

Union Calendar No. 395

113TH CONGRESS
2^D SESSION

H. R. 3136

[Report No. 113-529]

To establish a demonstration program for competency-based education.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 19, 2013

Mr. SALMON (for himself, Mr. POLIS, Mrs. BROOKS of Indiana, and Mr. ANDREWS) introduced the following bill; which was referred to the Committee on Education and the Workforce

JULY 17, 2014

Additional sponsors: Mr. ROKITA, Mr. PETRI, Mr. BUCSHON, Mr. ROTHFUS, Mr. DELANEY, Mr. GEORGE MILLER of California, and Mr. KLINE

JULY 17, 2014

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

[For text of introduced bill, see copy of bill as introduced on September 19, 2013]

A BILL

To establish a demonstration program 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 Competency-*
5 *Based Education Demonstration Project Act of 2014”.*

6 **SEC. 2. COMPETENCY-BASED EDUCATION DEMONSTRATION**
7 **PROJECTS.**

8 *(a) PROJECTS.—Part G of title IV of the Higher Edu-*
9 *cation Act of 1965 (20 U.S.C. 1088 et seq.) is amended by*
10 *inserting after section 486A the following:*

11 **“SEC. 486B. COMPETENCY-BASED EDUCATION DEMONSTRA-**
12 **TION PROJECTS.**

13 *“(a) DEMONSTRATION PROJECTS AUTHORIZED.—The*
14 *Secretary shall select, in accordance with subsection (c), eli-*
15 *gible entities to voluntarily carry out competency-based*
16 *education demonstration projects and receive waivers de-*
17 *scribed in subsection (d) to carry out such projects.*

18 *“(b) APPLICATION.—*

19 *“(1) IN GENERAL.—Each eligible entity desiring*
20 *to carry out a demonstration project under this sec-*
21 *tion shall submit an application to the Secretary, at*
22 *such time and in such manner as the Secretary may*
23 *require.*

24 *“(2) AMENDMENTS.—An eligible entity may sub-*
25 *mit to the Secretary amendments to the eligible enti-*

1 *ty's application under paragraph (1), at such time*
2 *and in such manner as the Secretary may require,*
3 *which the Secretary shall approve or deny within 15*
4 *days of receipt.*

5 *“(3) CONTENTS.—Each application shall in-*
6 *clude—*

7 *“(A) a description of the competency-based*
8 *education to be offered by the eligible entity*
9 *under the demonstration project;*

10 *“(B) a description of the proposed academic*
11 *delivery, business, and financial models for the*
12 *demonstration project, including explanations of*
13 *how competency-based education offered under*
14 *the demonstration project would—*

15 *“(i) result in the achievement of com-*
16 *petencies;*

17 *“(ii) differ from standard credit hour*
18 *approaches, in whole or in part; and*

19 *“(iii) result in lower costs or shortened*
20 *time to degree, certificate, or credential*
21 *completion;*

22 *“(C) a description of how the competency-*
23 *based education offered under the demonstration*
24 *project will progress a student toward completion*
25 *of a degree, certificate, or credential;*

1 “(D) a description of how the eligible entity
2 will articulate the transcript from the com-
3 petency-based education demonstration project to
4 another program within an institution of higher
5 education that is part of the eligible entity or to
6 another institution of higher education;

7 “(E) a description of the statutory and reg-
8 ulatory requirements described in subsection (d)
9 for which the eligible entity is seeking a waiver,
10 and why such waiver is necessary to carry out
11 the demonstration project;

12 “(F) a description of how the eligible entity
13 will develop and evaluate the competencies and
14 assessments of student knowledge (which may in-
15 clude prior-learning assessments) administered
16 as part of the demonstration project, including
17 how such competencies and assessments are
18 aligned with workforce needs;

19 “(G) a description of the proposal for deter-
20 mining a student’s Federal student aid eligi-
21 bility under this title for participating in the
22 demonstration project, the award and distribu-
23 tion of such aid, and safeguards to ensure that
24 students are making satisfactory progress that
25 warrants disbursement of such aid;

1 “(H) a description of the students to whom
2 competency-based education will be offered, in-
3 cluding an assurance that the demonstration
4 project will enroll a minimum of 50 and a max-
5 imum of 3,000 students;

6 “(I) an assurance that students partici-
7 pating in the demonstration project will not be
8 eligible for more Federal assistance under this
9 title than such students would have been eligible
10 for under a traditional program; and

11 “(J) an assurance the eligible entity will
12 identify and disseminate best practices with re-
13 spect to the demonstration project to other eligi-
14 ble entities carrying out a demonstration project
15 under this section.

16 “(c) SELECTION.—

17 “(1) IN GENERAL.—Not later than 6 months
18 after the date of enactment of this section, the Sec-
19 retary shall select not more than 20 eligible entities
20 to carry out a competency-based education dem-
21 onstration project under this section.

22 “(2) CONSIDERATIONS.—In selecting eligible en-
23 tities under paragraph (1), the Secretary shall—

1 “(A) prioritize projects which show promise
2 in reducing the time or cost required to complete
3 a degree, certificate, or credential;

4 “(B) consider the number and quality of
5 applications received;

6 “(C) consider an eligible entity’s—

7 “(i) ability to successfully execute the
8 demonstration project as described in the el-
9 igible entity’s application under subsection
10 (b);

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

13 “(iii) ability to provide administrative
14 capability and the expertise to evaluate stu-
15 dent progress based on measures other than
16 credit hours or clock hours; and

17 “(iv) commitment to work with the
18 Secretary to evaluate the demonstration
19 project and the impact of the demonstration
20 project;

21 “(D) ensure the selection of a diverse group
22 of eligible entities with respect to size, mission,
23 and geographic distribution of the eligible enti-
24 ties;

1 “(E) not limit the types of programs of
2 study or courses of study approved for participa-
3 tion in a demonstration project; and

4 “(F) not select an eligible entity that has
5 had, for 1 of the preceding 2 fiscal years—

6 “(i) a cohort default rate (defined in
7 section 435(m)) that is 30 percent or great-
8 er; and

9 “(ii) a borrowing rate of loans under
10 this title of more than 50 percent of the stu-
11 dents enrolled at institutions of higher edu-
12 cation of the eligible entity.

13 “(d) *WAIVERS.*—The Secretary may waive for any eli-
14 gible entity selected to carry out a demonstration project
15 under this section any requirements of the following provi-
16 sions of law (including any regulations promulgated under
17 such provisions) or regulations and for which the eligible
18 entity has provided a reason for waiving under subsection
19 (b)(3)(E):

20 “(1) Subparagraphs (A) and (B) of section
21 102(a)(3).

22 “(2) Subsections (a) and (b) of section 481, as
23 such subsections relate to requirements for a min-
24 imum number of weeks of instruction.

25 “(3) Section 484(l)(1).

1 “(4) Section 668.32(a)(1)(iii) of title 34, Code of
2 *Federal Regulations.*

3 “(5) Any of the requirements under provisions in
4 title I, part F of this title, or this part, that inhibit
5 the operation of competency-based education, includ-
6 ing requirements with respect to—

7 “(A) documenting attendance;

8 “(B) weekly academic activity;

9 “(C) minimum weeks of instructional time;

10 “(D) requirements for credit hour or clock
11 hour equivalencies;

12 “(E) requirements for substantive inter-
13 action with faculty; and

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

20 “(e) NOTIFICATION.—Not later than 6 months after the
21 date of enactment of this section, the Secretary shall make
22 available to the authorizing committees and the public a
23 list of eligible entities selected to carry out a demonstration
24 project under this section, which shall include for each such
25 eligible entity—

1 “(1) *the specific statutory and regulatory re-*
2 *quirements being waived under subsection (d); and*

3 “(2) *a description of the competency-based edu-*
4 *cation programs of study or courses of study to be of-*
5 *fered under the project.*

6 “(f) *INFORMATION AND EVALUATION.—*

7 “(1) *INFORMATION.—*

8 “(A) *IN GENERAL.—Each eligible entity*
9 *that carries out a demonstration project under*
10 *this section shall provide to the Director of the*
11 *Institution of Education Sciences with respect to*
12 *the students participating in the competency-*
13 *based education project carried out by the eligi-*
14 *ble entity the following information:*

15 “(i) *The average number of credit*
16 *hours the students earned prior to enroll-*
17 *ment in the demonstration project, if appli-*
18 *cable.*

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

1 “(iii) *The average period of time be-*
2 *tween the enrollment of a student in the*
3 *demonstration project and the first assess-*
4 *ment of student knowledge of such student.*

5 “(iv) *The average time to 25 percent,*
6 *50 percent, 75 percent, and 100 percent of*
7 *the completion of a degree, certificate, or*
8 *credential by a student who participated in*
9 *the demonstration project.*

10 “(v) *The percentage of assessments of*
11 *student knowledge that students passed on*
12 *the first attempt, during the period of the*
13 *participation in the demonstration project*
14 *by the students.*

15 “(vi) *The percentage of assessments of*
16 *student knowledge that students passed on*
17 *the second attempt and the average period*
18 *of time between the first and second at-*
19 *tempts by students, during the period of the*
20 *participation in the demonstration project*
21 *by the students.*

22 “(vii) *The average number of com-*
23 *petencies a student acquired while partici-*
24 *pating in the demonstration project and the*

1 *period of time during which the student ac-*
2 *quired such competencies.*

3 *“(viii) Such other information as the*
4 *Director may reasonably require.*

5 *“(B) DISAGGREGATION.—Each eligible enti-*
6 *ty shall provide the information required under*
7 *subparagraph (A) disaggregated by age, race,*
8 *gender, disability status, and status as a recipi-*
9 *ent of a Federal Pell Grant, provided that the*
10 *disaggregation of the information does not iden-*
11 *tify any individual student participating in the*
12 *demonstration project.*

13 *“(2) EVALUATION.—The Director of the Institute*
14 *of Education Sciences, in consultation with the Sec-*
15 *retary, shall annually evaluate each demonstration*
16 *project under this section. Each evaluation shall in-*
17 *clude—*

18 *“(A) the extent to which the eligible entity*
19 *has met the goals set forth in its application to*
20 *the Secretary;*

21 *“(B) the number and types of students par-*
22 *ticipating in the competency-based education of-*
23 *fered under the project, including the progress of*
24 *participating students toward completion of a*
25 *degree, certificate, or credential, and the extent to*

1 *which participation and retention in such*
2 *project increased;*

3 “(C) *whether the project led to reduced cost*
4 *or time to completion of a degree, certificate, or*
5 *credential, and the amount of cost or time re-*
6 *duced for such completion;*

7 “(D) *obstacles related to student financial*
8 *assistance for competency-based education;*

9 “(E) *the extent to which statutory or regu-*
10 *latory requirements not waived under subsection*
11 *(d) present difficulties for students or institu-*
12 *tions of higher education;*

13 “(F) *degree, certificate, or credential com-*
14 *pletion rates;*

15 “(G) *retention rates;*

16 “(H) *total cost and net cost to the student*
17 *of the competency-based education offered under*
18 *the project;*

19 “(I) *a description of the assessments of stu-*
20 *dent knowledge and the corresponding com-*
21 *petencies; and*

22 “(J) *outcomes of the assessments of student*
23 *knowledge.*

1 “(3) *ANNUAL REPORT.*—*The Director of the In-*
2 *stitute of Education Sciences shall annually provide*
3 *to the authorizing committees a report on—*

4 “(A) *the evaluations of the demonstration*
5 *projects required under paragraph (2);*

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

9 “(C) *the retention and completion rates of*
10 *students participating in such projects;*

11 “(D) *any proposed statutory or regulatory*
12 *changes designed to support and enhance the ex-*
13 *pansion of competency-based education, which*
14 *may be independent of or combined with tradi-*
15 *tional credit hour or clock hour projects;*

16 “(E) *the most effective means of delivering*
17 *competency-based education through demonstra-*
18 *tion projects; and*

19 “(F) *the appropriate level and distribution*
20 *methodology of Federal assistance under this title*
21 *for students enrolled in competency-based edu-*
22 *cation.*

23 “(g) *OVERSIGHT.*—*In carrying out this section, the*
24 *Secretary shall, on a continuing basis—*

1 “(1) assure compliance of eligible entities with
2 the requirements of this title (other than the provi-
3 sions of law and regulations that are waived under
4 subsection (d));

5 “(2) provide technical assistance;

6 “(3) monitor fluctuations in the student popu-
7 lation enrolled in the eligible entities carrying out the
8 demonstration projects under this section; and

9 “(4) consult with appropriate accrediting agen-
10 cies or associations and appropriate State regulatory
11 authorities for additional ways of improving the de-
12 livery of competency-based education.

13 “(h) *DEFINITIONS.*—For the purpose of this section:

14 “(1) *COMPETENCY-BASED EDUCATION.*—The
15 term ‘competency-based education’ means an edu-
16 cational process or program that measures knowledge,
17 skills, and experience through assessments of such
18 knowledge, skills, or experience in place of or in addi-
19 tion to the use of credit hours or clock hours.

20 “(2) *ELIGIBLE ENTITY.*—The term ‘eligible enti-
21 ty’ means—

22 “(A) an institution of higher education;

23 “(B) a system of institutions of higher edu-
24 cation; or

1 “(C) a consortium of institutions of higher
2 education.

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

8 (b) *RULE OF CONSTRUCTION.*—Nothing in this Act or
9 the amendments made by this Act shall be construed to alter
10 the authority of the Secretary of Education to establish ex-
11 perimental sites under any other provision of law.

12 (c) *FUNDING.*—

13 (1) *USE OF EXISTING FUNDS.*—Of the amount
14 authorized to be appropriated for salaries and ex-
15 penses of the Department of Education, \$1,000,000
16 shall be available to carry out this Act and the
17 amendments made by this Act.

18 (2) *NO ADDITIONAL FUNDS AUTHORIZED.*—No
19 funds are authorized to be appropriated by this Act
20 to carry out this Act or the amendments made by this
21 Act.

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