

113TH CONGRESS
2D SESSION

S. 2506

To award grants to States to support efforts at institutions of higher education to increase degree attainment, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 19, 2014

Mrs. HAGAN (for herself and Mr. HARKIN) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To award grants to States to support efforts at institutions of higher education to increase degree attainment, and for other purposes.

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 “Correctly Recognizing
5 Educational Achievements To Empower Graduates Act”
6 or the “CREATE Graduates Act”.

1 **SEC. 2. CREATE GRADUATES.**

2 Title VII of the Higher Education Act of 1965 (20
3 U.S.C. 1133 et seq.) is amended by inserting after part
4 B the following:

5 **“PART C—CREATE GRADUATES**

6 **“SEC. 751. PURPOSE.**

7 “The purpose of this part is to award grants to
8 States to support efforts at institutions of higher edu-
9 cation or within systems of higher education to increase
10 postsecondary degree attainment by—

11 “(1) locating, and conferring degrees to, stu-
12 dents who have accumulated sufficient applicable
13 postsecondary credits and maintained a sufficient
14 grade point average to earn an associate’s degree
15 but did not receive one;

16 “(2) providing outreach to those students who
17 are within 12 credits of earning an associate’s de-
18 gree; and

19 “(3) establishing partnerships between 2-year
20 and 4-year institutions of higher education in States,
21 in order to strengthen the transition pathways into
22 4-year institutions of higher education for transfer
23 students.

24 **“SEC. 752. GRANTS TO INCREASE DEGREE ATTAINMENT.**

25 “(a) DEFINITION OF INSTITUTION OF HIGHER EDU-
26 CATION.—In this section, the term ‘institution of higher

1 education' has the meaning given the term in section
2 101(a).

3 “(b) PROGRAM AUTHORIZED.—

4 “(1) IN GENERAL.—From amounts appro-
5 priated under subsection (j), the Secretary shall
6 award grants, on a competitive basis, to States to
7 enable the States to carry out the activities de-
8 scribed in subsections (e) and (f) in order to support
9 efforts at institutions of higher education to increase
10 degree attainment.

11 “(2) PARTNERSHIPS ALLOWED.—A State may
12 apply for a grant under this section in partnership
13 with a nonprofit organization. In any such partner-
14 ship, the State higher education agency or other
15 State agency described in subsection (c)(1) shall
16 serve as the fiscal agent for purposes of the grant.

17 “(c) SUBMISSION AND CONTENTS OF APPLICA-
18 TION.—

19 “(1) IN GENERAL.—The State, acting through
20 the State higher education agency or other State
21 agency determined appropriate by the Governor or
22 chief executive officer of the State, shall submit an
23 application to the Secretary at such time, in such
24 manner, and containing such information as the Sec-
25 retary may require.

1 “(2) CONTENTS.—An application submitted
2 under paragraph (1) shall include the following:

3 “(A) A description of the State’s capacity
4 to administer the grant under this section and
5 report annually to the Secretary on the
6 progress of the activities and services described
7 in subsection (e).

8 “(B) A description of how the State will
9 meet the purposes of the grant program under
10 this part through outreach and memoranda of
11 understanding with institutions of higher edu-
12 cation, including the State’s plan for using
13 grant funds to meet the requirements of sub-
14 sections (e) and (g) and, if the State elects to
15 use grant funds under such subsection to create
16 strong articulation agreements, subsection
17 (f)(2).

18 “(C) A description of how the State will
19 coordinate with appropriate stakeholders, in-
20 cluding institutions of higher education, data-
21 sharing agencies within the State, and other
22 States.

23 “(D) A description of—

24 “(i) the structure that the State has
25 in place to administer the activities and

1 services described in subsection (e), includ-
2 ing—

3 “(I) the capacity of the State’s
4 longitudinal data system to—

5 “(aa) be clean of record du-
6 plication and ensure alignment of
7 State and institutional credit
8 completion records;

9 “(bb) include transfer flags
10 and course and credit data to
11 allow the State to run initial de-
12 gree audits for institutions;

13 “(cc) include all postsec-
14 ondary educational institutions in
15 the State, including public, pri-
16 vate nonprofit, and private for-
17 profit institutions; and

18 “(dd) have in place mecha-
19 nisms to share data across insti-
20 tutions, systems, and States;

21 “(II) the capacity of the agency
22 governing the State’s longitudinal sys-
23 tem to respond to data requests accu-
24 rately and in a timely manner; and

1 “(III) the State’s plan to protect
2 student privacy with respect to data
3 in the State longitudinal data system
4 and comply with section 444 of the
5 General Education Provisions Act
6 (commonly referred to as the ‘Family
7 Educational Rights and Privacy Act
8 of 1974’); or

9 “(ii) the State’s plan to develop such
10 administrative capacity as part of the ac-
11 tivities carried out under the grant.

12 “(d) AWARD BASIS AND PRIORITY.—The Secretary
13 shall award grants under this section to States based on
14 the quality of the applications submitted under subsection
15 (c). In awarding grants under this section, the Secretary
16 shall give priority to applications from States—

17 “(1) that do not have, as of the time of the ap-
18 plication, statewide policies or statewide initiatives in
19 place to retroactively award associate’s degrees to
20 students; or

21 “(2) that have a commitment to initiatives re-
22 garding the retroactive awarding of associate’s de-
23 grees that will continue after the period of the grant.

24 “(e) MANDATORY USE OF FUNDS.—

1 “(1) SUBGRANTS.—A State that receives a
2 grant under this section shall use not less than 80
3 percent of the grant funds provided to award sub-
4 grants, on a competitive basis, to institutions of
5 higher education or systems of higher education.
6 Each institution of higher education or system of
7 higher education receiving a subgrant shall carry out
8 all of the following activities and services, pursuant
9 to the conditions under subsection (g):

10 “(A) Identify the group of current and
11 former students at the institution of higher
12 education, or at the institutions of higher edu-
13 cation within the system of higher education, as
14 the case may be, that, based on the data held
15 by the institution or system, meet both of the
16 following requirements:

17 “(i) Each individual has earned not
18 less than 60 postsecondary credit hours (or
19 the minimum required by the State to earn
20 an associate’s degree) at the institution.

21 “(ii) Each individual has not had any
22 postsecondary degree, of any kind, issued
23 to the student by an institution of higher
24 education.

1 “(B) Identify a subset of those current and
2 former students described in subparagraph (A)
3 who have not already earned an associate’s or
4 bachelor’s degree elsewhere.

5 “(C) Perform a degree audit on each stu-
6 dent remaining in the subset described in sub-
7 paragraph (B), and identify each such student
8 as one of the following:

9 “(i) Eligible to obtain an associate’s
10 degree.

11 “(ii) Eligible to obtain an associate’s
12 degree upon the completion of 12 or fewer
13 postsecondary credit hours (or the equiva-
14 lent).

15 “(iii) Not eligible under either clause
16 (i) or (ii).

17 “(D) Provide outreach to each student
18 identified in subparagraph (C)(i), and award
19 the earned associate’s degree to such student,
20 unless such student declines through a written
21 or oral declaration.

22 “(E) Provide outreach to each student
23 identified in subparagraph (C)(ii) that includes
24 information regarding next steps toward degree
25 attainment, including financial aid options.

1 “(2) APPLICATION PROCESS.—An institution of
2 higher education or system of higher education de-
3 siring a subgrant under this subsection shall submit
4 an application to the State at such time, in such
5 manner, and containing such information as the
6 State may require. Such application shall include a
7 written commitment from the institution or system
8 that, if the institution or system receives a grant,
9 the institution or system will carry out all of the ac-
10 tivities described in paragraph (1).

11 “(3) PRIORITY.—Each State awarding sub-
12 grants under this part shall give priority to applica-
13 tions from institutions of higher education or sys-
14 tems of higher education that—

15 “(A) have up-to-date degree audit software
16 or systems;

17 “(B) use an opt-out, rather than an opt-in,
18 policy to award associate’s degrees, if such pol-
19 icy is permissible under applicable accreditation
20 or State standards;

21 “(C) waive nonacademic barriers to grad-
22 uation, such as swimming tests, library fines,
23 graduation fees, or parking tickets;

24 “(D) waive or amend residency and
25 recency requirements to prevent earned credits

1 from expiring, if such action is permissible
2 under accreditation or State standards;

3 “(E) provide students with tuition waivers
4 or prior learning assessments for those who
5 need to earn remaining credits; and

6 “(F) agree that, after the conclusion of the
7 activities described in paragraph (1) and con-
8 tinuing after the end of the grant period, the
9 institution or system will—

10 “(i) conduct degree audits for all en-
11 rolled students once the students earn 45
12 credits; and

13 “(ii) provide information about grad-
14 uation deadlines to remind students of rel-
15 evant requirements at least 4 months be-
16 fore the students graduate and again 1
17 month before graduation.

18 “(f) PERMISSIVE USE OF FUNDS.—A State receiving
19 a grant under this section may use—

20 “(1) not more than 15 percent of the total
21 amount received under this section for administra-
22 tive purposes relating to the grant under this sec-
23 tion, including technology needed to carry out the
24 purposes of this part; and

1 “(2) not more than 5 percent of the total
2 amount received under this section to create articu-
3 lation agreements between 2-year and 4-year institu-
4 tions of higher education, in order to enhance col-
5 laboration and strengthen the transition pathways
6 between such institutions for transfer students.

7 “(g) SPECIAL CONDITIONS AND PROHIBITIONS.—

8 “(1) AVAILABILITY TO STUDENTS.—A State,
9 institution of higher education, or system of higher
10 education receiving a grant or subgrant, as the case
11 may be, under this section shall not charge any stu-
12 dent an additional fee or charge to participate in the
13 activities or services supported under this section.

14 “(2) PROHIBITED USES.—A State, institution
15 of higher education, or system of higher education
16 receiving a grant or subgrant, as the case may be,
17 under this section shall not use any grant or
18 subgrant funds for tuition, fees, room and board, or
19 any other purpose outside the goals of the grant.

20 “(3) FERPA REQUIREMENTS.—Each State, in-
21 stitution of higher education, or system of higher
22 education receiving a grant or subgrant, respectively,
23 under this section that enters into a contract or
24 other agreement with any outside entity to assist in
25 carrying out the activities or services under such

1 grant or subgrant, shall ensure that the outside enti-
2 ty complies with all requirements of section 444 of
3 the General Education Provisions Act (commonly re-
4 ferred to as the ‘Family Educational Rights and Pri-
5 vacy Act of 1974’) that would apply to the State, in-
6 stitution, or system.

7 “(4) COORDINATION.—A State receiving a
8 grant under this section shall ensure the coordina-
9 tion of the activities and services carried out under
10 this section with any other activities carried out in
11 the State that are similar to the goals of this pro-
12 gram, and with any other entities that support the
13 existing activities in the State, with the goal of mini-
14 mizing duplication.

15 “(h) REPORT.—

16 “(1) IN GENERAL.—A State receiving a grant
17 under this section shall prepare and submit an an-
18 nual report to the Secretary on the activities and
19 services carried out under this section, and on the
20 implementation of such activities and services. The
21 report shall include, for each institution of higher
22 education or system of higher education receiving a
23 subgrant, the following information:

1 “(A) The number of students who were
2 first identified in the group described in sub-
3 section (e)(1)(A).

4 “(B) The number of students who were re-
5 moved from such group because the students
6 had received a degree elsewhere, in accordance
7 with subsection (e)(1)(B).

8 “(C) The number of degree audits per-
9 formed under subsection (e)(1)(C).

10 “(D) The number of students identified
11 under subsection (e)(1)(C)(i) as eligible to ob-
12 tain an associate’s degree.

13 “(E) The number of students identified
14 under subsection (e)(1)(C)(ii) as eligible to ob-
15 tain an associate’s degree upon the completion
16 of 12 or fewer credits, in the aggregate and
17 disaggregated by race, ethnicity, gender, and
18 status as an individual with a disability.

19 “(F) The number of students identified
20 under subsection (e)(1)(C)(iii) as ineligible to
21 obtain an associate’s degree and ineligible to
22 obtain such a degree upon the completion of 12
23 or fewer credits.

24 “(G) The number of students awarded an
25 associate’s degree under subsection (e)(1)(D).

1 “(H) The number of students identified in
2 subsection (e)(1)(C)(ii) who are returning to an
3 institution of higher education after receiving
4 outreach described in subsection (e)(1)(E).

5 “(I) The average amount of credit hours
6 previously earned by students described in sub-
7 section (e)(1)(C)(i) when the associate’s degrees
8 are awarded.

9 “(J) The number of students who received
10 outreach described in subsection (e)(1)(D) and
11 who decline to receive the associate’s degree.

12 “(K) The number of students who could
13 not be located or reached as part of the process.

14 “(L) The reasons why students identified
15 in subsection (e)(1)(C)(ii) did not return to an
16 institution of higher education to receive a de-
17 gree.

18 “(M) Details of any policy changes imple-
19 mented as a result of implementing this pro-
20 gram and conducting the required degree au-
21 dits.

22 “(2) DISAGGREGATION.—The report shall in-
23 clude the information described in subparagraphs
24 (A) through (L) of paragraph (1) in the aggregate
25 and disaggregated by age, gender, race or ethnicity,

1 status as an individual with a disability, and socio-
2 economic status (including status as a Federal Pell
3 grant recipient).

4 “(i) ENFORCEMENT PROVISIONS.—

5 “(1) RECOVERY OR WITHHOLDING.—The Sec-
6 retary may, after notice and an opportunity for a
7 hearing in accordance with chapter 5 of title 5,
8 United States Code—

9 “(A) withhold funds provided under a
10 grant or subgrant under this section if a State
11 or institution of higher education is failing to
12 comply substantially with the requirements of
13 this section; or

14 “(B) take actions to recover funds pro-
15 vided under a grant or subgrant under this sec-
16 tion, if the State or institution made an unal-
17 lowable expense, or otherwise failed to discharge
18 its responsibility to properly account for funds.

19 “(2) USE OF RECOVERED OR UNUSED
20 FUNDS.—Any funds recovered or withheld under
21 paragraph (1) shall—

22 “(A) be credited to the appropriations ac-
23 count from which amounts are available to
24 make grants or enter cooperative agreements
25 under this section; and

1 “(B) remain available until expended for
2 any purpose of that account authorized by law
3 that relates to the program under this section.

4 “(j) AUTHORIZATION OF APPROPRIATIONS.—There
5 are authorized to be appropriated to carry out this section
6 such sums as may be necessary for fiscal year 2015 and
7 each of the 2 subsequent fiscal years.”.

○