



Committee on Catholic Education

3211 Fourth Street, NE • Washington DC 20017 • 202-541-3132 • 202-541-3390

December 1, 2017

Dear Senator:

I commend to your attention the November 9 letter my brother bishops and I sent to the House expressing our overall deep concerns with HR 1 as well as Bishop Dewane's November 22 letter similarly expressing concerns with the Senate's tax bill. Now, as the Senate considers its legislation to amend the U.S. Tax Code and the two chambers move closer to final negotiations, it is incumbent upon me as the Chairman of the United States Conference of Catholic Bishops' Committee on Catholic Education to also bring to your attention certain provisions in the House-passed bill with implications for Catholic schools in America. In any conference negotiations, please be mindful of the impact for our nation's Catholic schools.

First, the **proposed expansion of 529 Savings Accounts** that would allow expenditures for elementary and secondary education is a step in the right direction. While this provision does not address the serious injustice of our education funding system, **it is a positive change and should be included in any final legislation.**

Second, HR 1's repeal of Section 127, the exclusion for educational assistance, would hamper Catholic schools in hiring and retaining staff. Our schools already face intense competition from government-run school districts for quality staff, and benefits such as this help maintain a level of parity.

Likewise, innovative high school-financing models that receive tuition support from local businesses to aid students from low-income families would be irreparably harmed by the elimination of Sec. 127. The Joint Committee on Taxation states that "the exclusion applies to both graduate and undergraduate courses," indicating that the Joint Committee is unaware of the secondary school uses of this provision. **Please ensure that Sec. 127 is maintained in any final legislation.**

Third, the exclusion for qualified tuition reduction in Section 117 is an important benefit for the Catholic school community that would be eliminated by the House bill. Catholic schools across the country employ more than 150,000 staff, and affording tuition on a Catholic school employee's salary is often difficult. The discounts offered by Catholic schools for elementary and secondary education to the children of staff are tiny compared to the federal budget but a lifeline for these families. **It is essential to keep these teachers and staff in Catholic schools, their children in schools of choice, and these family arrangements intact by retaining Sec. 117's exclusions for elementary and secondary tuition.**

Your efforts to ensure the tax code retains appropriate allowances for Catholic schools are much appreciated. Our Catholic schools educate nearly 2 million (Catholic and non-Catholic) students in 6,500 schools across the country; they are an integral part of our nation and should not be harmed in this tax reform effort.

Sincerely,

Most Rev. George V. Murry, S.J.
Bishop of Youngstown
Chairman, Committee on Catholic Education