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**To: Members of the Finance, Revenue and Bonding Committee**

**From: Sandra J. Staub, ACLU-CT Legal Director**

**Written Testimony Supporting Raised Bill No. 6627  
An Act Concerning a Tax Credit for Corporate Donations to Scholarship Funds**

Good afternoon Senator Daily, Representative Widlitz and members of the Finance, Revenue and Bonding Committee. My name is Sandra Staub. As the Legal Director for the ACLU of Connecticut, I am here to oppose Raised Bill No. 6627 An Act Concerning a Tax Credit for Corporate Donations to Scholarship Funds.

However well intended, this tax credit violates the First Amendment and undermines the ability of the state to provide a good education to all children.

This tax credit takes money that otherwise would be available to the state and allows companies to provide scholarships for private education, including private religious education. Although the money has not technically been received or disbursed by the state, the effect on taxpayers is the same; money that would otherwise have been spent on legitimate state programs is being used to fund religious education. The state cannot transform an otherwise impermissible spending program simply by using private corporations to distribute the funds.

The First Amendment states that “Congress shall make no law respecting an establishment of religion.” This rule was incorporated to the states by the Fourteenth Amendment, and the Supreme Court has repeatedly recognized that the state may not become entangled with parochial schools without violating the Establishment Clause. In the context of private schools, states are not permitted to directly fund private religious schooling. State-funded vouchers may only fund private education if the parents make the choice of what school to use the voucher at and there are adequate secular alternatives. This is because in that context it is the parents, not the state, making the choice of religious education; the state is merely facilitating parental choice, and attempting to provide better educational opportunities, not advancing any religious agenda.

Under this proposed scheme, companies will have the choice of what schools to fund; companies may choose to provide scholarships solely for private religious schools and would still be eligible for the tax credit. Unlike school vouchers which are distributed equally to all parents based on income, these scholarships would only be granted to some parents, based on unclear criteria. When a similar statute in Arizona gave a tax credit for money given to private “school tuition organizations” to fund scholarships to private schools, 85% of the funds went to scholarships that could only be used at religious schools. If this bill passes, some scholarships may be granted or denied based on the religion of the applicant, while others may be granted only if the applicant agrees to attend a religious school. This violates the Establishment Clause by using state money to fund religious education, without ever giving the parents a real choice in schools, or any secular alternatives.

Finally, tax money spent funding scholarships to expensive private schools is money that is not being spent to improve the public schools. Education matters. The state should spend its money bettering the public school system for all children rather than funding private school education for a few.