

ISSUE BRIEF | Center for 1776 & Center for Education Opportunity

STATE POLICY ACTIONS TO SUPPORT MICROSCHOOLS, ANOTHER OPTION FOR FAMILIES

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TOPLINE POINTS

- ★ Microschools are gaining popularity as parents become increasingly dissatisfied with rapidly declining public school curricula and low academic performance.
- ★ Many states have taken direct and indirect steps to support microschools, such as expanding educational savings accounts and introducing legislation to loosen requirements for microschools.
- ★ States should continue to expand school choice policies, foster district-parent partnerships, remove burdensome zoning and licensing requirements, and enact laws to protect microschools from federal infringement.

Overview

Microschools are gaining significant attention nationwide, their defining features being less federal involvement, more individualized instruction for students, small classes, and untraditional settings. These schools are being positively featured in various media platforms, such as the *Washington Post*, the *Wall Street Journal*, and Good Morning America. These alternative models have also attracted substantial investments from venture capitalists. Parents are showing openness to new educational approaches, and teachers are voicing their dissatisfaction with the conventional public school system.

American schools are being overtaken by radical teachings <u>like race-based ideology</u> and gender theory. Student academic performance is hitting a 30-year low, and parents are looking for alternatives to traditional public schools (<u>Todd-Smith et al., 2024</u>). Microschooling, an innovative model that prioritizes individual learning and values freedom from government mandates, gained popularity during COVID-19 school shutdowns and is now available in all 50 states. These schools do not require

federal accreditation and are sometimes described as a reinvention of the one-room schoolhouse, where teachers provide individual attention to a small number of students in one room. Microschools have no government-mandated curriculum, and learning sessions in these schools take place in a variety of settings—churches, temples, private homes, and office buildings (<u>American Microschools: A Sector Analysis, 2022</u>). This allows for more tailored learning and parental involvement, along with less government oversight in many cases.

According to Don Soifer, CEO of the National Microschooling Center, 1.5 million children attend one of the country's roughly 95,000 microschools (Berlie, 2024). According to the 2022 EdChoice Public Opinion Tracker, 34 percent of parents with at least one child enrolled in grades K–12 indicated that they are participating in a learning pod—a small group of K–12 students who learn together outside of a classroom—or are seeking to form or join one (Tarnowski, 2022). While 54 percent of microschools have students in class full-time, 46 percent offer some kind of hybrid or part-time schedule (McShane, 2023). Many families use microschooling as a supplement to their traditional education.

While parents and families are often the ones to start microschools for their children, former public schoolteachers sometimes initiate microschools to serve students in a more individualized manner. Starting their own schools allows trained teachers to approach education with a more individualized curriculum and avoid requirements, such as excessive testing, that can ultimately be a hindrance for students. In addition, microschool founders have the potential to earn a competitive salary that might be preferable to a public school salary (KaiPod, n.d.). Systems like KaiPod recruit high-performing educators twice a year to complete a course and learn how to launch microschools. The innovative course provides them with the resources they need to sustain the schools and be successful (KaiPod, n.d.).

For parents or teachers who wish to stay connected to the district but desire more control over the curriculum, microschool partnerships with public districts may be an option in the future. Former Idaho state Senator Steven Thayn has spoken about his belief that there is a future for microschool partnerships with public school districts. According to the American Enterprise Institute, these partnerships would allow the public system to retain much of the money for the enrolled student while giving families the freedom to oversee the curriculum (Thayn, 2023).

Regulating Microschools

Microschools are subject to varying degrees of regulation, depending on the state in which they operate. Many states have specific regulations set by their department of education. These regulations often include curriculum standards and required subjects, teacher qualifications, assessment, or standardized testing. Only microschools that classify themselves as private schools, roughly one third, are subject to these regulations. Non-private microschools are not subject to these regulations and are known as "learning centers" or "learning pods," catering to students who are classified as being homeschooled. (McShane, 2023).

Microschools operated under the umbrella of homeschooling laws have a few requirements. Parents must notify the state or local education authority of their intent to homeschool, maintain attendance records, conduct annual evaluations, and monitor progress. Some states allow





microschools to operate as private schools, which requires obtaining accreditation from state-recognized bodies, adherence to health and safety standards, and financial reporting. In some states, public charter and traditional school districts are reimbursed for participating in hybrid homeschooling models. In those states, microschools might function in combination with public or charter schools, requiring a partnership, dual enrollment, charter approval, or accountability plan.

Examples of state regulations:

- California: Microschools often fall under private school statutes, requiring them to file a Private School Affidavit and meet health and safety standards.
- Texas: Microschools operate with significant flexibility under homeschooling laws, with minimal state interference, primarily focusing on educational progress and curriculum adherence.
- New York: Microschools must comply with more stringent private school regulations, including curriculum approval and regular inspections by state education authorities.

The regulation of microschools varies significantly across states, with some states offering greater flexibility and others imposing more burdensome standards. Common regulatory areas include curriculum standards, teacher qualifications, student assessment, health and safety compliance, and financial reporting. Understanding specific state requirements is crucial for establishing and operating a microschool successfully.

States Supporting Microschools

Many states have taken steps to support microschools. First and foremost, states that have passed universal school choice have allowed parents to put education savings account (ESA) funds toward whichever school best fits their child's needs—private, parochial, or homeschool. While 34 states offer some form of school choice, only 18 states offer ESAs and 12 states currently offer universal school choice (America First Parents, n.d.). Universal school choice programs provide ESAs to every family in the state while non-universal ESA programs are only available to some families.

School choice policies in many states have allowed parents to choose the school that is best for their child whether private, religious, or parochial, or homeschooling. This is ideal for those interested in alternatives because microschools fall under the homeschool or private school umbrella, depending on size, grade level accommodation, and classification. In Arizona, for example, empowerment scholarship accounts have resulted in a wave of microschools (Riley, 2023). In states without ESAs, parents pay out of pocket for these services or start their own schools with other community members.

Some microschools—depending on their size and the state protocol—face regulatory issues, such as licensure requirements. And if a microschool is not regulated as a school, it still may be liable for regulation as a childcare facility. Both require licensure, which can be costly and involve hefty compliance costs, ultimately decreasing funds that could be used for educational purposes. Licensure may result in requirements, such as a minimum number of feet for playground space or a maximum number of students per employee, that differ from the standard classroom ratio (Suhr, 2023). To address this, the governor of Utah signed SB13, which grants microschools the same zoning privileges



as other private schools, meaning fewer permits are required. <u>SB13</u> also prohibits local school departments from requiring a home-based microschool or micro-education entity to provide teaching credentials, submit to inspection, and conduct testing, protecting the freedom that microschoolers want from government infringement on their children's education.

In addition to passing school choice policies, decreasing burdensome licensure regulations for microschools, and protecting microschools from federal infringement, states can take action through their departments of education to introduce guidelines for parents and teachers interested in starting or attending microschools in their states. According to a 2023 survey, when asked about their needs, more than 25 percent of microschool leaders said that they needed better training in statutes and regulations, business management, governance, selecting and implementing learning tools, or marketing (McShane, 2023). State departments of education should work directly with microschool leaders and founders to determine what guidance would be most useful to help serve their districts. From there, the departments should publish guidance on their agency websites.

Microschool Outcomes

While not as much data is available for microschools as for public schools, initial academic outcomes are promising. A 2022–2023 report from the New Hampshire Department of Education presents data showing educational outcomes for students who attend microschools that use Prenda, a K–eighth curriculum and microschool management platform. According to the study, 82 percent of first-year students chose a positive word to describe their experience. In terms of grade-level improvement, 54 percent of struggling students showed at least one full grade level of growth in English language arts, and 62 percent of struggling students showed at least one full grade level of growth in mathematics. Impressively, in mathematics, 75 percent of students were at or above grade level (New Hampshire Department of Education, 2023.

Dream Tech Academy is an example of a microschool that has seen significant development and success in its elementary, middle, and high school students. Danette Buckley, a former public school teacher, founded Dream Tech as a learning coach with just her children and a family friend in the Hopewell City Public Schools district which has just one middle school and one high school. Five years later, she has moved to a larger location to accommodate 30 students and now offers a hybrid option that allows students to complete all schoolwork from home while still learning with their peers. The academy mainly services low-income families and prioritizes college prep by placing students in community college courses, providing ACT prep, and focusing on individual needs, with a 6:1 student ratio (McDonald, 2023; Dream Tech Academy, n.d.). The average growth rate in math from 2022–2023 was 1.5 grade levels, and the average growth rate in reading from 2022–2023 was 2.7 grade levels. Moreover, 93 percent of students say they enjoy going to school. Microschools like Dream Tech offer families, including those with lower incomes, an alternative to public schooling and provide students with the opportunity to receive a more tailored, high-quality education.

Summary of State Guidance





- Policymakers should examine laws, regulations, and education funding to identify best practices and effective regulatory frameworks for microschools.
- State legislators should consider passing universal school choice policies that enable parents to allocate ESA funds toward schools of their choice, including microschools.
- States could explore incentivizing school districts to allow parents to select alternative schooling choices, such as microschools, supported by public financial resources.
- Policymakers should consider legislation inspired by Utah SB13, which aims to grant
 microschools zoning privileges similar to those of charter and private schools and reassess
 licensure requirements to mitigate compliance costs.
- Policymakers could help low-income and disadvantaged families access microschools through their local school districts, charter schools, and ESAs.
- State leaders should consider passing laws to safeguard microschools from potential federal infringements, including inspections and testing requirements.
- State departments of education should consider increased communication with microschoolers in their state to determine the most beneficial guidelines and funding support for this innovative educational structure.

Conclusion

Microschools are an educational innovation driven by parents and teachers who independently established these small-scale institutions without seeking formal approval. Recognizing the diverse educational needs, aptitudes, and interests of children, families seek a variety of schooling options, including those emphasizing STEM, classical education, self-directed learning, and other specialized approaches. Educators also desire greater flexibility in teaching methods to align with their pedagogical beliefs. Microschools offer an ideal environment for implementing innovative educational practices. This educational model should be accessible to all families, not limited to a privileged few.





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