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The Maryland Education Credit and You

By Eta Kushner

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There is power in the mouse! We have a golden opportunity, with a few clicks, to help the effort to lower our school tuition costs. The current Maryland state legislative session is considering a bill that would help our community immensely by giving schools additional state money to be used for tuition assistance, academic tutoring, books, supplies, technology, and special needs services.

These additional funds could become a reality if the Maryland Education Credit (MEC) bill, formerly know as BOAST, is passed. This legislation (Senate Bill 405/House Bill 487) benefits not only the day schools. As a recent MEC email states, “It would help lower-income families – from both public and nonpublic schools – afford tuition and other educational expenses for their children. It would give kids the opportunity to attend schools which best suit their needs. Low-income children receive first priority for financial assistance.”

Rabbi Ariel Sadwin, Agudath Israel’s Mid-Atlantic regional director and president of Maryland’s chapter of the Council for American Private Education, has been working tirelessly on this issue for years. Similar proposals have been introduced in past legislative sessions, and made it through the Senate committee. But the House committees have always tabled it, never allowing it to be voted on.

Rabbi Sadwin is hopeful that this year “the legislative leaders will not be influenced by powerful unions and other entities who oppose this bill for no good reason. We are asking them to give this bill its due and allow it to be voted on for its merits. All we want is to give the children of this state a fair shot.”

Our actions can help make this a reality in two ways, Rabbi Sadwin explained. One is to make our representatives aware of our strong feelings on this issue. The other is for businesses to sign up as a Maryland Education Credit partner. “By adding your business to an online list of supporters, you will be kept informed about ways you can support this legislation, which will help children succeed and businesses thrive. This will show our legislators that there is a serious following of hundreds of business leaders who support this bill.”

What You Can Do as an Individual

If you have, or had, a child in one of the area day schools, you may have received an email recently asking for your help in urging our local state delegates to pass the MEC. The link for individuals leads to “Take the Maryland Education Credit PLEDGE,”

<http://www.educationmaryland.org/Pledge>. Actually, it would be very advantageous for the community if everyone registered at this website, whether they have children in school or not.

Anyone who has already registered should have received a follow-up email, which allows you, in one click, to fill out a form and send an email to your representatives, urging them to support this bill. Even if you did not “take the pledge” or get the follow-up email, it is not too late. The following link contains a pre-filled message to send to our delegates: <http://bit.ly/1KXcp1x>. (Those who do not use email can call their representatives, whose phone numbers are in the *Eruv List*'s Municipal section.)

The advantage of using the above links is that your emails will automatically go to your own delegates, according to the zip code you enter, and you have an option of receiving alerts when there is a further call to action. If you prefer not to use that link, however, you may also find your delegates by going to the website of the Maryland General Assembly, at <http://mlis.state.md.us>. Click on the box at the bottom left that says, “Voice My Opinion.” This lets you easily find your elected officials and fill in a form with a customized message to all your state representatives at once. This link is good for any time you want to contact your representatives on any issue, so it's a handy one to keep. Another good link to your reps is <http://mdelect.net>, which allows you to send individual messages to each representative.

In addition to your own representatives, Rabbi Sadwin suggests that people contact these other legislators to voice support for this bill and ask them to give it a chance to be judged on its merits: Speaker of the House, Michael E. Busch, Chair of Ways and Means Committee, Sheila E. Hixson and Majority Leader, Anne R. Kaiser.

The latest development is that the MEC was introduced at recent hearings in the Maryland Senate Budget and Taxation Committee and the House Ways and Means Committee. As proponents of this bill, we need to convince those committees to move the bill to the floor, where it can be voted on.

What It Will Mean for Businesses

If passed, the MEC will allow businesses to donate to a non-profit Student Assistance Organization (SAO) of their choice. Such donations will lower the overall tax burden of these businesses, which could gain a large tax credit of up to \$200,000, equal to 60 percent of its total donation to the SAO. Moreover, these donations will be on a “first come, first served” basis, as the total state tax credits allowed will be capped at \$15 million. This translates to a total of \$25 million that could be used by all schools in the state. Businesses that take advantage of this tax credit can potentially save thousands of dollars on their total tax bills.

The types of business that can lend their name to this effort include corporations, S corporations, sole proprietorships, partnerships, limited liability corporations, and business trusts.” The link to register your support is www.educationmaryland.org/BusinessPartners.

MEC Benefits All Children

Although this legislation will not *solve* the tuition crisis, it has the potential to alleviate it in many ways. We know this because comparable legislation has passed in several states with successful results. Pennsylvania has had a similar law on its books since 2001. According to Rabbi Sadwin, “Numerous day schools across that state have benefited greatly from these tax credits. Schools have either been able to lower tuition costs or at least keep them from escalating. Pennsylvania has two tax credit laws with a total cap of \$150 million, and they have a waiting list of businesses who would like to participate.”

The MEC stands to be a great boon to our day schools, but there is ample reason to support this bill besides the benefits that will accrue to our community. It is in our long-term interest as Jews and as good citizens to work for the improvement of the public schools and all the children in Maryland. According to Jason Bedrick, a policy analyst with Cato’s Center for Educational Freedom, “Twenty-three empirical studies investigating the impact of school choice laws on the students at [public] schools, 22 found that the performance of students...improved after a school choice law was enacted. One study found no statistically significant difference and none found any harm.”

Bedrick argues that the evidence shows that once public schools are no longer run as monopolies, and parents are given more freedom to choose where to send their children, public “schools become more responsive to their needs, and student performance improves.” In addition, Bedrick cites numerous studies showing that school choice yields a “statistically significant positive outcome overall or for certain subgroups, particularly low-income African-Americans who are currently the most choice-deprived.”

An Uphill Battle

Despite this strong evidence, getting the MEC passed will not be a piece of cake. This is due largely to the strong influence of the Maryland teachers’ unions and others, who refuse to see this as a bipartisan issue. The *Baltimore Sun* quoted Speaker of the House, Michael E. Busch, who said, “It’s hard for the legislature to fund private religious schools when Governor Hogan fails to fully fund the public education system.”

But Bedrick points out that the U.S. Supreme Court has ruled that tax-credit scholarships, which can be used in both secular and religious private schools, do not constitute government appropriations (so that this is not a church/state issue). Moreover, they “generally produce fiscal savings by reducing expenditures more than tax revenue.”

Bedrick also asks what “fully funded” really means. Maryland’s public schools already spend more than \$15,500 per student, on average, which is well above the national average of \$12,048. And if higher spending truly yielded higher quality, then, at \$30,000 a head, Washington D.C.’s public school students should be among the highest achievers in the nation. In fact, they are they are among the worst. Nevertheless, as Bedrick notes, “they have made significant gains since the advent of school choice laws in the city.”

Let us hope that this will be the year the Maryland Education Credit finally gets passed. Your participation can help make this happen.

Sidebar:

Another Approach

In related tuition relief news, Meir Katz gives an update on his efforts, which were described in a previous *Where What When* article. As mentioned in that article, Mr. Katz favors using the court system to force the U.S. government to fund (at least partially) nonpublic schools according to the mandates of U.S. law, with a planned, coordinated, and constantly reassessed process. He is establishing a law firm dedicated to this plan.

“Magen Legal, a nonprofit law firm, will litigate on behalf of *klal Yisrael* in federal courts around the country,” says Mr. Katz. “Its primary focus will be the tuition crisis. We have developed several projects – each of which will constitute a number of cases – that will directly reduce the tuition burden on parents and the budget strain on schools.

“Those projects are ready to launch. They have been vetted by numerous attorneys, rabbanim, and others. We have the support of Rabbi Hopfer, Rabbi Chaim Dovid Zwiebel (Executive VP of Agudath Israel), and many other people who are greatly influential on both a national and local level. We are excited by the feedback and encouragement that we have received and want to get started. Our goal – rather ambitious, we know – is to cut the net cost of tuition in *half*. American Jewish families are currently paying approximately \$2 billion in tuition each year; we believe we can reduce that number to \$1 billion. We want to get started immediately but need help seeding the organization and welcome all the support we can get.”

Anyone who is interested in the issue and would like to learn more about Magen Legal or could offer assistance to seed it, is encouraged to be in touch with Meir Katz at mkatzlitigation@gmail.com.