Economic and Policy Insights

"Nation's Report Card" Underscores New York's Need for Academic Recovery

March 2023

The COVID-19 pandemic hit New York earlier than most states and forced New York's schools to take on the extraordinary challenge of quickly shifting to remote learning formats. Recent national data show student performance dropped significantly in 2022 from 2019, with New York experiencing even greater declines than the nation in fourth grade math and reading. New York's largest drops were in fourth grade math, with declines in average test scores that were double any other drops in the past 20 years. The results underscore the need for school districts to swiftly invest significant resources in helping students that are most in need to make up for learning loss, while pandemic relief funds for education are still available.

New York's Fourth Grade Declines Were Greater Than the Nation

The National Assessment of Educational Progress (NAEP), which is administered by the U.S. Department of Education's National Center for Education Statistics (NCES), is the largest nationally representative assessment of student academic performance. Unlike individual state assessments, the NAEP is the only common measure of student achievement that allows for direct comparisons among states and is often referred to as "the nation's report card."

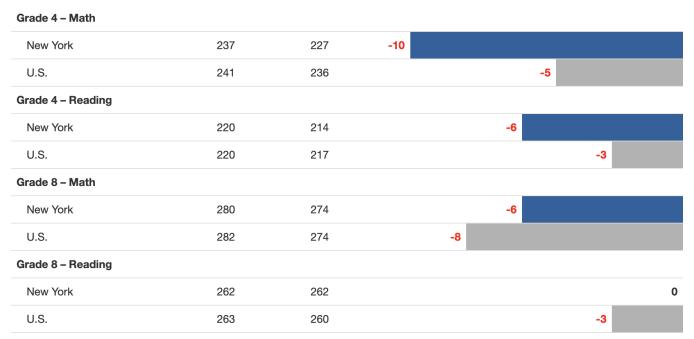
In recent years, the NAEP was administered every two years to grades four, eight and twelve; results for grades four and eight were released in October 2022, three years after the 2019 results. The NAEP reports average scale scores in each subject and percentages of students performing at each of the NAEP achievement levels: "Below Basic," "Basic," "Proficient," and "Advanced." Proficient students are those that demonstrate solid competency over the subject matter. This report examines changes to average scale scores and proficiency rates (including proficient and advanced students) from 2019 to 2022.

As shown in Figure 1, average scale scores declined nationally in fourth and eighth grade math and reading. NCES Commissioner Peggy G. Carr stated, "The results show the profound toll on student learning during the pandemic, as the size and scope of the declines are the largest ever in mathematics." Based on historic trends in NAEP scoring patterns, McKinsey & Company projected it could take decades to return to pre-pandemic levels of academic performance.

New York's average scale scores remained steady for eighth grade reading, but declined in eighth grade math, and fourth grade reading and math. Comparatively, New York's losses in fourth grade math and reading average scale scores were double the national average and exceeded 45 other states in math and 38 other states in reading.

New York's fourth grade average math scores dropped 10 points, double any other decline in the past 20 years. Based on these results, McKinsey estimated New York's fourth grade math learning loss is equivalent to 30 weeks of learning delays—nearly an entire school year.⁵ Relative to other states, New York's drop was so pronounced that its rank in fourth grade math fell from 40th to 46th in the nation.

FIGURE 1 Change in NAEP Average Scale Scores, New York and the US, 2019 and 2022

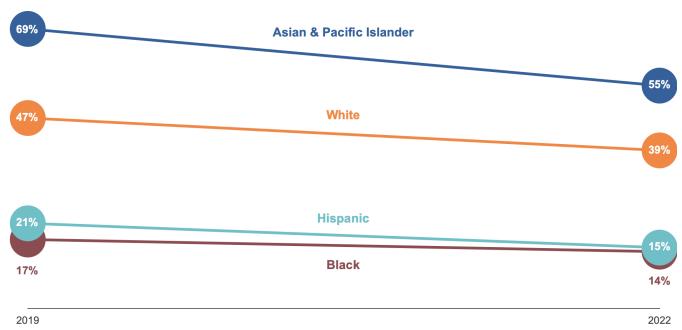


Sources: NAEP Data Explorer; OSC analysis

Fourth Grade Learning Loss Among Demographic Groups in New York

Focusing on scores in fourth grade math—the subject for which New York experienced the most concerning drops—average scale scores declined across all racial and ethnic groups. As shown in Figure 2, proficiency rates declined 8 percentage points from 2019 for White students, 6 points for Hispanic students and 3 points for Black students.⁶ Declines were steepest for Asian and Pacific Islander fourth graders, for whom math proficiency declined 14 percentage points.⁷ In 2022, proficiency rates were 55 percent for Asian students, 39 percent for White students, 15 percent for Hispanic students, and 14 percent for Black students. From 2019 to 2022, achievement gaps in proficiency rates between White students and Black or Hispanic students in New York generally remained steady or even closed slightly.

FIGURE 2
Fourth Grade Math, Percentage of New York Students Proficient on NAEP, 2019 and 2022

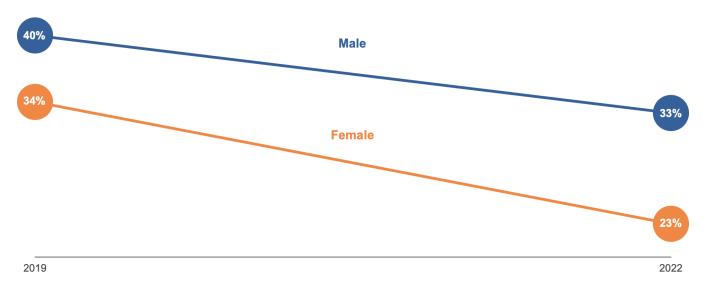


Note: Includes students scoring "proficient" and "advanced."

Sources: NAEP Data Explorer; OSC analysis

Female fourth grade students suffered higher losses in math than their male counterparts. Female proficiency rates dropped 11 percentage points from 34 percent to 23 percent, double any drop seen over the past 20 years.

FIGURE 3
Fourth Grade Math, Percentage of New York Students Proficient by Gender, 2019 and 2022



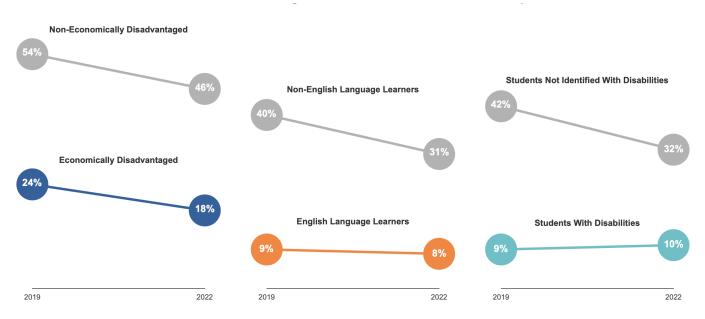
Note: Includes students scoring "proficient" and "advanced."

Sources: NAEP Data Explorer; OSC analysis

Fourth grade math proficiency rates declined 6 percentage points for economically disadvantaged students, dropping from 24 percent to 18 percent.⁹ The proficiency rate dropped 1 percentage point for English language learners but rose by 1 percentage point for students with disabilities, two other demographic groups considered to be disadvantaged academically. Average scale scores for these three groups all dropped: 9 points for economically disadvantaged students, 7 points for English language learners and 6 points for students with disabilities.

The achievement gaps in proficiency rates for all three of these groups narrowed in 2022. For economically disadvantaged students, the gap narrowed slightly from 30 to 28 percentage points. For students with disabilities, the gap closed by 11 points from 2019, showing a 22 point gap in 2022; and for English language learners, the gap narrowed 8 points to a 23 point gap.

FIGURE 4
Fourth Grade Math, Percentage of New York Student Proficient by Status, 2019 and 2022



Note: Includes students scoring "proficient" and "advanced."

Sources: NAEP Data Explorer; OSC analysis

Federal Funding and the Plan to Address Impacts of COVID-19

In remarks released at the same time as the 2022 NAEP scores, U.S. Secretary of Education Miguel Cardona recognized the unprecedented severity of the drops in achievement: "A once-in-a-generation virus upended our country in so many ways—and our students cannot be the ones who sacrifice most in the long run. We must treat the task of catching our children up in reading and math with the urgency this moment demands." 10

Concerns about the pandemic's potential impact on education were clear early on and resulted in three rounds of short-term emergency funding for schools to address the impact of the pandemic. As shown in Figure 5, New York was allocated over \$15 billion in emergency education aid aimed at elementary and secondary schools to address the impact of the pandemic.

FIGURE 5
New York State Allocations of Federal Pandemic Relief for Education (in millions)

	Coronavirus Aid, Relief, and Economic Security (CARES) Act	Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA)	American Rescue Plan Act (ARP)
Elementary and Secondary School Emergency Relief (ESSER)	\$1,037.0	\$4,002.4	\$8,995.3
Governor's Emergency Education Relief (GEER)	\$164.3	\$322.9	
IDEA Special Education			\$184.1
Emergency Assistance to Non-Public Schools (ARP)			\$252.5
ESSER Homeless Children and Youth (ARP)			\$58.9
Smaller CARES Act Programs	\$38.0		
Total	\$1,239.3	\$4,325.3	\$9,490.8

Source: U.S. Department of Education

ESSER Funding for New York

Fourteen billion dollars of the emergency funding for schools for New York was provided by the Elementary and Secondary School Emergency Relief Fund (ESSER).¹¹ Based on the most recent data from the Office of the State Comptroller's COVID-19 Relief Program Tracker through January 31, New York's school districts have spent roughly 40 percent of these federal funds. The balance of these funds must be obligated by September 2024.

The first round of ESSER provided roughly \$1 billion under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and has mostly been spent. The second round (ESSER II) was passed in December 2020, as part of the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA). Eligible uses included addressing learning loss and preparing schools for reopening. New York received just over \$4 billion in ESSER II funding.

In March 2021, the federal government enacted the American Rescue Plan Act (ARP) and along with it the most significant round of education funding (ESSER III), which distributed \$9 billion to New York. To receive the funding, the ARP required states to submit a plan for how ESSER III funds would be used to safely re-open schools and recover from the pandemic. New York's ARP Plan was approved in August 2021. The ARP also required states to make sure that school districts provided plans for how they were spending their ESSER III funds. The State Education Department (NYSED) administered this process and has made each district's approved spending plan publicly available.

Under the ARP, states are required to distribute 90 percent of the funds directly to school districts. Of the remaining 10 percent, states must reserve at least 5 percent of the ESSER III allocation to address the academic impact of lost instructional time. Districts are required to reserve at least 20 percent of the funds they receive for this purpose as well.¹³

While each district plan addresses learning loss, the lack of systematic aggregation of the individual spending plans and significant latitude in ESSER III reporting requirements make it difficult to ascertain the exact amounts that districts plan to devote toward learning loss, the most common strategies, or best practices. A report by the Office of the State Comptroller indicates allocations toward learning loss among the "Big Five" school districts varied from a low of 20 percent in New York City and Rochester to a high of 44 percent in Yonkers. Districts' strategies include intensive tutoring, extended school-day programs, new staff recruitment including teachers, and additional mental health counselors for students. 15

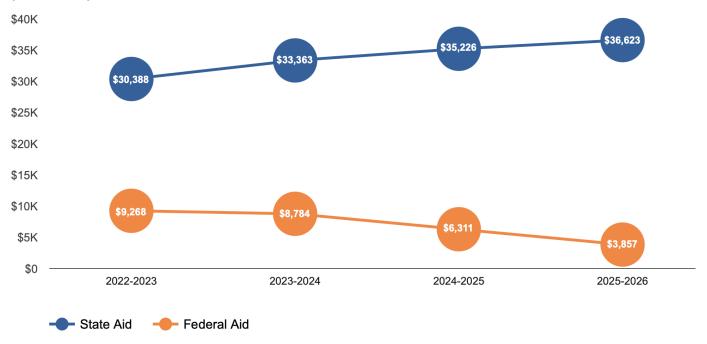
The State's Plan identifies academic recovery as a top priority and has invested in summer learning and expanding afterschool programs to high-need school districts. NYSED also stated it will support and monitor districts' progress and has implemented a pilot program providing students with an individualized education plan to identify and respond to students' individual recovery needs.¹⁶

In terms of overall spending, state-level data published by the U.S. Department of Education show that New York's school districts have spent less than 10 percent of ESSER III funding as of November 30, 2022, suggesting there may be significant opportunities to use NAEP data to reassess spending plans.¹⁷

Federal Pandemic Relief Funding Is Ending

In the upcoming State Fiscal Year (SFY) 2023-24, if the Governor's budget proposal is accepted, there will be \$42.1 billion in combined State and federal education aid available. As shown in Figure 6, by SFY 2025-26, that total is projected to decline, as the balance of federal pandemic relief funds must be obligated by September 2024. This could be problematic if a significant portion of the pandemic relief funds to address learning loss is left unspent or is dedicated to programs with recurring expenses, or if significant progress in academic recovery has not occurred.

FIGURE 6
State and Federal Education Aid, SFY 2022-23—SFY 2025-26 (in millions)



Source: Division of the Budget, 2024 New York State Executive Budget Financial Plan, pg. 59 & 113

Looking Ahead

Nearly three years after the pandemic arrived, it is clear that COVID's disruption had severe learning consequences for millions of students. Districts are still facing new and unique challenges in their recovery and have reported several roadblocks to prudent spending of pandemic aid, such as budgeting concerns when the aid runs out, staffing shortages and supply-chain delays.¹⁸

The recent NAEP test results highlight one of many ways New York State was hit especially hard by the pandemic and underscore that effective use of the short-term federal aid to address learning loss and achievement gaps is even more crucial for New York State's recovery. NYSED should provide guidance to districts in best practices for effective spending of the funds, as well as ways to track the impact of these investments. Districts should use this time to review their current plans and make any necessary amendments to ensure funds are being invested in evidence-based practices targeted to the students most in need. These decisions will play an important role in avoiding negative long-term consequences for students and assisting New York State's overall recovery from the pandemic.

Endnotes

- U.S. Department of Education, National Center for Education Statistics (NCES), An Overview of NAEP, accessed February 9, 2023, at https://nces.ed.gov/nationsreportcard/about; and, An Introduction to NAEP, at https://nces.ed.gov/nationsreportcard/pdf/parents/2010468.pdf.
- New York State Department of Education (NYSED), NYS 2021-22 Report Card Glossary and Guide, at https://data.nysed.gov/files/essa/21-22/glossary.pdf.
- 3 NCES, press release, "Mathematics and Reading Scores of Fourth- and Eighth-Graders Declined in Most States During Pandemic, Nation's Report Card Shows," October 24, 2022, at https://www.nationsreportcard.gov/media.aspx.
- 4 Jake Bryant, et al., COVID-19 Learning Delay and Recovery: Where Do US States Stand?, McKinsey & Company, January 11, 2023, at https://www.mckinsey.com/industries/education/our-insights/covid-19-learning-delay-and-recovery-where-do-us-states-stand#.
- Jake Bryant, et al., COVID-19 Learning Delay and Recovery: Where Do US States Stand?, McKinsey & Company, January 11, 2023, at https://www. mckinsey.com/industries/education/our-insights/covid-19-learning-delay-and-recovery-where-do-us-states-stand#/; Andrew Ho, et al., Linking U.S. School District Test Score Distributions to a Common Scale, Stanford Center for Education Policy Analysis, Working Paper No. 16-09, July 2018, at https://cepa. stanford.edu/sites/default/files/wp16-09-v201807.pdf.
- Much of the research on COVID-19 learning loss has found that lower-income, Black, and Hispanic students are disproportionately impacted, and projected that remote instruction would widen already existing race- and poverty-based achievement gaps. See: Emma Dorn et al., COVID-19 and Student Learning in the United States: The Hurt Could Last a Lifetime, McKinsey & Co., June 1, 2020, at https://www.mckinsey.com/industries/education/our-insights/covid-19-and-student-learning-in-the-united-states-the-hurt-could-last-a-lifetime; Dan Goldhaber, et al., The Consequences of Remote and Hybrid Instruction During the Pandemic, Harvard University Center for Education Policy Research, May 2022, at https://cepr.harvard.edu/files/cepr/files/5-4.pdf?m=1651690491.
- Decreases in proficiency for all racial and ethnic categories except one were accompanied by a commensurate increase in "Below Basic" scores. Hispanic students saw a 14 percent increase in scores that were "Below Basic," compared to a 9 percent increase for White students and 7 percent for Black students. For Asian and Pacific Islanders, the drop in proficiency led to an increase in scores at the "Basic" level.
- 8 Proficiency rates also declined more for female students in fourth grade reading.

- 9 NYSED defines "economically disadvantaged" as a student who participates in, or whose family participates in, economic assistance programs, such as the Free or Reduced-Price Lunch Programs (NYS 2021-22 Report Card Glossary and Guide), and the NAEP data used in this Report regarding economically disadvantaged students are based on whether or not the student was eligible for the national school lunch program.
- 10 U.S. Department of Education, Statement by U.S. Secretary of Education Miguel Cardona on Nation's Report Card, October 24, 2022, at https://www.ed.gov/news/press-releases/ statement-us-secretary-education-miguel-cardona-nations-report-card.
- 11 An additional \$1 billion in education aid was distributed under non-ESSER programs, such as the Governor's Emergency Education Relief Fund (GEER), and programs specifically tailored for special education and specific assistance to non-public schools.
- 12 See U.S. Department of Education approval letter, dated August 5, 2021, at https://oese.ed.gov/files/2021/08/New-York-ARP-ESSER-State-Plan-Approval-Letter1.pdf.
- 13 See U.S. Department of Education, U.S. Department of Education Fact Sheet: American Rescue Plan Act of 2021, at https://oese.ed.gov/files/2021/03/FINAL_ ARP-ESSER-FACT-SHEET.pdf.
- 14 For some analysis of individual spending plans, see OSC's report, A Comparative Assessment of New York City's Federal Pandemic Education Aid (November 2022), that reviews ESSER spending among New York's "Big 5" school districts (the "Big 5" include New York City public schools and the city school districts of Buffalo, Rochester, Syracuse and Yonkers, which account for approximately 45 percent of K-12 public school students in the State).

- 15 The Education Trust, *Promising Practices: A School District Guide to Advocating for Equity in American Rescue Plan Spending*, October 2022, at https://edtrust.org/wp-content/uploads/2014/09/Promising-Practices-A-School-District-Guide-to-Advocating-for-Equity-in-American-Rescue-Plan-Spending-October-2022.pdf; John Hildebrand, "NY Schools Have Spent Only About 20% of Billions Received in Federal COVID Aid. Advocates Want Them to Pick Up the Pace." Newsday, December 23, 2022, at https://www.newsday.com/beta/long-island/education/federal-spending-long-island-schools-Inmeu7dj.
- 16 U.S. Department of Education, New York ARP ESSER State Plan Highlights, at https://oese.ed.gov/files/2021/08/New-York-ARP-ESSER-State-Plan-Highlights-v2-080321.pdf; and Kathleen Moore, "Regents: Individualized Plan for Every Child Might Help Students Recover from Pandemic Learning Losses," Albany Times Union, January 10, 2023, at https://www.timesunion.com/news/article/Regents-an-IEP-for-every-child-might-help-them-17705431.php.
- 17 See U.S. Department of Education, Education Stabilization Fund Transparency Portal, accessed February 9, 2023, at https://covid-relief-data.ed.gov/profile/state/NY. This portal breaks down spending by each round of funding.
- 18 John Hildebrand, at al., "Schools Got \$122 Billion to Reopen Last Year. Most Has Not Been Used." Washington Post, October 24, 2022, at https://www. washingtonpost.com/education/2022/10/24/covid-spending-schools-students-achievement/; Charley Locke, "American Schools Got a \$190 Billion Covid Windfall. Where Is It Going?," New York Times Magazine, September 9, 2022, at https://www.nytimes.com/2022/09/08/magazine/covid-aid-schools.html.

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