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Addressing the Impact of COVID-19 on Virginia's Education System: Empowering Solutions through Expanded School Choice

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Abstract

The students in the Commonwealth of Virginia suffer from the COVID-19-spawned learning loss, like many other students across the country and the world. This study analyzes the policy implications of remote and hybrid learning models on student achievement as measured by test scores and the number of students enrolled in homeschooling. The results demonstrate a significant decline in student achievement across all subject areas and a sharp increase in homeschool enrollees starting in 2020. As a result of complex educational dynamics and a consideration of various policy options, this paper proposes a school choice policy with education savings accounts (ESAs) as the most practicable and prudent avenue to improve education outcomes and increase opportunities for families based on their preferences.

Keywords: Learning loss, remote learning, school choice, and student achievement

Addressing the Impact of COVID-19 on Virginia's Education System: Empowering Solutions through Expanded School Choice

A reflection of policies instituted during the pandemic in the name of mitigating the spread of COVID-19 and their unintended consequences has represented an example of what French political economist Frédéric Bastiat labeled as consequences that are seen versus unseen at the time of the decision (Bastiat, 1850). During the COVID-19 pandemic, many states established parameters for school districts to cease in-person instruction and transfer to remote learning. This policy may have protected individuals from contracting COVID-19 but also created a learning loss that will take decades to rectify.

The purpose of this study is to examine the learning loss in the Commonwealth of Virginia through an analysis of standardized test scores of students before and after the pandemic within the framework of school choice alternatives. First, a literature review of quantifiable data and qualitative evidence of observable learning loss will be presented. The research found a decline in student test scores, an increase in student dropouts, a widening of existing racial and wealth disparities between students, increased difficulty for students transitioning to college, and a depressed outlook for future economic progress. Second, school choice and its societal benefits will be analyzed. The advantages of increased competition in the educational sector are that families have greater opportunities to meet their needs, and schools are encouraged through the market process to improve. Next, the results of standardized tests in Virginia demonstrate the impact of the learning loss on the state level. Virginia schools were ordered to close on March 13, 2020, for two weeks and then the rest of the school year on March 23 by Gov. Ralph Northam's Executive Order Number 53 (Secretary of the Commonwealth, 2021). Schools began a phased reopening in the Fall of 2020 with remote, hybrid, and then in-person learning. Test

scores three years after school closures compared to prior indicate a significant drop in student achievement and course content retention. Then, a review on the current status of school choice policy in Virginia will be described. Lastly, approaches to combat learning loss will be considered in addition to a policy recommendation for education savings accounts (ESAs).

A study of the current state of education is extremely important in understanding where students need assistance to develop and implement strategies to mitigate learning loss. A strong K-12 educational foundation is an incredible predictor of success and integral to the institution of equality of opportunity for students of all backgrounds, income levels, races, and zip codes. With all of this in mind, it is essential to understand the present academic landscape so that effective policy can be implemented.

Learning Loss Explained

The COVID-19 pandemic created a global health crisis that negatively impacted societies in a variety of ways. In addition to the direct ramifications of COVID-19 infection, the resulting measures taken by societies to fight the pandemic incurred many unintended consequences. The literature on this topic found that one major externality of the policies implemented by governments across the world has been a significant learning loss among students. This issue spawned from government intervention continues to have significant societal implications. Although the federal government did not enforce a blanket ruling on school operations, local and state governments largely decided on school closures and a subsequent implementation of remote and hybrid learning.

School closures arguably represented the most impactful unintended consequence of COVID-19 experienced by youth. Researchers have found that for youth, the most significant

disruption other than direct illness may have been the extended school closures enforced by governments during the pandemic throughout the U.S.

The academic decline that resulted from government-enforced shutdowns throughout the COVID-19 pandemic has been commonly referred to in the literature as learning loss. A 2021 study described learning loss as "declines in student knowledge and skills" (Donnelly & Patrinos, 2021). The extent of the learning loss as historical data offers insights into the expected progress of student learning over successive years, which is typically assessed through regular testing. A McKinsey study on the COVID-19 learning delay and recovery process revealed a decline in student test scores. This study estimated that grade 8 math scores and grade 4 reading scores would require 28 and 24 years respectively to recover to pre-pandemic standards (Bryant, Dorn, Pollack, & Sarakatsannis, 2023). Once the pandemic was seen as a crisis across the globe, the United States and many other governments set up remote learning apparatuses; however, despite their efforts, research has found that the remote education alternatives created were not as effective as in-person learning.

In addition to a steep decline in learning outcomes as measured by test scores, chronic absenteeism rose, as did dropout rates. Researchers predict that the coronavirus and related school closures lead to an increase of 2 to 9% in high school student dropout rates (Dorn, Hancock, Sarakatsannis & Viruleg, 2020), a worrying number with serious implications for those impacted. The magnitude of the learning loss experienced by students in the United States cannot be understated. The National Assessment of Educational Progress (NAEP), a congressionally mandated program known for its high credibility studies student achievement and learning nationwide, and its publication, "The Nation's Report Card," discovered two decades of progress have been wiped out" (Bryant, Dorn, Pollack & Sarakatsannis, 2023).

Additionally, the literature on COVID-19-era learning loss found that the loss has not been evenly distributed, with the greatest disparity among poor and disadvantaged demographic groups. Startlingly, Black students experienced a setback of 10.3 months, Hispanic students of 9.2 months, and low-income students of over a year – potentially worsening current achievement disparities by 15 to 20% (Dorn, Hancock, Sarakatsannis & Viruleg, 2020). The existence of a greater magnitude of learning loss among underprivileged groups was consistently found in the research. Additionally, students from households with low levels of education experienced learning loss as much as 60% greater compared to those with high levels of education (Donnelly & Patrinos, 2021). The pandemic created the largest learning loss for those in the lowest-performing quartile who were found to be an additional six weeks behind students in the top-performance quartile, a result indicating a widened gap for those already disadvantaged (Bryant, Dorn, Pollack & Sarakatsannis, 2023). Absent intervention, the results of COVID-19 learning loss will exacerbate existing academic inequality experienced by poor and minority groups.

Additionally, the impact of academic disruption and subsequent learning loss has greatly increased the difficulty for students transitioning from K-12 to college. Students who graduated during and after the pandemic have been left unprepared for more difficult college courses. Mathematics professor at the University of Texas at Austin, Uri Treisman expressed his challenges in teaching students post-COVID. Treisman saw 25% of his students fail in a semester following COVID-19, which contrasts to a fail rate of 5% in a typical year (Sanchez, 2022). Treisman expressed that educators following COVID-19 were left with a dilemma: lower standards so that students could pass courses or fail a significant number of students. Both options bear negative consequences. If a student fails a course their GPA will drop and they may lose financial aid or drop out of an institution, while on the other hand, if instructors allow

students to pass with lowered standards, they may be unprepared for future courses and eventually their careers.

Lastly, the literature has revealed a great financial toll looming as a result of COVID-19 related learning loss. The entire United States could face tangible consequences, as the impact of COVID-19 results in diminished learning levels and increased dropout rates. Students affected by the pandemic are likely to possess lower skills required to be successful in the workforce and, consequently, become less economically productive compared to previous generations that did not undergo a comparable learning loss. A joint report by UNESCO, UNICEF, and the World Bank estimated that "this generation of students now risks losing $17 trillion in lifetime earnings in present value, or about 14% of today's global GDP, as a result of COVID-19 pandemic-related school closures" (World Bank, 2021). A drop in lifetime earnings will have devastating effects, especially for those in low-income circumstances, and just as significantly for the nation's economy. Looking at individual losses, researchers have estimated that the average K-12 student could lose $61,000 to $82,000 in earnings over the course of their lifetime (Dorn, Hancock, Sarakatsannis & Viruleg, 2020). Predicted economic losses are frightening, however, potentially reversible through prudent future policy and educational practices.

While creating remote learning systems meant to continue education while limiting the transmission of COVID-19, policymakers were unfamiliar with the ramifications to the nation's educational atmosphere. Unfortunately, the implemented government policy of mandated school closures created a large cost for students. The steep decline in academic progress will impact the status of an educated citizenry, workforce preparedness, generational outcomes, and increase inequality between high and low-achieving students.

Policy Options

There are a range of approaches available to policymakers to mitigate learning losses in the Commonwealth of Virginia. Each of these policy approaches are accompanied by details of implementation, cost, budget, and potential hurdles. The efficacy of each of these policy options is dependent on worldviews, values, culture, and familial situations. There are many policy options, but for this study, four will be considered: (1) remain with the status quo, (2) expansion of top-down federal government initiatives and regulations, (3) increase empowerment of local school districts with autonomy, or (4) support parent and student preferences with expansive public-school alternatives. In consideration of these options, it is important to evaluate the preferences and views of stakeholders which include students, families, teachers, administrators, the education industry, legislators, voters, and taxpayers, as well as the acknowledgment of resource and budget constraints.

The status quo policy option is the continued financial support of public schools solely. This option may result in a gradual improvement of student learning outcomes because the effects of the pandemic might decline as students return to normal operations and utilize the current level of educational support mechanisms. Current policies include the Biden Administration's $122 billion educational portion of the American Rescue Plan demonstrates the limits and impractical implementation of federal policy. This policy focuses on higher-quality summer enrichment and after-school programs as well as increased tutoring resources with the recruitment of 250,000 tutors (White House, 2022). On the state level, Gov. Glenn Youngkin's ALL in VA agenda allocated an additional $418.3 million in fiscal year 2024 to local school districts. Seventy percent of this funding will be spent on third through eighth-grade high-intensity tutoring, 20% on literacy efforts, and 10% on chronic absenteeism (VDOE, A, 2023).

The federal government plan does incorporate community organizations, but this top-down approach will face difficulties in accomplishing the preferred outcome of lessening the effects of learning loss. Additionally, Gov. Youngkin's policy directs aid to local school districts to meet their specific needs; it fails to consider private schools as well as home instruction. Status quo policies have positive visions but fail to account for the tremendous need for increased assistance to mitigate the significant decline in academic achievement, especially among the differences between high and low performers. The status quo policy response represents a disengagement from the reality of the ramifications of the learning loss as sole support to public schools lacks a comprehensive view of the benefits of competition and for students stuck in the public school system. This is a dire situation for current and future generations. Stagnation of academic achievement should be unacceptable to those who wish to have a well-informed citizenry and productive workforce.

An expanded top-down approach led by the federal government is another possible policy direction to increase student performance. A primary element of this approach would be an increased focus on a federal system of national expectations for all states to follow, typically in the form of federal testing standards (Gaille, 2019). This avenue, most likely under the purview of the Department of Education, must aggregate the necessary information from millions of students and families as well as thousands of schools and employees to prescribe policies. Even with the best intentions, the federal government's standards and proposals will not align with the needs of every student or school district. The top-down approach is flawed as it bears an uncertain timeline and lacks knowledge of the needs of thousands of school districts and millions of families with unique needs and preferences.

Furthermore, federal involvement has already been tried unsuccessfully for decades. An example of such, Common Core standards, has led to modest declines in tested areas like math and reading (Gaille, 2019). 2023 polling by the Pew Research Center has shown that trust in government is approaching historic lows as only 16% said “they trust the government to do what is right just about always or most of the time” (Pew, 2023). With this outlook, Americans of all political persuasions, races, ethnicities, and backgrounds are weary of government, which could also be translated into attitudes against further intrusion into the education system.

Another policy consideration is to expand the scope of Gov. Youngkin’s “ALL in VA” plan. This proposal seeks to increase school district empowerment through grants and increased autonomy of programs and resources for students. These grants could be delivered from the federal to the state government or state to local governments. Then, localized entities could use this funding to hire more teachers, increase tutoring opportunities, or institute improved summer learning programs. The potential issue with this plan would be that increased spending per pupil might not equate to better academic achievement. Additionally, further government intervention in education might neither be the most practicable nor desirable in the eyes of those who view the government’s pandemic policies as the original cause of the learning loss. Also, this view still follows the conventional thinking that a public school is the optimal educational option for all children. Overall, this policy option fails to consider the beneficial effect of market incentives schools would respond to if families had expanded influence on where children are educated.

A fourth option is for the Commonwealth of Virginia to modify its laws to support parent and student preferences with expansive public-school alternatives, the optimal balance between individual freedom as well as mitigation of the learning loss. Increased support for parents through monetary and regulation ease promotes educational opportunities among all income

levels, races, and localities. Critics of this policy may argue that this will decrease attention and resources to public schools, lack accountability mechanisms, and place a burden on parents to organize public school alternatives.

However, expanded school choice allows families a greater choice between home instruction, private school, or public school. Many families may still prefer public schools. If home instruction or private school better fits preferences and needs, they should be increasingly available as a choice, especially if they will develop competition within the K-12 educational sector. Expanding school choice directly supports parents and children facing learning loss difficulties, caused by the government's actions of school closures and the institution of remote learning. Direct support lends itself to being the most efficient allocation of resources rather than funneling funding through the bureaucratic machine of government, regulations, administrators, and red tape. Overall, expanding opportunities for public school alternatives is the strongest policy option for mitigating and overcoming the COVID-19-created learning loss.

School Choice and its Societal Benefits

The National Center for Education Statistics defines school choice as “an array of elementary and secondary educational options available to students and their families” (NCES, 2019). School choice avenues listed by the NCES include non-designated public schools, charter schools, private schools which can be either religious or nonsectarian, and homeschooling. The popularity of school choice has steadily increased over time, but interest skyrocketed during and after the COVID-19 pandemic.

Education policy has also seen increased attention from community members at school board meetings as well as in political campaigns across the United States. Recent nationwide polling also demonstrates overwhelming approval and interest in school choice policies.

According to a RealClearOpinion Research poll from June 2023, 71% of respondents supported the concept of school choice when posed with the statement: “School choice gives parents the right to use the tax dollars designated for their child’s education to send their child to the public or private school which best serves their needs” (AFC, 2023). Frequent reasons for the support of school choice policies include increased parental satisfaction and involvement, opportunities to tailor to a child’s needs, options for low-income families, savings for taxpayers, competitive pressure on public schools to be more accountable, and supportive environments to cultivate active citizens (Schwalbach & Selvey, 2019).

“The Education Freedom Index” spotlighted revolutionary data in the school choice realm as it ranked all 50 states on educational freedom and found evidence that states with higher educational freedom were more likely to achieve higher scores on the National Assessment of Educational Progress (NAEP) standardized tests as well as the SAT (Greene, 2000) after controlling for per-pupil spending, average class size, average household income, and race. Specifically, Greene found that “states with one point higher on the Education Freedom Index (EFI) score can expect an additional 5.5% of its students to test as proficient on the NAEP test” in addition to “a 21-point increase in the average SAT verbal score and a 22-point increase in the average SAT math score.” Some may argue there is no clear causal relationship between a higher EFI score and higher student test scores because researchers cannot fully control for parental involvement or personal grit. However, an ideal experiment where students are randomly assigned to public school, private school, or home instruction is unattainable. Therefore, a positive correlation is, at minimum, preferable to a negative one.

Wolf, Greene, Paul, and Labner (2023) studied the potential linkage between school choice and higher state-level performance on NAEP testing based on the theory of systematic

effects of school choice. This theory posits that the resulting competition from increased alternatives to public schools creates indirect spillover effects on public school performance in a choice-rich environment. They constructed an index of educational freedom inspired by the EFI index created in 2000 which measured the availability and accessibility of school choice in every state. The authors found "higher levels of education freedom and teacher quality are significantly associated with higher NAEP achievement levels and NAEP achievement gains," as well as "increased public school spending and reduced class sizes had no consistent association with NAEP results" (Wolf, Greene, Paul & Labner, 2023). Regarding a state-level analysis, they specified that Florida was 35th in the 2000 EFI study but moved to seventh in the 2023 study because of their school choice initiatives focused on low-income and disabled students. The analysis found that those two student groups performed better in Florida than the national average. Also, a study of ACT scores between 2000 and 2014 found that students in private schools as well as homeschooled scored significantly higher on average than students in public schools (ACT, 2014).

Regarding non-student assessment findings, an experiment of the D.C. voucher program found it increased the likelihood of high school graduation by 21% (Wolf, Kisida, Gutmann, Puma, Eissa & Rizzo, 2013). The analysis of other researchers has also emphasized factors beyond test scores, such as the evidence that school choice and strong educational foundations can lead to higher levels of life satisfaction, higher levels of income, and decreased levels of mental health challenges and suicide rates (DeAngelis & Dills, 2019; Geloso, 2021).

The practicality of school choice has been questioned by skeptics who assert that many children, especially those who are economically disadvantaged and in rural communities do not have access to nearby public-school alternatives. A 2017 Brookings Institution study estimated

that 46% of all families have access to at least one charter school within five miles, and 17% in rural areas. This study also estimated that 82% of families have a private elementary school in a five-mile radius. In rural areas, 62% of families have one within ten miles. The recommendation from Brookings outlines the federal government as the key player in assisting states and localities with increasing transportation options for students and allocating formula and competitive grants to further develop school choice policies and institutions (Chingos & Blagg, 2017).

A variety of public policies exist to support school choice. Examples include education savings accounts (ESAs), school vouchers, tax-credit education savings accounts, tax-credit scholarships, and individual tax credits and scholarships (EdChoice, A, n.d.). In an analysis of the school choice literature, a CATO Institute study concluded that it is difficult to know the degree to which increased school choice resulted in increased access to higher-quality schools or an improved match between schools and students (DeAngelis & Erickson, 2018). Regardless of that research challenge, DeAngelis and Erickson (2018) asserted that "a universally accessible ESA would allow for robust market entry and customization that would allow individual families to choose high-quality educations" and therefore generate greater competition in the education market. Another recommendation from previous researchers is that school choice policies benefit both participating and nonparticipating students because the creation of alternatives causes public schools to improve, so policymakers should not overregulate this process of competition (Bedrick, 2016).

Challenges with the implementation of school choice policies in the future include opposition from special interest groups as well as antagonistic ideological and cultural viewpoints of education. Despite its opponents, previous literature highlights significant

evidence for the positive results associated with school choice experiences. Therefore, considering school choice as a policy intervention is a key aspect of mitigating the COVID-19 learning loss.

Methodology

To determine the potential for expanded school choice in Virginia, it is necessary to understand the current educational landscape. This search includes two strands of research. First, knowledge of the current standings of public-school students is important to recognize the potential strengths and weaknesses of this educational model. This will be measured by a comparison between standardized testing before the pandemic and after the pandemic. Although testing is not a perfect measure of student performance, it is a quantifiable measure of educational achievement published annually by the Virginia Department of Education. Second, information on the number of students enrolled in alternative methods to public school is significant to understanding if there is demand and evidence of durability for the expansion of school choice. This will be measured by the number of students receiving home instruction before and after the pandemic. The number of students enrolled in private schools would also help determine the future viability of expanded school choice. This data was difficult to find, so this study will focus on home instruction.

Data

Virginia Standards of Learning (SOL) Analysis

The Commonwealth of Virginia's guide to K-12 education is its Standards of Learning (SOL), which measures student success in meeting the Board of Education's expectations for learning and achievement. These assessments are utilized for various grade levels and courses in the subjects of reading, writing, science, mathematics, and history (VDOE, a, 2023). Student

performance is graded on a scale of 0-600 with 400 representing the minimum level of acceptable proficiency and 500 representing advanced proficiency (VDOE, b, 2023).

The results of the SOL assessments were not immune to the impact of COVID-19 and the ramifications initiated by stay-at-home orders and remote learning. SOL testing was canceled for the 2019-2020 academic year, which meant the first scores to assess the learning loss was the 2020-2021 academic year. The figures in Appendix A summarize this decrease in the passage rate beginning at the low point of the 2020-2021 academic year with gradual improvements or stability in the two following academic years. Although these gradual improvements mostly remain far behind pre-pandemic passage rates. The data in the following results comes from the Virginia Department of Education SOL Test Pass Rates reports.

Figure 1

Virginia Department of Education English SOL *Test Pass Rates, 3rd to 8th Grade*

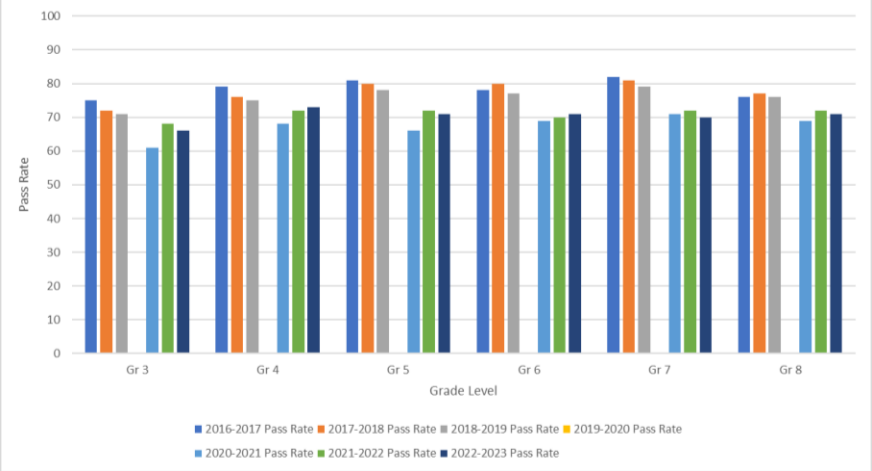


Figure 1 displays the SOL reading assessment results for third through eighth grade. Every grade level's passage rate remains below the passage rates for the three years pre-pandemic. Those in seventh grade had the largest gap of 9% between the 2018-2019 pass rate

(79%) and the 2022-2023 pass rate (70%). Fourth graders had the smallest gap of 2% between the 2018-2019 pass rate (75%) and the 2022 and 2023 pass rate (73%).

Figure 2

Virginia Department of Education English SOL *Test Pass Rates for 8th Grade*

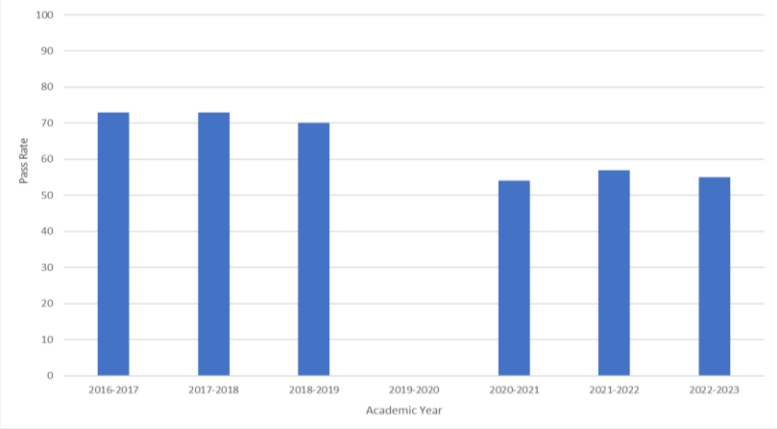


Figure 2 displays the SOL writing assessment results for eighth-grade students. The results between 2016 and 2019 remained at or above 70%. For the three academic years after the pandemic, the pass rate ranged from 54% to 57%. This represents a stark decline in the writing ability of students.

Figure 3

Virginia Department of Education History and Social Science SOL *Test Pass Rates*

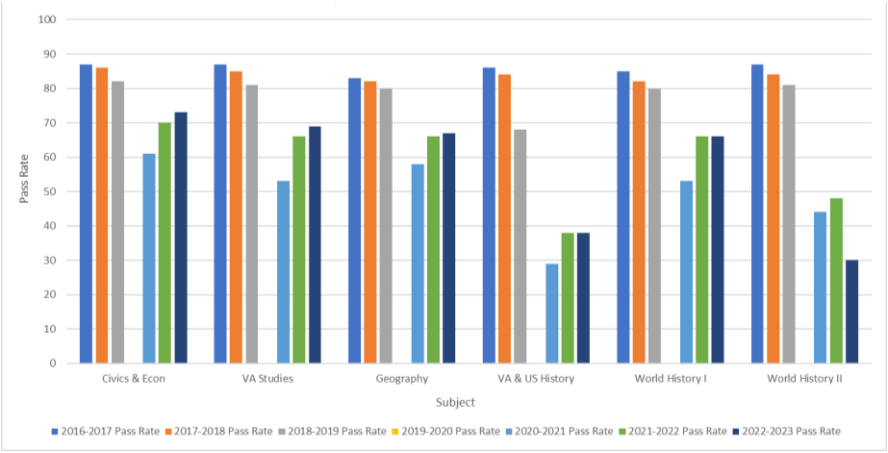


Figure 3 displays the SOL history and social science results for students of various grade levels. Results for these assessments mostly remained about 80% for the three years before the pandemic. For the three academic years after the pandemic, the pass rate has dipped below 30% and maxed out at 73%. The results for Civics & Economics, Virginia Studies, and World History I were significantly higher compared to Virginia and U.S. History and World History II. The Virginia and U.S. History results had the largest gap of 30% between the 2018-2019 pass rate (68%) and the 2022 and 2023 pass rate (38%).

Figure 4

Virginia Department of Education Mathematics SOL *Test Pass Rates for 3rd to 8th Grade*

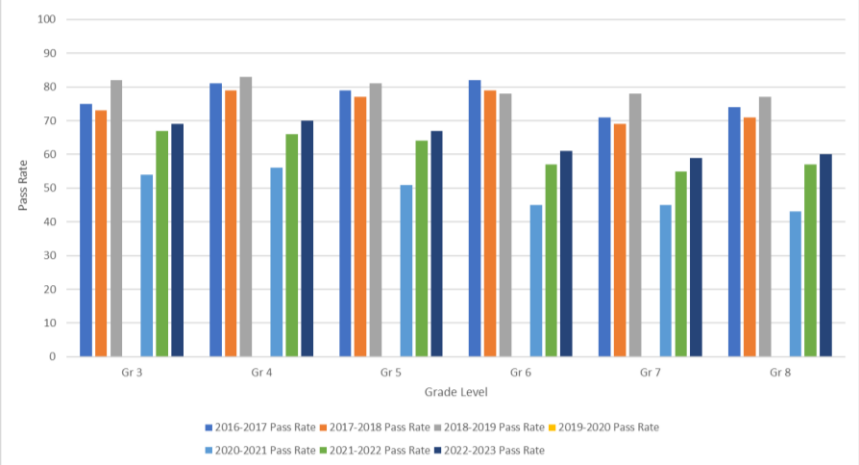


Figure 4 displays the SOL mathematics results for students of various grade levels. These results demonstrated improvement during each of the three years post-pandemic, but no grade level had hit the pass rates before the pandemic. See the Appendix for similar findings for Algebra I, Algebra II, and Geometry assessment results. Also, see the Appendix for SOL results for science assessments.

Virginia Home Instruction Analysis

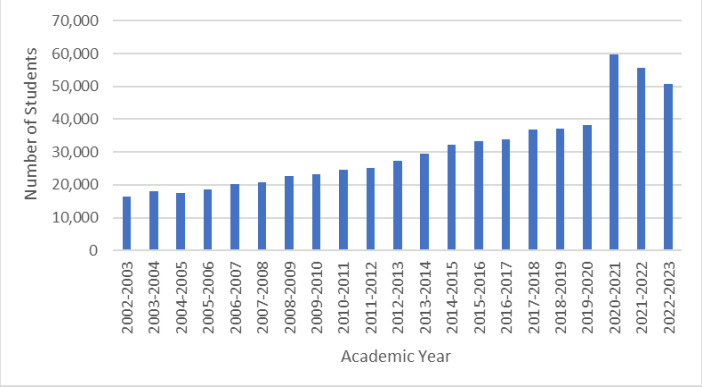
The Commonwealth of Virginia publishes a report each year on the number of students taught by home instruction instead of the traditional public-school setting. These reports are a

collection of school division statistics on the number of students who have obtained an excuse from school attendance. These reasons include bona fide religious training or belief as well as the number of students whose parents have notified the division superintendent by August 15 of their intention to provide home instruction (VDOE, c, 2023).

This information is integral to understanding the potential demand for alternatives to public schools in Virginia. For background, the number of students receiving home instruction has steadily increased since 2002, which is where the publicly available data from the VDOE started. In the 2002-2003 academic year, the total number of students receiving home instruction was 16,542. In the 2019-2020 academic year, before the pandemic impacted schools, the number of students was 38,282. In the following year, the number spiked to 59,638, a 55.8% increase, and then to 55,749 and 50,713, in the 2021-2022 and 2022-2023 academic years, respectively. Although the number of students receiving home instruction had declined by 10,000 students from the peak of nearly sixty thousand, the most recent data is still above the 2019-2020 academic year. See this data in Figure 5.

Figure 5

Virginia Department of Education, Total Home Schooled Students & Religious Exemptions



To better understand the makeup of these students, the VDOE categorized students by kindergarten to fifth grade, sixth to eighth grade, and then ninth to twelfth grade. The

kindergarten to fifth grade category has historically been 50% of the total home instruction students while the other two groups have been around 25% each. Also, it should be noted the ninth to twelfth-grade category has continued to climb in the past three years and has not faced the same slight decline as the other two categories. See Appendix B for this data.

Overall, these findings provide evidence that in Virginia, the pandemic encouraged families to seek alternatives to public school and that student assessment outcomes saw significant declines compared to before the pandemic school closures and remote learning instruction.

School Choice in Virginia

School choice opportunities in Virginia are limited because the current legislation prohibits state appropriations to schools or institutions of learning not owned or exclusively controlled by the state (Constitution of Virginia, Article VIII). Therefore, families who prefer home instruction, private school, or other non-public school alternatives must rely on scholarships or self-funding.

However, the Education Improvement Scholarships Tax Credits Program established in 2012 indirectly supports private school students. This program provides state tax credits for donations made to approved scholarship foundations that provide scholarships to eligible students and attending participating private schools (VDOE, d, n.d.; Virginia Code, A § 58.1-439.25 & HB 321). Scholarships are available for students whose family income does not exceed 300% of federal poverty guidelines. Family income for students with disabilities with an individualized education program may not exceed 400% of federal poverty guidelines.

In a report to the Chairs of the House and Senate Finance Committees in 2022, the Superintendent of Public Instruction Jillian Balow remarked that there was a total of 38

scholarship foundations approved by the Department and 33 of them received qualifying donations for which tax credits were issued during fiscal year 2022 (Balow, 2022). During the fiscal year 2022, 5,201 scholarships were made.

Though the policy allows for an indirect incentive to support students in private schools, EdChoice proposed for Virginia to "increase the available tax credits, raise the credit value to make it easier for scholarship organizations to raise funds, and expand eligibility to all students" (EdChoice, B, 2023). The EdChoice recommendation also added that this program should transition into an education savings account system (EdChoice, C, 2023).

Currently, Virginia private school students are not required to participate in state-administered tests unless the student is a child with a disability (Virginia Administrative Code, 8 VAC 20-81-150.A) and property owned by nonprofit institutions of learning and used primarily for educational purposes is exempt from state and local taxation.

Regarding Virginia home instruction, the Virginia code stipulates that those who select home instruction must have a parent of a child who meets any of the four conditions:

> "(i) holds a high school diploma; (ii) is a teacher of qualifications prescribed by the Board; (iii) provides the child with a program of study or curriculum, which may be delivered through a correspondence course or distance learning program or in any other manner; or (iv) provides evidence that he is able to provide an adequate education for the child" (Virginia Code, B § 22.1-254.1.A n.d.).

The Virginia Code also states parents must submit to local superintendents evidence of student achievement metrics in the form of nationally standardized testing or an ACT, SAT, or PSAT test. Another avenue includes an evaluation endorsed by the superintendent, such as an evaluation letter from a qualified individual as defined by the government or a report card or

transcript from a community college, college, or home-education correspondence school (Virginia Code, B § 22.1-254.1.C n.d.).

During the 2023 Legislative Session, HB 1508 proposed the Virginia Education Success Account Program, an education savings account (ESA) program, which gained the support of Gov. Glenn Youngkin but failed to leave committee and have a floor vote (HB 1508, 2023). This marked the hurdles to school choice policies, such as opposition from ideological critics supported by interest groups like teachers' unions. During the 2024 Legislative Session, HB 1164 proposed a new vision for education savings accounts called the Education Excellence for All Program that would allow parents to apply for one-year, renewable grants to pay for educational-related expenses (HB 1164, 2024).

Policy Recommendation

After consideration of various policy options to combat the learning loss attributed to COVID-19 school closures and modifications, review of school choice types and benefits, and study of Virginia assessment results and the current education policy landscape, the most practicable avenue moving forward is increased choice and competition for K-12 education through education savings accounts (ESAs). ESAs are publicly funded, and state-authorized grants given to parents solely for educational purposes. This policy initiative will give parents the maximum flexibility and sovereignty on how to educate their children, which may be to remain in public schools, but many others will see it advantageous to explore home instruction and private schools, as seen during and after the pandemic.

Although it is difficult to measure the individual impact of private versus public school outcomes, empirical research suggests that states with increased school choice have systemic effects that indirectly improve public education due to market mechanisms (Green, 2000; Wolf,

Greene, Paul & Labner, 2023). While other factors such as levels of household income, parental involvement, and personal grit play a role in student achievement outcomes, the positive effects of expanded school choice in previous studies signal that Virginia may benefit from similar policies.

The momentum of the school choice movement continues to build, which provides many models derived from the laboratory of democracy of the fifty states. ESA programs operate in thirteen states and the key differences between them are eligibility and level of funding. Eligibility is universal in Arizona, Florida, Utah, and West Virginia, phased universal eligibility in Arkansas and Iowa, income-based in New Hampshire and South Carolina, special-needs based in Indiana, Mississippi, Montana, and North Carolina, and location-based in Tennessee (EdChoice, D, 2023).

Since Virginia only utilizes the Education Improvement Scholarships Tax Credits Program, which is an indirect way to support low-income families and students with disabilities, the ideal policy implementation of ESAs is through a targeted and phased approach modeled after Arkansas' program. Phase 1 of the Arkansas Children's Educational Freedom Account Program launched for the 2023-2024 academic year. Applicants must be Arkansas residents and during Phase 1, eligible students include first-time kindergarteners, students coming from "F" schools or "Level 5" districts, and special populations such as homeless students, current or former foster care students, students with disabilities, and children of active-duty military with a cap of 1.5% of total public enrollment (ADOE, 2023). Phase 2 increases eligibility to students within attendance zones of D- or F-rated schools, students with parents who are military veterans or reservists, first responders, and Law Enforcement Officers, with a cap of 3% of total public

enrollment. Phase 3 for the 2025-2026 academic year allows universal eligibility including homeschooling, for all K-12 students with no enrollment cap.

In Arkansas, the level of funding for students is 90% of the prior year's statewide per-pupil average, which is $6,600, and these funds can only be spent on tuition, uniforms, and school supplies during Phase 1. For Phase 2 in the 2024-2025 school year, qualifying expenses expand to instructional materials, tutoring services, curricula, supplemental supplies, certain technology devices, transportation costs, and fees for college courses. Priority must be given to tuition expenses before other expenses. Also, Arkansas utilizes ClassWallet as a vendor to manage the expenses of families and it is a central location to view eligible disbursements. The enrollment amounts and program costs for the Phases are 7,000 and $46.7 million for Phase 1, 14,000 and $97.5 million for Phase 2, and unlimited enrollment possibilities with undetermined costs for Phase 3.

Virginia Application

Virginia should adopt this phased approach during its next legislative session and allow Phase 1 to occur during the subsequent academic year. The program could be titled "Virginia Educational Freedom Account Program" and should first be targeted to school districts that suffered the most widespread learning loss among their students based on standardized testing and permit home instruction under the policy to assist families statewide. Funding for the program modeled after Arkansas' 90% of the prior year's statewide average per-pupil spending applied to Virginia would be 90% of $14,433 which is roughly $13,000 (Statista, 2023).

In the context of the cost of private schools in Virginia, a study from the Education Data Initiative found that $15,087 was the average tuition among all K-12 private schools in Virginia with $13,560 for elementary schools and $17,555 for secondary schools (EDI, 2023). This means

the state funding for ESAs would cover a significant portion of private schools in Virginia, but not a complete coverage of expenses. Regarding home instruction, previous research has estimated that it could cost between $700 and $1,800 to homeschool one child (Time4Learning, 2023). The costs associated with home instruction could also significantly vary and increase depending on the needs and preferences of families. Options include extracurricular activities, the fees of college courses, types of curricula, services for special needs and disabled children, and the ability to join a homeschool group or co-op. Even if an ESA does not cover all expenses for public school alternatives, it is a strong support given to families who would have been responsible for 100% of the costs if not for this policy.

There should be a cap on enrollment in Phase 1 to allow for a test run and permit enough time for the Legislature to make necessary changes to improve the program regarding policy administration, accountability measures, and family satisfaction. A proposed cap of .5% of public-school enrollment would be 6,300 students, which would result in an estimated program cost of $82 million. Phase 1 should target the lowest quintile of school districts determined by teacher-to-student ratio, state assessment results, locality per pupil spending, graduation rate, chronic absenteeism, and the level of economically disadvantaged.

Phase 2 during the following academic year should increase the enrollment cap to 1% as well as expand eligibility to even more school districts significantly impacted by the learning loss and allow greater sovereignty of how families can spend the savings account funds to include technology and fees for college courses. The estimated cost of this phase is around $164 million, which will be fully dependent on the number of families interested as well as the state spending per pupil amount. Phase 2 could also expand the number of eligible school districts to include the second lowest quintile of school districts based on the same criteria as in Phase 1.

Then, the next following academic year marked by Phase 3, will allow an opportunity for the State Legislature to determine the future of the program. Paths include maintaining the program, incremental enrollment and funding increases, universal eligibility, or program cancellation. The considerations of this decision should include an analysis of the level of interest of those in the ESA program, the financial constraints and options presented by the state budget process, feedback from those currently in the program, and empirical data on the educational outcomes via assessments. A feedback mechanism should be modeled after the Arizona parent oversight committee defined in Arizona law consisting of six parents of children in the program with members appointed by the president of the senate, speaker of the house of representatives, minority leader of the senate, and minority leader of the house of representatives, and two members who are appointed by the governor (Arizona Law, 2023).

No matter the phase of the program, Virginia should ensure participating non-public schools follow the Arkansas policy that mandates “schools meet accreditation requirements, verify the school’s financial stability and insured status, only employ or contract with teachers who have a baccalaureate degree or equivalent experience, maintain background checks and fingerprinting of all employees” (ADOE, 2023).

Conclusion

The government failure that created the COVID-19 learning loss is a societal challenge that must be confronted with policy intervention to increase parental choice to fulfill familial and student needs. This paper outlined the significance of the learning loss from a wide lens as well as a case study of Virginia standards of learning assessment results, noted the benefits of school choice, and proposed an education savings account (ESA) program. Increased competition in the

educational sector due to this policy intervention will increase opportunities for private school and home instruction, improving student learning outcomes statewide.

Future research that would clarify this topic should compare educational and life outcomes between students in public schools, private schools, and home instruction, chronic absenteeism in different types of schools, and lifetime earnings and satisfaction in different academic settings. This field of research is incredibly important as the educational experience of American children will determine the course of the next generations. Therefore, it is necessary to question conventional wisdom and discover innovative measures to improve educational outcomes.

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Appendix

Figure 1

Virginia Department of Education Science SOL *Test Pass Rates*

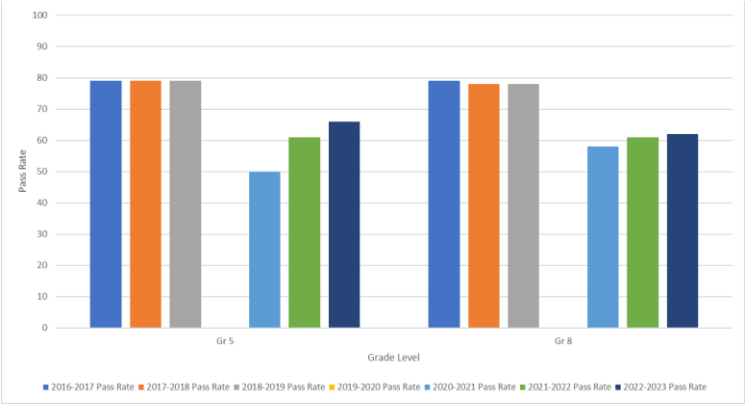

Figure 2

Virginia Department of Mathematics SOL *Test Pass Rates*

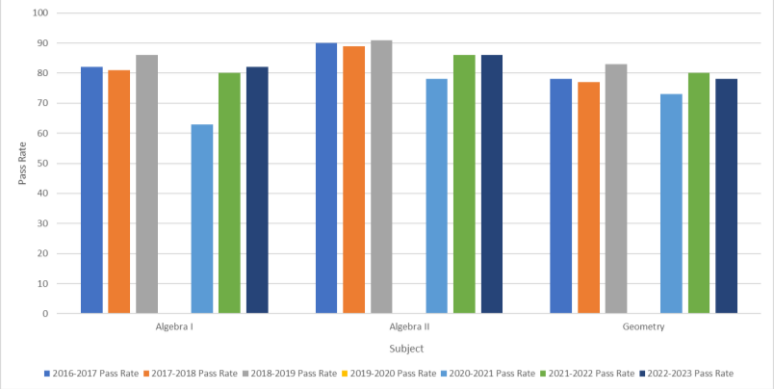

Figure 3

Virginia Department of Education Science SOL *Test Pass Rates*

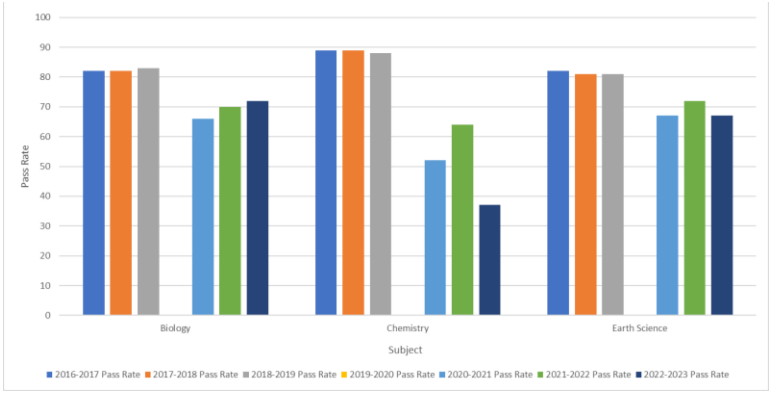

Figure 1

Virginia Department of Education Home Schooled Students & Religious Exemptions, Kindergarten to 5th Grade

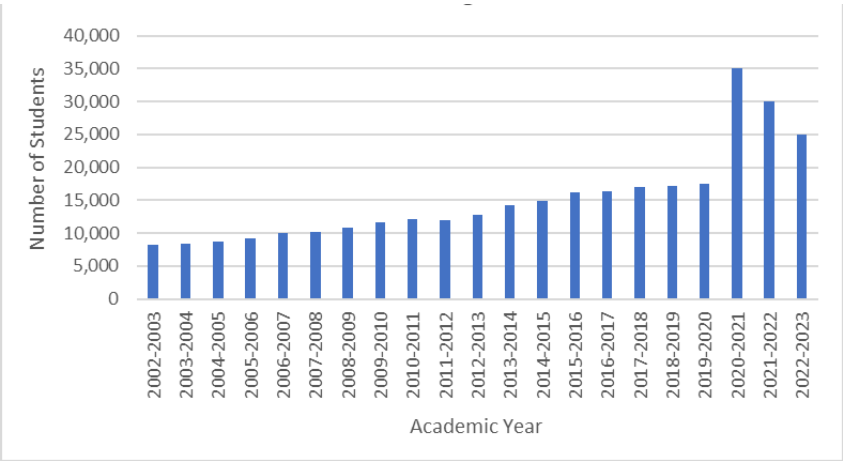

Figure 2

Virginia Department of Education Home Schooled Students & Religious Exemptions, 6th to 8th Grade

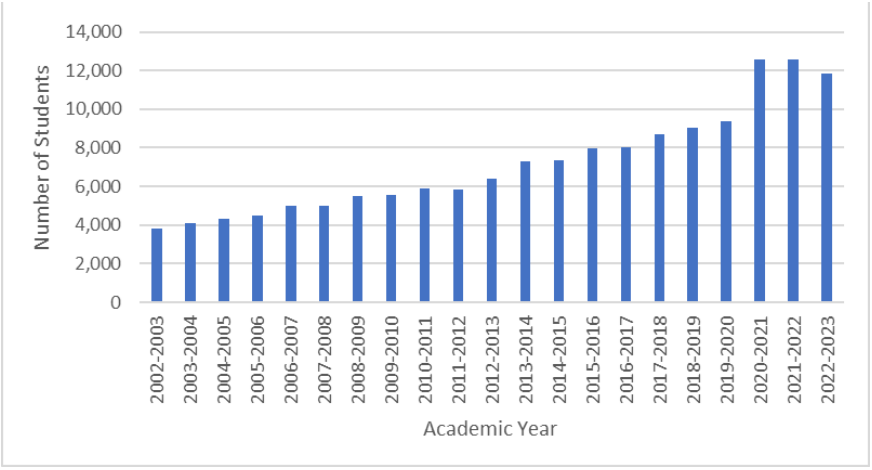

Figure 3

Virginia Department of Education Home Schooled Students & Religious Exemptions, 9th to 12th Grade