To support statewide individual-level integrated postsecondary education data systems, and for other purposes.

IN THE SENATE OF THE UNITED STATES

February 9, 2012

Mr. Wyden introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To support statewide individual-level integrated postsecondary education data systems, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Student Right to Know Before You Go Act”.

SECTION 2. FINDINGS.

Congress finds the following:

(1) Every year, millions of people in the United States will make the choice of whether to invest in higher education or job retraining programs, but
outcomes vary widely based on the program of study selected, the institution selected, and the maximum level of education attained.

(2) A person who obtains an associate degree earns, on average, $1,500,000 over a lifetime, while individuals with the maximum accreditation of a high school diploma can expect to earn $1,300,000 over a lifetime. By comparison, individuals with a baccalaureate degree earn, on average, $2,300,000 in their lifetime. However, 28.2 percent of individuals with associate degrees earn more than the median salary of baccalaureate degree-holders. It is not just maximum level of education attained, but also the earnings and employment prospects associated with specific programs of study, that determines the amount of an individual’s earnings. Furthermore, the employment and earnings projections of distinct degree and certificate programs and the cost of obtaining these credentials are not equal across institutions.

(3) On average, workers with a baccalaureate degree earn more than 84 percent over their lifetime compared with those who do not have a degree, and workers with an associate degree earn, on average,
$6,600 per year more than those with a high school diploma as their highest credential.

(4) According to the National Center for Public Policy and Higher Education report in 2008, the cost of college increased 439 percent from 1982 to 2007. In 2010, graduates who took out loans left college with an average of more than $25,000 of debt, more than double what it was 15 years ago. In 2011, student debt in the United States outweighed credit card debt at nearly $1,000,000,000,000.

(5) As of 2008, 84 percent of undergraduates had at least 1 credit card, up from 76 percent in 2004. With the rising cost of college tuition and expenses, students are increasingly turning to private credit to supplement traditional student aid; on average, students charge $2,200 towards direct education expenses, with only 17 percent regularly paying off their balances each month. The average student leaves college with an average credit card debt of more than $4,100, up from about $2,900 in 2004.

(6) Recent research shows that more than $2 of student loan borrowers are in deferment, forbearance, delinquency, or default on their Federal student loans within 5 years of leaving school.
(7) Greater access and transparency regarding the costs and benefits of higher education are critical to better prepare students, parents, and the public for the realities of college and the workforce.

(8) Even though enrollment in colleges is on the rise, corresponding graduation and completion rates have not risen. At 2-year institutions of higher education, about 27 percent of first-time, full-time students who enrolled in the fall of 2005 completed a certificate or associate’s degree within 150 percent of the normal time required to complete such a degree.

(9) As unemployment among young adults remains elevated, the economic value and employment potential of certain degrees has become an increasingly important factor in selecting a major. Not all academic fields have the same employment and earnings potential. Labor and employment statistics show that certain majors have a higher employment potential after college and a higher median starting salary. Furthermore, the employment and earnings outcomes for the same or similar accreditation vary widely across institutions of higher education.

(10) To enhance the public’s knowledge and access to improved information concerning the cost of
college, financial aid, prospective earnings, and post-
graduation employment rates, States, institutions of
higher education, and other stakeholders must col-
laborate to make these data points available to pro-
spective students, parents, and all taxpayers in a
new, comprehensive, and easily accessible manner.

(11) Such collaboration will allow for a more
comprehensive statistical overview of the current
landscape in American higher education and increase
accountability and efficiency.

(12) Research shows that certain courses of
study correlate to improved earnings and employ-
ment; however, existing reporting requirements make
it impossible for researchers to accurately analyze
data at the institutional level. A State-based report-
ing system would ensure that students, parents, tax-
payers, and policymakers can make informed deci-
sions, maximizing their return on investment and
bringing greater transparency to higher education in
the United States.

SEC. 3. DEFINITIONS.
In this Act:

(1) ADMINISTERING ENTITY.—The term “ad-
ministering entity” means—
(A) a State, including a State coordinating or governing board, State system office, or other State agency;

(B) a multi-State compact; or

(C) a data system operated by the Department of Education.

(2) EDUCATIONAL INSTITUTION.—The term “educational institution” means—

(A) an institution of higher education, as defined in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002);

(B) a school or institution that offers a program of postsecondary education and that is an eligible provider of training services under section 122 of the Workforce Investment Act of 1998 (42 U.S.C. 2842); and

(C) any entity that provides postsecondary training programs that are approved by the Secretary of Labor under section 236 of the Trade Act of 1974 (19 U.S.C. 2296) for workers who receive benefits under the trade adjustment assistance program under chapter 2 of title II of that Act (19 U.S.C. 2271 et seq.).

(3) SECRETARY.—The term “Secretary” means the Secretary of Education.
SEC. 4. PARTICIPATION IN STATEWIDE INDIVIDUAL-LEVEL INTEGRATED POSTSECONDARY EDUCATION DATA SYSTEMS.

(a) Amendment.—Section 487(a)(17) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)(17)) is amended—

(1) by striking “(17) The” and inserting “(17)(A) The”; and

(2) by adding at the end the following:

“(B) To meet the requirements of subparagraph (A), the institution will fully participate in, and provide all data required for—

“(i) the individual-level integrated postsecondary education data system certified by the Secretary under section 5(a) of the Student Right to Know Before You Go Act that is administered by a State entity of the State in which the institution is located; or

“(ii) if no such system exists in the State, an individual-level integrated postsecondary education data system that is operated by another administering entity and that is certified by the Secretary under such section 5(a).”.

(b) Effective Date.—The amendments made by subsection (a) shall take effect on the date that is 1 year after the date of enactment of this Act.
SEC. 5. STATEWIDE INDIVIDUAL-LEVEL INTEGRATED POST-
SECONDARY EDUCATION DATA SYSTEMS.

(a) Statewide Employment and Learning Ex-
changes.—

(1) Certification of integrated postsec-
ondary education data systems.—

(A) In general.—Not later than 1 year
after the date of enactment of this Act, the Sec-
retary shall, upon request by an administering
entity—

(i) review the administering entity’s
individual-level postsecondary education
data system or other data system; and

(ii) upon determining that the system
meets the requirements of this subsection,
certify the system for purposes of section
487(a)(17)(B) of the Higher Education
Act of 1965 (20 U.S.C. 1094(a)(17)(B)).

(B) Consultation for certification
of systems including data for other pro-
grams.—Before certifying under subparagraph
(A) an individual-level integrated postsecondary
education data system that includes data from
a Federal education and training program in
accordance with paragraph (2)(B)(ii)(I), the
Secretary shall consult with the head of the
Federal agency responsible for administering such Federal education and training program.

(2) REQUIREMENTS.—An individual-level integrated postsecondary education data system certified under this subsection shall meet the following requirements:

(A) Compatibility with IPEDS.—The system shall have the ability to submit data, in a manner that does not disclose any personally identifiable information, to the Integrated Postsecondary Data System (IPEDS) or any other Federal postsecondary data collection as designated by the Secretary, in a timely manner to the satisfaction of the Secretary.

(B) Scope of system.—The system shall include—

(i) data from educational institutions described in section 3(2)(A); or

(ii) if the administering entity chooses, data from such educational institutions and data from—

(I) other Federal education and training programs, such as the Job Corps program carried out under subtitle C of title I of the Workforce In-
vestment Act of 1998 (29 U.S.C. 2881 et seq.), educational assistance and training programs under the laws administered by the Secretary of Veterans Affairs, programs carried out under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.), and training, education, and educational assistance programs of the Department of Defense; or

(II) beginning on or after the date that is 5 years after the date of enactment of this Act, educational institutions described in subparagraphs (B) and (C) of section 3(2).

(C) Unique identifier.—The system shall use a unique individual identifier system that—

(i) does not permit an individual to be individually identified by users of the data system; and

(ii) is created through a process that creates a one-way secure identifier that can
be used in data systems in other States and cannot be reverse-engineered.

(D) DATA INCLUDED.—The system shall include the following data and information:

(i) Data sufficient to complete all student components of reporting required for the Integrated Postsecondary Education Data System of the National Center for Education Statistics. The system shall employ, where applicable, the most recent version available of the Common Education Data Standards developed by the National Center for Education Statistics.

(ii) Rates of remedial enrollment, credit accumulation, and postsecondary completion by high school completion status.

(iii) Other information determined necessary by the Secretary to address alignment and adequate preparation for success in postsecondary education.

(E) DATA AUDIT AND DATA GOVERNANCE SYSTEMS.—The system shall include a data audit system assessing data quality, validity, and reliability and a data governance system,
operated at the State or regional level (as the case may be) with the participation of representative educational institutions, to ensure compliance with Federal and State standards of data quality and individual privacy.

(F) INDIVIDUAL PRIVACY AND ACCESS TO DATA.—The administering entity shall provide an assurance—

(i) that the system does not disclose any personally identifiable information and complies with the requirements of section 444 of the General Education Provisions Act (20 U.S.C. 1232g) (commonly known as the “Family Educational Rights and Privacy Act”) and other applicable Federal and State privacy laws; and

(ii) that there is a policy on the use of data in the system by other entities, including by nongovernmental entities.

(3) ADDITIONAL REQUIREMENTS.—In order for an individual-level integrated postsecondary education data system of an administering entity to be certified under this subsection, the entity shall demonstrate to the Secretary that the entity is coordinating with an agency or entity that oversees admin-
istrative wage and earnings data to match data from
the postsecondary education data system to adminis-
trative wage and earnings data, in order to create an
interoperable employment and learning exchange
that—

(A) continues the use of a unique indi-
vidual identifier system that does not permit an
individual to be identified by users of the data
system; and

(B) provides data on average individual
annual earnings, disaggregated by educational
program, degree received, educational institu-
tion, employment sector, and State.

(b) TECHNICAL ASSISTANCE GRANTS.—

(1) IN GENERAL.—The Secretary is authorized
to award grants—

(A) to educational institutions to assist
with the costs necessary to comply with the re-
quirements of this section or section 487(a)(17)
of the Higher Education Act of 1965 (20
U.S.C. 1094(a)(17)), as added by section 4;
and

(B) to administering entities described in
subparagraph (A) or (B) of section 3(1) that
have an integrated postsecondary education
data system certified by the Secretary under subsection (a) or that are developing such a system, to assist with the costs associated with such systems or with developing or implementing such systems.

(2) APPLICATION.—An educational institution or administering entity that desires to receive a grant under this subsection shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary shall require.

SEC. 6. TRANSITION PLAN.

(a) TRANSITION REQUIREMENTS.—In transitioning to the requirements of this Act and the amendments made by this Act, the Secretary shall—

(1) ensure that no educational institution will be required to report duplicative information to the Secretary;

(2) allow States and educational institutions to consolidate the reporting requirements under section 487(a)(17) of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) with any other overlapping reporting requirements, and inform State and institutions of this ability; and
(3) establish safeguards to ensure that States and educational institutions are not required to report duplicative information through the individual-level integrated postsecondary education data systems certified under section 5(a).

(b) TRANSITION PLAN.—Not later than 3 months after the date of enactment of this Act, the Secretary shall make available to States, educational institutions, and the public, a transition plan (including guidance) that—

(1) describes the new options for complying with the reporting requirements of section 487(a)(17) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)(17)), as amended by section 4;

(2) describes the transition requirements under subsection (a) and how the Secretary will fulfill such requirements; and

(3) provides a timeline, including dates, for the Secretary’s implementation of the requirements of this Act and the amendments made by this Act.