

## Third-grade Retention: Research Evidence, Supporting Structures, and Policy Recommendations

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Over the past 15 years, US states have passed a wave of early literacy reforms<sup>1</sup>. This legislation commonly includes early identification of and intervention for struggling readers, instructional approaches grounded in the science of reading, and grade retention for students (often in third grade) who fail to meet year-end reading benchmarks. Among these components of early literacy policy, third-grade retention has been the most controversial. Conventional wisdom has been that grade retention diminishes students' academic performance, self-esteem, and future success<sup>2</sup>. Yet, a growing body of recent work using credible quasi-experimental research designs has consistently shown that *early* grade retention policies have academic benefits for students without harmful long-term consequences (e.g., greater disciplinary issues and lower graduation rates). The purpose of this brief is to examine the research literature on third-grade retention, explore structural supports that accompany retention policies, and offer recommendations for policy in Oklahoma.

### Understanding Grade Retention in Third Grade

Grade retention generally refers to a student repeating the same grade for an additional year because he/she has not met academic benchmarks for promotion to the next grade level. The adoption of third-grade retention statutes has accelerated across the United States over the past 15 years. Third grade has become a focal point, in part, because states give their federally mandated assessments starting in third grade. Testing in third grade also offers a comparatively reliable measure of a student's reading ability, whereas researchers have shown that there is considerable variability on assessments given in kindergarten through second grade, suggesting greater developmental variability during these earlier years<sup>3</sup>. By third grade, students must also be able to decode and comprehend grade-level texts.<sup>4</sup>

Not all flagged students are retained. States adopting third-grade retention laws provide "good-cause" exemptions that allow students to advance to the next grade under certain conditions. For example, students with severe disabilities can receive good-cause exemptions that enable them to progress to the next grade level despite not meeting academic benchmarks. Students who have been previously retained are also often permitted to move forward. Good-cause exemptions typically permit students who do not meet proficiency benchmarks on a

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state’s primary standardized test to advance to the next grade by demonstrating proficiency on other valid and reliable tests.

Across states, there are varying degrees of flexibility associated with good-cause exemptions. Overly expansive options for good-cause exemptions might reduce the effectiveness of retention laws, particularly if these exemptions do not have adequate guardrails for their use. As an example, some states permit teacher and parental input to factor into retention decisions, which can introduce subjectivity that dilutes the effectiveness of grade retention and leads to unfairness in retention decisions. Table 1 presents a list of common good-cause exemptions.

**Table 1. Good-cause Exemptions for Grade Retention**

Exemption Group	Good-cause Exemption Circumstance
Students with Disabilities	The student has a significant cognitive disability, and the state/school determines that retention is inappropriate.
Prior Grade Retention	The student is promoted because he/she has been previously retained in kindergarten, first, or second grade.
Prior Intensive Remediation	The student has received two or more years of intensive reading intervention but continues to struggle.
Significant Medical or Personal Hardship	The student has experienced serious illness, extended hospitalization, trauma, or extraordinary circumstances that have impacted his/her academic development.
Near-Proficiency with Demonstrated Growth	The student narrowly missed the proficiency cutoff but has demonstrated a strong growth trajectory that will eventually lead to proficiency.

## National Context: Early Grade Retention and Literacy

Nationally, seventeen states have adopted a test-based grade retention policy in third grade<sup>5</sup>. The most widely cited case is that of Mississippi. The state passed its Literacy-based Promotion Act in 2012, establishing K-3 universal screening, individual reading plans, and a third-grade retention measure<sup>6</sup>. When the act took effect in 2013, Mississippi was ranked 49<sup>th</sup> in the nation in fourth-grade reading on the National Assessment for Educational Progress

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(NAEP). By 2024, the state was ranked ninth in fourth-grade reading and first nationwide in fourth-grade reading among Hispanic and low-income students<sup>7</sup>.

In recent years, other states that enacted third-grade retention laws have begun to see significant academic gains. Indiana re-established its third-grade retention law in 2024. Early reports point to major improvements, including a rapid rise of 5% of third-grade students reading proficiently on Indiana’s state test<sup>8</sup>. Louisiana, Tennessee, and South Carolina have recently passed third-grade retention laws accompanied by early literacy supports. All three states have since experienced rises in the percentage of students meeting or exceeding expectations in English language arts on their state assessments.

It is important to stress that third-grade retention has not been a stand-alone policy. States have passed third-grade retention laws together with a package of early literacy initiatives, including early screening, teacher training aligned with the science of reading, and intensive early interventions for students who are at risk of retention.

## Research on Third-Grade Retention

Decades ago, it was widely believed that grade retention was ineffective. Research on grade retention done during the 1980s and 1990s tended to exhibit null or even negative results<sup>9</sup>. However, these studies were mostly correlational comparisons evaluating grade retention across elementary, middle, and high school grades. Very few studies from this early period accounted for selection bias—the idea that students flagged for retention are likely to be a substantively different student subgroup whose underlying characteristics may drive observed outcomes and growth trajectories in ways that are different from students who are not flagged for retention. Aside from selection bias, these earlier studies also lacked rigor, relying on small local samples or perceptual survey data rather than more objective standardized assessments.

By contrast, contemporary research on grade retention uses far more credible designs with large student samples. This newer research primarily draws on quasi-experimental methods to examine standardized assessments, exploiting test-score cutoffs for promotion or retention to estimate causal effects for students near a retention threshold. By comparing students who are slightly below and slightly above the retention threshold, these contemporary study designs compare students who are otherwise similar, addressing selection bias more adequately and providing credible causal estimates of the effect of third-grade retention.

Table 2 presents research using designs that estimate the causal effect of third-grade retention. This body of evidence suggests that third-grade retention offers struggling third-grade students a critical opportunity to catch up to their peers academically. Scholars have also

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found that merely flagging a student for retention (whether he/she is ultimately retained or not) leads to improved outcomes. Considering this finding, it may be that the prospect of retention itself serves to galvanize schools, teachers, and families to prioritize early reading, intervening with a sense of urgency if a student is at-risk for grade retention<sup>10</sup>.

Although the current evidence base is robust, longitudinal analysis investigating outcomes (e.g., graduation, GPA, and SAT/ACT scores) in high school and beyond remains an active area of research. Some emerging scholarship indicates that academic gains over unretained peers in the first few years immediately after retention may diminish or equalize by high school<sup>11</sup>. Furthermore, the research literature shows enhanced outcomes for third-grade retention, but grade retention in middle and high school seems to have detrimental effects on students<sup>12</sup>.

**Table 2. Contemporary Research on Third-Grade Retention**

Authors	Study Setting	Sample	Analysis	Results
Berne et al. (2025) <sup>13</sup>	Michigan	31,285 Students	Quasi-experimental (Regression Discontinuity)	Students who were merely flagged for retention showed increased reading scores during the following school year.
Greene & Winters (2007) <sup>14</sup>	Florida	71,950 & 7,087 Students	Quasi-experimental (Instrumental Variable and Regression Discontinuity)	Retained students slightly outperformed socially promoted students in reading in the first year after retention. These gains increased substantially in the second year.
Hwang & Koedel (2023) <sup>15</sup>	Indiana	8,479 & 3,222 Students	Quasi-experimental (Regression Discontinuity)	Third-grade retention increased achievement in ELA and math. Effects persisted into middle school.
Jacob & Lefgren (2009) <sup>16</sup>	Chicago	7,623 Students	Quasi-experimental (Instrumental Variable and Regression Discontinuity)	Third-grade retention increased academic achievement considerably.

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Authors	Study Setting	Sample	Analysis	Results
Mumma & Winters (2023) <sup>17</sup>	Mississippi	1,042 Students	Quasi-experimental (Regression Discontinuity)	Third-grade retention led to large improvements in ELA scores but no significant effects on math. Test score gains were driven by Black and Hispanic students.
Ozek (2015) <sup>18</sup>	Florida	178,248 Students	Quasi-experimental (Regression Discontinuity)	Grade retention increased the likelihood of disciplinary incidents and suspensions in the short run, but these effects dissipated over time.
Schwerdt et al. (2017) <sup>19</sup>	Florida	74,674 & 23,816 Students	Quasi-experimental (Regression Discontinuity)	Being retained in third grade improved students' grade point average and led to fewer remedial courses in high school but it had no effect on graduation rates.

**Note:** All studies listed in Table 2 examined third-grade retention policies, using quasi-experimental methods by exploiting a third-grade cut score.

## Supports Accompanying Third-Grade Retention

Third-grade retention policies operate alongside supports designed to identify struggling readers early on and then provide targeted interventions to prevent grade retention.

**Universal Screening.** Universal screening refers to the systematic assessment of all students—typically in kindergarten through second grade—using standardized literacy measures administered at regular intervals throughout the school year. These screeners are designed to identify students at risk for reading difficulties so that schools can intervene to prevent retention. Presently, Oklahoma’s districts may choose from seven such screeners with two of these screeners (i.e., Amira and Star Renaissance) covering approximately 75% of all Oklahoma’s districts<sup>1</sup>.

**Instructional Coaching.** Instructional coaching involves trained literacy specialists working directly with classroom teachers to improve the quality and consistency of reading instruction. Coaches provide support by modeling lessons, observing instruction, offering feedback, and supporting teachers in implementing evidence-based literacy practices. More effective

<sup>1</sup> Author’s calculations from internal data

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coaching models tend to have a higher degree of consistency and structure (i.e., state-contracted coaches) as opposed to decentralized models where districts are left to create their own coaching corps<sup>20</sup>.

**Retention Caps and Cut Scores.** Retention caps place an upper limit on the proportion of students who may be retained, often during the initial years of policy implementation. These caps are intended to encourage early intervention, prevent overuse of retention, and allow districts time to build instructional capacity, with proficiency caps gradually rising as systems mature. In Mississippi, the state established a modest initial cut score when its retention law went into effect. Then, it raised the cut score over several years as instructional capacity improved statewide. This approach appears to have reduced the risk of large-scale retention in the first year while steadily helping to raise academic expectations over time.

**Preventative Interventions.** Preventative interventions refer to targeted support for students who are identified as at risk for grade retention before retention decisions are made. Common interventions associated with third-grade retention policies include transition classes that offer small classes; summer literacy programs; tutoring delivered in small groups or one-on-one; and pull-out or push-in interventions, in which students receive supplemental instruction during the school day. It must be noted that districts vary in their capacity to deliver these types of options.

## Third-Grade Retention in Oklahoma

Oklahoma has made significant legislative progress on its early literacy initiatives. The state now requires regular early monitoring, individual reading plans, and universal screening. It also holds teacher training programs accountable by requiring elementary school teachers to demonstrate competency in teaching literacy using evidence-informed instructional methods. It has prohibited three-cueing – a practice that encourages students to use context and visual cues to predict unfamiliar words while deemphasizing phonics and phonemic awareness.

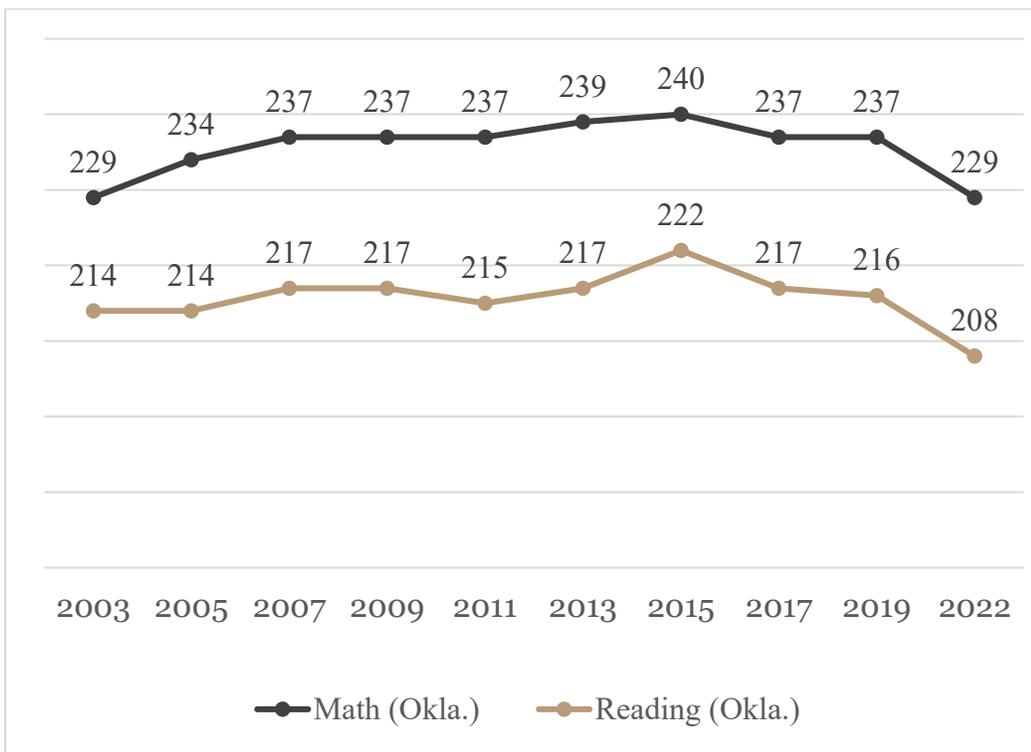
Even though Oklahoma has adopted many evidence-based early literacy strategies, it does not currently have a third-grade retention provision in place. In 2011, the state did pass such a measure, but soon thereafter, revisions to the law diluted its enforcement, arguably rendering the law ineffective<sup>21</sup>. In 2014, for example, the legislature added a “probationary promotion” provision that enabled a student reading below grade level to advance to fourth grade if the student’s parent/guardians and teachers recommended the student for promotion. Then in 2017, the legislature made the “probationary” component permanent, further undermining the intent of the original law.

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By 2024, the blunted third-grade retention provision was altogether eliminated in Oklahoma under the Strong Readers Act. Looking back, Oklahoma’s NAEP scores indicate that fourth-grade reading scores increased following the passage of Oklahoma’s third-grade retention law in 2011. Some have argued that these initial gains are attributable to that provision before it was weakened by subsequent revisions<sup>22</sup>.

**Figure 1. NAEP Reading and Math Scores (Grade 4, Oklahoma)**



## Recommendations for Oklahoma

Oklahoma’s legislature is considering reestablishing its third-grade retention law during the 2026 session. Rigorous scholarly research suggests that third-grade retention laws can be academically beneficial. However, there is a series of structural supports that may be needed to ensure the success of the law. The following are components that Oklahoma may need to consider as part of its third-grade retention law:

**Phased-in retention cap with rising proficiency expectations.** Limit third-grade retention to no more than 5-8% of third-grade students in the initial implementation year, with the promotion standard and retention threshold increasing every two years as instructional

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capacity and early literacy outcomes improve statewide. Allow schools to retain students earlier but avoid mandating retention in earlier grades, given persistent questions about developmental variability and testing reliability in kindergarten through second grade.

**Early identification, parent notification, and pre-retention intervention.** Require districts to flag at-risk students no later than first grade, provide timely parent notification, and implement instructional interventions in kindergarten to second grade, reinforcing the idea that retention is used after other efforts have been exhausted.

**Streamlined screening to identify students in need of targeted support.** Limit school districts to one or two state-approved literacy screeners in kindergarten to second grade to ensure consistency for families, reduce testing burden on teachers, and enable the state to deliver technical assistance, data support, and implementation monitoring.

**Targeted state-led instructional coaching for teachers in the lowest-performing elementary schools.** Deploy state-contracted instructional coaches to the lowest-performing elementary schools in the state, prioritizing those with high concentrations of struggling readers. Instead of hiring existing teachers to serve as coaches, loosen retirement restrictions to enable retired teachers to become state-contracted instructional coaches. Use state-contracted coaches to ensure consistent, quality coaching. Assign coaches based on student performance data with a focus on improving core instructional practices in literacy during grades kindergarten to second grade.

**Flexible intervention funding with accountability.** Establish a dedicated literacy intervention fund that permits districts to select from a menu of approved supports (e.g., high-impact tutoring, summer literacy programs, extended learning time, transition year) while holding districts accountable for implementation fidelity and measurable reading gains.

## Conclusion

Contemporary research shows that third-grade retention can improve academic outcomes for students who are not meeting proficiency benchmarks in reading. As Oklahoma considers reestablishing its third-grade retention law, evidence indicates that retention is most effective when embedded in a broader early literacy framework that includes phased-in retention caps, early identification and intervention, focused screening, targeted instructional coaching, and flexible but accountable intervention funding. Absent these supports, it is possible that third-grade retention will not have its intended effect.

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## Endnotes

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