU, Americans United for Separation of Church and State, and the Interfaith Alliance of Colorado. However, Robert Ross, legal counsel for the Douglas County School District, said: "We're moving forward unless and until the court tells us not to. The district is ready to vigorously defend our actions."

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that it will carry-over to the 2012 legislative session. The bill still must advance from committee (at least five of the eight members of the Committee must vote to advance it) and pass three rounds of floor debate before a final vote can be tallied. Its future prospects are promising and it is gaining support and interest from business groups, senators, and others.

Q: When would LB 50 take effect?

The current language of the bill projected a Jan. 1, 2011 effective date. The Legislature has adjourned for the 2011 session so the effective date would be delayed at least one year. If LB 50 passes next legislative session, the new credit may take effect as early as Jan. 1, 2012. If the bill passes next year, a new stream of scholarships could be available for eligible families in time before the 2012-13 school year.

Q: Who is sponsoring/co-sponsoring this bill?

Sen. Bob Krist of Omaha is the primary introducer; Sens. Tony Fulton of Lincoln and Sen. Ken Haar of Malcolm are co-introducers.

Q: Can parents use a scholarship at a Catholic school?

Yes, qualified parents can use the scholarship to pay tuition at any approved or accredited private school of their choice.

Q: If Catholic schools accept scholarships, will they be able to maintain their Catholic identity?

Yes. Nothing in the bill limits the authority of Catholic schools to be Catholic. Religious schools are not restricted from including religious content in their curriculum.

Q: Will scholarship students have different admission standards?

No, scholarship recipients will be enrolled just as other students, based on available seats and the ability of the educational program to meet a child's needs.

Q: Doesn't this allow the State to simply impose additional burdens/requirements on private schools?

No, the bill as written has a provision included within it that prevents the State from using passage of the bill to increase the administrative burden on private schools.

Q: Are tax-credit scholarships constitutional?

Yes. The U.S. Supreme Court just upheld the Arizona tax-credit scholarship program. Previously, the Court has upheld educational expense tax credits and vouchers (Ohio). In Nebraska, case law upholds the transfer of funds to parents for the purposes of choosing a non-public school. Parents would be the recipients of the scholarship dollars and they would direct where the money would go. The tax dollars are not being

given directly to private schools.

Q: How does enhanced school choice benefit Catholic schools?

More students in our classrooms keeps tuition under control, also it would increase the availability and accessibility of a Catholic education to more families, including those who are struggling to provide that now with their current resources.

Q: What can I do to help?

Join the NFCSP to receive the latest news and action alerts on Catholic education issues. Call, e-mail, visit, or write your state senators and ask them to support LB 50-the Elementary and Secondary Educational Opportunity Act. Your senators need to hear from you early and often about your support for LB 50 and its merit. Please encourage the State Legislature to pass and implement it as soon as possible to help families in need.

PRIVATE SCHOOL ENROLLMENT DECLINING

Recently, the federal government, through the National Center on Education Statistics (NCES), released its latest official count of private school enrollment nationwide. In its annual report on *The Condition of Education 2011*, the report indicated that preK-12 enrollment in private schools declined by 9 percent between 1999-2009. Private school enrollment fell from 11.4 percent in 1999 to 10 percent in 2009. In 1999, 44.2 percent of private school children attending preK-12 private schools were attending Catholic schools. By 2009, the same figure for the same group fell to 39.4 for Catholic schools. While enrollment in Catholic schools have dropped over this ten-year period, enrollment in some private schools have increased. A second report, called *Characteristics of Private Schools in the United States* (using only K-12 data, excluding private schools preK counts) indicated that private school graduation rates in secondary schools averaged 98 percent.

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Dick Komer, Senior Attorney at the Institute for Justice, said "This challenge to Douglas County's innovative program will fail for one principal reason: it is parents-and not government officials-who are deciding what school a child attends." The Institute for Justice announced it will intervene to help defend Douglas County's voucher program from these legal attacks.

In 2004, the Colorado Supreme Court's 4-3 ruling invalidated the Colorado Opportunity Contract Pilot Program, due to an alleged violation

of the state's constitutional provision for local school board control of instruction. This local solution was designed to answer the objection of the Colorado Supreme Court.

Here, a school district has found that expanding school choice options is beneficial to not only to the district itself, but also to parents and families in need of more options by enabling parents to choose the education that best meets their children's needs. It is an interesting, creative partnership that has been established between the school district and partnering private schools. Why not in Nebraska?



VIRTUAL EDUCATION COMING SOON?

Blended models of learning are becoming more popular that incorporate at least some online learning for students. What is a “virtual school”? It is a school allowing for online learning (also known as e-school, cyber-school) instead of a more conventional “bricks-and-mortar” school. Roughly 1 million students today are enrolled in online learning courses. Growth is expected to 10 million by 2014 (this would amount to roughly 20% of all public school students nationwide). Nebraska has been discussing the concept of a Nebraska Virtual School (NVS) and STEM (Science Technology Engineering and Math) Academy which it proposed in its Round 1 and 2 applications for Race to the Top (RTTT) federal funds (competitive grant competition administered by the U.S. Department of Education). Nebraska lost in the

RTTT competitions.

As a matter of equity, if a statewide virtual school is developed, students enrolled in private schools should be able to participate and enroll in online courses through the statewide virtual school. For example, in Georgia, Illinois, and Missouri, students in private schools are eligible to enroll in online courses through each state’s virtual school. Funding should follow the child to the school of their parents’ choice. If Nebraska had won RTTT funding, access to virtual learning would have been guaranteed for public school students but not to students enrolled in private schools.

A line-item of \$8.5 million was included in Governor Dave Heineman’s mainline budget bill (LB 374) for virtual education over the 2011-13 biennium but the Legislature did

not fund the Governor’s request because the State lacked the necessary funds to implement the project. As Nebraska’s cash-flow situation improves, it is possible that this initiative may pass and be funded.

On June 21, 2011, the Platte Institute for Economic Research released a report entitled “Virtual Schools: The Vital Need for Virtual Schools in Nebraska” by Vicki Alger. Potential benefits of virtual education according to Dr. Alger include 1) higher student achievement, 2) higher graduation rates; and 3) lower cost than traditional classroom instruction. One advantage of virtual schools is that they provide for extended learning opportunities for students that require more time/practice to master a subject or students who wish to challenge themselves to do more than is required.

CONTACTING YOUR STATE SENATOR

You can e-mail senators through the Nebraska Legislative webpage at <http://nebraskalegislature.gov> or by using the legislator’s first initial plus their last name followed by @leg.ne.gov (example: lheidemann@leg.ne.gov).

Mailing Address

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Dst.	Senator	Capitol #	Room	From	Dst.	Senator	Capitol #	Room	From
1	Heidemann, Lavon	471-2733	1004	Elk Creek	26	McGill, Amanda	471-2610	1212	Lincoln
2	Pankonin, Dave	471-2613	1101	Louisville	27	Coash, Colby	471-2632	2028	Lincoln
3	Price, Scott	471-2627	1528	Bellevue	28	Avery, Bill	471-2633	1114	Lincoln
4	Pirsch, Pete	471-2621	1404	Omaha	29	Fulton, Tony	471-2734	2107	Lincoln
5	Mello, Heath	471-2710	1206	Omaha	30	Wallman, Norm	471-2620	1406	Cortland
6	Nelson, John E.	471-2714	2108	Omaha	31	Pahls, Rich	471-2327	1401	Omaha
7	Nordquist, Jeremy J.	471-2721	2004	Omaha	32	Karpisek, Russ	471-2711	1015	Wilber
8	Harr, Burke J.	471-2722	1115	Omaha	33	Utter, Dennis	471-2712	2015	Hastings
9	Howard, Gwen	471-2723	1124	Omaha	34	Dubas, Annette	471-2630	1018	Fullerton
10	Krist, Bob	471-2718	1117	Omaha	35	Gloor, Mike	471-2617	1523	Grand Island
11	Council, Brenda J	471-2612	1120	Omaha	36	Wightman, John	471-2642	2010	Lexington
12	Lathrop, Steve	471-2623	2000	Omaha	37	Hadley, Galen	471-2726	2104	Kearney
13	Cook, Tanya	471-2727	1208	Omaha	38	Carlson, Tom	471-2732	1022	Holdrege
14	Smith, Jim	471-2730	1115	Papillion	39	McCoy, Beau	471-2885	1522	Omaha
15	Janssen, Charlie	471-2625	1403	Fremont	40	Larson, Tyson	471-2801	1019	O’Neill
16	Brasch, Lydia	471-2728	1529	Bancroft	41	Sullivan, Kate	471-2631	1118	Cedar Rapids
17	Bloomfield, Dave	471-2716	1117	So Sioux City	42	Hansen, Tom	471-2729	1012	North Platte
18	Lautenbaugh, Scott	471-2618	1021	Omaha	43	Fischer, Deb	471-2628	1110	Valentine
19	Flood, Mike	471-2929	2103	Norfolk	44	Christensen, Mark R.	471-2805	1000	Imperial
20	Ashford, Brad	471-2622	1103	Omaha	45	Cornett, Abbie	471-2615	1116	Bellevue
21	Haar, Ken	471-2673	1017	Malcolm	46	Conrad, Danielle	471-2720	1008	Lincoln
22	Schumacher, Paul	471-2715	1019	Platte Center	47	Schilz, Ken	471-2616	1202	Ogallala
23	Langemeier, Chris	471-2719	1210	Schuyler	48	Harms, John N.	471-2802	2011	Scottsbluff
24	Adams, Greg	471-2756	1107	York	49	Louden, LeRoy J.	471-2725	1016	Ellsworth
25	Campbell, Kathy	471-2731	1402	Lincoln					

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INDIANA VOUCHER, TAX CREDIT & DEDUCTION

In May, Indiana passed the School Scholarship Act (HB 1003) which includes three vital educational reform components. The first is a large new school voucher program. The program is the largest in the country. The vouchers would be available to families within 150% of the federal free and reduced lunch income range, or roughly \$61,190 for a family of four). Approximately 7,500 children will be eligible for vouchers in the first year; in the second year, 15,000 will be eligible. For families at the free or reduced

lunch program income level, voucher eligibility for 90% of the state tuition support per student is available. For families up to 150% of the free or reduced lunch income level, voucher eligibility is capped at 50% of the state tuition support per student.

Secondly, Indiana boosted the size of its tax-credit scholarship program, doubling the annual cap from \$2.5 million to \$5 million. This will make additional scholarships available for more children. In Indi-

ana, individuals and corporations can claim a 50% tax credit for contributions to scholarship granting organizations who distribute scholarships to children from families who earn up to 200% of the federal free-and-reduced lunch program income level.

Finally, Indiana established a new educational-expense tax deduction of up to \$1,000 per dependent. This includes private school expenses such as private school tuition, textbooks, fees, software, tutoring, and supplies.