Supreme Court of the United States

OCTOBER TERM, 1970

In the Matter of:

Supreme Court, U. S.

APR 2 1971

Docket No. 89

ALTON J. LEMON, ET AL.,

Appellants,

VS.

DAVID H. KURTZMAN, AS SUPERINTENDENT OF PUBLIC INSTRUCTION OF THE COMMONWEALTH OF PENNSYLVANIA, ET AL.

Appelless.

SUPREME COURT, U.S. MARSHAL'S OFFICE

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Place

Washington, D. C.

Date

March 3, 1971

# ALDERSON REPORTING COMPANY, INC.

300 Seventh Street, S. W.

Washington, D. C.

NA 8-2345

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# IN THE SUPREME COURT OF THE UNITED STATES

No. 89

### OCTOBER TERM 1971

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ALTON J. LEMON, ET AL.,

VS

Appellants

DAVID H. KURTZMAN, AS SUPERIN- )

TENDENT OF PUBLIC INSTRUCTION OF THE COMMONWEALTH OF PENNSYLVANIA, ET AL.,

Appellees

The above-entitled matter came on for argument at 10:43 o'clock a.m. on Wednesday, March 3, 1971.

#### BEFORE:

WARREN E. BURGER, Chief Justice
HUGO L. BLACK, Associate Justice
WILLIAM O. DOUGLAS, Associate Justice
JOHN M. HARLAN, Associate Justice
WILLIAM J. BRENNAN, JR., Associate Justice
POTTER STEWART, Associate Justice
BYRON R. WHITE, Associate Justice
THURGOOD MARSHALL, Associate Justice
HARRY A. BLACKMUN, Associate Justice

### APPEARANCES:

HENRY W. SAWYER, III, ESQ. 1100 PNB Building Philadelphia, Pennsylvania 19107 On behalf of Appellants

J. SHANE CREAMER, Attorney General, State of Pennsylvania Harrisburg, Pennsylvania On behalf of Appellees

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# PROCEEDINGS

MR. CHIEF JUSTICE BURGER: We will hear arguments next in Number 89: Lemon against Kurtzman and others.

Mr. Sawyer, you may proceed whenever you are ready.

ORAL ARGUMENT BY HENRY W. SAWYER, III, ESQ.
ON BEHALF OF APPELLANTS

MR. SAWYER: Mr. Chief Justice and may it please the Court:

This is an appeal from the dismissal of a complaint of three individual taxpayers and several organizations, challenging the constitutionality, with a Pennsylvania statute: Act 109, which provides for the payment of tax money to nonpublic schools, to reimburse them for the costs of teaching mathematics, modern foreign languages, physical science and physical education.

The complaint alleged a violation of the First

Amendment's religious clause and of the Equal Protection Clause
of the 14th Amendment. A three-judge court dismissed the complaint on the First Amendment grounds on the basis of a failure
to state a cause of action: no answer, no discovery, no trial,
no record: and the 14th Amendment ground for a lack of standing
in all parties.

When this act was passed it was without precedent in the United States. Its scheme is simply this: any public

school has a month to fill out a form -- excuse me -- any nonpublic school has but to fill out a form and submit it, setting forth its costs in these subjects, the teachers' salaries, teaching materials and for textbooks and the state forthwith pays that amount over to the school. The transaction is labeled: Purchase of Services Contract.

As Judge Hasty, dissenting below, said, nevertheless, and I quote: "The State buys no services and the school sells none." There are no new children involved; there is no new teaching. The pedagogical status quo in Pennsylvania is precisely the same as it was before the act; the only difference is economic.

The act provides for considerable new state regulations of the schools, the nonpublic schools, and when I say "nonpublic" it's to be understood, of course, that these are largely church-affiliated schools; 97 percent.

Q And primarily Roman Catholic?

A And 97 percent of that 97 percent is Roman Catholic.

The act calls for inspection of textbooks for testing of pupils and for certain levels of performance and that's new. For the certification of teachers after a passage of time, and that's new --

Q The State doesn't prescribe textbooks, does it?

A No, sir, for any procedures and for regulating of teaching content and those provisions of the act are in the record at page 20; 20 to 24.

There were 17 and a half million under the act this year. The first year it was five and that's in the record, but since then 17 and a half million.

Now, the complaint alleged particular violations of the establishment and freedom of exercise clause, although there is no question raised about its adequacy as a pleading --

Q Would you mind here? I'm not quite clear as to the details of how this scheme works. I know you said there was a contract, but what's involved? Does the state authority accept the representation from the institution?

A They make out a form, Your Honor, that says that the cost for teachers' salaries and teacher materials and textbooks is such and such, for teaching, let's say, mathematics, and then they submit that to the state and the state pays them the money.

- Q Well, is there any order to pay --
- A Oh, yes; there is an order. There is an order of whether or not they --
- Q Well, before the money is paid what check is made of it?
  - A You see, we don't know, Your Honor.
  - Q I see.

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A.	appeal is that there	e shou
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7	record.	
8	Q	The n
9	A	Sir,
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11	substantial Federal	quest
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?16	filed in a complain	t for
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19	` A	Yes,
20	Q	And t
21	so fareas the comple	aint s
22	. A	Yes,
23	Ω	Pay 1
	A A	Well
24	is available. Now,	the i

an only glean this from the statute, d. So we never found out how the cocedures. Of course, the -- of my ald have been a -- although I'm here, co dismiss, and I would be unable to things because there isn't any

notion to dismiss what?

the motion was made to dismiss the eady cause of action for lack of a cion.

asn't a summary judgment; was it?

sir. It's not an Allen situation where or summary judgment after -- and it this case except the complaint was dismissal, almost.

ou said that the shools submit costs ng and materials and what not?

sir.

the state then just pays the money, shows; I mean so far as we now know?

sir.

100 percent of it or --

, no; because that depends on how much first year it was only \$200 million so

that it was a pro rata --

Q Available in what? In legislative appropriations?

Q It was from horse racing ---

A A horse-racing tax. Yes, that's right.

The 17 and a half and if I understand the schedule -- Mr.

Shane Creamer can tell us -- I understand it will go to \$38 million in the forthcoming year, although on Sunday night at midnight the State of Pennsylvania officially went bankrupt, according to the Governor. And so all of these bills are probably in limbo.

Q This case hasn't become moot as a result of that?

A No, sir --

(Laughter)

May it please the Court, Act 109 is Pennsylvania's assessment bill, and after 200 years the Pennsylvania Assembly attempts what the Virginia Assembly attempted and which Madison and Jefferson defeated. The similarities are striking.

Q All you are really asking us for is that you have a chance to try this case; isn't it?

A Yes, sir, but you could facially declare this constitutional and I do want to address myself to that.

There are several grounds on which this Court could find -- we must be realistic about it; it presents problems on many

levels. They are at the legal level, the traditional level.

There is no question that the traditional church-state documents avowed by this Court would appear to require the invalidation of this act.

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10.

I discern eight grounds on which church-state cases have been -- by this Court and I venture to say this is the first piece of legislation ever before this Court that violates school aid and I will come to that in a moment, sirs.

Q Could I ask you a preliminary question?

Is it of any consequence that the general taxing power of the state or the general revenue of the state are not involved here; this is a special tax derived from horse racing?

Was raised as tax money and one of my claimants went to the horse race and paid the tax and he was the only one found to have an issue(?) and I think the Court's wrong on that. A tax is a tax and public money is public money, for this purpose.

There might be other cases where you have a great deal of question of what the source is.

But when you get to the fundamentals of the First Amendment, Mr. Justice Harlan, I think public money is public money. And it makes no difference whether it's a special tax; you can't isolate it.

The controversy here is pregnant with other issues.

As they say in their brief and as they said in Harrisburg,

that unless relief — unless subsidy is forthcoming the parochial school system will wither and decline. On the other hand, the attackers of the bill will point out at a different level that the effect of this would be to perpetuate de facto racial degregation that's exemplified by the nonpublic school system; or at still another level the proponents say, having predicted the demise of the nonpublic school system that the resulting exclusively public system will be deleterious to a — society and we would — I suppose that what you are heading for here is a dual school system, if this act is sustained: the one primarily affilient and suburban and white and at least typically white suburban andit leads to the other poor, inferior, practically custodial and Black.

And there are nations that have dual school systems and this is what we are heading for.

If we are talking about the traditional document, there is no precedent for it -- there is no precedent for legislation. The cases are discussed; they lead, it seems to me to the conclusion that unless the law is to be changed the establishment(?) must go down.

I do want to mention Bradfield, however, since it has come up, Mr. Justice Blackmun. Now, Bradfield has a precedent, I think, Your Honors. I'm not speaking about the situation in Bradfield, because I will talk about that, too.

As a precedent, I think Bradfield doesn't need to trouble us,

because, rightly or wrongly -- I have a footnote which covers

Bradfield in my brief at some length at page 19. And there,

the Supreme Court, rightly or wrongly, just ididn't reach the

First Amendment issue because they simply said: the fact that

this corporation -- the hospital corporation's members are

composed of religious people and they happen to be Catholics,

doesn't make it sectarian any more than if would if they were

Methodists and they concluded finally, "We are not able to

say," and I'm quoting: we are not able to say that the complaint

in this bill shows that the corporation is of the kind des
cribed. On the contrary he has clearly shown it is not.

Now, that doesn't get us away from the question.

The question is: how about hospitals, because hospitals are in a relationship with the state and that's true in Pennsylvania today. They are paid so much per diem for indigent patients collected by the state and sent to them for treatment.

- Q Well, don't they receive direct Federal grants under Hill-Eurton?
  - A Yes, sir, but not if they are sectarian.
  - Q Pardon?

w a welling from the thill thought in a risk to

A Not if they are sectarian. That's my understanding and here again, we are without a record. So, Your Honors asked me. I was on the board of an Episcopal Hospital in Philadelphia and we added nonEpiscopalians to the board; we did a number of things of that kind. We detached

ourselves from the archdiocese in order to get Hill-Burton funds.

1.

Now, I think that's what happens in hospital cases. I am speaking of the kind of thing that might be analogous to our situation; that is: you treat a patient and you get paid so much. My rationale is this, and these are the differences and I think they probably all have to exist for the hospital situation to prevail constitutionally.

First of all, to recognize that it is not a church and that care of the sick is not a mandated -- now, mandated where they just function; it's part of the good will ethics of almost all religions.

It doesn't, therefore, teach or prosetylize.

It does not prefer -- I don't think exclusion is necessary -
I think any distinct preference is sufficient to make it un
constitutional and finally, and most important: this is true

purchase of services. Here the purchase of services is not a

subterfuge; here the status quo is not the same after as before

because new specific individuals who are discernable and could

be tracked or treated would not be treated if it were not for

the use of this facility.

So, I think that all those differences are important to the situation and I don't for one minute agree, if Mr. Pfeffer did -- I'm not quite sure he did -- that the state can subsidize a church to carry on a secular function.

I think it can only do that under very special circumstances and the hospital one is one of the very few that I can imagine.

Q Mr. Sawyer, you seem to distinguish the

Q Mr. Sawyer, you seem to distinguish the hospital situation even though it maintains a chaplaincy staff, for instance?

A Yes. I think the mere maintenance — all of these other qualifications, the mere maintenance of a chapel somewhere on the premises would not be sufficient, but I think, as somebody said, I don't think you can be made to go through the chapel either on your way to be cured or in thanks for having been cured on your way out.

Q Well, what about what I was mentioning, a chaplaincy staff: four or five chaplains of a particular denomination maintained by the hospital; does this make a difference?

A Your Honor, I think you keep adding things and Tythink you will finally we get to the point. By itself I would say no; not if there is not an importuning of the charitable patients in any way. The mere availability of the staff, I would say no. But I think you could keep adding until it begins to be a permeation of the jury function with a religious function.

Now, I do want to mention Allen because the briefs in Allen - all the briefs in Allen misstate Allen's

facts, and I must say that -- I have to say that that misstatement is based on a misapprehension, I think, of Allen's facts in the Walz opinion.

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I'm referring to the -- and it's alleged that the Court in Allen sustained a New York book law even though the effect was to relieve the schools of, Walz said, "the enormous cost for those books."

Now, actually the footnote in the Allen case,

Footnote six, makes it clear that the parents previously bought

the books; not the schools, so that there was no relieving of

the burden that the school previously carried.

Now, there is another point in Allen, a factual point, that I haven't seen commented on at all and that is this: that prior to the 1965 amendment in New York the State didn't pay for public school children's books; they could be paid for by special provisions, 703 of the local tax. But, you see that means that there the New York Legislature was conferring a benefit: namely, free books on all children that had not previously existed. It's quite clear; you will see that in the footnote in the Allen case in the very beginning of Justice White's opinion.

Now, before 1965, and I am quoting from the second paragraph: "The State purchased books and so and so, to rent or sell the books to the public school children." Now, the preamble there that they were doing something for education

took on some plausibility and it was applying to all children something they didn't have before and indeed, could this Court have said in Allen that the New York statute was unconstitutional unless, in the process of giving books to all children, the New York Legislature said, "But, Catholic children can't have them."

Now, the analogy in Pennsylvania, you see, would be if Pennsylvania, in order to fulfill a lack of teaching in mathematics or physical sciences, et cetera — a lack of teaching, had set up somewhere, either tutoring or some facility to teach these four subjects. And then they would have that kind of situation and then when we come in and say: "Well, the Pennsylvania Act is unconstitutional because it doesn't exclude Catholic children from these facilities." But, of course, nothing like that happened.

Now, in that sense, Allen, it seems to me, --

- Q What if, having a shortage of mathematics teachers, the State had set up a center to teach teachers in these subjects, including the sisters of Roman Catholic orders?
  - A Teach them free?
  - Q With tax money; to --

A That's a hypothetical situation, Your Honor that I would think would be constitutional. If you could offer free education to anybody, even if the free educationas to how to educate in Catholic schools; yes, sir.

Stopped, let me ask you another. Suppose the Board of Public Education of the State provided panels of public school teachers, hired on public school standards to teach all these nonsectarian subjects and provided by the act that any private school meeting certain other scholastic standards of law could have one of these teachers to teach mathematics or chemistry in their school under the direction of the state.

Do you see an involvement there?

A I see a lot of problems with that kind of legislation, Your Honor and of course, it's been talked about.

I don't know how this Court would resolve that problem; I think it's difficult. There is entanglement and an involvement in problems.

That is, I really am not trying to evade it; I've thought about it and I'm not at all sure, Your Honor, how I could brief that question to this Court. I think it's a very, very close case.

- Q It isn't our case, anyway.
- Q It would be the same way with a voucher grant.

A Yes, sir; the voucher grant, I think

presents problems, but there I think I could say with confidence
that the constitutional magnitude of the problems of the voucher
plan are fairly insignificant compared to this Pennsylvania

situation.

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Now, I want to mention just this about Walz:

Walz certainly made one important purely negative point.

Quite clearly Walz refused to validate the exemption there on the ground that churches, by good works, by welfare and charitable works, perform a secular function which otherwise would have to be performed at public expense.

Our Chief Justice \_\_\_\_\_ who announced this opinion for the court clearly announced that rationale. That seems to me to pretty well jeopardize the argument of the Appellees that the main reason that this is constitutional is because this is a secular function and that the facts -- before my church, makes no difference.

of both interdependence and entanglement. I think they are somewhat different. Here, interdependence is, on the face of this act, the legislature has said: "We are now dependent on the church school system to carry out our mandated constitutional duty to educate children."

And in the brief filed here the church has now said: "We are dependent upon the state subsidy to carry on our church-mandated function of educating adherents to our faith."

Walz was entanglement, because it seems quite clear that the concern of the Court that taxation would mean more entanglement

than exemption(?)

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As to entanglement, this act has a great deal of it, far more than I think any of the other legislation involved in this series of cases; not only these inspections of these teacher grades and all those new rules, but very, very important is Section 3, Act 109 -- and I quote: "Any subject matter expressly religious teaching or the morals or forms of worship of any sect" to enter into the teaching of these subjects.

Now, does this not require a state to conduct a very continuing surveillance, to use the Chief Justice's words, which the Chief Justice said but a hallmark of entanglement, impermissible entanglement.

Now, we don't share that there is going to be a wholesale invasion of this by, let's say, the Catholic schools. But, we do say that it's only a part of separatism to insist on the immatable secularity of any subject, particularly something likesphysical science. I mean, after all, it was astronessy, not atheology which got Gallileo in trouble.

The physical sciences are fraught, it seems to me, with the temptation and likelihood, in fact, I think we could prove if we had discovered that a cleric should not and would not teach astronomy without making it God-oriented in a religious group.

Now, I think the State has got to, therefore, police this and I don't think that any gumshoe from the

1	Department of Education should be walking around to see if		
2	Sister Mary is using French to teach the French		
3	language instead of Voltaire. I don't think that is constitu-		
4	tional and it's the worst kind of entanglement and		
5	Now, as for the purpose and effect test, those		
6	statistics due to the fact that we have no record. As		
7	they took the Act's preamble; they took the Act's self-		
8	serving declarations of secularity		
9	Q Is there an issue as to the difference between		
10	purpose and effect test?		
11	A Yes, sir.		
12	Q There is. Do you think they are separate		
13	tests?		
14	A Well, there are two aspects to one of the		
15	tests and I don't think we said it; yes. I think as it was		
16	articulated, both by Chief Justice Warren in McGowan and by		
17	Your Honor in Schempp, that both requirements had to be		
18	satisfied, therefore, in essence, they would be separate.		
19	Because if either of the		
20	Q I thought what I said in the concurrence		
21	in Schempp was after joining the Court's purpose and effect		
22	test, that mine was simply an elaboration of the purpose and		
23	effect test.		
24	A Yes, sir. In other words		
25	Q I don't think that concurrence regarded to		

a separate, did it?

The

A You think you did not separate the purpose and effect as two facets?

Q No; I don't suggest that; I say that
was a purpose and effect test and some other test, entanglement or involvement.

A Well, I think, Your Honor -- I really
think that all of these tests, and I think there are eight -are seen as threats; I think every one affects every other one,
and fascinatingly enough, every single one can be found in the
the -- not one single one of the tests of the Court's rules
that I do not find somewhere in the language of that document.

But, as to the purpose, the District Court simply said -- it refused to look at the legislative history, and this of course, is the official legislative history, because Pennsylvania takes it all, apparently on the mistaken notion that I was trying to get them to examine the modus of the legislators. Well, I wasn't talking about the modus; I was talking about the committee reports and the -- the significance is this: the Appellees say the purpose here is to provide children in the State of Pennsylvania with instruction in at least four subjects, as the preamble said.

But when you look at the legislative history you will find that nobody every suggested that there was any such problem. Nobody ever suggested there were any children in

Pennsylvania then not being instructed in these subjects.

If that had been researched the Committee would have explored presumably, alternative means of teaching these subjects.

What they explored was all the alternate means of giving aid to parochial schools, from shared time and all of that through the list of — they finally adopted.

Now, to me it seems that there is only one question, and that is whether or not the supposed exigencies, economic exigencies of the subjects, the overwhelming sociological considerations are such as to persuade this Court to assure strict construction in submission of what are said to be the practical realities.

And you are asked to do this, by the way, without a record. Now, there is a contention of fact made here, and that is that if the aid isn't forthcoming this school system will wither and die, I would think is relevant; it is relevant and must be pleaded; it must be proved that I'm entitled certainly to extensive discovery on the question. Because, here the Appellees, in effect, are asking this Court to take judicial notice of a point of economics and sociology and not the school system, which by the way, the known statistical data is == which is quite equivocal at this point --

Q You say you -- are there legislative findings on that, Mr. Sawyer?

A Well, sir, the finding was that there is a

financial crisis; that's all. And of course I know of no institution in our society except perhaps the military, that hasn't been through a financial crisis and I am sure the schools are -- the public schools are, and I accept that, but there is no finding in the sense that so many schools --

Q Suppose it is true; suppose the record showed conclusively that this was true; how does that bear on the constitutional question, in your view?

A In my view, Your Honor, it doesn't bear at all and there no practice that says if something is more expensive to be done constitutionally, that that's a ground for doing it unconstitutionally.

But, you cannot be unaware, Your Honor -There is a mass of matter in these briefs -- that this issue
has certainly not treated itself very much -- in this case and
it is raised by the Appellees in the brief of this Court. And
it's there; and they say it's there. I'm skeptical that there
has been a grievance there and I would like to have discovery
on the facts to restore a vast principle of constitutional law
that has to be decided by this Court on the supposition that
there is this kind of practical problem, and to speak very
freely it has been raised by a church where the treatment would
show that the capital assets of the church vastly exceed that
of every other denomination in the United States combined, and
I don't, for one, believe that because of financial difficulty

that the Catholic Church is going to give up a mandated function for which they fought, and indeed in Philadelphia in 1941, died for a principle in the condition of affluence in which everyone in society now finds themselves.

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Now, I must get, if I may, to the 14th Amendment.

Leupp(?), there the Court said no standing in any of my plaints.

The charge was that the nonpublic schools are de facto racially segregated, whether by reason of policy or tradition or practice or cost or residential pattern, that they are. Basically it is a white school system. The figures that are available from public sources are in the brief; again we have no record.

The complaint idea is this: that with this amount of tax money going to these schools they are sufficiently quasi public so that if they discriminate and segregate that is state action reachable by the Equal Protection Clause of the 14th Amendment.

As for standing, I think it's a case where, to who find out whether or not Mr. Lemon/is a Negro parent with Negro children in the public school and who alleges in his complaint a deleterious effect upon his children's schools by reason of a subsidy to the others. Whether he has a sufficient personal stake in the outcome, which has been the touchstone of standing in these matters — he is a taxpayer — would be illuminated by discovery.

I think the two are interchangeable because it may

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depend, indeed, on how pervasive the segregation is and how much discrimination there is and we can't find out any of that without discovery in the matter.

Now, I mentioned that -- well, one point more on the 14th Amendment point. Mr. Douglas said not so long ago in Jones against Mayer(?) -- he said: "The contrivances which some states have concocted to abort the command of our decision in Brown versus Board of Education are by now legendary."

Now, I for one, can't for the life of me see how, if you validate a purchase of services contract scheme where, in fact, no new educational, benefit is being conferred; it's merely a method of channeling funds, how that device is not going to be available to the formerly de jure states still resisting Brown v. Board of Education. Magde

Maybe possible to cut it; I, for one, would think difficult.

Now, I said in the beginning that I thought there were eight tests used by the Court and that this act violated all of them. Just in a sentence, first of all the general flat principle: no tax money to churches coming down from -- a remonstrance right straight through the language of many, many of these cases, and that's on the face of the act.

Then the primary purpose if that's one, and primary effect. The primary purpose, it seems clear from the legislative history; the primary effect we do need to discover. I

think one can discern that there is some primary effect.

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Then the concept of sponsorship, which is in McCollum; it was certainly in Engle. Mr. Justice Brennan distinguished the Zorach and Clauson situation from the McCollum situation on that basis. It was in Schempp; that is the state must not sponsor or even appear to sponsor a religion, which is one of the points of Schempp.

Then preference, the fact that this act manifestly prefers one religion over all others and prefers at very most, two or three religions over all others and affirmatively discriminates against those religions too poor, too scattered, to even think about running a school system: Black store front mission types of churches, for instance.

Then, interdependence, and that's on the basis of the act because the act says it's dependent.

Entanglement, and that's shown by Section 3,

(3) -- excuse me, Your Honor; I didn't see the red light.

MR. CHIEF JUSTICE BURGER: You may finish your points and we will enlarge --

MR. SAWYER: Thank you, sir; I have one more.

Entanglement, and finally point 8: if it's secular, the act, nonetheless does use religious means to accomplish a secular end. And in my research I find no matter before this Court in which alleight of those tests would appear, and some facially — three facially, to be violated by the Pennsylvania

Act.

I thank you for your indulgence, Your Honor.

MR. CHIEF JUSTICE BURGER: Thank you, Mr. Sawyer.

STATEMENT BY J. SHANE CREAMER, ATTORNEY GENERAL,

## ON BEHALF OF APPELLEES

MR. CREAMER: Mr. Chief Justice and may it please the Court:

I am Shane Creamer, the new Attorney General of Pennsylvania. As I informed bhe Court by letter, I took office in late January and since my entry into office is very recent and my findings in this case are very late, I will not be arguing this case today.

How ver, it is my desire to emphasize to the Court that the Commonwealth has filed a brief in this case; that I have studied that brief and I concur fully in its arguments.

I would likewise say the brief of Appellee schools and fully concur in that brief.

I shall now turn the argument in this case over to my associate, the Attorney for the Appellee schools,
William B. Ball, desiring, however, merely to conclude with this one statement: The Commonwealth, as Mr. Sawyer has indicated, is and has been in a deep financial crisis. The public schools of Philadelphia, Pittsburgh, Scranton and the coal regions are faced with bankruptcy. One of every four children,

close to 600,000 presently attend some 1181 nonpublic schools in Pennsylvania.

In Pittsburgh our nonpublic school population is
29 percent of the total school population; in Philadelphia it
is 34 percent. The public schools of Pennsylvania could not
begin to take on the burden of any substantial nonpublic school
population.

It is not a question of being more expensive; it's a question of impossibility. The act under question today is Pennsylvania's solution to an educational crisis. We, therefore, urge this Court not to upset this act which our state needs so vitally.

MR. CHIEF JUSTICE BURGER: Then you tend to agree with Mr. Sawyer's point, that this act -- the orientation, the genesis of this act was to aid a distressed situation in the private schools in Pennsylvania?

MR. CREAMER: A crisis in education and paying for education, Your Honor; yes.

Thank you very much.

ORAL ARGUMENT BY WILLIAM B. BALL, ESQ.

ON BEHALF OF APPELLEES

MR. CHIEF JUSTICE BURGER: Mr. Ball.

MR, BALL: Mr. Chief Justice and may it please the

Court:

I'm speaking here today for seven Catholic,

Protestant and Jewish named defendant schools who are the Appellees in this case.

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I think, Mr. Chief Justice, I should begin by trying to clear up a point which hangs over the case at this moment -- a preliminary point, which relates to the question of whether the court below improperly denied discovery in trial to the Appellants.

It is our contention that what the Appellants have brought to this Court today, Your Honor, is an attack limited to the facial constitutionality of this act. Their complaint recited that they attack the act both on its face and as applied

Now, let me come to the "applied" constitutionality point for a moment. Their complaint in paragraph 7 says that they attack, they sue these seven schools as respresentative of all sectarian institutions in the Commonwealth, the defendant class action.

We then brought a motion under Rule 23(c) to test this application. WE wanted, in other words, to afford due process to the seven schools which have a great deal of variation among themselves, for all the remaining 1174 schools in the Commonwealth which are under contract, and finally, even to the plaintiffs so that they would have an opportunity to come in and prove classes and subclasses and whether one or more or any of these schools belong to any of these particular classes.

Now, the plaintiffs at this point, withdrew that

class action. They filed an answer which is confined to the appendix, A-42. Plaintiff agrees that the action will not be maintained as a class action under Rule 23(c). This was followed promptly by the pretrial order of the lower court, which said: "The action shall not be maintained as a class action."

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Therefore, the issue of representativeness of these schools went out of the case. This is the first wing of their application attack. Coming to their second wing: did they attack the seven schools, the application of the act as applied to just the seven?

The lower court asked that all parties submit a memorandum on the propriety of convening a three-judge court. Did the plaintiffs want a three-judge court or not? They insisted upon a three-judge court and in their memorandum, thinking now of whether they attacked the application of this act to these seven schools.

In their memorandum of the propriety of a threejudge court A-60 in the Appendix, they said: "Certainly it
wouldbe a strained misreading of the complaint to in any way
construe it as limited to a particular branch, to a particular
school or class of schools or to anything less than an attack
on the entire statutory scheme."

And my friend here, on oral argument, nailed this down if it weren't nailed down sufficiently, by saying A-66 in the record: "I am not saying, and I think I have made this

clear, that this act is only unconstitutional as to these defendant schools; I am talking about its being unconstitutional in its entire purpose, thrust and effect in 67 counties in the State of Pennsylvania."

I think therefore we have to face the question of what is left in this case, plainly an attack of the facial constitutionality of the act and in that event, what would be uncovered by the discovery and trial by which the plaintiffs so eagerly seeks?

Well, let's ask: that tax money is involved? It's on the face of the act; the act calls for the expenditures of tax funds. The payments are made to sectarian institutions; the act calls for payments to be made to sectarian institutions The act defines a nonpublic school, the payee in this act, a nonpublic school as any school in which the requirements of the compulsory attendance law may be met. "Any school" plainly includes sectarian schools. That sectarian schools have sectarian purposes, would this be brought out upon discovery at trial? This Court has taken judicial notice of this; this Court stated in Board of Education versus Allen that parochial, religious, sectarian schools, church-related schools, serve two goals: secular and sectarian; therefore there would be nothing to be discovered upon trial with respect to that; or that a high percentage of the nonpublic schools in Pennsylvania are under Catholic auspices. Indeed, the Court must be deemed to

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have known that in Allen. This is indeed a fact of which this Court can take judicial notice.

secular instruction or if they do, and they may, but if they do, this is in violation of the plain terms of the act, as contained in Section 3, Subsection 3, which provides that: "In the teaching rendered, if the school is to be paid there shall not be included any religious teaching or the morals or forms of worship of any sect, "and I will come back to that provision of the act in a moment, Your Honors, becauseit's one that I would like to discuss under the discussion of the act itself.

Now, only this Court can say whether the lower court was right or wrong in its estimation of whether this act stands up under the establishment clause. But, if the lower court believed that this act was constitutional under the establishment clause, certainly the lower court was not merely within propriety but mandated to grant our motion under Rule 12(b)(6). And this was with complete propriety and with complete due process as to the plaintiffs.

It is perfectly evident that -- this case has been down here for a long time and it's perfectly evident, it seems to us, that this case is ripe, if not overripe, for a decision by this Court as to the facial constitutionality of this act under the establishment clause.

And I would like now to come to the terms of the

act itself, because I think, with all due respect to Mr. Sawyer 2 that he and I have read different Acts 109. 2 Q Where is it published? 3 A Pardon me, sir? 1 Q Where is it printed? 5 A The act is printed, Your Honor, at Appendix 6 7 O That's all of it; is it? 8 A Pardon me, sir? 9 Q That's all of it? 10 A Yes, sir; that's all of the act, except for 11 the cigarette tax amendment, Your Honor, to which our brief 12 refers on page -- on footnote two, which simply changed the 13 basis of the funding. 14 Q You mean they are making the cigarette 15 smokers pay for this? 16 Yes, Your Honor; that's right; that's right. 37 Q In additionto the horse racing fund? 18 A No, Your Honor; in substitutionfor the 19 horse racing fund. 20 This act represents one state's effort to grapple 21 with a serious social problem with which it's faced, like a 22 number of other states have faced the same problem. The act 23 covers all nonpublic schools and it's cast in the familiar 24 purchase of service form, which is well-established in the field 25

of hospital care, child care; as a traditional means of providing limited and partial support to the achieving of publicly needed functions by bodies capable of doing it.

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It takes a fixed percent -- speaking now in terms of limitation in this act -- it takes a fixed percent from a single set tax source as the fund. It does not take any money from the general fund of the state; it does not take any money from the public school fund.

Section 5 of the Act contains a specific stricture saying that: no funds raised for the support of the public schools shall be used for even the administrative purposes of this act.

- Q Would that affect its constitutionality?

  A It would in Pennsylvania, Your Honor; it would in Pennsylvania.
  - Q The Federal Constitution.
- A I do not think so. But this is a question that could be answered. However, under the Pennsylvania Constitution there is a specific stricture against use of the public school fund.

Now, it takes this money and it pays it by reimbursement. The first payment under this act is not made by the state; the first payment is made by the school. The school pays for certain services rendered in four subjects, four prime, national public interest subjects: mathematics, modern foreign

languages, physical science and physical education.

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When the state has ascertained that the school haspaid for such instruction then, and then only --

Q "When the state has ascertained that the school has paid for such instruction;" what does that mean?

A That means that the schools will have presented to the State, Your Honor, a claim containing three elements of cost: state-approved textbooks — by the way, these are not textbooks that the school submits to the state; they are textbooks that the state must approve as specifically provided for in the act.— state approved textbooks, state-approved instruction materials in the four subjects, and finally that part of a teacher's salary which is allocable to the teaching of math or modern foreign languages or physical science or physical aducation.

That claim is submitted in a form which is contained in the regulations and after audit --

Q Now, what does audit mean?

A That means that the state uses the procedures it would use in the case of the public schools and it audits the accounts that relates to these three items of expense. In other words, to prove out --

Q Well, what inquiry is made whether in fact, the items -- these three items of expense do or do not, involve any religious instruction?

9	A The audit doesn't relate to this, Your
2	Honor. The audit does not relate to any inspection of the
3	performance of the teacher, which would be the only item we are
4	talking about, because the textbook itself and the instruction
5	material itself are already state-approved.
6	Now, as far as the teacher's role goes, there is
7	no inspection or monitoring of the teacher's performance.
8	Q Now, teachers include whom?
9	A Teachers include persons who are employed
10	by the schools to teach in the schools.
99	Q And may they be nuns?
12	A Indeed they may, Your Honor.
13	Q They may be nuns?
14	A Indeed, Your Honor; yes, indeed.
15	Q And do these inspections contemplate any
16	inquiry as to whether
17	A Well, there is no inspection provided for
18	in that act, Your Honor, other than audit. The control the
19	secularity
20	Q Wouldyou be concerned
21	A Would I be concerned?
22	Q if there were an inquiry as to what
23	a particular nun did for whose expense, reimbursement is
24	sought?
. 25	A I would be concerned with respect to her

performance; concerned with quality.

Q Well, I'm wondering if you would be concerned as to that kind of inspection of religious --

- A Yes; I think I would be; certainly.
- O In what schools?

school as well as in a private school. In public schools, Your Honor, we have people of intense religious commitment. We have teaching in the public schools in Pennsylvania, ministers. We have girls in Mennonite bonnets. I have been defending some Mennonite people in Virginia recently, and I can tell you that they are as religiously committed as human beings can be, but we trust — we trust these people, having made a commitment under a state contract, we trust these people to observe the law.

Q Well, suppose you found, in fact, that they did not, from whatever source you learn that. Then what? What happens?

A If the state found that this neutrality was not observed, that the provision of the act, which says that there may be no introduction of religious teaching within the four relatively not value-related courses in question --

- Q Well, doesn't that --
- A If I could finish that sentence, Your Honor.
- Q Yes.

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A Then the State would not be able to pay.

The State would not be able to make the payment.

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Q Well, doesnt -- hasn't that kind of inspection, that kind of inquiry -- doesn't that get government officials into inquiries into religion that --

Well, Your Honor, the problem I have with your question is that I do not know of any inspection, any monitoring that takesplace of the instruction. The saf wards that this act contains are like the safeguards found in Board of Education versus Allen, where indeed the New York Civil Liberties Union's main brief, the main brief in the case, said that there can be no secular instruction in a sectarian school and if you put the textbook, the state-furnished textbook into the hands of a sectarian teacher, in particular, a religiously committed person, then it was inescapable that that person would, perforce, introduce, whether dishonestly or out of the misplaced idealism, would perforce introduce religious values into that teaching, a matter of which, by the way, is pedagogical nonsense.

But, what this Court said was that: "We cannot presume that public school administrators and the people administrating the New York Act, Section 701 of the New York Act, will not act with honesty. And indeed, we cannot. In the public school system today there are many people who doubtless would wish to introduce their own religious value concept in the

want to engage in Bible reading, prayer and other religious practices which the law of this Court, the law of theland, says they may not do. We trust them to observe this. We do not have a religious monitor placed in the public school classroom; neither do we neither should we in the case of the four subjects, merely because they are taught by nonpublic school teachers who may, indeed, be that part of our community, a girl from this neighborhood or from that who makes her religious profession no less a profession than many other people make.

Q Who employs these teachers?

A The nonpublic school employs these teachers
The nonpublic schools in Pennsylvania are Catholic; they are
protestant; they are Jewish; they are nonsectarian --

Q Who employs the teachers for these particular students?

- A The school employs the teachers --
- Q The nuns?

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- A The school --
- Q Who runs the schools?
- A It depends upon the school in question, Your Honor.
  - Q What?
- A It depends upon the school in question.

  Since there has been no application attack on this act, we don't

have -- though there could be made an application attack on 3 this act, we do not have a particular instance of a particular 2 school. For example, Akiba --3 I suppose that they are controlled by the 8 church that runs the school and --5 They may be, and indeed, many schools are. 6 I would suppose they are; not a maybe. 7 No; I represent, for example, Akiba Academy 8 Akiba Academy is not controlled by any church, so far as I 9 know. It's a Jewish school. 10 The Catholic schools? 11 If we're speaking of Catholic schools they 12 are controlled by the church; yes. 13 And the contribution goes to the Catholic 14 schools? 15 A There is not a contribution, Your Honor, if 16 I may say --17 Whatever you call it. 0 18 Well, I do call it something different, A 19 Your Honor. 20 The payment that is made is the payment that is 21 made to reimburse an actual cost after that cost has been en-22 countered; has been encountered in the performance of the sec-23 ular function; it has been encountered in the performanceof the 24 secular function which is evidently needed to be performed in

Pennsylvania, and which does not depend, by the way, upon whether, in answer to Mr. Sawyer's point, whether this function was being rendered before. Because, if the test of the constitutionality of any purchase of service is made depends on whether a new service is brought into being, some expansional service. Thi

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This wouldn't make any sense at all, the test laid down by this Court in Allen was not whether new services were being rendered, but whether indeed a valid secular function was being performed, a public matter, a public interest service that the state needs to have performed. And in Pennsylvania today this is badly needed. One-fourth of all the children of the state are in parochial schools and they have been for decades. This enormous burden is borne by these schools and if we say that they cannot -- if we are to say they do not perform secular functions, a thing we passed, I believe, in Allen two years ago -- if we say they do not form secular functions then we are really saying that there is no reason for the compulsory attendance laws of Pennsylvania and in fact, everything wrong with using the compulsory criminal sanctions of the state to require children to go to those schools, to require children to go to those schools if, in conscience their parents say they prefer to have them there rather than to be in a public school.

Q Mr. Ball, help me along at this point. I don't know whether you are making an argument that need gets

you over a constitutional hurdle or not, but this isn't really what I'm concerned about.

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When the State, in the phraseology of the act purchases the functions -- I don't know whether this is a euphemism for the grant or not -- doesn't it free the institution to use the dollars it does have for religious purposes?

A Well, I have two answers for that, Your
Honor: first of all, if it does, then also this happens in
Medicare with Methodist, Catholic, Jewish hospitals and so on.

Secondly, because these are run by religious institutions. But, secondly, however, I tried to say a few moments ago, Mr. Justice Blackmun that the payor, the initial payor under the Pennsylvania act is the school itself. It has to spend before the fund is replaced.

It is not as though it got a bounty on top of what it already had. You see, one of the things when this act was being drawn that I recall very well, was the Auditor General's insistence, and the Attorney General's insistence, Mr. Creamer's predecessor insisted that it be shown that the amount blaimed had been actually expended. This is a quality provision in the act, like the standardized testing and so on, to make sure that the school plowed into this act — plowed into this service, rather, plowed into child education, its own money before this would be replaced.

Q But to what extent is it powed in if it

knows it's going to be reimbursed?

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If it knows it's going to be reimbursed, if it's going to meet the test that the state has required it will have satisfied the standardized testing requirements and the audit requirement. Yes, it may, just as a sectarian hospital knows that it can count on this money coming in and indeed, it should. This is one of the purposes of this act, there is no doubt about, there is no concealment on our part, heaven knows, Your Honor, of the fact that one of the purposes of this act is to keep one-quarter of Pennsylvania's educational plant going. We make no bones about that. These schools are doing a tremendous job in the public service and the question is then: are they in the educational field? Do they serve the public? And if so, can they be aided in any way? Can they be aided in any way? And this very limited form of supporting the services they render, seems to us to be a way which has no primary effect of advancing religion. There is no Catholic doctrine; there is no Lutheran logarithms or Jewish gymnastics.

We're talking about aiding them to perform a service that everybody has to have.

Q It's a problem of rather large dimensions. We have indicated that in some of the cases in the south where the state finances a private school and this private school becomes a state agency.

Are these state agencies? This raises the question

of Brown versus the Board of Education.

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A Yes, Your Honor.

Q Now applying to these schools.

A Yes, sir.

Q Well, you don't address yourself to that in your brief, as I read it, except to say that the persons present here didn't have the standing to raise it.

A Well, Your Honor, if it — it was up to the plaintiffs, of course, to frame their complaint as they would, bring to bear the parties whom they would and they had equal protection standards, had they a single plaintiff, one individual or anybody who had equal protection standing indeed we would be prepared to argue the equal protection issue here today.

But, since you inquire, Your Honor, with respect to state action and whether these schools would be anticipating state action by virtue of the fact that they have received some funding from the state, I think it would be a question of degree. I would say it's a question. I was thinking of the case of Powell(?) versus Miles and Judge Friendly's decision on the issue of state action.

It certainly is true that there is a vast difference between receiving say, ten percent of your income from
the state and a larger percent and where other things may be
involved in creating the state action situation.

In the proper case we will be happy to brief and argue that point very thoroughly.

Q Well, a Black could get into one of these Catholic schools even if he wasn't a Catholic?

A Well, indeed, a Black could get into one of these schools if he wasn't a Catholic. We have schools in the inner city of Philadelphia --

Q Even an agnostic --

A Oh, heaven's yes. We have schools in the inner --

Q Any Black could get in then?

A A Black agnostic, a Black protestant, a

Black Catholic -- we have schools, Your Honor, in the inner

city of Philadelphia, which have been the tie together of

racially-mixed neighborhoods over the decades, and which are, to

a substantial extent, made up of protestant Blacks who, after

graduation, become alumni Black protestants.

Q I know I'm a Presbyterian and our Presbyterian schools always welcomed a chance to get a Catholic in and work him over.

## (Laughter)

Q Mr. Ball, let me get back to one question and I'll stop. What difference in the ultimate result is there under the Pennsylvania plan and if it provided X dollars for the purchase of religious instruction; is there any difference

in the ultimate result?

A Every difference, Your Honor.

Q How? If the schools end up exactly the same way.

A Well, to begin with, under this act the state cannot pay for a religious textbook and under the constitution and they cannot pay for religious instruction materials, and under the constitution. And thirdly, this act prohibits any teacher from teaching or introducing any religious matter into mathematics, modern foreign languages, et cetera.

Now, if the state provided money for the teaching of religion to support a religious course, which is patently unconstitutional, yes the school might get -- certainly the school might get the same income but the constitutional result would be 180 degrees different.

If a given school, religiously-affiliated school today were to claim \$800 for the teaching of math during that year and under the act you're speaking of, the unconstitutional act of which you speak, Your Honor, it would get \$800 for the teaching of religion; not a financial difference, but the constitutional difference would be totally different.

Q Well, except that the school is using its other dollars for what is not replaced by the state act, the net result is identically the same; is it not so?

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A If the state were to pay the school \$800 for the teaching of religion the financial result would be the same; yes, Your Honor. The financial result would be the same.

But, this of course would have been true of the financial result in Allen. This Court said, as to Allen, that in effect, the effect of the New York Textbook Act was to save the schools, the parochial schools an aggregate sum of millions of dollars. This didn't seem, in the view of the Court in Walz, May 1970, to be, to render the act in New York unconstitutional.

Q Mr. Sawyer there, however, said that the difference in Allen was that the parents theretofore had been paying for the books.

A This is what he said. I don't think this is true on the record in Allen; I think some - in some situations they were and insome situations they were not.

I should like to conclude, Your Honors --

- Q May I ask you one question?
- A Yes, Your Honor.

Q I asked you something along that line a while ago that I think is relevant -- it may not be relevant. In these schools -- are there any of these schools in which of those who control the schools -- the Catholics, or the Jews or any other religious organizations, both hire and discharge

the teachers?

A If I understand your question correctly: are there religious schools in which the -- those who control the schools, hire and discharge the people?

Q That's right; not the state. He has nothing to do with it.

A Yes; undeniably so. I cannot say as to these seven schools, which are the only defendants in this case, but looking to -- your question perhaps relates to facial constitutionality -- yes, I would be sure that would be so.

May I conclude, Your Honors?

We stated in page 13 of our brief the following:

"in our now heavily-oriented welfare society massive governmental spending is dominant and individual men and women, even when banded together in associations and institutions, spending is dominant, and individual men and women, even when banded together in associations and institutions no longerpossess the economic resources with which to maintain diverse, nonstate endeavors in education and welfare."

Your Honors, education is certainly the most precious aspect of voluntarism that we have. The most meaningful in terms of a free society. The economic and financial data which we haveset forth in our brief, shows the obvious: that taxes and inflation are simply going to render it impossible for schools such as those that we are

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describing to continue to render services and to give individual parents the opportunity for a conscientious choice in education.

I think it's very clear that this act on its face is general legislation. It contains no religious classification or gerrymander; it is nonpreferential; it employs essentially religious means to attempt essentially secular ends without any primary effect of advancing religion, inhibiting religion, and I must refer you there to our brief on entanglement, because we have had an inadequate opportunity to discuss the question of entanglement.

But, we are up against the facts of life in Pennsylvania, not figments of fine-spun documents which never proceeded from the minds of Madison or Jefferson; we are up against such facts as Mr. Creamer has described. There is no reasonable alternative to this act. Pennsylvania and her public schools are bankrupt. Millions of parents and children will be irreparably harmed if this program which is now in its third year of operation and going into its fourth year of operation, should be terminated.

I thank Your Honors.

MR. CHIEF JUSTICE BURGER: Thank you Mr. Ball.

Thank you, Mr. Sawyer. Thank oyou, Mr. Attorney General. The case is submitted.

(Whereupon, at 11:49 o'clock a.m. the argument in the above-entitled matter was concluded)