

# ACT State & Federal Policy Issue Brief



## How Standardized Tests Make College Admissions Fairer

**James Riddlesperger**

During the past several years, many colleges and universities have moved toward test-optional admissions policies despite years of evidence from ACT and others showing that such policies do not benefit the students from low-income families and students of color whom they

are intended to support. Coming out of the COVID-19 pandemic, though, many institutions, from the Massachusetts Institute of Technology (MIT)<sup>1</sup> to the University of Texas<sup>2</sup> to Johns Hopkins University<sup>3</sup> and others,<sup>4</sup> are returning to test-required admissions policies. They are doing so after finding that standardized tests help them, as MIT stated, “better assess the academic preparedness of all applicants” and also “identify socioeconomically

disadvantaged students” who are prepared to thrive at their institutions.

Research<sup>5</sup> from the Opportunity Insights group at Harvard University has concluded that “standardized test scores may have more value for admissions than previously understood in the literature.” This brief presents evidence that:

- The objective standard set by standardized tests makes the college

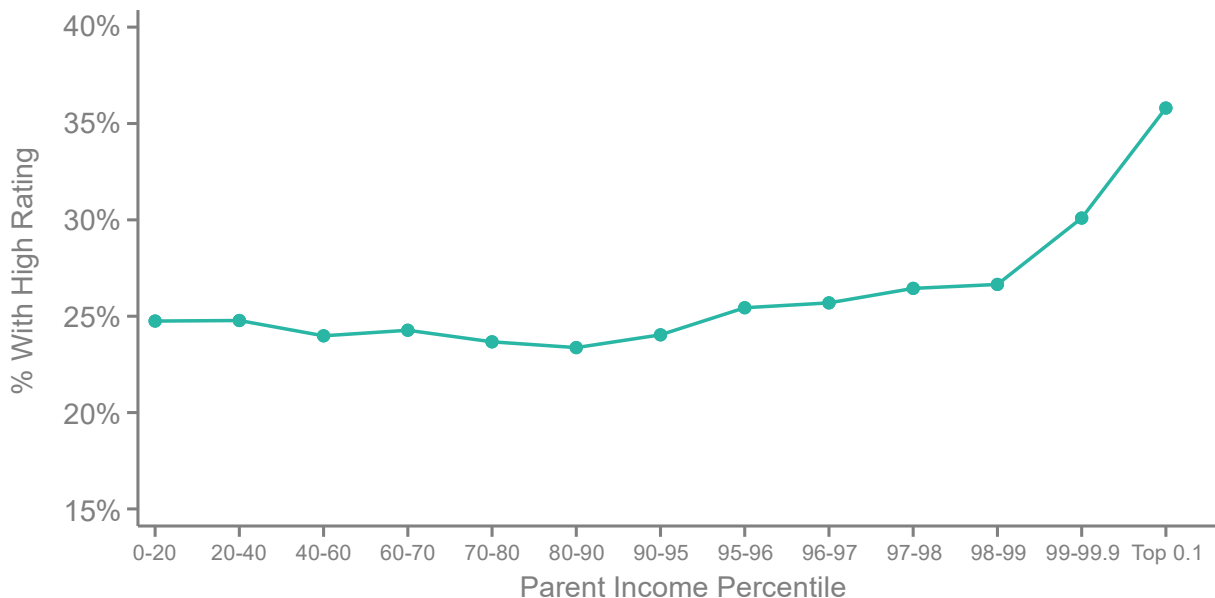


Figure 1. Non-academic metrics used by admissions offices systematically advantage students from families in the top 1% of the income distribution.

Source: [Opportunity Insights](#)

admissions process fairer for students.

- ACT is committed to ensuring that the ACT® test adheres to industry best practices for equity and fairness.
- Through State and District testing programs and the important but underused fee waiver program, ACT strives to give all students an opportunity to take the ACT test.

### Setting an objective standard

Selective colleges and universities often consider non-academic factors, such as extracurricular activities, leadership qualities, and personal traits, in addition to traditional academic metrics like ACT scores and high school GPA. Critics of standardized tests argue that standardized tests disadvantage students from underserved backgrounds.

However, research from Opportunity Insights shows that subjective and non-academic ratings disproportionately benefit students from higher-income families (see Figure 1). Standardized tests, as an objective standard, make college admissions processes fairer to students from all backgrounds.

Moreover, critics<sup>6</sup> of standardized tests argue that high school GPA alone is a better metric for use in admissions than the holistic approach ACT supports, which incorporates information from high school GPA and scores on tests like the ACT. Again, the researchers from Opportunity Insights have uncovered that, in terms of predicting success in college, test scores are a more predictive metric than high school GPA (Figure 2), leading to the conclusion<sup>7</sup> that “high school GPA does

a poor job of predicting academic success in college.”

***Standardized tests, as an objective standard, make college admissions processes fairer to students of all backgrounds.***

ACT’s recent research suggests that this has become even more true since the COVID-19 pandemic. In the context of [the finding](#) that “colleges that rely only on HSGPA... risk overestimating incoming students’ FYGPA,” ACT nevertheless recognizes the value admissions offices derive from a measure like high school GPA, which represents work that students have done over four years of high school. More information will lead to more informed decisions, which is why ACT advocates

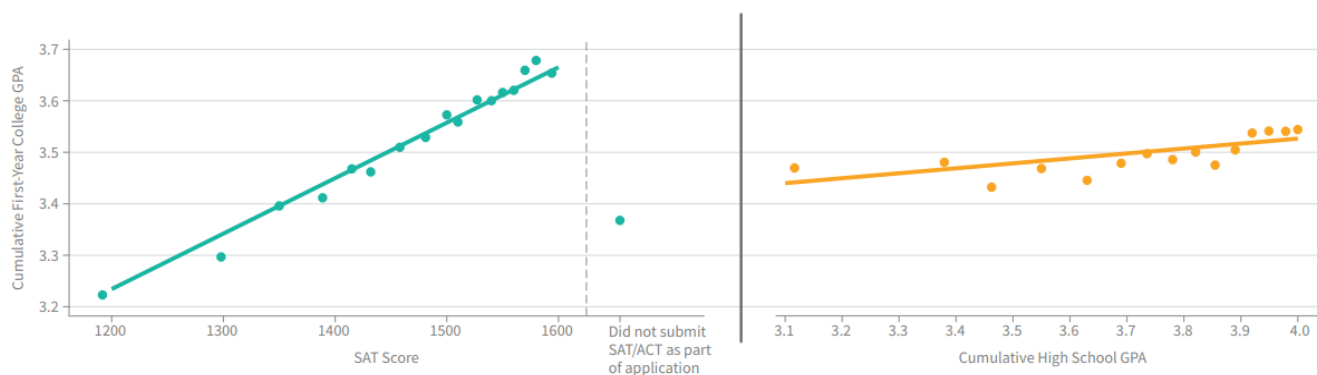


Figure 2. Higher SAT/ACT scores are associated with higher college GPAs but higher high school GPAs are not.

Source: [Opportunity Insights](#)

for including high school GPA and scores on the ACT or SAT as part of a holistic admissions process.

### Commitment to a fair test

Because it is critically important to ensure the fairness of standardized tests, ACT<sup>8</sup> complies with *The Standards for Educational and Psychological Testing*. ACT maintains that high-stakes assessments must comply with these standards. To do so, ACT has implemented a process in which all test items and forms are reviewed extensively by internal and external experts and educators.

**High school GPAs, letters of recommendation, and other non-academic factors are all unmonitored during their development for potential bias between student groups.**

It is important to note, too, that such a process is uniquely available for standardized tests compared to other metrics used by college admissions offices, which do not and cannot have such

safeguards. High school GPAs, letters of recommendation, athletics considerations, and other non-academic factors are all unmonitored during their development for potential bias between student groups. The extensive processes that ACT has put in place to ensure fairness, then, reflect the strength of the metric and are demonstrated in the finding<sup>9</sup> from Opportunity Insights that “Students from different socioeconomic backgrounds who have comparable SAT/ACT scores receive similar grades in college.”

Despite years of evidence confirming that students from all backgrounds can demonstrate excellence on curriculum-based standardized tests such as the ACT, many still do not believe that an unbiased assessment is possible. As ACT itself describes<sup>10</sup> in its annual reports on the state of the national graduating class, differences do exist in average ACT scores between student groups regarding race/ethnicity, family income, and first-generation status. However, as the *Standards for Educational and Psychological Testing* recognize, “group differences in outcomes do not in themselves indicate

that a testing application is biased or unfair” (p. 54).<sup>11</sup> ACT’s research<sup>12</sup> shows that these group differences are primarily explained by students’ high school grades and advanced coursework, with students’ socioeconomic status and demographics accounting for less.

### Ensuring all students can take the ACT test

A final potential concern about including the ACT test in college admissions is that cost could be a barrier for some students. In addition to efforts to manage test development costs to maintain an affordable price for families and students, ACT operates a fee waiver program and State and District testing to ensure that a large majority of students in the United States can take the ACT at no cost to themselves.

ACT offers fee waivers to all students eligible for free or reduced-price lunch, representing more than half<sup>13</sup> of the public school students in the United States, for up to four ACT tests. In the 2022–23 academic year, ACT filled orders for more than a million fee waivers, valued at more than \$100 million. Although some students who received a fee waiver

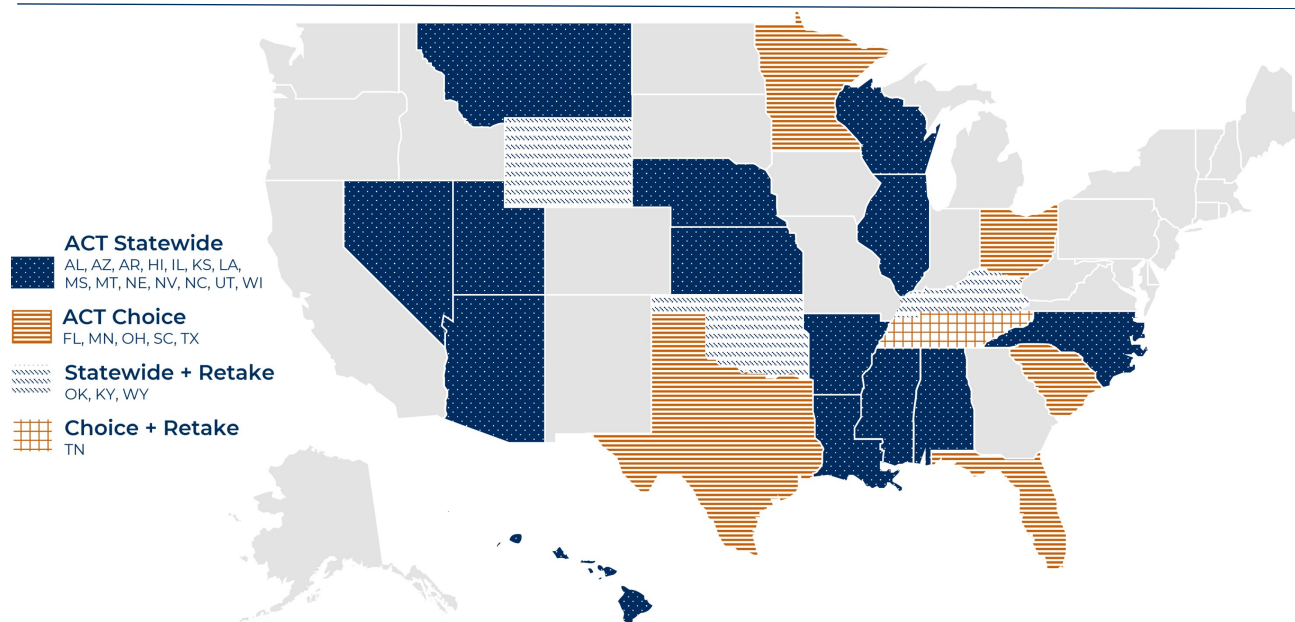


Figure 3. States where the ACT is offered statewide.

didn't register and take the test, ACT's investment in providing fee waivers to eligible students demonstrates its commitment to ensuring access for all students. Fee waivers are important for many students, but the program remains underused, and ACT is committed to increasing the use of fee waivers by eligible students. In the last few years, ACT has researched<sup>14</sup> the factors that may make students more likely to use fee waivers and has promoted their availability through school guidance counselors and media campaigns and has shared recommendations<sup>15</sup> for other stakeholders to support students using them.

Moreover, twenty-three states ensure access and opportunity by providing every student an opportunity to take the ACT, including states that use the ACT to meet federal requirements for high school testing under the Every Student Succeeds Act (ESSA). Additionally, three states have recognized the advantages<sup>16</sup> of offering students the ability to retake the ACT as seniors at no personal cost, which has led to significant score increases in those states. Figure 3 shows the breakdown of which states provide these opportunities to students.

**ACT's Position:  
Colleges and universities benefit significantly from requiring standardized**

**tests such as the ACT as part of a holistic admissions process.**

New research continues to demonstrate what ACT's research has long shown: Including standardized tests as part of a holistic admissions process significantly benefits colleges and universities.

Research has repeatedly shown standardized tests to be highly predictive of success in college. Combined with other factors like high school GPA, they clearly aid admissions offices in making decisions to admit and enroll students best equipped to succeed and graduate. Moreover:

- Compared to non-academic metrics, ACT scores are fairer to

students from all backgrounds.

- Standardized tests are the only college admissions metric that can be rigorously assessed for bias throughout development.

- ACT has endeavored to ensure that cost is not a barrier for students to access the ACT and continues to work to find ways to expand access to more students.

With David Deming,<sup>17</sup> a Harvard professor and one

of the Opportunity Insights authors, we must conclude that “test-required is a better and fairer policy than either test-optional or test-blind.”

1. Stu Schmill, “We are reinstating our SAT/ACT requirement for future admissions cycles,” *MIT Admissions*, March 28, 2022, <https://mitadmissions.org/blogs/entry/we-are-reinstating-our-sat-act-requirement-for-future-admissions-cycles/>

2. Sneha Dey, “UT-Austin Reverts to Requiring Standardized Test Scores for Admissions,” *Texas Tribune*, March 11, 2024, <https://www.texastribune.org/2024/03/11/university-texas-austin-test-admissions/>

3. Kiersten Hacker, “Johns Hopkins University Reinstates ACT or SAT Requirement for Undergraduate Admission,” *Baltimore Sun*, August 22, 2024, <https://www.baltimoresun.com/2024/08/21/johns-hopkins-university-reinstates-standardized-test-requirements/>

4. “Dartmouth’s Testing Guidelines,” Dartmouth, 2024, <https://admissions.dartmouth.edu/apply/testing-policy>

5. John Friedman, Bruce Sacerdote, and Michele Tine, *Standardized Test Scores and Academic Performance at Ivy-Plus Colleges* (Opportunity Insights, 2024), [https://opportunityinsights.org/wp-content/uploads/2024/01/SAT\\_ACT\\_on\\_Grades.pdf](https://opportunityinsights.org/wp-content/uploads/2024/01/SAT_ACT_on_Grades.pdf)

6. “Harvard Reverts to Admissions Test Policy That Helped Create Vast

Socioeconomic Inequality in its Student Body; Over 80% of Colleges Remain Test Optional or Test Free,” Fairtest, updated April 11, 2024, <https://fairtest.org/wp-content/uploads/2024/04/Harvard.docx.pdf>

7. Friedman, Sacerdote, and Tine, *Standardized Test Scores*.

8. *ACT Technical Manual* (ACT, 2024), [https://www.act.org/content/dam/act/unsecured/documents/ACT\\_Technical\\_Manual.pdf](https://www.act.org/content/dam/act/unsecured/documents/ACT_Technical_Manual.pdf)

9. Friedman, Sacerdote, and Tine, *Standardized Test Scores*.

10. *Profile Report-National, Graduating Class 2023* (ACT, 2023), <https://www.act.org/content/dam/act/unsecured/documents/2023-National-ACT-Profile-Report.pdf>

11. *Standards for Educational and Psychological Testing* (AERA, APA, and NCME, 2014), [https://www.testingstandards.net/uploads/7/6/6/4/76643089/standards\\_2014edition.pdf](https://www.testingstandards.net/uploads/7/6/6/4/76643089/standards_2014edition.pdf)

12. Edgar I. Sanchez, *Equity in Education: An Examination of the Influences of Academic Preparation, Family Income, Race/Ethnicity, and Gender on ACT® STEM and ELA Scores* (ACT, 2024), <https://www.act.org/content/dam/act/unsecured/documents/R2405-Equity-in-Education-2024-05.pdf>

13. Data from Table 204.10. Number and percentage of public school students eligible

for free or reduced-price lunch, by state: Selected school years, 2000–01 through 2022–23, National Center for Education Statistics, 2023, [https://nces.ed.gov/programs/digest/d23/tables/dt23\\_204.10.asp](https://nces.ed.gov/programs/digest/d23/tables/dt23_204.10.asp)

14. Ty Cruce, Shannon Hayes, and Rael Moore, *Test History of Test-Day Absentees Who Registered for the ACT with a Fee Waiver* (ACT, 2021), <https://www.act.org/content/dam/act/unsecured/documents/R1865-test-history-fee-waivers-2021-1.pdf>

15. Rael Moore, Shannon Hayes, and Ty Cruce, *In Their Own Words: Reasons for Test-Day Absenteeism Among Students Who Registered for the ACT with a Fee Waiver* (ACT, 2021), <https://www.act.org/content/dam/act/unsecured/documents/R1860-test-day-absenteeism-in-their-own-words-2021-2.pdf>

16. Jeff Allen and Colin Dingler, *Examining Benefits of School-Day ACT® Senior Retesting* (ACT, 2023), <https://www.act.org/content/dam/act/unsecured/documents/R2289-Examining-Benefits-of-School-Day-ACT-Senior-Retesting-11-2023.pdf>

17. David Deming, *The Unintended Consequences of Test Optional* (Forked Lightning, 2024), <https://forklightning.substack.com/p/the-unintended-consequences-of-test>



ACT is transforming college and career readiness pathways so that everyone can discover and fulfill their potential. Grounded in more than 65 years of research, ACT's learning resources, assessments, research, and work-ready credentials are trusted by students, job seekers, educators, schools, government agencies, and employers in the U.S. and around the world to help people achieve their education and career goals at every stage of life.

Visit us at [act.org](https://act.org).

