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Fiscal Analysis of the West Virginia Hope Scholarship Program: Year 3 Results

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Executive Summary

This brief updates the fiscal analysis of the West Virginia Hope Scholarship Program through FY 2025, the program's third year in operation. The analysis estimates the program's impact on the state budget and on local taxpayers, and provides context for how Hope affects public school revenues. It also considers how the fiscal picture may change as Hope becomes universally available beginning with the 2026–27 school year.

- Hope participation nearly doubled in FY 2025, increasing from 5,443 students in FY 2024 to 10,530 students. Participation grew from 0.9% of public school enrollment in FY 2023 to 4.4% in FY 2025.

- The FY 2025 Hope scholarship amount was $4,921 per student, equal to 24.3% of the $20,249 average total revenue per student in West Virginia public schools and 62.3% of the $7,899 statewide average foundation funding per student.

- Using the full annual scholarship amount for every participant, the estimated Hope program cost was $54.4 million in FY 2025. This represents 1.1% of the $4.8 billion in total funding for West Virginia public schools and 0.2% of the $27.0 billion in total state spending on all public services.

- Assuming 90% of Hope participants are switchers, or students who would otherwise attend public school, the estimated reduction in state formula funding associated with Hope was $73.5 million. Compared with the $54.4 million program cost estimate, this implies approximately $19.1 million in net savings to the state budget in FY 2025.

- Public school districts experienced an estimated $73.5 million reduction in state formula funding associated with Hope switchers. That reduction was equivalent to about 1.5% of FY 2025 statewide public school revenue, meaning roughly 98.5% of the statewide revenue base remained intact. Across districts, the corresponding share ranged from about 96.9% to 100%.

- Because the estimated reduction in district revenue was smaller than the reduction in enrollment, estimated revenue available per remaining public school student increased from $20,249 to $20,768, up $519 per student.

- The program generated an estimated $35.2 million in net fiscal benefits for local taxpayers in FY 2025, based on approximately $108.7 million in estimated short-run variable cost savings and a $73.5 million estimated reduction in state formula funding to districts.

- Universal eligibility will likely increase participation by students already outside the public school system. These non-switchers add program costs without directly generating offsetting public school savings. For context, the FY 2025 Hope award was 62.3% of the statewide average foundation funding per student, implying a state budget break-even switcher rate of about 62%. The long-run benchmark is lower, 24.3%, because a larger share of public school costs can adjust over time.

Introduction

This brief analyzes the fiscal impact of the West Virginia Hope Scholarship Program for FY 2025, its third year in operation. The analysis estimates the program's impact on the state budget and on local taxpayers and examines how student participation in Hope affects public school revenues. It also looks ahead to the program's transition to universal eligibility and discusses how a larger share of non-switchers could affect the fiscal calculus.

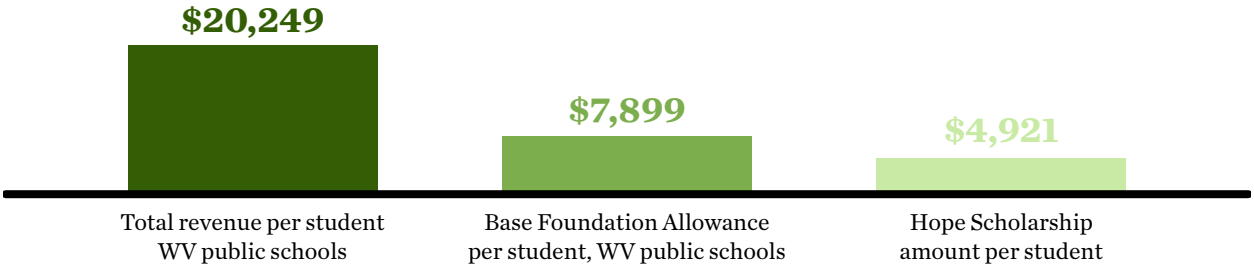
West Virginia K–12 Public School Funding

Most states use some form of a student-weighted funding formula in which dollars are allocated to school districts largely based on student counts and characteristics.

West Virginia instead uses a primarily resource-based foundation formula. The formula calculates each district's Basic Foundation Allowance, which represents the amount generated through the formula's staffing and other resource-based components. Many of those components are themselves driven by enrollment, but funding is not assigned on a fixed per-student basis.[1] This means that small enrollment changes generally have more limited fiscal effects, while larger enrollment changes produce larger adjustments in a district's calculated foundation allowance. In other words, the larger the enrollment shift, the larger the potential reduction in district funding and, for districts receiving state aid, the greater the savings to state taxpayers.

For FY 2025, the Hope scholarship amount was $4,921.[2] Statewide average foundation funding was $7,899 per student, while average total public school revenue from all sources was $20,249 per student.[3] Thus, the Hope award was about 62% of average foundation funding and 24% of average total public school revenue per student. Figure 1 illustrates these funding differences.

FIGURE 1 Per-student total revenue, foundation funding, and Hope Scholarship amount



Source: West Virginia Department of Education FY 2025 school finance data.

For the FY 2025 fiscal analysis, this brief uses each district's Basic Foundation Allowance per student as a proxy for the marginal reduction in state formula funding associated with a Hope switcher. Because a district's local share does not decrease simply because enrollment decreases, a lower foundation requirement generally translates into lower state aid.[4] Four districts (Doddridge, Marshall, Tyler, and Wetzel) received no basic state aid in FY 2025 because their calculated local share equaled their total foundation allowance.[5] Thus, the estimated state funding reduction for switchers from those districts is set to $0.

Overview of Participation and Costs for Hope and West Virginia Public Schools

Table 1 summarizes enrollment and funding trends during Hope's first three years. The program has grown rapidly. Participation increased from 2,333 students in FY 2023 to 5,443 in FY 2024 and 10,530 in FY 2025. The FY 2025 increase of 93% followed a 133% increase the prior year. Over the same period, public school enrollment declined from 248,801 to 237,658 students, a decrease of about 4.5%. Hope participation rose from 0.9% of public school enrollment in FY 2023 to 4.4% in FY 2025.

Estimated Hope program cost increased from $10.0 million in FY 2023 to $51.8 million in FY 2025. Even with this growth, the program remained small relative to West Virginia's public education system and overall state budget. Hope represented 1.1% of the $4.8 billion in total public school funding in FY 2025 and 0.2% of total state expenditures on all public services. Meanwhile, total public school funding increased from $4.1 billion in FY 2023 to $4.8 billion in FY 2025, while average public school revenue per student increased from $16,676 to $20,249.

TABLE 1 Enrollment and funding for the Hope Scholarship Program and West Virginia public schools, FY 2023 to FY 2025

	FY 2023	FY 2024	FY 2025
Total Hope Scholarships Awarded	2,333	5,443	10,530
Public school enrollment	248,801	242,777	237,658
Enrollment, Hope as % of public school systems	0.9%	2.2%	4.4%
Hope scholarship amount	$4,299	$4,489	$4,921
Average total revenue per pupil for public schools	$16,676	$19,484	$20,249
Per-pupil cost, Hope as % of public school systems	25.8%	23.0%	24.3%
Total cost for Hope Scholarship Program*	$10,530,065	$25,654,280	$54,413,349
Total funding for WV public schools (all sources)	$4,149,070,392	$4,730,200,167	$4,812,294,622
Hope as % of total funding for WV public schools	0.3%	0.5%	1.1%
Total spending on all public services	$21,924,000,000	$25,816,000,000	$27,018,000,000
Hope as % of spending on all public services	0.05%	0.1%	0.2%

Sources: West Virginia State Treasurer's Office; West Virginia Department of Education; U.S. Department of Education, National Center for Education Statistics; National Association of State Budget Officers

Notes: Public school funding reflects local, state, and federal revenue. Hope program cost assumes every participant receives the full annual scholarship amount. Because some FY 2025 awards were prorated for students participating for less than a full year, this assumption may overstate actual program cost. Dollar amounts are nominal.

** Administrative costs are not deducted from an individual student's Hope scholarship. They are paid separately from the Hope Scholarship Program Expense Fund and may not exceed 5% of the fund. The program cost reported here includes the full potential 5% as additional administrative costs.*

Participation and funding shares vary across districts. In FY 2025, Hope students represented between 0.3% and 7.8% of district public school enrollment. Ohio County had the highest participation share at 7.8%. Hope funding represented between 0.1% and 2.1% of district total revenue, with Preston County experiencing the largest funding share. Appendix Table A1 provides district-level detail.

Fiscal Analysis: Impact on the State Budget and Local Taxpayers

The fiscal impact of an education choice program depends importantly on the mix of switchers and non-switchers. Switchers are students who would attend a public school if the choice program did not provide financial assistance. When these students participate in Hope, the state avoids some formula funding and districts avoid some education costs. Non-switchers are students who would enroll outside the public school system even without Hope. They generate a program cost without directly producing offsetting public school savings.

The FY 2025 analysis assumes that 90% of Hope students are switchers. This assumption is informed by evidence from random assignment studies of private school choice programs that use lotteries to allocate scholarships when programs are oversubscribed (i.e., the number of applicants exceeds available spots). Lottery studies are especially useful for estimating switcher rates because they provide a credible counterfactual where researchers can observe where students who applied for a scholarship but were not selected by the lottery enrolled. This provides a direct estimate of how many participants would otherwise have attended public schools.

Lueken (2021) identified 27 switcher-rate estimates from eight lottery-based evaluations of six programs. Lower-bound weighted average and median estimates were 84%, while the upper-bound weighted average was 90%.[6] The present analysis applies a 90% switcher rate to Hope participants. This is an assumption, not a directly observed switcher rate for the Hope program. Notably, the programs in the study were targeted to smaller student populations, several of which had strong switcher requirements. Thus, these studies provide a good proxy for switchers in the Hope program for the years before universal expansion.

Impact on the State Budget

The estimated impact on the state budget compares the cost of Hope scholarships with the reduction in state formula funding associated with student switchers. The calculation is:

Estimated state budget impact = Estimated reduction in state formula funding from switchers — Cost of Hope program

In FY 2025, 10,530 students participated in Hope. Assuming each participant receives the full annual scholarship of $4,921, and assuming an additional 5% of scholarship funds are withheld for administration costs, the estimated cost of the program is:

Estimated Hope cost, FY 2025 = 1.05 x 10,530 students x $4,921 = $54,413,349

Applying the 90% switcher assumption yields 9,477 expected switchers statewide. Rather than assuming a single state-aid amount follows every student, the analysis estimates the state formula reduction district by district using each district's Base Foundation Allowance per student. Summing those district estimates yields:

Estimated reduction in state formula funding, FY 2025 = $73,510,612

Comparing the estimated formula reduction with the program cost yields:

Estimated state budget impact, FY 2025 = $73,510,612 – $54,413,349 = $19,097,263 net state savings

Under these assumptions, Hope generated an estimated $19.1 million in annualized net savings to the state budget associated with FY 2025 participation. This equals about 0.1% of West Virginia's $27.0 billion in total state expenditures on all public services. The estimate is cautious because it assumes every participant received the full annual award even though some FY 2025 awards were prorated.

Table 2 summarizes the estimated fiscal impact of Hope on the state budget for FY 2023 to FY 2025.

TABLE 2 Estimated Impact of Hope on the State Budget, FY 2023 to FY 2025

	FY 2023	FY 2024	FY 2025
Program cost			
Students participating in Hope	2,333	5,443	10,530
Hope Award	$4,299	$4,489	$4,921
Total state cost for Hope scholarships	$10,028,634	$24,432,647	$51,822,237
Allowance for administrative costs (assumes 5% max)*	$501,432	$1,221,632	$2,591,112
Total program cost	$10,530,065	$25,654,280	$54,413,349
Savings from switchers			
Assumed switcher rate	90%	90%	90%
Number of switchers	2,100	4,899	9,477
Base Foundation Allowance per student	$6,625	$7,298	$7,899
State savings from switchers**	$13,912,878	$35,754,813	$73,510,612
Net fiscal impact on state taxpayers			
Total net fiscal impact	$3,382,813	$10,100,533	$19,097,263
Net fiscal impact per student	$1,450	$1,856	$1,814

Sources: West Virginia State Treasurer's Office; West Virginia Department of Education; U.S. Department of Education, National Center for Education Statistics; National Association of State Budget Officers

** Administrative costs are not deducted from an individual student's Hope scholarship. They are paid separately from the Hope Scholarship Program Expense Fund and may not exceed 5% of the fund. The analysis assumes the maximum 5% as additional administrative costs, although the actual amount transferred for administration may actually be lower.*

*** There are four school districts that receive no state aid. State and local revenue does not decrease for these districts when students leave for any reason. Thus, ESA students who leave public schools in these districts via Hope do not generate savings for state taxpayers while they simultaneously represent a fiscal benefit for local taxpayers. The FY 2025 state savings estimate accounts for these four no-aid districts. The FY 2023 and FY 2024 savings estimates do not account for these no-aid districts and multiply the number of switchers by the foundation funding per student.*

Impact of Hope on Public School Revenue

Concerns about the fiscal impact of school choice often focus on the amount of revenue public school districts lose when students leave. That revenue change matters, but it should be considered relative to districts' overall budgets and the reduction in the number of students districts are responsible for educating.

With 9,477 students assumed to be switchers in FY 2025, the estimated reduction in state formula funding to public school districts was $73.5 million. That amount was equivalent to 1.5% of the $4.8 billion in FY 2025 statewide public school revenue. Put differently, roughly 98.5% of the statewide revenue base remained intact after accounting for the estimated Hope-related reduction. Across individual districts, this contextual measure ranged from about 96.9% in Preston County to 100% in the four districts receiving no basic state aid. Appendix Table A2 reports district-level estimates.

Because the estimated revenue reduction was smaller than the enrollment reduction, resources available per remaining student increased. Statewide, estimated public school revenue per student increased from $20,249 to about $20,768 after accounting for Hope switchers, an increase of about $519 per remaining student, or 2.6%. This does not mean districts receive additional dollars because of Hope; rather, it means that the estimated reduction in revenue is smaller proportionally than the reduction in students served.

Fiscal Effects of Hope on Local Taxpayers

Estimating the fiscal effect on local taxpayers requires accounting for the costs districts avoid when they no longer educate students who switch through Hope. Some school costs are fixed in the short run, while others change as enrollment changes. The analysis estimates district-specific short-run variable costs using FY 2023 expenditure data (the most recent district-level school finance data reported by the U.S. Department of Education). It applies those shares to FY 2025 total revenue per student, used as a proxy for total cost. The statewide average variable cost rate is 59.3%.

Applying the district variable cost estimates to the 9,477 Hope switchers yields short-run variable cost savings of approximately $108.7 million.

Districts also experience an estimated $73.5 million reduction in state formula funding associated with those switchers. The local fiscal effect is the difference between variable cost savings and reduced revenue:

Estimated net local fiscal effect, FY 2025 = $108,742,743 – $73,510,612 = $35,232,131 net savings

Thus, the analysis estimates $35.2 million in net fiscal benefits for local taxpayers in FY 2025. Estimated local effects are positive in 54 of 55 districts under the analysis's assumptions; Roane County is approximately at break-even, with an estimated net effect of about –$17,000. Appendix Table A3 provides district-level results. Combined with the estimated $21.7 million state budget savings, the results imply a positive statewide fiscal effect for both state and local taxpayers.

Looking Ahead: Fiscal Implications of Universal Eligibility

Beginning with the 2026–27 school year, Hope eligibility expands to all West Virginia school-age children. This changes an important feature of the fiscal analysis. Under the program's earlier eligibility rules, participants must either have attended public school for at least 45 days during the current school year or for the entire previous school year. All kindergarten students are eligible for the program. These eligibility rules mean that most Hope participants are likely switchers.

Universal eligibility also opens the Hope program to students already enrolled in private schools or homeschool settings. Some of these students are enrolled because they're already participating in Hope. The remaining students represent non-switchers: they would have remained outside public schools even without a Hope scholarship. For these students, the scholarship represents a new public cost without offsetting savings.

The share of universal program participants who are non-switchers is difficult to know in advance. A student's immediately prior school is informative, but it is not the same thing as the actual switcher rate. For example, some students entering kindergarten have no prior enrollment record even though many would otherwise have enrolled in public school. In some states with multiple choice programs, some students transfer from one program to another. Some agencies, such as the Arizona Department of Education, classify students based on their immediately prior enrollment, so a student may be labeled "private school" even if the student originally switched from a public school into a choice program.[7] The relevant question is therefore not simply where students were enrolled before receiving a scholarship, but where they would have enrolled in the absence of the program. The best available proxy for the switcher rate may be the number of students who were enrolled in public school before they enrolled in a choice program for the first time.

Arizona provides experience with a mature universal ESA program. Arizona Department of Education data show that among newly enrolling universal eligibility students in K-12, the share attending public school immediately before ESA participation rose from 21% in FY 2023, the first year of universal expansion, to about 48% in FY 2024, 57% in FY 2025, and 60% in FY 2026.[8] This measure, however, understates the true switcher rate because Arizona operates four tax-credit scholarship programs in addition to its ESA program. Some ESA participants entered the program after using tax-credit scholarships that themselves required earlier public-school enrollment.[9] Thus, the true share with public-school origins can be higher than the "immediately prior" measure suggests. Such context for questions about switchers should not be ignored.

Putting Potential Universal-Program Costs in Context

Universal eligibility can therefore increase Hope's net cost in the short run if a sufficiently large share of new participants are non-switchers. A useful point of comparison is the break-even switcher rate, or the share of program participants who must be switchers for estimated savings to equal program costs. The break-even rate gives us a contextual benchmark. It is not a factor used to calculate the FY 2025 fiscal effects above.

Table 3 gives the break-even switcher rate for state taxpayers and the long-run fiscal break-even switcher rate. For FY 2025, the average cost of the Hope Scholarship program, including 5% in administrative allowances, was $5,167, while statewide average foundation funding was $7,899 per public school student. Dividing the program cost by foundation funding yields a state budget break-even switcher rate of 65.4%. In simple terms, in a group of 100 participants, more than 65 would need to be switchers for the Hope program to generate net savings for state taxpayers. Fewer than 65 switchers means a net cost for the state.

The break-even threshold is lower when considering longer-run fiscal effects. A fundamental economics and accounting principle is that all costs become variable over time. For example, districts can adjust their operations over time by changing staffing, consolidating or repurposing facilities, and altering transportation patterns. Using the FY 2025 total public-school revenue per student of $20,249 as a longer-run measure of resources that can ultimately adjust with enrollment produces a break-even switcher rate of 25.5%.

TABLE 3 Fiscal context for universal expansion: FY 2025 break-even switcher rates

Benchmark	Hope program cost per student*	Public school comparison amount	Break-even switcher rate
State budget break-even switcher rate	$5,167	$7,899 Base Foundation Allowance per public school student	65.4%
Long-run fiscal break-even switcher rate	$5,167	$20,249 total public school revenue per student	25.5%

Sources: West Virginia State Treasurer's Office; West Virginia Department of Education.

Note: These break-even switcher rates provide context and are not parameters used in the FY 2025 fiscal analysis.

** Cost assumes the maximum 5% of scholarship funding as additional administrative costs, although the actual amount for administration may actually be lower.*

Policymakers can compare these benchmarks with observed switcher rates in other states that have similar programs to gauge whether universal Hope participation is likely to produce net costs or savings.

This does not mean that universal expansion will necessarily save money immediately, nor does it predict the future switcher rate. It means that the fiscal threshold becomes lower over a longer horizon as a larger share of public school costs can adjust. In the near term, a sufficiently large increase in non-switchers could reduce or eliminate state savings. Over time, however, even a substantially lower switcher rate can be consistent with fiscal savings when the difference between the Hope award and the cost of educating students in public schools is large.

Conclusion

The Hope Scholarship Program continued to grow rapidly in its third year, reaching 10,530 participants in FY 2025. Yet the program remained small relative to West Virginia's public school system and overall state budget. Hope funding represented 1.1% of total public school revenue and 0.2% of total state expenditures on all public services.

Assuming 90% of Hope participants are switchers, the program generated an estimated $19.1 million in net savings to the state budget in FY 2025. The estimated reduction in state formula funding was equivalent to about 1.5% of statewide public school revenue, leaving roughly 98.5% of the statewide revenue base intact. Estimated revenue per remaining public school student increased by about $519. At the same time, avoided short-run variable costs exceeded the estimated reduction in district revenue, producing approximately $35.2 million in net fiscal benefits for local taxpayers.

Universal eligibility beginning in 2026–27 will change the composition of Hope participation by opening the program to more students already outside the public school system. That will likely increase the number and share of non-switchers and could reduce short-run state budget savings.

The relevant fiscal question is whether the share of switchers is high enough for the savings they generate to offset the cost of scholarships for all participants. For context, the state budget break-even switcher rate is about 65%, while the long-run benchmark is about 26%. These benchmarks can help policymakers compare Hope with similar programs in other states and gauge whether universal expansion is likely to produce net costs or savings.

Appendix A: District-Level Tables

Table A1: Number of students participating in Hope and program cost, FY 2025

District	Number of ESA students	Total public school students	ESA students as % of district enrollment	Total ESA cost	Total revenue for public schools	ESA funds as % of district's total revenue
Barbour	68	1,966	3.5%	$334,655	$35,213,962	1.0%
Berkeley	952	19,965	4.8%	$4,685,163	$342,767,519	1.4%
Boone	71	3,050	2.3%	$349,419	$59,305,482	0.6%
Braxton	39	1,567	2.5%	$191,934	$30,803,312	0.6%
Brooke	104	2,206	4.7%	$511,825	$51,747,560	1.0%
Cabell	573	11,178	5.1%	$2,819,956	$218,420,216	1.3%
Calhoun	54	789	6.8%	$265,755	$20,110,082	1.3%
Clay	24	1,412	1.7%	$118,113	$26,930,245	0.4%
Doddridge	7	1,203	0.6%	$34,450	$59,871,574	0.1%
Fayette	270	5,222	5.2%	$1,328,775	$104,230,112	1.3%
Gilmer	39	720	5.4%	$191,934	$17,025,237	1.1%
Grant	14	1,611	0.9%	$68,899	$32,685,322	0.2%
Greenbrier	245	4,397	5.6%	$1,205,741	$74,260,813	1.6%
Hampshire	101	2,645	3.8%	$497,060	$50,787,492	1.0%
Hancock	164	3,311	5.0%	$807,108	$60,697,313	1.3%
Hardy	18	2,182	0.8%	$88,585	$34,706,127	0.3%
Harrison	530	9,355	5.7%	$2,608,337	$185,388,942	1.4%
Jackson	191	3,968	4.8%	$939,985	$78,160,804	1.2%
Jefferson	516	8,371	6.2%	$2,539,437	$153,045,212	1.7%
Kanawha	1,293	23,101	5.6%	$6,363,357	$448,070,911	1.4%
Lewis	111	2,217	5.0%	$546,274	$41,533,283	1.3%
Lincoln	62	2,713	2.3%	$305,126	$68,043,539	0.4%
Logan	348	4,665	7.5%	$1,712,644	$81,487,974	2.1%
Marion	323	7,100	4.5%	$1,589,609	$122,349,018	1.3%
Marshall	75	4,098	1.8%	$369,104	$160,431,469	0.2%
Mason	83	3,542	2.3%	$408,475	$63,843,353	0.6%
McDowell	6	2,236	0.3%	$29,528	$60,828,471	0.0%
Mercer	356	8,231	4.3%	$1,752,015	$158,643,285	1.1%
Mineral	58	3,877	1.5%	$285,441	$67,249,096	0.4%
Mingo	50	3,356	1.5%	$246,070	$62,679,198	0.4%
Monongalia	506	11,159	4.5%	$2,490,223	$208,409,611	1.2%
Monroe	50	1,594	3.1%	$246,070	$31,365,255	0.8%
Morgan	70	2,111	3.3%	$344,497	$37,532,685	0.9%
Nicholas	107	3,189	3.4%	$526,589	$102,064,566	0.5%
Ohio	366	4,719	7.8%	$1,801,229	$106,095,908	1.7%
Pendleton	9	851	1.1%	$44,293	$19,088,435	0.2%
Pleasants	17	1,043	1.6%	$83,664	$29,025,126	0.3%
Pocahontas	11	893	1.2%	$54,135	$20,319,145	0.3%
Preston	260	3,763	6.9%	$1,279,561	$60,166,071	2.1%
Putnam	446	8,506	5.2%	$2,194,940	$149,713,392	1.5%
Raleigh	527	10,287	5.1%	$2,593,573	$187,739,347	1.4%
Randolph	98	3,488	2.8%	$482,296	$53,692,245	0.9%
Ritchie	20	1,130	1.8%	$98,428	$36,580,052	0.3%
Roane	74	1,630	4.5%	$364,183	$28,032,561	1.3%
Summers	56	1,133	4.9%	$275,598	$25,726,544	1.1%
Taylor	102	2,117	4.8%	$501,982	$40,832,307	1.2%
Tucker	37	918	4.0%	$182,091	$21,546,092	0.8%
Tyler	18	1,184	1.5%	$88,585	$131,697,721	0.1%
Upshur	110	3,380	3.3%	$541,353	$51,131,210	1.1%
Wayne	212	5,915	3.6%	$1,043,335	$102,441,732	1.0%
Webster	9	1,048	0.9%	$44,293	$20,026,983	0.2%
Wetzel	17	2,140	0.8%	$83,664	$99,936,390	0.1%
Wirt	39	862	4.5%	$191,934	$17,691,542	1.1%
Wood	607	11,078	5.5%	$2,987,284	$197,418,665	1.5%
Wyoming	17	3,266	0.5%	$83,664	$62,704,114	0.1%
Total	**10,530**	**237,658**	**4.4%**	**$51,822,237**	**$4,812,294,622**	**1.1%**

Sources: West Virginia State Treasurer's Office; West Virginia Department of Education; U.S. Department of Education, National Center for Education Statistics.

Appendix A: District-Level Tables

Table A2: Impact on district revenues when students leave via Hope, FY 2025

District	ESA students who are switchers (90% switcher rate)	Total district revenues, 2024-25	Base Foundation Allowance Per Student	Est. reduction in revenue for ESA students who leave public schools*	Budget after ESA students leave	% of budget kept intact after students leave	Per-pupil revenue before Hope students leave	Per-pupil revenue after Hope students leave
Barbour	61	$35,213,962	$8,277	$506,552	$34,707,410	98.6%	$17,911	$18,221
Berkeley	857	$342,767,519	$7,780	$6,665,741	$336,101,778	98.1%	$17,168	$17,589
Boone	64	$59,305,482	$7,939	$507,287	$58,798,195	99.2%	$19,444	$19,691
Braxton	35	$30,803,312	$8,214	$288,311	$30,515,001	99.1%	$19,658	$19,920
Brooke	94	$51,747,560	$8,222	$769,568	$50,977,992	98.5%	$23,458	$24,133
Cabell	516	$218,420,216	$7,760	$4,001,719	$214,418,497	98.2%	$19,540	$20,110
Calhoun	49	$20,110,082	$8,657	$420,726	$19,689,356	98.0%	$25,488	$26,593
Clay	22	$26,930,245	$8,424	$181,950	$26,748,295	99.3%	$19,072	$19,238
Doddridge	6	$59,871,574	$8,384	$0	$59,871,574	100.0%	$49,769	$50,031
Fayette	243	$104,230,112	$8,184	$1,988,656	$102,241,456	98.1%	$19,960	$20,535
Gilmer	35	$17,025,237	$7,879	$276,540	$16,748,697	98.4%	$23,646	$24,454
Grant	13	$32,685,322	$8,627	$108,698	$32,576,624	99.7%	$20,289	$20,381
Greenbrier	221	$74,260,813	$8,046	$1,774,130	$72,486,683	97.7%	$16,889	$17,356
Hampshire	91	$50,787,492	$8,272	$751,908	$50,035,584	98.5%	$19,201	$19,590
Hancock	148	$60,697,313	$7,822	$1,154,533	$59,542,780	98.1%	$18,332	$18,822
Hardy	16	$34,706,127	$8,223	$133,215	$34,572,912	99.6%	$15,906	$15,963
Harrison	477	$185,388,942	$7,767	$3,704,792	$181,684,150	98.0%	$19,817	$20,465
Jackson	172	$78,160,804	$8,072	$1,387,542	$76,773,262	98.3%	$19,698	$20,224
Jefferson	464	$153,045,212	$7,708	$3,579,465	$149,465,747	97.7%	$18,283	$18,904
Kanawha	1,164	$448,070,911	$7,618	$8,864,555	$439,206,356	98.1%	$19,396	$20,021
Lewis	100	$41,533,283	$8,059	$805,104	$40,728,179	98.1%	$18,734	$19,238
Lincoln	56	$68,043,539	$8,134	$453,886	$67,589,653	99.3%	$25,081	$25,436
Logan	313	$81,487,974	$7,967	$2,495,111	$78,992,863	97.0%	$17,468	$18,152
Marion	291	$122,349,018	$7,717	$2,243,282	$120,105,736	98.2%	$17,232	$17,638
Marshall	68	$160,431,469	$7,816	$0	$160,431,469	100.0%	$39,149	$39,804
Mason	75	$63,843,353	$7,960	$594,631	$63,248,722	99.1%	$18,025	$18,241
McDowell	5	$60,828,471	$8,389	$45,303	$60,783,168	99.9%	$27,204	$27,250
Mercer	320	$158,643,285	$7,684	$2,462,047	$156,181,238	98.5%	$19,274	$19,743
Mineral	52	$67,249,096	$8,129	$424,313	$66,824,783	99.4%	$17,346	$17,471
Mingo	45	$62,679,198	$8,254	$371,416	$62,307,782	99.4%	$18,677	$18,818
Monongalia	455	$208,409,611	$7,807	$3,555,531	$204,854,080	98.3%	$18,676	$19,139
Monroe	45	$31,365,255	$8,406	$378,259	$30,986,996	98.8%	$19,677	$20,005
Morgan	63	$37,532,685	$7,938	$500,092	$37,032,593	98.7%	$17,780	$18,082
Nicholas	96	$102,064,566	$8,101	$780,132	$101,284,434	99.2%	$32,005	$32,750
Ohio	329	$106,095,908	$7,781	$2,563,216	$103,532,692	97.6%	$22,483	$23,586
Pendleton	8	$19,088,435	$8,185	$66,295	$19,022,140	99.7%	$22,431	$22,567
Pleasants	15	$29,025,126	$8,325	$127,369	$28,897,757	99.6%	$27,829	$28,119
Pocahontas	10	$20,319,145	$8,328	$82,446	$20,236,699	99.6%	$22,754	$22,916
Preston	234	$60,166,071	$8,176	$1,913,165	$58,252,906	96.9%	$15,989	$16,507
Putnam	401	$149,713,392	$7,671	$3,079,264	$146,634,128	98.0%	$17,601	$18,093

Sources: West Virginia State Treasurer's Office; West Virginia Department of Education; U.S. Department of Education, National Center for Education Statistics.

** Estimated revenue reductions are based on district Base Foundation Allowance per student. Because Doddridge, Marshall, Tyler, and Wetzel receive no basic state aid, their estimated reduction is $0.*

Appendix A: District-Level Tables

Table A2: Impact on district revenues when students leave via Hope, FY 2025 *(continued)*

District	ESA students who are switchers (90% switcher rate)	Total district revenues, 2024-25	Base Foundation Allowance Per Student	Est. reduction in revenue for ESA students who leave public schools*	Budget after ESA students leave	% of budget kept intact after students leave	Per-pupil revenue before Hope students leave	Per-pupil revenue after Hope students leave
Raleigh	474	$187,739,347	$7,840	$3,718,479	$184,020,868	98.1%	$18,250	$18,753
Randolph	88	$53,692,245	$8,112	$715,459	$52,976,786	98.7%	$15,393	$15,582
Ritchie	18	$36,580,052	$8,056	$145,012	$36,435,040	99.6%	$32,372	$32,765
Roane	67	$28,032,561	$7,997	$532,578	$27,499,983	98.1%	$17,198	$17,590
Summers	50	$25,726,544	$8,257	$416,133	$25,310,411	98.4%	$22,707	$23,379
Taylor	92	$40,832,307	$7,984	$732,934	$40,099,373	98.2%	$19,288	$19,800
Tucker	33	$21,546,092	$8,215	$273,547	$21,272,545	98.7%	$23,471	$24,045
Tyler	16	$131,697,721	$8,114	$0	$131,697,721	100.0%	$111,231	$112,774
Upshur	99	$51,131,210	$8,020	$794,025	$50,337,185	98.5%	$15,128	$15,342
Wayne	191	$102,441,732	$7,934	$1,513,719	$100,928,013	98.5%	$17,319	$17,632
Webster	8	$20,026,983	$8,286	$67,115	$19,959,868	99.7%	$19,110	$19,194
Wetzel	15	$99,936,390	$8,218	$0	$99,936,390	100.0%	$46,699	$47,036
Wirt	35	$17,691,542	$7,862	$275,948	$17,415,594	98.5%	$20,524	$21,061
Wood	546	$197,418,665	$7,683	$4,197,305	$193,221,360	97.9%	$17,821	$18,347
Wyoming	15	$62,704,114	$7,948	$121,610	$62,582,504	99.8%	$19,199	$19,252
Total	**9,477**	**$4,812,294,622**	**$7,899**	**$73,510,612**	**$4,738,784,010**	**98.5%**	**$20,249**	**$20,768**

Sources: West Virginia State Treasurer's Office; West Virginia Department of Education; U.S. Department of Education, National Center for Education Statistics.

** Estimated revenue reductions are based on district Base Foundation Allowance per student. Because Doddridge, Marshall, Tyler, and Wetzel receive no basic state aid, their estimated reduction is $0.*

Appendix A: District-Level Tables

Table A3: Fiscal impact of Hope Scholarship Program on West Virginia school districts, FY 2025

District	Est. reduction in revenue for ESA students who leave public schools*	Total cost per student**	% of total expenditures that are variable costs in the short run	Est. short-run variable costs per student	Est. total variable savings	Est. net fiscal effect from Hope on school districts (Savings - Costs)
Barbour	$506,552	$17,911	63.2%	$11,327	$693,187	$186,635
Berkeley	$6,665,741	$17,168	64.7%	$11,106	$9,515,725	$2,849,983
Boone	$507,287	$19,444	62.5%	$12,143	$775,968	$268,681
Braxton	$288,311	$19,658	60.5%	$11,888	$417,265	$128,955
Brooke	$769,568	$23,458	59.7%	$13,997	$1,310,136	$540,568
Cabell	$4,001,719	$19,540	57.8%	$11,287	$5,820,958	$1,819,239
Calhoun	$420,726	$25,488	54.6%	$13,907	$675,876	$255,150
Clay	$181,950	$19,072	64.3%	$12,266	$264,954	$83,004
Doddridge	$0	$49,769	55.1%	$27,405	$172,648	$172,648
Fayette	$1,988,656	$19,960	57.2%	$11,421	$2,775,209	$786,553
Gilmer	$276,540	$23,646	53.3%	$12,604	$442,390	$165,850
Grant	$108,698	$20,289	59.6%	$12,084	$152,256	$43,558
Greenbrier	$1,774,130	$16,889	58.9%	$9,954	$2,194,855	$420,725
Hampshire	$751,908	$19,201	51.0%	$9,798	$890,665	$138,757
Hancock	$1,154,533	$18,332	58.9%	$10,798	$1,593,844	$439,311
Hardy	$133,215	$15,906	62.0%	$9,860	$159,724	$26,509
Harrison	$3,704,792	$19,817	64.3%	$12,752	$6,082,532	$2,377,740
Jackson	$1,387,542	$19,698	58.0%	$11,431	$1,964,983	$577,441
Jefferson	$3,579,465	$18,283	61.5%	$11,241	$5,220,098	$1,640,632
Kanawha	$8,864,555	$19,396	53.7%	$10,421	$12,127,295	$3,262,741
Lewis	$805,104	$18,734	62.6%	$11,731	$1,171,883	$366,779
Lincoln	$453,886	$25,081	62.7%	$15,715	$876,906	$423,020
Logan	$2,495,111	$17,468	60.5%	$10,567	$3,309,609	$814,498
Marion	$2,243,282	$17,232	62.7%	$10,811	$3,142,707	$899,425
Marshall	$0	$39,149	54.9%	$21,493	$1,450,780	$1,450,780
Mason	$594,631	$18,025	63.9%	$11,519	$860,451	$265,820
McDowell	$45,303	$27,204	51.2%	$13,935	$75,251	$29,948
Mercer	$2,462,047	$19,274	60.3%	$11,613	$3,720,668	$1,258,621
Mineral	$424,313	$17,346	54.5%	$9,450	$493,293	$68,980
Mingo	$371,416	$18,677	57.4%	$10,716	$482,217	$110,801
Monongalia	$3,555,531	$18,676	64.6%	$12,069	$5,496,017	$1,940,486
Monroe	$378,259	$19,677	55.0%	$10,821	$486,965	$108,706
Morgan	$500,092	$17,780	66.0%	$11,726	$738,719	$238,627
Nicholas	$780,132	$32,005	62.5%	$20,014	$1,927,322	$1,147,190
Ohio	$2,563,216	$22,483	56.9%	$12,782	$4,210,493	$1,647,277
Pendleton	$66,295	$22,431	58.3%	$13,070	$105,867	$39,571
Pleasants	$127,369	$27,829	53.3%	$14,841	$227,068	$99,699
Pocahontas	$82,446	$22,754	60.7%	$13,815	$136,765	$54,320
Preston	$1,913,165	$15,989	65.3%	$10,446	$2,444,422	$531,257
Putnam	$3,079,264	$17,601	63.7%	$11,219	$4,503,487	$1,424,223
Raleigh	$3,718,479	$18,250	53.6%	$9,790	$4,643,326	$924,847
Randolph	$715,459	$15,393	65.0%	$10,002	$882,201	$166,742
Ritchie	$145,012	$32,372	50.7%	$16,409	$295,354	$150,341
Roane	$532,578	$17,198	45.0%	$7,741	$515,531	($17,046)
Summers	$416,133	$22,707	50.0%	$11,359	$572,518	$156,385
Taylor	$732,934	$19,288	62.8%	$12,115	$1,112,183	$379,249
Tucker	$273,547	$23,471	62.3%	$14,616	$486,726	$213,179
Tyler	$0	$111,231	45.5%	$50,657	$820,647	$820,647
Upshur	$794,025	$15,128	61.0%	$9,222	$913,017	$118,992
Wayne	$1,513,719	$17,319	63.6%	$11,010	$2,100,650	$586,931
Webster	$67,115	$19,110	59.3%	$11,338	$91,837	$24,722
Wetzel	$0	$46,699	59.8%	$27,910	$427,028	$427,028
Wirt	$275,948	$20,524	56.6%	$11,607	$407,396	$131,448
Wood	$4,197,305	$17,821	63.7%	$11,346	$6,198,051	$2,000,747
Wyoming	$121,610	$19,199	56.1%	$10,773	$164,821	$43,211
Total	**$73,510,612**	**$20,249**	**59.3%**	**$12,004**	**$108,742,743**	**$35,232,131**

Sources: West Virginia State Treasurer's Office; West Virginia Department of Education; U.S. Department of Education, National Center for Education Statistics.

** Analysis assumes 90% of ESA students are switchers.*
*** FY 2025 total revenue per pupil is used as a proxy for total cost.*

Appendix B: Short-Run Variable Costs

Estimating the fiscal effects on local taxpayers requires an estimate of how public school costs change when enrollment changes. Over a given period, some expenditures can be adjusted relatively quickly while others are fixed or partially fixed. Consistent with the approach used in the Year 2 Hope fiscal brief, the present analysis uses district-level finance data from the National Center for Education Statistics at the U.S. Department of Education to estimate short-run variable costs. It considers three categories (instruction, student support, and instructional staff support) as variable in the short run.

Overall, 59.3% of costs are variable in the short run for districts across the state, on average. The analysis calculates rates for each district and applies each district's estimated variable-cost rate to its FY 2025 total revenue per student, used as a proxy for total cost. Variable-cost savings are then calculated by summing district-level estimates. This yields about $108.7 million in estimated short-run variable-cost savings.

This approach is intended to be cautious. Other methods in the literature classify additional expenditure categories as variable or estimate greater responsiveness of district spending to enrollment changes.[10]

Notes

1. West Virginia Department of Education, Office of School Finance, *Executive Summary of the Public School Support Program Based on the Final Computations for the 2024–25 Year, https://wvde.us/media/9482/pssp-executive-summary-25-final-compspdf*

2. Administrative costs are not deducted from an individual student's Hope scholarship. They are paid separately from the Hope Scholarship Program Expense Fund and may not exceed 5% of the fund. The analysis assumes the maximum 5% as additional administrative costs, although the actual amount transferred for administration may actually be lower.

3. West Virginia State Treasurer's Office (no date). *Hope Scholarship West Virginia: Annual Report 2024-2025 Academic Year*, https://hopescholarshipwv.gov/Portals/HopeScholarship/content/Documents/Reports/Hope%20Scholarship%2024-25%20Annual%20Report.pdf; West Virginia Department of Education, Office of School Finance. *Public School Support Program: Basic State Aid Allowance on a Per Pupil Basis, Based on the Final Computations for the 2024–25 Year*, March 15, 2024, https://wvde.us/media/9484/state-aid-pupil-25-based-adjusted-net-enrollment-finalpdf; West Virginia Department of Education, Office of School Finance, *County Boards of Education: Total Revenues Classified by Source for the 2024–25 Year*, December 22, 2025.

4. West Virginia Department of Education, Office of School Finance, *Executive Summary of the Public School Support Program Based on the Final Computations for the 2024–25 Year, https://wvde.us/media/9482/pssp-executive-summary-25-final-compspdf*

5. West Virginia Department of Education, Office of School Finance. *Public School Support Program: Basic State Aid Allowance on a Per Pupil Basis, Based on the Final Computations for the 2024–25 Year*, March 15, 2024, https://wvde.us/media/9484/state-aid-pupil-25-based-adjusted-net-enrollment-finalpdf

6. Martin F. Lueken (2021) The Fiscal Impact of K-12 Educational Choice: Using Random Assignment Studies of Private School Choice Programs to Infer Student Switcher Rates, *Journal of School Choice*, 15(2), 170-193, https://doi.org/10.1080/15582159.2020.1735863

7. Marty Lueken, "The Real Story Behind Arizona's ESA 'Switcher' Rates," *Informed Choice*, September 23, 2025, https://informedchoice1996.substack.com/p/the-real-story-behind-arizonas-esa

8. Arizona Department of Education (2026). *Arizona Empowerment Scholarship Account Program, Fiscal Year 2026, Quarter 4 Report to Executive and Legislative Leadership*. https://www.azed.gov/sites/default/files/2026-09/ESA%20FY26%20Q4%20Executive%20_%20%20Legislative%20Report.pdf

9. Marty Lueken, "The Real Story Behind Arizona's ESA 'Switcher' Rates," *Informed Choice*, September 23, 2025, https://informedchoice1996.substack.com/p/the-real-story-behind-arizonas-esa

10. Benjamin Scafidi, *The Fiscal Effects of School Choice Programs on Public School Districts*, Friedman Foundation for Educational Choice, retrieved from EdChoice website: https://www.edchoice.org/wp-content/uploads/2015/07/The-Fiscal-Effects-of-School-Choice-Programs.pdf ; Robert Bifulco and Randall Reback (2014), Fiscal Impacts of Charter Schools: Lessons from New York, *Education Finance and Policy* 9(1), pp. 86–107, http://dx.doi.org/10.1162/EDFP_a_00121; Corey A. DeAngelis and Julie R. Trivitt (2016). *Squeezing the Public School Districts: The Fiscal Effects of Eliminating the Louisiana Scholarship Program* School Choice Demonstration Project , University of Arkansas, https://scholarworks.uark.edu/scdp/20/