

115TH CONGRESS
1ST SESSION

H. R. 2859

To amend the Higher Education Act of 1965 to establish demonstration projects for competency-based education.

IN THE HOUSE OF REPRESENTATIVES

JUNE 8, 2017

Mr. POLIS (for himself, Mr. MESSER, Mrs. DAVIS of California, Mr. TAKANO, Mr. ESPAILLAT, Mr. SCOTT of Virginia, Mr. SABLAN, and Mr. DANNY K. DAVIS of Illinois) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To amend the Higher Education Act of 1965 to establish demonstration projects for competency-based education.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Advancing Com-
5 petency-Based Education Act of 2017”.

1 **SEC. 2. COMPETENCY-BASED EDUCATION DEMONSTRATION**
2 **PROJECTS.**

3 (a) PROJECTS.—Part G of title IV of the Higher
4 Education Act of 1965 (20 U.S.C. 1088 et seq.) is amend-
5 ed by inserting after section 486A the following:

6 **“SEC. 486B. COMPETENCY-BASED EDUCATION DEMONSTRA-**
7 **TION PROJECTS.**

8 “(a) DEMONSTRATION PROJECTS AUTHORIZED.—
9 The Secretary shall select, in accordance with subsection
10 (d), eligible entities to voluntarily carry out competency-
11 based education demonstration projects and receive waiv-
12 ers or other flexibility described in subsection (e) to carry
13 out such projects.

14 “(b) APPLICATION.—

15 “(1) IN GENERAL.—Each eligible entity desir-
16 ing to carry out a demonstration project under this
17 section shall submit an application to the Secretary,
18 at such time and in such manner as the Secretary
19 may require.

20 “(2) OUTREACH.—The Secretary shall, prior to
21 any deadline to submit applications under paragraph
22 (1), conduct outreach to historically Black colleges
23 and universities, Hispanic-serving institutions, Na-
24 tive American-serving, nontribal institutions, institu-
25 tions serving students with special needs, and insti-
26 tutions located in rural areas to provide those insti-

1 tutions with information on the opportunity to apply
2 to carry out a demonstration project under this sec-
3 tion.

4 “(3) AMENDMENTS.—

5 “(A) IN GENERAL.—An eligible entity that
6 has been selected to carry out a demonstration
7 project under this section may submit to the
8 Secretary amendments to the eligible entity’s
9 approved application under paragraph (1), at
10 such time and in such manner as the Secretary
11 may require, which the Secretary shall approve
12 or deny within 30 days of receipt.

13 “(B) EXPANDING ENROLLMENT.—Not-
14 withstanding the assurance required with re-
15 spect to maximum enrollment under paragraph
16 (4)(I)—

17 “(i) an eligible entity whose dem-
18 onstration project has been evaluated
19 under subsection (g)(2) not less than twice
20 may submit to the Secretary an amend-
21 ment to the eligible entity’s application
22 under paragraph (1) to increase enrollment
23 in the project to more than 3,000 students,
24 but not more than 5,000 students, and
25 which shall specify—

1 “(I) the proposed maximum en-
2 rollment or annual enrollment growth
3 for the project;

4 “(II) how the eligible entity will
5 successfully carry out the project with
6 such maximum enrollment or enroll-
7 ment growth; and

8 “(III) any other amendments to
9 the eligible entity’s application under
10 paragraph (1) that are related to such
11 maximum enrollment or enrollment
12 growth; and

13 “(ii) the Secretary shall determine
14 whether to approve or deny an amendment
15 submitted under clause (i) for a dem-
16 onstration project based on the project’s
17 evaluations under subsection (g)(2).

18 “(4) CONTENTS.—Each application under para-
19 graph (1) shall include—

20 “(A) a description of each competency-
21 based education program to be offered by the
22 eligible entity under the demonstration project;

23 “(B) a description of the proposed aca-
24 demic delivery, business, and financial models
25 for the demonstration project, including expla-

1 nations of how each competency-based edu-
2 cation program offered under the demonstration
3 project will—

4 “(i) result in the achievement of com-
5 petencies;

6 “(ii) differ from standard credit hour
7 approaches, in whole or in part; and

8 “(iii) result in lower costs or short-
9 ened time to the completion of a recog-
10 nized educational credential;

11 “(C) a description of how each com-
12 petency-based education program offered under
13 the demonstration project will progress a stu-
14 dent toward completion of a recognized edu-
15 cational credential;

16 “(D) a description of the meaningful role
17 of the appropriate faculty of the eligible entity
18 in the development, design, implementation, de-
19 livery, and evaluation of each such competency-
20 based education program;

21 “(E) a description of how each such com-
22 petency-based education program will provide
23 strong post-enrollment earnings and loan repay-
24 ment outcomes;

1 “(F) a description of how the eligible enti-
2 ty will articulate the transcript from a com-
3 petency-based education program offered under
4 the demonstration project to another program
5 at the eligible entity or at another institution of
6 higher education;

7 “(G) a description of the statutory and
8 regulatory requirements described in subsection
9 (e) for which the eligible entity is seeking a
10 waiver or other flexibility, and why such waiver
11 or flexibility is necessary to carry out the dem-
12 onstration project;

13 “(H) a description of how a third party
14 will assess student learning for each com-
15 petency-based education program offered under
16 the demonstration project;

17 “(I) a description of how the eligible entity
18 will develop and evaluate the competencies and
19 assessments of student knowledge administered
20 as part of the demonstration project, including
21 how such competencies and assessments are
22 aligned with workforce needs;

23 “(J) a description of the proposal for de-
24 termining a student’s Federal student aid eligi-
25 bility under this title for participating in the

1 demonstration project, the award and distribu-
2 tion of such aid, and the safeguards to ensure
3 that students are making satisfactory progress
4 that warrants the disbursement of such aid;

5 “(K) an assurance that the demonstration
6 project will enroll a minimum of 25 students
7 and a maximum of 3,000 students or, in the
8 case of an eligible entity with an application
9 amendment approved under paragraph (3)(B),
10 the maximum enrollment approved under such
11 paragraph;

12 “(L) a description of the population of stu-
13 dents to whom competency-based education
14 under the demonstration project will be offered,
15 including demographic information and prior
16 educational experience, disaggregated by stu-
17 dents who are Federal Pell Grant recipients,
18 students of color, students with disabilities, stu-
19 dents who are veterans or members of the
20 Armed Forces, and first generation college stu-
21 dents, and how such eligible entity will, when
22 appropriate, address the specific needs of each
23 such population of students when carrying out
24 the demonstration project;

1 “(M) an assurance that students partici-
2 pating in the demonstration project will not, on
3 average, be eligible for more Federal assistance
4 under this title than such students would have
5 been eligible for under a traditional program;

6 “(N) the cost of attendance for each com-
7 petency-based education program offered under
8 the demonstration project, disaggregated by
9 each of the applicable costs or allowances de-
10 scribed in paragraphs (1) through (13) of sec-
11 tion 472, and the estimated amount of the cost
12 of attendance of each such program to be cov-
13 ered by need-based grant aid and merit-based
14 grant aid from Federal, State, institutional, and
15 private sources;

16 “(O) an assurance that the eligible entity
17 will identify and disseminate best practices with
18 respect to the demonstration project to other el-
19 igible entities carrying out a demonstration
20 project under this section;

21 “(P) a description of other competency-
22 based education the eligible entity offers or
23 plans to offer outside of the demonstration
24 project;

1 “(Q) an assurance that the eligible entity
2 will use data to—

3 “(i) ensure that each competency-edu-
4 cation program under the demonstration
5 project meets the benchmarks established
6 in accordance with subsection (c)(2)(E);
7 and

8 “(ii) improve each such program;

9 “(R) an assurance that the eligible entity
10 has an agreement with the accrediting agency
11 or association of the eligible entity to establish
12 the standards described in subsection (c); and

13 “(S) such other elements as the Secretary
14 may require.

15 “(c) RECOGNITION BY ACCREDITING AGENCY OR AS-
16 SOCIATION.—To carry out a competency-based education
17 program under a demonstration project under this section,
18 an eligible entity shall ensure that before, on, or after the
19 date of approval of the eligible entity’s application under
20 subsection (b), the accrediting agency or association of the
21 eligible entity will establish the following standards with
22 respect to such competency-based education program:

23 “(1) Standards for determining whether the eli-
24 gible entity or the program requires students to
25 demonstrate competencies that are—

1 “(A) capable of being validly and reliably
2 assessed; and

3 “(B) appropriate in scope and rigor for the
4 award of the relevant recognized educational
5 credential.

6 “(2) Standards for determining whether the eli-
7 gible entity or the program demonstrate—

8 “(A) the administrative capacity and ex-
9 pertise that will ensure—

10 “(i) the validity and reliability of as-
11 sessments of competencies; and

12 “(ii) good practices in assessment and
13 measurement;

14 “(B) sufficient educational content, activi-
15 ties, and resources (including faculty sup-
16 port)—

17 “(i) to enable students to learn or de-
18 velop what is required to demonstrate or
19 attain mastery of competencies; and

20 “(ii) that are consistent with the
21 qualifications of graduates of traditional
22 programs;

23 “(C) that the quality of demonstration of
24 competence is judged at mastery for each com-

1 competency that is assessed for the award of a rec-
2 ognized educational credential;

3 “(D) a standard for the amount of learn-
4 ing that is included in a unit of competency;

5 “(E) reasonable benchmarks for gradua-
6 tion rates and the employment and earnings of
7 graduates, including placements in a field for
8 which the program prepares students, debt-to-
9 earnings ratios, loan repayment rates, and stu-
10 dent satisfaction; and

11 “(F) regular evaluation of whether the pro-
12 gram meets the benchmarks under subpara-
13 graph (E).

14 “(3) Standards for determining when to deny,
15 withdraw, suspend, or terminate the accreditation of
16 the program if the benchmarks under paragraph
17 (2)(E) are not achieved, including standards for pro-
18 viding sufficient opportunity—

19 “(A) for the eligible entity or program to
20 provide a written response regarding the failure
21 to achieve such benchmarks be considered by
22 the agency or association in the manner de-
23 scribed in section 496(a)(6)(B); and

24 “(B) for the eligible entity or program to
25 appeal any adverse action under this subpara-

1 graph before an appeals panel that meets the
2 requirements of section 496(a)(6)(C).

3 “(d) SELECTION.—

4 “(1) IN GENERAL.—Not later than 9 months
5 after the date of enactment of the Advancing Com-
6 petency-Based Education Act of 2017, the Secretary
7 shall select not more than 100 eligible entities to
8 carry out a demonstration project under this section
9 under which at least 1 competency-based education
10 program is offered.

11 “(2) CONSIDERATIONS.—In selecting eligible
12 entities under paragraph (1), the Secretary shall—

13 “(A) consider the number and quality of
14 applications received;

15 “(B) consider an eligible entity’s—

16 “(i) ability to successfully execute the
17 demonstration project as described in the
18 eligible entity’s application under sub-
19 section (b);

20 “(ii) commitment and ability to effec-
21 tively finance the demonstration project;

22 “(iii) ability to provide administrative
23 capability and the expertise to evaluate
24 student progress based on measures other
25 than credit hours or clock hours;

1 “(iv) history of compliance with the
2 requirements of this Act;

3 “(v) commitment to work with the Di-
4 rector of the Institute of Education
5 Sciences and the Secretary to evaluate the
6 demonstration project and the impact of
7 the demonstration project under subsection
8 (g)(2); and

9 “(vi) commitment and ability to as-
10 sess student learning through a third
11 party;

12 “(C) ensure the selection of a diverse
13 group of eligible entities with respect to size,
14 mission, student population, and geographic
15 distribution;

16 “(D) not limit the types of programs of
17 study or courses of study approved for partici-
18 pation in a demonstration project; and

19 “(E) not select an eligible entity that has
20 had, for 1 of the preceding 2 fiscal years, a co-
21 hort default rate (defined in section 435(m))
22 that is 30 percent or greater.

23 “(e) WAIVERS AND OTHER FLEXIBILITY.—

1 “(1) IN GENERAL.—With respect to any eligible
2 entity selected to carry out a demonstration project
3 under this section, the Secretary may—

4 “(A) waive any requirements of the provi-
5 sions of law (including any regulations promul-
6 gated under such provisions) listed in para-
7 graph (2) for which the eligible entity has pro-
8 vided a reason for waiving under subsection
9 (b)(4)(F); or

10 “(B) provide other flexibility, but not
11 waive, any requirements of the provisions of law
12 (including any regulations promulgated under
13 such provisions) listed in paragraph (3) for
14 which the eligible entity has provided a reason
15 for such flexibility under subsection (b)(4)(F).

16 “(2) PROVISIONS ELIGIBLE FOR WAIVERS.—
17 The Secretary may waive the following under para-
18 graph (1)(A):

19 “(A) Subparagraphs (A) and (B) of section
20 102(a)(3).

21 “(B) Section 484(l)(1).

22 “(3) PROVISIONS ELIGIBLE FOR FLEXI-
23 BILITY.—The Secretary may provide the flexibility
24 described in paragraph (1)(B) with respect to the re-
25 quirements under provisions in title I, part F of this

1 title, or this part, that inhibit the operation of a
2 competency-based education program, relating to the
3 following:

4 “(A) Documenting attendance.

5 “(B) Weekly academic activity.

6 “(C) Minimum weeks of instructional time.

7 “(D) Requirements for credit hour or clock
8 hour equivalencies.

9 “(E) Requirements for substantive inter-
10 action with faculty.

11 “(F) Definitions of the terms ‘academic
12 year’, ‘full-time student’, ‘term’ (including
13 ‘standard term’, ‘non-term’, and ‘non-standard
14 term’), ‘satisfactory academic progress’, ‘edu-
15 cational activity’, ‘project of study’, and ‘pay-
16 ment period’.

17 “(G) Methods of disbursing student finan-
18 cial aid by institutions of higher education se-
19 lected, as of the date of enactment of the Ad-
20 vancing Competency-Based Education Act of
21 2017, as experimental sites under section
22 487A(b)(3) to carry out competency-based edu-
23 cation programs.

24 “(f) NOTIFICATION.—Not later than 9 months after
25 the date of enactment of the Advancing Competency-

1 Based Education Act of 2017, the Secretary shall make
2 available to the authorizing committees and the public a
3 list of eligible entities selected to carry out a demonstra-
4 tion project under this section, which shall include for each
5 such eligible entity—

6 “(1) the specific waiver or other flexibility from
7 statutory or regulatory requirements offered under
8 subsection (e); and

9 “(2) a description of the competency-based edu-
10 cation programs to be offered under the project.

11 “(g) INFORMATION AND EVALUATION.—

12 “(1) INFORMATION.—

13 “(A) STUDENT-LEVEL DATA.—Each eligi-
14 ble entity that carries out a demonstration
15 project under this section shall provide to the
16 Director of the Institute of Education Sciences
17 the student-level data for the students enrolled
18 in a program described in subparagraph
19 (C)(i)(I), the student-level data for the students
20 enrolled in a program described in subpara-
21 graph (C)(i)(II), and the student-level data for
22 students enrolled in a program described in
23 subparagraph (C)(i)(III) to enable the Direc-
24 tor—

1 “(i) to determine the aggregate infor-
2 mation described in subparagraph (B) with
3 respect to each such program; and

4 “(ii) to the extent practicable, to com-
5 pare the programs using a rigorous evalua-
6 tion, such as propensity score matching.

7 “(B) AGGREGATE INFORMATION.—For
8 purposes of the evaluation under paragraph (2),
9 the Director shall use the student-level data
10 provided under subparagraph (A) by an eligible
11 entity to determine the following information
12 with respect to each program described in sub-
13 paragraph (C)(i) offered at such eligible entity:

14 “(i) The average number of credit
15 hours students earned prior to enrollment
16 in the program, if applicable.

17 “(ii) The number and percentage of
18 students enrolled in a competency-based
19 program that are also enrolled in programs
20 of study or courses of study offered in
21 credit hours or clock hours, disaggregated
22 by student status as a first-year, second-
23 year, third-year, fourth-year, or other stu-
24 dent.

1 “(iii) The average period of time be-
2 tween the enrollment of a student in the
3 program and the first assessment of stu-
4 dent knowledge of such student.

5 “(iv) The average time to 25 percent,
6 50 percent, 75 percent, 100 percent, 150
7 percent, and 200 percent completion of a
8 recognized educational credential.

9 “(v) The percentage of assessments of
10 student knowledge that students passed on
11 the first attempt during the period of en-
12 rollment in the program.

13 “(vi) The percentage of assessments
14 of student knowledge that students passed
15 on the second attempt and the average pe-
16 riod of time between the first and second
17 attempts during the period of enrollment
18 in the program.

19 “(vii) The average number of com-
20 petencies a student acquired while enrolled
21 in a program and the period of time during
22 which the student acquired such com-
23 petencies.

24 “(viii) The number and percentage of
25 students completing the program who find

1 employment, disaggregated by number and
2 percentage of such students finding em-
3 ployment in a field related to the program.

4 “(ix) The median student earnings 1,
5 3, and 4 years after graduating from the
6 program, if available.

7 “(x) Such other information as the
8 Director may reasonably require.

9 “(C) DISAGGREGATION.—The information
10 determined under subparagraph (B) shall be
11 disaggregated as follows, provided that the
12 disaggregation of the information does not iden-
13 tify any individual student:

14 “(i) For each eligible entity that car-
15 ries out a demonstration project under this
16 section, disaggregation by—

17 “(I) the students enrolled in each
18 competency-based education program
19 under the project;

20 “(II) the students enrolled in
21 each competency-based education pro-
22 gram not being carried out under the
23 project; and

1 “(III) the students enrolled in a
2 program not described in subclause
3 (I) or (II).

4 “(ii) For each group of students de-
5 scribed in clause (i), disaggregation by age,
6 race, gender, disability status, students
7 who are Veterans or servicemembers, first
8 generation college students, and status as
9 a recipient of a Federal Pell Grant.

10 “(D) COUNCIL.—The Director shall pro-
11 vide to the Competency-Based Education Coun-
12 cil any information described in subparagraph
13 (A) or (B) (other than personally identifiable
14 information) that may be necessary for the
15 Council to carry out its duties under section
16 3(e) of the Advancing Competency-Based Edu-
17 cation Act of 2017.

18 “(2) EVALUATION.—

19 “(A) IN GENERAL.—The Director, in con-
20 sultation with the Secretary and using the in-
21 formation determined under paragraph (1),
22 shall annually evaluate each eligible entity car-
23 rying out a demonstration project under this
24 section. Each evaluation shall be disaggregated

1 in accordance with subparagraph (B) and in-
2 clude—

3 “(i) the extent to which the eligible
4 entity has met the elements of its applica-
5 tion under subsection (b)(4);

6 “(ii) whether the demonstration
7 project led to reduced cost or time to com-
8 pletion of a recognized educational creden-
9 tial, and the amount of cost or time re-
10 duced for such completion;

11 “(iii) obstacles related to student fi-
12 nancial assistance for competency-based
13 education;

14 “(iv) the extent to which statutory or
15 regulatory requirements not waived or for
16 which flexibility is not provided under sub-
17 section (e) presented difficulties or unin-
18 tended consequences for students or eligi-
19 ble entities;

20 “(v) a description of the waivers or
21 flexibility provided under subsection (e)
22 that were most beneficial to students or el-
23 igible entities, and an explanation of such
24 benefits;

- 1 “(vi) the percentage of students who
2 received each of the following—
- 3 “(I) a grant under this title;
4 “(II) a loan under this title;
5 “(III) a State grant;
6 “(IV) a State loan;
7 “(V) an institutional grant;
8 “(VI) an institutional loan; and
9 “(VII) a private loan;
- 10 “(vii) total cost and net cost to the
11 student of the program;
- 12 “(viii) the average outstanding bal-
13 ance of principal and interest on loans
14 made under this title that students have
15 upon graduation;
- 16 “(ix) the 3-year cohort default rate;
- 17 “(x) the 1- and 3-year repayment rate
18 of loans made under this title;
- 19 “(xi) the median student earnings 1,
20 3, and 4 years after graduation;
- 21 “(xii) enrollment data, disaggregated
22 by—
- 23 “(I) enrollment status, retention
24 rates, credit accumulation, and com-
25 pletion rates for—

1 “(II) first-time, full-time stu-
2 dents;

3 “(III) first-time, part-time stu-
4 dents;

5 “(IV) nonfirst-time, full-time stu-
6 dents;

7 “(V) nonfirst-time, part-time stu-
8 dents;

9 “(VI) eligibility for Federal Pell
10 grants;

11 “(VII) race and ethnicity; and

12 “(VIII) transfer rates;

13 “(xiii) a description of the assess-
14 ments of student knowledge and the cor-
15 responding competencies;

16 “(xiv) a description of the role of fac-
17 ulty and faculty involvement; and

18 “(xv) outcomes of the assessments of
19 student knowledge.

20 “(B) DISAGGREGATION.—The data col-
21 lected under clauses (vi) through (xii) shall be
22 disaggregated by each group of students de-
23 scribed in paragraph (1)(C)(i).

1 “(3) ANNUAL REPORT.—The Director, in con-
2 sultation with the Secretary, shall annually provide
3 to the authorizing committees a report on—

4 “(A) the evaluations required under para-
5 graph (2);

6 “(B) the number and types of students re-
7 ceiving assistance under this title for com-
8 petency-based education programs offered
9 under projects under this section;

10 “(C) any proposed statutory or regulatory
11 changes designed to support and enhance the
12 expansion of competency-based education pro-
13 grams, which may be independent of or com-
14 bined with traditional credit hour or clock hour
15 projects;

16 “(D) the most effective means of delivering
17 competency-based education programs through
18 projects under this section; and

19 “(E) the appropriate level and distribution
20 methodology of Federal assistance under this
21 title for students enrolled in a competency-
22 based education program.

23 “(h) COORDINATION.—An eligible entity or the Di-
24 rector shall consult with the Secretary of Education or the
25 Secretary of the Treasury to obtain the employment, earn-

1 ings, and loan information that may be necessary for pur-
2 poses of subsection (e)(2)(F) or subsection (g), respec-
3 tively.

4 “(i) OVERSIGHT.—In carrying out this section, the
5 Secretary shall, on a continuing basis—

6 “(1) assure compliance of eligible entities with
7 the requirements of this title (other than the provi-
8 sions of law and regulations that are waived under
9 subsection (e));

10 “(2) provide technical assistance;

11 “(3) monitor fluctuations in the student popu-
12 lation enrolled in the eligible entities carrying out
13 the demonstration projects under this section;

14 “(4) consult with appropriate accrediting agen-
15 cies or associations and appropriate State regulatory
16 authorities for additional ways of improving the de-
17 livery of competency-based education programs; and

18 “(5) collect and disseminate to eligible entities
19 carrying out a demonstration project under this sec-
20 tion, best practices with respect to such projects.

21 “(j) DATA PRIVACY.—

22 “(1) IN GENERAL.—It shall be unlawful for any
23 person who obtains or has access to personally iden-
24 tifiable information in connection with this section to
25 willfully disclose to any person (except as authorized

1 in this Act or any Federal law) such personally iden-
2 tifiable information.

3 “(2) PENALTY.—Any person who violates para-
4 graph (1) shall be fined not more than \$5,000, im-
5 prisoned not more than 5 years, or both, together
6 with the costs of prosecution.

7 “(3) EMPLOYEE OR OFFICER OF THE UNITED
8 STATES.—If a violation of paragraph (1) is com-
9 mitted by any officer or employee of the United
10 States, the officer or employee shall be dismissed
11 from office or discharged from employment upon
12 conviction for the violation.

13 “(4) SALE OF DATA PROHIBITED.—Data col-
14 lected under this section shall not be sold to any
15 third party by the Director, any postsecondary insti-
16 tution, or any other entity.

17 “(5) LIMITATION ON USE BY OTHER FEDERAL
18 AGENCIES.—The Director shall not allow any other
19 Federal agency to use data collected under this sec-
20 tion for any purpose except as explicitly authorized
21 by this Act.

22 “(6) LAW ENFORCEMENT.—Personally identifi-
23 able information collected under this section shall
24 not be used for any law enforcement activity or any
25 other activity that would result in adverse action

1 against any student, including debt collection activ-
2 ity or enforcement of the immigration laws.

3 “(k) AUTHORIZATION OF APPROPRIATIONS.—There
4 are authorized to be appropriated \$5,000,000 to carry out
5 this section.

6 “(l) DEFINITIONS.—For the purpose of this section:

7 “(1) COMPETENCY-BASED EDUCATION PRO-
8 GRAM.—The term ‘competency-based education pro-
9 gram’ means a program that provides competency-
10 based education for which the accrediting agency or
11 association of the institution of higher education of-
12 fering such program has established or will establish
13 the standards described in subsection (c) and, in ac-
14 cordance with such standards—

15 “(A) measures academic progress and at-
16 tainment by the assessment of student learning
17 in lieu of, or in addition to, credit or clock
18 hours;

19 “(B) measures and assesses such academic
20 progress and attainment in terms of a student’s
21 mastery of competencies by identifying what
22 students know and the skills mastered through
23 rigorous assessment;

24 “(C) determines and reports to the Sec-
25 retary the number of credit or clock hours that

1 would be needed for the attainment of a similar
2 level of knowledge, skills, and characteristics in
3 a standard credit or clock hour program;

4 “(D) provides the educational content, ac-
5 tivities, support, and resources necessary to en-
6 able students to attain the knowledge, skills,
7 and characteristics that are required to dem-
8 onstrate mastery of such competencies, includ-
9 ing—

10 “(i) ready access to academic assist-
11 ance from faculty who meet the standards
12 of the agency or association for providing
13 instruction in the subject area; and

14 “(ii) a system for monitoring a stu-
15 dent’s engagement and progress in each
16 competency, in which faculty are respon-
17 sible for providing proactive academic as-
18 sistance, when needed, on the basis of such
19 monitoring; and

20 “(E) upon a student’s demonstration or
21 mastery of a set of competencies identified and
22 required by the institution, leads to or results
23 in the awarding of a recognized educational cre-
24 dential.

1 “(2) ELIGIBLE ENTITY.—The term ‘eligible en-
2 tity’ means an institution of higher education, which
3 may be an institution of higher education that offers
4 a dual or concurrent enrollment program.

5 “(3) INSTITUTION OF HIGHER EDUCATION.—
6 The term ‘institution of higher education’ has the
7 meaning given the term in section 102, except that
8 such term does not include institutions described in
9 section 102(a)(1)(C).

10 “(4) DUAL OR CONCURRENT ENROLLMENT
11 PROGRAM.—The term ‘dual or concurrent enrollment
12 program’ has the meaning given the term in section
13 8101 of the Elementary and Secondary Education
14 Act of 1965 (20 U.S.C. 7801).

15 “(5) DIRECTOR.—The term ‘Director’ means
16 the Director of the Institute of Education Sciences.

17 “(6) FIRST GENERATION COLLEGE STUDENT.—
18 The term ‘first generation college student’ has the
19 meaning given the term in section 402A(h)(3).”.

20 (b) EXCEPTION TO STUDENT UNIT RECORD BAN.—
21 Section 134(b) of the Higher Education Act of 1965 (20
22 U.S.C. 1015c(b)) is amended—

23 (1) by striking the following:

24 “(1) is necessary”; and inserting the following:

25 “(1)(A) is necessary”;

1 (2) by striking the following:

2 “(2) was in”; and inserting the following:

3 “(B) was in”;

4 (3) by striking the period at the end and insert-
5 ing “; or”; and

6 (4) by adding at the end the following:

7 “(2) is necessary for the operation of section
8 486B.”.

9 (c) **RULE OF CONSTRUCTION.**—Nothing in this Act
10 or the amendments made by this Act shall be construed
11 to alter the authority of the Secretary of Education to es-
12 tablish experimental sites under any other provision of
13 law.

14 **SEC. 3. COMPETENCY-BASED EDUCATION COUNCIL.**

15 (a) **ESTABLISHMENT OF A COMMITTEE ON COM-**
16 **PETENCY-BASED EDUCATION.**—Not later than 6 months
17 after the date of enactment of this Act, there shall be es-
18 tablished the Competency-Based Education Council (re-
19 ferred to in this section as the “Council”).

20 (b) **MEMBERSHIP.**—

21 (1) **COMPOSITION.**—The Council shall be com-
22 posed of—

23 (A) 3 individuals appointed by the Sec-
24 retary of Education;

1 (B) 2 individuals appointed by the Director
2 of the Consumer Financial Protection Bureau;

3 (C) not less than 8 and not more than 13
4 individuals appointed by the Comptroller Gen-
5 eral of the United States, representing—

6 (i) experts in competency-based edu-
7 cation;

8 (ii) faculty members in competency-
9 based education programs;

10 (iii) administrators at institutions that
11 offer competency-based education pro-
12 grams;

13 (iv) individuals currently enrolled in
14 or graduated from a competency-based
15 education program;

16 (v) accrediting agencies or associa-
17 tions that recognize competency-based edu-
18 cation programs; and

19 (vi) experts from the State education
20 agency;

21 (D) 4 members appointed by—

22 (i) the majority leader of the Senate;

23 (ii) the minority leader of the Senate;

24 (iii) the Speaker of the House of Rep-
25 resentatives; and

1 (iv) the minority leader of the House
2 of Representatives.

3 (E) CHAIRPERSON.—The Council shall se-
4 lect a Chairperson from among its members.

5 (F) VACANCIES.—Any vacancy in the
6 Council shall not affect the powers of the Coun-
7 cil and shall be filled in the same manner as an
8 initial appointment.

9 (c) MEETINGS.—The Council shall hold, at the call
10 of the Chairperson, not less than 6 meetings before com-
11 pleting the study required under subsection (e) and the
12 report required under subsection (f).

13 (d) PERSONNEL MATTERS.—

14 (1) COMPENSATION OF MEMBERS.—Each mem-
15 ber of the Council shall serve without compensation
16 in addition to any such compensation received for
17 the member's service as an officer or employee of the
18 United States, if applicable.

19 (2) TRAVEL EXPENSES.—The members of the
20 Council shall be allowed travel expenses, including
21 per diem in lieu of subsistence, at rates authorized
22 for employees of agencies under subchapter 1 of
23 chapter 57 of title 5, United States Code, while
24 away from their homes or regular places of business
25 in the performance of services for the Council.

1 (e) DUTIES OF THE COUNCIL.—

2 (1) STUDY.—The Council shall conduct a study
3 on the ongoing innovation and development of com-
4 petency-based education programs.

5 (2) RECOMMENDATIONS.—Based on the find-
6 ings of the study under paragraph (1), the Council
7 shall develop recommendations for the authorization
8 of competency-based education under the Higher
9 Education Act of 1965, including recommendations
10 that—

11 (A) provide or update standard definitions,
12 if needed, for relevant terms, including—

13 (i) competency-based education; and

14 (ii) competency-based education pro-
15 gram; and

16 (B) address—

17 (i) the amount of learning in a com-
18 petency unit;

19 (ii) the transfer of competency-based
20 education credits to other institutions or
21 programs;

22 (iii) the minimum amount of time in
23 an academic year for competency-based
24 education programs, for financial aid pur-
25 poses;

1 (iv) considerations for accreditation
2 agencies before recognizing competency-
3 based education programs;

4 (v) address the role of faculty and fac-
5 ulty involvement in competency-based edu-
6 cation programs; and

7 (vi) additional resources that may be
8 needed for adequate oversight of com-
9 petency-based education programs.

10 (f) REPORT.—Not later than 6 years after the date
11 of enactment of this Act, the Council shall prepare and
12 submit a report to the Secretary of Education and to Con-
13 gress containing the findings of the study under sub-
14 section (e)(1) and the recommendations developed under
15 subsection (e)(2).

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