OFFICIAL TRANSCRIPT WASHINGS BEFORE

THE SUPREME COURT OF THE UNITED STATES

DKT/CASE NO. 85-488 -

TITLE OHIO CIVIL RIGHTS COMMISSION, ET AL., Appellants V. DAYTON CHRISTIAN SCHOOLS, INC., ET AL.

PLACE Washington, D. C.

DATE March 26, 1986

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IN THE SUPREME COURT OF THE UNITED STATES 1 2 OHIO CIVIL RIGHTS COMMISSION, : 3 ET AL., 4 Appellants, 5 V. No. 85-488 6 DAYTON CHRISTIAN SCHOOLS, 7 INC., ET AL. 8 9 Washington, D.C. 10 Wednesday, March 26, 1986 11 The above-entitled matter came on for oral 12 argument before the Surreme Court of the United States 13 at 1:58 c'clock p.m. 14 APPEARANCES: 15 KATHLEEN MC MANUS, ESQ., Deruty Chief Counsel of Chic, 16 Columbus, Ohio; on behalf of the appellants. 17 WILLIAM BENTLEY BALL, ESC., Farrisburg, Fennsylvania; 18 on behalf of the appellees. 19 20 21

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PRCCEECINGS

CHIFF JUSTICE BURGER: We will hear arguments next in Ohio Civil Rights Commission against Dayton Christian Schools.

Ms. McManus, I think you may proceed whenever you are ready.

CRAL ARGUMENT OF KATHLEEN MC MANUS, ESC.,
ON BEHALF OF THE APPELLANTS

MS. MC MANUS: Mr. Chief Justice, and may it please the Court, this case presents the very delicate matter of resolving a direct conflict between two very fundamental values, civil rights and religious liberties. The question presented is whether the state may extend the protections of its civil rights laws to teachers in religious schools.

The state contends the civil rights laws are properly applied in this setting. What we are dealing here with are schools that provide secular education as well as religious indoctrination. The schools are teaching reading, writing, arithmetic, science, history, and geography.

Ferhaps the schools are best described in their own words. The constitution of Dayton Christian Schools provides that the purpose of the institution is to provide a program of education in a positive

Christian atmosphere offering regular courses of study in compliance with the laws and regulations of the state of Chic and the State Foard of Education.

The practices --

QUESTION: Your reference to history as one of the subjects, do you mean to suggest to us that religious background has no connection with history, religious belief has nothing to do with history as it is taught?

MS. MC MANUS: No, certainly we are not suggesting that, Your Honor. That is part of this country's history, as is -- part of this country's history is the contribution of people of all sexes and of all races. This is part of what is being taught in these schools. Both are very important.

The practices of these schools, however, because they are providing secular education, are not a matter of purely religious concerns. These schools very much affect a fundamental state interest and are therefore properly subject to state legislation enacted to protect the public order and the general welfare.

CUESTION: Ms. McManus --

MS. MC'MANUS: Yes, Justice O'Connor.

QUESTION: -- I notice that the Ohio law has a bona fide occupational qualification provision, a EFCC

clause. Under that provision, could the Dayton

Christian School have obtained prior permission from the state to hire and retain only those who agreed to hold and observe the particular religious beliefs at issue here?

MS. MC MANUS: Yes, that provision would be available. That provision would --

QUESTION: A BFOQ could have been obtained, in which case we wouldn't be here. Is that it?

MS. MC MANUS: That doesn't necessarily mean we wouldn't be here. They would be able, for example, to seek a BFOQ that would recognize their right to discriminate in terms of people -- in terms of hiring only persons of their same faith.

A BFCC granted on the basis of religion, however, would not necessarily give them an unfettered right to discriminate as well on the basis of sex, cr, as the facts we have in this case, to discriminate by taking a retaliatory action against an employee.

QUESTION: Well, that is my question, whether they can get a BFOQ on the basis that they want to hire and retain only people who agree that if they have young children they will stay home, or if they have a dispute, they will take it first to the authorities within the school.

MS. MC MANUS: No, Justice O'Connor, I don't believe the BFOQ would be able to extend it that far, because in that situation they wouldn't be seeking an exemption in the narrow sense. They would be seeking to use the religious exemption in order to take conduct directly prescribed by state law.

QUESTION: Does Ohio take the position that it has the right in this particular situation to compel the school to take back on the teaching staff the complaining teacher?

MS. MC MANUS: Justice O'Connor, I think that question is a question we have not yet dealt with. The situation we have before the Court --

QUESTION: Well, I am asking you as a matter of Chio state law in your view can the Commission require that?

MS. MC MANUS: Yes, the Commission does have the power to order reinstatement. However, whether or not the Commission would exercise that power in any particular case is a matter of the Commission's discretion. We simply don't know based upon the record in this case whether that is what the Commission would do. They do have other remedies available to them that would affect the purposes of the Act, but that would not include reinstatement, for example, front pay.

QUESTION: Did anyone suggest that the District Court abstain in this case so that we could have found out what the Commission would have done?

MS. MC MANUS: Yes, Justice Rehnquist, we did raise the absention argument to the District Court, particularly on the basis of Younger versus Harris that they should abstain and let this proceed to hearing. The District Court in its opinion never addressed the absention issue.

QUESTION: But it didn't abstain.

MS. MC MANUS: It did not abstain either.

However, what the District Court did, I suppose it comes somewhat close to that, is, it considered the issue to be very narrow. It narrowed the issue only to the question of whether or not the Commission would be able to proceed to hold a hearing, and expressly reserved that that was the only issue before it. However, it didn't do that simply on the basis of abstention. It did use the analysis of the constitutional issue.

QUESTION: Is it your position that cases of this Court would support abstention in this case pending the conduct of an administrative hearing at the state level?

MS. MC MANUS: Yes, we do believe abstention would have been a proper remedy for the District Court

to have followed. The state courts in Ohio, of course, have the same ability to deal with these constitutional issues. Had the matter proceeded through the administrative hearing, I think we would be in a much better position, and that we would have a full record.

At this point, we don't even know if the Commission will find that there was unlawful discrimination, and we can only speculate as to what the Commission might do if they would find it. This, of course, is a very, very difficult question for the Commission, and in this area I think they would proceed in a very sensitive manner. Any decision they would reach would be reviewed by the state courts. And I think the advantage of having a full record would have been a very great advantage, dealing with issues of this great importance.

There are really two provisions of the Ohic civil rights law that are at issue in this case, and I think it is important to note the distinction. The first is the statute that makes it unlawful for an employer to discriminate against an employee on the basis of sex. The second issue that is involved in the case is the Ohio statute that does make it an unlawful employment practice for an employer to retaliate against an employee for having -- their statutory rights.

Each year during her employment with the school she signed a contract in which she affirmed her belief in the school's statement of faith. Also included in that contract was a place for her to sign that she did agree with the school's biblical chain of command. It is the biblical chain of command that does interface with the retaliation issue.

The school superintendent explained the biblical chain of command at the hearing before the District Court in this way. He testified in the school setting the biblical chain of command or the good report policy means that employees must go only to the school administrators, and ultimately to the board of directors for any type of dispute resolution. They may never take any concerns or disputes beyond the school's own authority structure.

QUESTION: Ms. McManus, in order for the Dayton Christian School to qualify under Chic law as a recognized school for the aducation of the students for accreditation purposes, I suppose, the school had to

sign some kind of an agreement with the state?

MS. MC MANUS: Yes, the school did have to submit an application to the state and did receive a charter from the state of Ohio.

QUESTION: And does the agreement entered into with the state cover in your view an agreement to abide by these procedures of the state with regard to examination of employment discrimination problems?

MS. MC MANUS: The actual procedures for filing a charter I don't believe specifically cross referenced the civil rights laws, but as a condition for the charter, it would be an agreement with all the regulations enacted by the State Department of Education, and there is a parallel regulation in the State Department of Education's own rules for regulating chartered schools.

I don't believe, however, there is a direct cross-reference to the civil rights laws.

The state is not contending or not questioning that the school's decision to terminate Mrs. Hoskinson was based upon its sincerely held religious beliefs.

The reason the school ultimately fired Mrs. Hoskinson was because she had gone to see an attorney. After she had been working at the school for five years, Mrs. Hoskinson became pregnant.

mother staying at home with the young children.

Although Mrs. Hoskinson had taught at the school for five years, she had never before heard of that policy. After learning that her contract would not be renewed, Mrs. Hoskinson and her husband consulted an attorney to find out if that decision was proper. The attorney wrote a letter to the school on Mrs. Hoskinson's behalf, and as a result of that she was fired.

The school terminated her contract for what it stated to be serious philosophical differences. The school interpreted her consulting with an attorney in this matter to be a violation of the school's biblical chain of command. The state is not questioning whether or not that decision was founded on the school's sincerely held religious beliefs, but the state does contend that the constitution does not require the state to accommodate the practice of a religious belief where to do so would require the state to abdicate its own compelling interest.

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instead of a school?

MS. MC MANUS: An employment dispute in a church as the employer, I think it would depend upon perhaps the position we would be talking about, whetherthe church is employing a gardner or a secretary. If you are talking about a situation where the church is employing the priest or the spiritual ministers, there, no, the Act would not apply in that instance.

QUESTION: Is there an express exclusion? MS. MC MANUS: No, the Ohio statute does not have an express exclusion for religious institutions.

QUESTION: And so why do you say it does not apply in that situation?

MS. MC MANUS: I believe in the situation where you are talking about the church as an employer QUESTION: And what provision of the Constitution, the free exercise clause?

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MS. MC MANUS: The First Amendment. Yes, Your Honor. I think under the line of cases, however, it has never gone beyond that point. I think the Court has made clear that churches do have a right to self-governments in the area of purely ecclestiastical matters. However, that line of cases has never been extended this far where we are talking about a situation there there is a very definite secular state interest as well.

QUESTION: Ms. McManus, supposing that instead of an antidiscrimination statute this were a state wages and hours statute, which came up under the same circumstances. In other words, the school says it is our policy to pay people only, it is part of our religion to pay people only ten cents an hour, and that is a religious belief, no one questions the sincerity. Any different result, in your view?

MS. MC MANUS: I think you would have to go
through the same balancing analysis to determine -QUESTION: You say this is a compelling -- how

MS. MC MANUS: In one way, we look at the decisions of this Court. I think that --

QUESTION: How does this Court tell?

MS. MC MANUS: By looking at the importance of that to what the state is attempting to achieve.

QUESTION: How does the Court know how important it is what the state is attempting to achieve?

MS. MC MANUS: Well, in part it is what the state is saying. It is also a situation here where you are -- the state is acting to protect the personal rights of Mrs. Hoskinson and other teachers. We have in support of this a long history --

QUESTION: How is it any different from a wages and hours claim?

MS. MC MANUS: It may not be. Wages and hours may well be also a compelling state interest.

QUESTION: And it would just depend on whether a particular court said whether or not it was a compelling state interest?

MS. MC MANUS: Well, and on the record that had been developed for it. Here we have a situation where Congress and the Court has recognized that we have

QUESTION: We have a strong history of trying to raise wages and hours, too.

MS. MC MANUS: Yes, there may well be, Justice.
Rehnquist. And that, too, may also be a compelling
state interest that would be applicable in the setting
because of the nature of the setting.

In a situation where you do have a compelling state interest, then an exception or an accommodation is not required unless that state's interest can otherwise be served. Another way to state the test is that, as this Court has stated in United States versus Lee, whether or not the burden on the practice of the religios belief is essential to accomplish the overriding governmental interest.

Here, I believe, is where the Court of Appeals most seriously erred in its holding that the state's interest could otherwise be accommodated. The Court of Appeals believed that granting an exception to Dayton Christian School would not seriously interfere with the state's interest. The sole reason it gave for this conclusion was that the state would still be able to regulat the employment practices of non-religious institutions and of religious institutions except where

religious belief is implicated.

I think the flaw in the Court's reasoning is apparent. The limits it believed it was placing on its decision are simply illusory when you look at the context of this case. As a very practical matter, the state will have no ability to learn of discriminatory practices in the religious schools if an employee cannot safely come and question a discriminatory practice.

QUESTION: But of course you have conceded that within the church employment context that may well be the case, and that the free exercise clause would have the effect of keeping the state out of the picture.

MS. MC MANUS: It may, in the church case where we are talking purely --

QUESTION: That is precisely the allegation being made here, that teaching of young students is such an integral part of conveying the religious values held by this particular faith that it comes closer to the church context, so how do you respond to that?

MS. MC MANUS: I do believe that is the school's argument. They are attempting to say they are entitled to the same exemption that would have to be given to a church, and I think the fact that makes this an entirely different case is the fact that cannot be

QUESTION: Yes, but isn't that really your only handle on this school, is that in order to -- they would like to have children come there to satisfy their compulsory educational requirements, and they have to get accreditation from the state, and you don't contend, do you that these religious tenets in this school interfere with the school's performance of its secular educational functions, do you?

MS. MC MANUS: We believe the practice of these religious tenets in the form of discrimination seriously interferes. This Court has always recognized --

QUESTION: Well, then you want to just terminate the -- you want to terminate the accreditation. You want to say, you cannot do that. You are not prepared to do that, are you?

MS. MC MANUS: No, because I don't think that would achieve the state's interest. The state's interest here is in protecting the employees. We have a compelling interest in seeing that the employees themselves receive the benefit of the act. It is not --

QUESTION: What about the interest of the parents to have their children taught according to their

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own faith by people who are believers in the faith?

MS. MC MANUS: Your Honor, I am nct

questioning that. The parents do have a right --

QUESTION: You do question it by the very act of the -- or the state questions it.

MS. MC MANUS: We are questioning it only to the extent that the practices of the schools are either sexually discriminatory or discriminatory on the basis of race or one of the other protected classes under the Act. We don't question their right to send the children to these schools or their right to have these beliefs.

QUESTION: Going back to the question I put to you near the outset, I suppose there is only one way to teach arithmetic. I suppose so. I don't declare it asafact.

(General laughter.)

QUESTION: But if you are teaching history, and literature, isn't the choice of what they are teaching and the way in which it is taught influenced by the religious faith of the institution?

MS. MC MANUS: Certainly, Your Hnor, and we had --

QUESTION: Then why aren't they entitled to have people whose belief is consistent?

MS. MC MANUS: Your Honor, I believe they are

QUESTION: It seems to me you start with a conclusion that there is discrimination, and then proceed from the conclusion back to the premises.

MS. MC MANUS: We have not made that

determination. There is -- in the findingds in the

District Court we do know the reasons for the employment
actions against Mrs. Hoskinson were discriminatory, were
based upon her sex, were based upon her consulting an
attorney. We don't at this point have a determination
from the Commission whether or not that was unlawful
discrimination, but --

QUESTION: Well, did the -- go ahead.

MS. MC MANUS: I think that the point that is different in this situation where we are talking, we are not trying to interfere with the school's right to have these beliefs or with the school's right to teach, but

where the processes, whether administrative employment practices take the form of discrimination, we do believe in this setting the state --

QUESTION: But the school says that is an element of our faith, in a way, and you say they are entitled to have only people of the faith teaching, and yet one of the elements of their faith is that they will not go outside the biblical command. It seems to me that you are in a bit of a contradiction there.

MS. MC MANUS: Maybe it should be qualified and I misspoke in this sense, to the extent we are talking about religious beliefs that are inherently sexually discriminatory or retaliatory or would be used in a manner that would be contrary to state law, it is the state's position that the practice of those beliefs may be limited because of the state's compelling interest.

QUESTION: So then the church -- a religious school cannot insist that only people of its own faith be employed.

MS. MC MANUS: Not if it also implicates one of the other provisions of the Act. Yes, that is our position.

QUESTION: Well, one of the provisions of the Act I suppose is that you don't discriminate on the

basis of religion, isn't it?

MS. MC MANUS: That is one of the provisions of the Act. However, in that situation where it is strictly religious discrimination, the preference to hire only those of your faith, the state does accommodate.

QUESTION: Well, I know, but as Justice
Rehnquist says, one of the articles of faith is staying
home with your kids, and another is following the chain
of command, and yet you think they must keep teachers on
who refuse to abide by those two tenets.

MS. MC MANUS: It is the state's position, no, that the Act would apply in that situation.

QUESTION: So it is. They must keep teachers on even though they do not share the faith of the church.

MS. MC MANUS: Yes, and we believe that hurden on the practice of those religious beliefs is a permissible one under the Constitution.

QUESTION: Tell me, suppose the argument between this teacher and the school was just a contractual dispute, they were going to fire her because they didn't think that she was performing correctly, or some other reason, and she said, I think you are mistaken. I am going to consult an attorney. And she

does. And they fire her. Now what?

MS. MC MANUS: We have no problem in that situation.

QUESTION: Why?

MS. MC MANUS: There is no state interest.

That firing is --

QUESTION: What, in the enforcing contractual rights? She wants to sue the church for breaching its contract with her.

MS. MC MANUS: But the state would not come in and act. I mean, she would still have access to the state court, certainly.

QUESTION: Could she win or not?

MS. MC MANUS: That would be -- could she winbut for the basis of --

QUESTION: Well, the church's defense is, look, this is an article of faith. This is an article of faith. You have consulted an attorney, contrary to our church doctrine.

MS. MC MANUS: That may go in terms of the tenor of the parties or the binding nature of the contract. I don't think that would deny the person the right to invoke protections or access to the state. courts on that contractual right.

QUESTION: So you think that the court then

MS. MC MANUS: No, I don't say that she could win. I think she would have access to the courts in that situation.

QUESTION: Let me try another hypothetical on you. Suppose with this religious sponsored school they dismissed the teacher because she had an illegitimate baby. Do you think that would be a violation of her civil rights? Is that discrimination?

MS. MC MANUS: If the policy was phrased in that way, it may well be sexually discriminatory. If the school on the other hand had a moral code under which they would dismiss a person, man or woman, for what they believed was immoral conduct, then it may not well be sex discrimination at all. It's the policy that's phrased in the sexually discriminatory manner that is contrary to state law. We have no disagreement with the general moral codes that would be evenhandedly applied.

QUESTION: Would you say that a teacher in the public schools could be dismissed on the same ground?

MS. MC MANUS: Probably not. I think there would be a different standard in the public schools.

QUESTION: So you concede there is a different

standard in the religious sponsored church.

MS. MC MANUS: But there is not the same degree of state action that would bring in the other protections of the Fourteenth Amendment. We do believe, however, that the protections of the Act are properly, applied in this setting, and I think we are dealing here with a situation where we have discrimination in the education setting heightens the state's interest in this matter.

This Court in a number of cases has recognized that discrimination particularly in the educational setting does not have constitutional protection. It was recognized in Norwood versus Harrison, where the Court held the state could not constitutionally aid private schools that practiced race discrimination. It was held in Runyan versus McCrary, where the Court held that the right to prohibit the practice of race discrimination in private schools could survive a challenge based upon the parents' First Amendment freedom of association rights. And most recently in Bob Jones University the Court held that the Constitution does not give affirmative protection to discrimination in the educational setting.

In this setting, because we are dealing with a situation where it is not purely religious, we don't question the parents' rights to have the alternative of

these schools. The state supports these schools in their right to flourish. However, it has always been recognized as a necessary corollary of that right that they would be subject to reasonable state regulation, and the state civil rights laws regulating the employment decisions we feel is a reasonable state regulation. It is also an area, an interest that cannot otherwise be served. The state's interest is in protecting Mrs. Hoskinson and other teachers.

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There has never been suggested any alternative by which the state could achieve these objectives and not have the Act applied in this instance. The fact that the exemption that may be carved out is a limited exemption has never been a basis for saying that the state must accommodate. For example, in United States versus Lee, the Court did not hold that the Amish employers were entitled to an exemption from the Social Security law simply because there were only a few Amish farmers. The Court held that the Act could be applied even though it required conduct directly contrary to their religious belief, because the state's, the government's interest in social security was so compelling. We feel in this instance the state's interest in the eradication of discrimination and in the protection of employees who seek to assert their civil

rights is likewise a compelling state interest.

I would like to reserve the rest of my time.

CHIEF JUSTICE BURGER: Very well.

Mr. BALL

ORAL ARGUMENT OF WILLIAM BENTLEY BALL, ESQ.,
ON BEHALF OF THE APPELLEES

MR. BALL: Mr. Chief Justice, and may it please the Court, I should like to touch upon jurisdiction just for a moment, because the question of Younger absention has been raised. The facts of the case were that the state initially did raise a question of abstention, and then it gave up its point. It consented to federal jurisdiction. This appears very clearly in this record.

QUESTION: There is federal jurisdiction when a court abstains.

MR. BALL: I beg your pardon, Your Honor.

QUESTION: I said there remains federal
jurisdiction when a court abstains.

MR. BALL: Yes, that's correct, Your Honor. I am only saying that what the state did was consent to place itself under the jurisdiction of the court, and under United States versus -- the Hodory case, rather, Chio versus Hodory, where the state, this Court has held, where the state voluntarily surrenders to the

jurisdiction of the federal court the principle of comity doesn't require federal court jurisdiction --

QUESTION: Is there some place in the record we can find that?

MR. BALL: Yes, there is. I will give it to you now. It is in the joint appendix, Justice Rehnquist, at Page 127. The pretrial order of the federal court notes the jurisdiction of this Court is not disputed.

QUESTION: Of course, that says nothing to me about abstention.

MR. BALL: All we can say is that this case has now been five years in the courts, in two federal courts, up to here, and in all cf those cases the jurisdiction of the court has been assumed, and the state has insisted upon jurisdiction. In its jurisdictional statement it told the court that it believed there was no jurisdictional problem.

as I understand it, Mr. Ball, is that the jurisdiction of the federal court is conceded. The case stays on the docket of the District Court, and the proceedings are run through the state courts to solve all the state law questions. Then the party is entitled to come back and adjudicate their federal right in the federal court.

QUESTION: Yes, but as a matter of practice, is it not true that in Ohio the Commission has granted a number of exemptions and has recognized in the process of some of these very sensitive cases that it shouldn't interevene? Wouldn't you concede that?

MR. BALL: This is based, I think, Justice C. Connor, what you are saying is based on representations male in the raply brief, which is the first time --

QUESTION: Well, having pulled some of those specific cases out and looked at them, it appears that the Commission has been giving rather sensitive treatment to these first amendment claims in the course of its actual adjudiations process.

MR. BALL: Well, we would like to have been a beneficiary of such treatment.

QUESTION: That loesn't mean that they

MR. BALL: We know of no such case, Your Honor. Looking at the reply brief, which is the first we had ever heard of any liberality under the Act, looking at the reply brief, we see cited two items that are called complaints. The state graciously sent us those, and we find one is an interoffice memorandum and the other is an examiner's -- hearing examiner's report.

These aren't decisions of courts. They are not even decisions of administrative bodies. The state does not allow any -- the state statute does not allow any relief whatever under BFOQ, for example, where the BFOQ under this Act does not pertain to hiring or firing. It pertains to inquiring, recordkeeping, and advertising, nothing else.

QUESTION: Of course, the NLRB didn't have any religious exemption, but in the Catholic Bishop case, we found one was implied, but we were construing the federal statute.

MR. BALL: Up against a constitutional problem, yes.

QUESTION: Well, don't you think the Ohio courts might have looked at it that way, too?

MR. BALL: We couldn't have gotten there. The

So, we couldn't place anything in evidence in the administrative proceedings, but when we got to the court level there are further provisions under the Chio Civil Rights Act that are again preclusive, but the only thing the court upon an appeal, the Court of Common Pleas upon an appeal from the Ohio Civil Rights

Commission can go on is whether the evidence was probative and substantial, and with that, there being no religious issue possible to be raised, we were closed cut.

There is absolutely no record of any lenience or any meets and bounds and clear standards of lenience which the Commission is given by the statute, and the Dayton Christian Schools have not sought some kind of a break under the law. They don't want to corrupt bargain. The Act itself simply says that it is unlawful for any employer to discharge any person on account of that person's race, religion, et cetera, et cetera,

without just cause.

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Now, the just cause wording of this statute does not give any allowance to the raising of religious issues because the Ohio Supreme Court in the Plumbers and Steamfitters Committee case held definitively, as in other cases, that just cause is never an issue where discrimination is charged. So this Dayton Christian Schools has indeed under the terms of the statute committed an act of religious discrimination.

QUESTION: Well, the counsel or the state who is here concedes that in some circumstances the state would not attempt to apply the statute, and would recognize a free exercise claim. Unfortunately, the case comes to us in a posture of not knowing whether the state would do so in this circumstance.

MR. BALL: At the outset, when the charge was first brought, it was the position of Dayton Christian Schools that the Act as applied to this school would absolutely find the necessary application of the Act would result in this school's conduct being considered unlawful.

The state at that point, not at the reply brief stage, at the end of this case before the Supreme Court, at that point makes no mention of an liberality. Its very point, and we heard it argued here today, is

that if you discriminate on account of sex, you can have no religious justification whatever, so therefore it was perfectly futile for Dayton Christian Schools to attempt to proceed through the administrative proceedings.

It was clear to us that the Act did find us guilty at the outset since no religious defense could conceivably be raised under the terms of the statute.

QUESTION: You mean guilty by definition. Guilty by definition --

MR. BALL: Guilty by definition would put it perfectly.

QUESTION: Do you have any cases where the Commission passed on religious discrimination?

MR. BALL: No, we do not, Justice Marshall.

QUESTION: So how are you precluded from going there?

MR. BALL: We believe --

QUESTION: You say it wouldn't work. How do we know it wouldn't work? How do you know it wouldn't work?

MR. BALL: We have to -- we know that it wouldn't --

QUESTION: How do you know that the Commission wouldn't consider it?

MR. BALL: Well, then, I think we are in a

position simply of doing, of asking the Commission for a break under a perfectly clear statute. There is no Pullman problem here. This is a very clear statute that says these acts of discrimination are unlawful, and that to discharge a person under these circumstances was unlawful. Now, had the Commission at that stage felt that it had some legal power, which it does not, to come to us and say, we would like to consider this business of this unlawful discharge, and we might because of religious reasons relieve you of any burden. The state's attorney general has told this Court this very hour that this could never be done. The Commission, I think, is being spoken for when it said here that absolutely there cannot be any religious justification for what the Commission calls sex discrimination. So I think we are in a classic case of futility.

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Why should the board of this religious organization have said, yes, we will go into those proceedings and through them? They face immediately very exhaustive discovery, and yet in producing all those minutes of their meetings, all those personnel records, they could give them all their Bibles and they still couldn't use one word, one item of that evidence to make a religious liberty defense.

So it seems to me they certainly subjected

QUESTION: That is essentially what I understood the state's representative to be telling us here just a few minutes ago.

MR. BALL: I would certainly agree with you,
Mr. Chief Justice. At any rate, the Court has before it
an entirely religious, classically religious
non-state-aided religious entity which would not exist
except to carry out its religious mission to children.
I fully agree with the sense of questions which were
asked of opposing counsel moments ago concerning the
religious nature of the institution. Of course, they
are subject to state regulation. But that no more
converts them into a secular institution than any
regulation could.

They are very much like the schools in Lemon versus Kurtzman, which were found not to have separable secular and religious compartments.

QUESTION: Mr. Ball, can I ask you the question that Justice Rehnquist asked of your opponent? Suppose this were a wage and hour case. Would the religios defense prevail, do you suppose, if there was a religious dogma about paying more than a certain amount of money per day? And then take the second question.

MR. BALL: I would suppose, Justice Stevens, that if we could imagine the religious doctrine of that --

QUESTION: Well, you have it here. You have the religious doctrine of the chain of command. I am talking about on the --

MR. BALL: Yes, I know that. I am saying that religious doctrine relating to wage and hour -- that is your proposition, right?

QUESTION: Well, that is the first question, : yes.

MR. BALL: Yes. That is the first question.

It would seem to me that if it is a part of the institution's religion, a certain strained logic might say, well, then, that institution would be cut from under also, according to our position. This is so different a case, this is certainly not this case, but I think the Court has to look at this case without presuming that from a decision in favor of Dayton Christian Schools, all those scrts of horribles would occur.

QUESTION: Mr. Ball, what if we had a situation of a state law in Ohio requiring teachers to report to the state instances of suspected child abuse, and yet the school has its biblical chain of command doctrine that would tell the teacher the teacher had to report that to the school authority instead?

MR. BALL: Well, I think --

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QUESTION: Do you think the state law would override the religious claim in that instance or not?

MR. BALL: Well, I think to apply it to Dayton Christian Schools, if a situation of that kind arose where a teacher in the school noticed a situation of child abuse, she would then follow the scriptural chain of command. She would go to the person, first of all, and say, is this really true. That is part of Matthew 18. And finding no satisfaction there, she would move it into the larger faith community to have reported it there, and conceivably soon.

QUESTION: And if instead the state law -MR. BALL: Then the school would report it.

QUESTION: -- required her not to do that, but
to report it first to the state authority, that could
not be followed in your view? The state couldn't
require that of her?

MR. BALL: That's correct. However, however,

QUESTION: I am not sure whether the question assumed that the child abuse would be a criminal act or not, but suppose a teacher became aware that drugs were being sold by one of the teachers to the pupils. Is there any conflict between promptly reporting that to the chain of command, as it were, and promptly reporting it to the criminal enforcement authorities?

MR. BALL: I think such an instance of child abuse or of drug abuse if we can --

QUESTION: I am assuming a criminal -- a felony there.

MR. BALL: Yes. You are assuming, Your Honor, that if the teacher was bound by chain of command and refused then on that ground to report it. Is that your proposition?

QUESTION: You mean to the state --

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MR. BALL: To the authorities.

QUESTION: -- to the authorities.

MR. BALL: Yes.

QUESTION: It would not excuse the teacher from reporting it to the authorities.

MR. BALL: No, it would not.

QUESTION: I wonder what your answer is to my question about the wage and hour problem.

(General laughter.)

QUESTION: If a teacher reported what she thought was an underpayment of minimum wages, went to a lawyer about that and then got fired, would the First Amendment protect the school on that discharge, in your view?

MR. BALL: Well, in that event, the chain of command would apply, of course.

QUESTION: I understand.

MR. BALL: And the state could proceed against the school if it wanted to --

QUESTION: I am assuming it does. My question is whether the school would have a good defense or not.

MR. BALL: On the reporting point it would, yes.

QUESTION: And so that even as to a federal statute, the same point that you make about the state statute here, it would be invalid.

MR. BALL: Yes, that's correct. Yes, that's correct.

QUESTION: And then tell me, and you started to, what is the difference in terms of the substantive violation between the discrimination on the basis of sex on the one hand and the wage and hour claim on the other? Why is one stronger than the other, or are they the same?

MR. BALL: You have presupposed that they are each a doctrine profoundly held.

QUESTION: Correct. Yes.

MR. BALL: I can only say that if that is the supposition, then we have to protect the religious right to maintain its chain of command posture. I must --

QUESTION: Putting aside for a moment the chain of command. I understand. But as to the substantive violation itself, the school could claim a religious -- First Amendment protected right to pay subminimum wages?

MR. BALL: That would involve, of course, a very different question than you have here.

QUESTION: I am asking you why they are different.

MR. BALL: Well, you might have a different

QUESTION: Correct.

MR. BALL: -- of the institution, then that belief should be protected unless it can be shown that it creates a severe hazard to the public interest. In this case, you don't have that. In this case you have the profound religious belief about the role of the mother, and an innocent belief in the role of the mother, in which there is nothing of the kind of discrimination we think of in the ordinary marketplace sex discrimination.

QUESTION: Well, except I suppose the father wouldn't have been fired.

MR. BALL: And then the -- to say then that the state can call that unlawful on the basis of its hindering the eradication of sex discrimination throughout the country is simply -- simply poses a totally different question than you have. I think you have to bring in then what is the compelling state interest. We don't believe that the upholding of the position of Mrs. Hoskinson in this case or the Chio Civil Rights Commission in any way impinges upon the

realization of the eradication of sex discrimination generally speaking. It is a very much limited area, a very limited effect, that people of these beliefs --

QUESTION: It does get the message to the children that the rules for women are different from the rules for men.

MR. BALL: No, I don't think so.

QUESTION: As to the teaching profession, if they've got small children at home.

MR. BALL: Whether or not that is so -QUESTION: Fathers ion't stay home with
children?

MR. BALL: This is a matter of religious belief.

QUESTION: I understand.

MR. BALL: And religions do -- if you will look at, Justice Stevens, the amicus curiae briefs in this case of the National Conference of Seventh Day Adventists, American Jewish Committee, the Orthodox Jews, the United States Catholic Conference, they all seem to believe profoundly not that the outcome of this case in our favor is going to be scandalous to children, but that a basic religious belief in sexual differentiation traditional in Jewish and in Christian teaching has the right to be protected in our court

system, which is why we are here.

QUESTION: Suppose a teacher in this school is raped and goes to see a lawyer. Would she be fired?

MR. BALL: If she broke the chain of command, other things being equal, yes. That is correct. She could be. I must mention this thing, however. In all of these questions concerning firing, the process under One Corinthians is one of reconciliation. You will note that in 1974, when Mrs. Hoskinson first broke the procedure set up under the school's laws, and under Scripture, the school had a reconcilation meeting with her.

QUESTION: What is there in the Scriptures that says you don't go to a lawyer?

MR. BALL: It is in I Corinthians, and it is in this record, extensively in the record. I will quote it to you if you desire me to. It is in I Corinthians, Chapter 6.

QUESTION: Don't a lot of Christians violate that every day?

MR. BALL: Pardon me?

QUESTION: Don't a lot of Christians violate that every day?

(General laughter.)

MR. BALL: If they do --

(General laughter.)

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MR. BALL: I think that is a conciliation procedure which was used here, was used then repeatedly in the present circumstances, and she was not fired because she was pregnant. She was not fired because she went to a lawyer. In each case the school said, come back and let's talk about this. Let's see if we can't become reconciled. And it is only at the end of that process, when on the advice of her attorney she refuses to participate in that proceeding, that she is finally told, as the school told her, we can no longer walk together. In other words, at that point, she is terminated.

I think that another aspect of her commitment is the fact that she signed a contract in which she pledged her adherence to all the beliefs of the school, and she was hired on the basis of that commitment. Her religious representations caused her to get the job. Those are very extensive religious requirements of which she was aware.

CHIEF JUSTICE BURGER: You have only six minutes remaining now. You had better get to the rest of your substantive argument, Mr. Ball.

MR. BALL: Thank you, Your Honor.

I think there are three questions that have to be faced. First of all, may the state bar Dayton Christian Schools from observance of its doctrines regarding mothers, the role of the mother in relation to the infant, and with respect to I Corinthians and Matthew 18, and more broadly, is government free to impose, contrary to the First Amendment, requirements upon a religious school such as this which would forbid it to differentiate sexually and forbid it to choose those who are going to be carrying out its ministry?

And finally, we have to examine the question here of the statute in question which precludes the raising of any constitutional defenses under the religion clauses. The court has said in Serbian that it is of the essence of these religious unions and of religious faith that religious decisions of the body are to be accepted as matters of faith, which may not be conformable to secular notions, may not be conformable to secular notions of fundamental fairness or impermissible objectives.

You have a statute here which is very unlike

Title 7, wherein it would be possible to have raised

religious defenses. We could go into that at quite some

length, but clearly if we were under a Title 7 type

QUESTION: Mr. Ball, does it make any difference at all if this is a state chartered school, and that Dayton School applied to the state for a charter, and agreed to abide by state laws, and so forth? Does that matter in our balancing of the free exercise claim?

MR. BALL: I think it doesn't, first of all, impart secularity to the school. This is a pervasively religious institution, so it is like the schools that are considered in cases such as Lemon, Catholic Bishop, and so on. Then as to the commitment —

QUESTION: Well, and Bob Jones, in a sense. I just wonder whether it matters at all that the state has given a charter to qualify the school to graduate students that meet state requirements.

NR. BALL: I think not. Again, this school constitutionally speaking is precisely in the slot of the schools which were considered in Catholic Bishop. And they are state regulated schools. In Pennsylvania, Rhode Island, the schools considered in Lemon versus

Kurtzman, and so on.

But in addition to that is the fact that certainly the school by signing an agreement under its charter to be conformable to state laws, which it would be anyhow, certainly wasn't making a commitment to abide by any unconstitutional law which would be imposed upon the school, for example, a law which says that you may not follow your mother doctrine, or follow your doctrine with respect to going to the law, taking a believer to the outside.

It certainly is true that great harm will be visited upon the school if it is made to come under the jurisdiction of the Ohio Civil Rights Commission. It will cause a religious body to have to cease and desist from observing a traditional, very central doctrine voluntarily embraced by its members. It makes the religious group an active agent in breach of its own doctrine, even causing it to -- the state having power to make it take back scmeone who is unfaithful to its doctrine, and to pay for that.

Not only does it sanction the role of the state as an actor in supporting of dissidence, which is a marked feature of this case, and to take sides in what is a religious controversy, but it would also support the bad example before the parents and the children of

The compelling state interest issue simply leaves us having to look at race discrimination and sex discrimination very, very different. There is no general principle in our society that public policy has stated which recognizes no exceptions in the matter of sex discrimination. We have the openings. We have exceptions in the BFOQ provisions of Title 7. We have situations, decisions in courts in which it has been recognized that there may be a right of privacy which requires that a nursing home for old women, for example, would hire only women, and certainly we have as much involved here from a constitutional point of view, an interest involved here of religious liberty which would seem equal at least to that right of privacy.

I think the Court is being asked to say that it will rule as follows. Either send this case back after going on six years in the courts after the state pursued the jurisdiction which is being argued before this Court today, consented the jurisdiction, when there can be no relief under the statute, and when these late matters referred to in the reply brief which are totally irrelevant to any possibility of the state saying, yes,

we will give you a break, when the state in fact says that if it is sex discrimination, there can be no break, and the second thing that can be done is, the Court to uphold the position on the merits of the Ohio Civil Rights Commission and thus say that the teaching and the practice, the practice of this religious body with respect to the role of the mother shall be suppressed, and that likewise shall be suppressed. It is the practice of its doctrine founded in Matthew 18, founded in Scripture, that would prohibit a member of the church going to -- going outside the church for relief.

QUESTION: In your view, is that fundamentally

here?

QUESTION: In your view, is that fundamentally any different from a union contract or any other private contract by which the parties pledge themselves to go to final and binding arbibration without resort to the courts?

MR. BALL: Yes, the District -QUESTION: Is it fundamentally any different

MR. BALL: The District Court noted the similarities, speaking of this as, in a sense, a grievance procedure.

CHIEF JUSTICE BURGER: Thank you.

MR. BALL: Thank you.

CHIEF JUSTICE BURGER: Do you have anything

further, Ms. McManus?

ORAL ARGUMENT OF KATHLEEN MC MANUS, ESQ.,

ON BEHALF OF THE APPELLANTS - REBUTTAL

MS. MC MANUS: Very briefly.

QUESTION: How would you distinguish this from a contract to go to arbitration either as a required preliminary before bringing any litigation or an agreement to have final and binding arbitration, foregoing all resort to the courts?

MS. MC MANUS: I think that in this area of the civil rights law would be an impermissible and unbinding type of agreement if it would constitute a prospective waiver of the civil rights that the state has affirmatively conferred on these people. A prior agreement cannot constitute a valid waiver of statutory rights. I think that also would very much affect the state's interest, because here the state's interest is dependent upon having people who are willing to come forward and ask questions and to assert their rights seriously interfere with the fulfillment of the state's interest in this case.

I would like to point out in partial response to Justice Steven's question that I think it is true that the issue we are dealing with here is not limited just to the civil rights area, particularly with respect

I think in a situation like this, if the civil rights law which was found by both courts below to be a compelling state interest, and whose findings are supported by this Court's holding in Roberts versus United States Jaycees, that the civil rights law is not a sufficiently compelling interest to permit the state to protect an employee who merely seeks to ask a question, I think it is very unlikely any law ever will be able to prevail in this instance.

Thank you.

CHIFF JUSTICE BURGER: Thank you, counsel. The case is submitted.

(Whereupon, at 2:59 c'clock p.m., the case in the above-entitled matter was submitted.)

CERTIFICATION

erson Reporting Company, Inc., hereby certifies that the sched pages represents an accurate transcription of ctronic sound recording of the oral argument before the reme Court of The United States in the Matter of:

*#85-488 - OHIO CIVIL RIGHTS COMMISSION, ET AL., Appellants V.

DAYTON CHRISTIAN SCHOOLS, INC., ET AL.

that these attached pages constitutes the original ascript of the proceedings for the records of the court.

BY Paul A- Richardon (REPORTER)

SUPREME COURT, U.S. MARSHAL'S OFFICE

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