WASHINGTON – August 13, 2003 – State high school exit exams have led to improvements in curriculum and instruction but also to ballooning implementation costs and disproportionately low pass rates for minority, poor, and disabled students and English language learners, according to a report released today by the Washington, D.C.-based Center on Education Policy (CEP), which annually tracks the policy, status, and effects of exit exams in the United States. Some states have responded to public opposition and high initial failure rates with waivers, alternative tests, delayed consequences, lowered cut scores, or voided results. However, many of these changes affect small numbers of students, and states are generally forging ahead with their exit exams.

The exams, which this year have denied diplomas to thousands of students nationwide, are now required in 19 states that educate more than half (52 percent) of all public school students and even more (55 percent) of minority public school students. With five additional states (Alaska, Arizona, California, Utah, and Washington) scheduled to phase in new exit exams over the next five years, exit tests will likely affect 7 in 10 public school students and 8 in 10 minority students by 2008 according to State High School Exit Exams: Put To The Test, a new study with information collected from every state with current or planned exit exam requirements, a review of the best research available in the field, and newly commissioned original research.

Although initial pass rates vary considerably from state to state and in different subject areas, the report reveals significant gaps between initial and cumulative pass rates among key groups of students. In 12 states for which the report includes disaggregated performance data, African American, Hispanic, poor and disabled students and English language learners had lower pass rates than their white counterparts in every state in reading and math. In most cases, pass rates were significantly lower (see attached tables).

For example, the gaps in initial pass rates between white and African American students in reading/English language arts range from a 5-point difference in Georgia to a 41-point difference in Florida; in mathematics, the gap ranges from 17 points in Georgia to 45 points in Minnesota. The gaps between white and Hispanic students are also wide, and pass rates for students with disabilities, English language learners, and low-income students continue to be well below average. And while data from a number of states suggest that many students eventually pass the exams in time to graduate, the adverse impact on these groups of students persists even as students are granted numerous opportunities to pass the tests. As states have begun withholding diplomas and phasing in new tests, public and political pressure has grown, which is why some states have made changes to their testing systems.
“The states are struggling with maintaining a balance between firmness and fairness,” says Jack Jennings, director of CEP. “While states want to refrain from watering down requirements, they are seeing low pass rates for minority, poor, and disabled students. States need to monitor the effects of exit exams and continue efforts to speed up implementation of academic interventions and enrichment that can minimize the negative effects of the tests on key populations.”

**Exit Exams’ Impact: Improved Curriculum and Instruction and Higher Dropouts?**

The report finds that the exams appear to have a positive impact on curriculum and instruction, and appear to encourage schools to cover more of the state standards and add remedial and other special courses for students at risk of failing. Research released by the Human Resources Research Organization on California’s exit exam program notes a “profound” impact on instruction, with the number of high schools reporting covering at least 75 percent of the state’s standards jumping from about 20 percent in 1999 to more than 80 percent today. However, the Center also notes a moderate amount of evidence suggesting the exams are associated with higher dropout rates, though research is inconclusive.

“While we cannot yet directly link exit exams to higher dropout rates, there is enough evidence to suggest a relationship between the two,” says Keith Gayler, the Center’s associate director and leader of the exit exam project. “States must find ways of minimizing this risk and supporting students while taking advantage of the positive impacts.”

**‘Hidden’ Costs of Exit Exams**

To determine what kind of economic challenges states face in implementing the tests, CEP examined costs associated with Indiana’s exit exam program – a typical, well-developed model. The study found that developing and administering the tests are a small share of costs while remediation and the “hidden costs” of exit exams such as preventive services for at-risk students and professional development account for most of the expenses.

The study estimates that Indiana’s annual implementation costs for exit exams is about $442 million, or $444 per pupil, equivalent to 5.5 percent of the state’s K-12 expenditures. The cost of raising scores to meet performance targets are even greater, and would require an additional $682 million, equivalent to 8.5 percent of the state’s K-12 budget on top of what the state already spends. Yet Indiana’s dedicated state funding for exit exams covers only a minimal amount of the estimated cost for the program, leaving districts to scramble to cover the rest.

“States should stop treating exit exams as if they are low-cost or no-cost solutions to reform schools,” says Jennings. “If states expect exit exams to improve instruction and raise achievement, they should contribute more to the costs of remediation, professional development, and prevention.”

Based in Washington, D.C. and founded in January 1995, the Center on Education Policy is the national, independent advocate for public education and for more effective public schools. The Center works to help Americans better understand the role of public education in a democracy and the need to improve the academic quality of public schools. The Center does not represent any special interests. Instead the Center helps citizens make sense of the conflicting opinions and perceptions about public education and create conditions that will lead to better public schools.

*State High School Exit Exams: Put To The Test*, along with additional information on CEP and its other publications, is available on the web at [www.cep-dc.org](http://www.cep-dc.org).