

116TH CONGRESS
1ST SESSION

S. 1221

To amend the Higher Education Act of 1965 to create an innovation zone initiative, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 29, 2019

Mr. YOUNG (for himself, Ms. HASSAN, Mr. CASSIDY, and Mr. Kaine) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Higher Education Act of 1965 to create an innovation zone initiative, 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 “Innovation Zone Act”.

5 **SEC. 2. INNOVATION ZONE INITIATIVE AUTHORITY.**

6 Section 487A of the Higher Education Act of 1965
7 (20 U.S.C. 1094a) is amended to read as follows:

8 **“SEC. 487A. INNOVATION ZONE INITIATIVE.**

9 **“(a) INNOVATION ZONE INITIATIVE.—**

1 “(1) IN GENERAL.—The Secretary is authorized
2 to establish an innovation zone initiative consisting
3 of voluntary experiments under which the Secretary
4 and institutions of higher education are permitted to
5 test the effectiveness of statutory and regulatory
6 flexibility that aims to increase student success,
7 which may be defined as 1 or more of the following:

8 “(A) Reduction in student loan debt.

9 “(B) Increase in student retention and
10 program completion at institutions of higher
11 education, especially for historically underrep-
12 resented students.

13 “(C) Decrease in student time to program
14 completion.

15 “(D) Closing of gaps in enrollment and
16 completion between historically underrepresent-
17 ed students and students who are not histori-
18 cally underrepresented students.

19 “(E) Increase in student employment out-
20 comes upon graduation.

21 “(F) Improved financial aid disbursement
22 and service to students.

23 “(G) Increase in student safety, wellness,
24 or food and housing security.

1 “(H) Other innovative practices that ben-
2 efit students.

3 “(2) REDUCTION OF REGULATORY BURDEN.—

4 Where appropriate, the Secretary may establish ex-
5 periments, that, in addition to meeting the require-
6 ments of paragraph (1), lead to a reduction of regu-
7 latory burden on institutions of higher education or
8 the Department, without harm to students.

9 “(3) WAIVERS.—

10 “(A) IN GENERAL.—Except as provided in
11 subparagraph (B), the Secretary is authorized
12 to waive, for any institution of higher education
13 participating in an innovation zone experiment
14 under paragraph (1), one or more requirements
15 of title I or IV, including regulations promul-
16 gated under title I or IV.

17 “(B) LIMITATIONS.—The Secretary may
18 not grant a waiver with regard to the following:

19 “(i) The definition of an institution of
20 higher education under section 101 or 102.

21 “(ii) Antidiscrimination provisions
22 under section 111.

23 “(iii) Student speech rights provisions
24 under section 112.

1 “(iv) Campus safety provisions under
2 section 119 or 120.

3 “(v) Preferred lender arrangements
4 under section 152.

5 “(vi) Grant or student loan maxi-
6 mums under title IV.

7 “(vii) The needs analysis under part
8 F of title IV.

9 “(b) SOLICITATION OF EXPERIMENT SUGGES-
10 TIONS.—

11 “(1) SOLICITATION OF SUGGESTIONS.—Not less
12 frequently than every 2 years, the Secretary shall
13 provide an opportunity, through the Department of
14 Education’s website, for the public, institutions of
15 higher education, and other stakeholders to submit
16 suggestions for potential experiments under this sec-
17 tion.

18 “(2) CONTENTS OF SUGGESTIONS.—Any person
19 that wishes to submit a suggestion under paragraph
20 (1) shall include—

21 “(A) the goals or objectives of the pro-
22 posed experiment, and how statutory or regu-
23 latory flexibility could allow the institution of
24 higher education to increase student success, as
25 required under subsection (a)(1);

“(B) a description of how the experiment would be conducted, including participation protections or mechanisms in place to ensure that students participating in the experiment will not be negatively impacted, such as by facing additional barriers to completion or losing credit as a result of the experiment;

“(C) the specific statutory or regulatory requirements for which a waiver would be requested;

“(D) an examination of the current need or interest, as of the date of the submission, for the experiment; and

“(E) a description of how the suggested experiment contributes to building the evidence base and how evaluation could be used to generate that evidence.

“(c) SELECTION OF EXPERIMENTS AND DESIGNATION OF PARTICIPATING INSTITUTIONS.—

“(1) SELECTION CONSIDERATIONS.—After considering any suggestions submitted under subsection (b), the Secretary may select experiments to be carried out under subsection (a). The Secretary shall base any such selection on the following:

1 “(A) Sufficient interest in the experiment
2 among institutions of higher education, re-
3 searchers, and practitioners.

4 “(B) Research suggesting promise of ful-
5 filling outcomes described in subsection (a)(1).

6 “(C) A clear link between how the desired
7 statutory and regulatory flexibility could allow
8 the institution of higher education to increase
9 student success, as required under subsection
10 (a)(1).

11 “(D) The ability for the Secretary to iden-
12 tify policy-relevant questions for the experiment
13 and design an experiment that can credibly an-
14 swer those questions, and contribute to the evi-
15 dence base of innovative practices.

16 “(E) Other general interest, as supported
17 by evidence.

18 “(2) DETERMINATION OF EVALUATION
19 PLANS.—After selecting an experiment under this
20 section, but before any participating institutions for
21 such experiment are chosen, the Secretary, in con-
22 sultation with the Director of the Institute of Edu-
23 cation Sciences, shall complete the following:

1 “(A) Identify policy-relevant questions for
 2 the experiment and design an experiment that
 3 can credibly answer those questions.

4 “(B) Identify the methodology of data col-
 5 lection for the experiment, including, to the ex-
 6 tent practicable, a methodology that allows for
 7 disaggregation of data for historically underrep-
 8 resented students.

9 “(C) Identify rigorous evaluation methods
 10 for determining the impact of the experiment,
 11 including whether the experiment has differen-
 12 tial impacts for historically underrepresented
 13 students. These methods may include rapid
 14 cycle evaluation and behavioral insights and are
 15 informed by—

16 “(i) responses to requests from the
 17 Department for information; and

18 “(ii) feedback from external research-
 19 ers and other stakeholders.

20 “(D) Establish a timeframe for conducting
 21 the experiment that shall not exceed 4 years
 22 from the award year in which Federal financial
 23 aid is first disbursed to students participating
 24 in the experiment, at which time the Secretary

1 may opt to extend the experiment for an addi-
2 tional 2 years.

3 “(E) Estimate the cost of conducting the
4 experiment, to the extent practicable.

5 “(F) Estimate the size of the study sample
6 (such as the number of participating students
7 or institutions) needed to determine if the ex-
8 periment has statistically significant effects.

9 “(3) DISSEMINATION OF INFORMATION.—The
10 Secretary shall notify institutions of higher edu-
11 cation, through the website of the Department or
12 other means, of the experiments selected by the Sec-
13 retary under this section and the steps necessary to
14 participate in an experiment. Such notice shall in-
15 clude the information described in subparagraphs
16 (A) through (F) of paragraph (2) for the experi-
17 ment.

18 “(4) COMMENCEMENT OF EXPERIMENT.—The
19 Secretary may carry out an experiment, in accord-
20 ance with the requirements of this section, only if
21 the Secretary has entered into agreements with not
22 less than 5, and not more than 100, institutions of
23 higher education, under which the institutions
24 agree—

1 “(A) to participate in the experiment de-
2 scribed in the applicable evaluation plan under
3 paragraph (2);

4 “(B) to comply with the data collection re-
5 quirements under subsection (d)(1) and any
6 other reporting requirements determined by the
7 Secretary; and

8 “(C)(i) to the methodology for data collec-
9 tion established by the Secretary under para-
10 graph (2)(B) for the experiment; or

11 “(ii) upon the request of the institution
12 and if the Secretary determines appropriate, to
13 an alternative methodology for data collection.

14 “(5) TECHNICAL ASSISTANCE.—The Secretary
15 may provide technical assistance to institutions of
16 higher education that are not participating in an ex-
17 periment but have an interest in potentially partici-
18 pating in an experiment.

19 “(6) FAST-TRACK PROCESS TO COMPLY WITH
20 INFORMATION COLLECTION REQUIREMENTS.—Not-
21 withstanding section 3507 of title 44, United States
22 Code, the Secretary shall be deemed to have the au-
23 thority to approve, for purposes of such section
24 3507, any proposed collection of information related
25 to an experiment conducted under this section, in

1 the same manner and to the same extent as such au-
 2 thority is provided to a senior official by the Direc-
 3 tor of the Office of Management and Budget under
 4 section 3507(i) of such title.

5 “(d) OUTCOMES REPORTING.—

6 “(1) DATA SUBMISSION.—Each institution of
 7 higher education participating in an experiment
 8 under this section shall timely submit to the Sec-
 9 retary, on a periodic basis to be determined by the
 10 Secretary, data on outcomes relating to the experi-
 11 ment.

12 “(2) REPORT.—

13 “(A) IN GENERAL.—The Secretary shall—

14 “(i) review the experience of and rig-
 15 orously evaluate, according to a method-
 16 ology approved by the Institute of Edu-
 17 cation Sciences, the activities of all institu-
 18 tions participating in each experiment car-
 19 ried out under this section; and

20 “(ii) beginning 2 years after the date
 21 of enactment of the Innovation Zone Act,
 22 and every 2 years thereafter—

23 “(I) prepare and submit a report
 24 regarding the innovation zone initia-

1 tive under this section to the author-
2 izing committees; and

3 “(II) post the report on the pub-
4 lic website of the Department.

5 “(B) CONTENTS OF REPORT.—The report
6 required under subparagraph (A)(ii)(I) shall in-
7 clude, for each experiment supported as of the
8 date of the report—

9 “(i) a summary of the status of the
10 experiment;

11 “(ii) a summary and analysis of the
12 findings, to date, of the experiment, includ-
13 ing the evaluation described in subsection
14 (c)(2)(C);

15 “(iii) the methodology of data collec-
16 tion;

17 “(iv) an analysis of the value of con-
18 tinuation of the experiment;

19 “(v) an explanation of any current or
20 foreseen barriers to conducting the experi-
21 ment; and

22 “(vi) an evaluation of the quality of
23 data and intended results.

24 “(C) COMPLETED EXPERIMENT REPORT.—

25 By not later than 60 days after the completion

1 of the timeframe established under subsection
2 (c)(2)(D) or (e)(2)(B)(ii) for an experiment, the
3 Secretary shall—

4 “(i) prepare a report that includes—

5 “(I) the findings of the experi-
6 ment, including, to the extent prac-
7 ticable, disaggregation of data for his-
8 torically underrepresented students;
9 and

10 “(II) in the case of an experi-
11 ment for which the Secretary deter-
12 mines there is sufficient value in con-
13 tinuing the experiment past the estab-
14 lished timeframe, adequate docu-
15 mentation to justify such continu-
16 ation; and

17 “(ii) publish the report on the public
18 website of the Department and submit the
19 report to the authorizing committees.

20 “(D) COLLECTION OF ADDITIONAL
21 DATA.—The Secretary may collect additional
22 data after the conclusion of an experiment
23 under this section to assess the long-term out-
24 comes of participants.

25 “(e) TRANSITION; REVIEW.—

1 “(1) CONTINUATION OF EXISTING EXPERI-
 2 MENTS.—The Secretary may continue any experi-
 3 ment commenced under this section before the date
 4 of enactment of the Innovation Zone Act (referred to
 5 in this subsection as an ‘existing experiment’). Any
 6 such existing experiment shall be subject to the re-
 7 quirements of this section, as amended by the Inno-
 8 vation Zone Act, except for the requirements of sub-
 9 section (c).

10 “(2) REVIEW OF EXISTING EXPERIMENTS.—By
 11 not later than 90 days after the date of enactment
 12 of the Innovation Zone Act, the Secretary shall—

13 “(A) conduct an extensive review and as-
 14 sessment of existing experiments still in effect;
 15 and

16 “(B) prepare and submit to the author-
 17 izing committees, and publish on the public
 18 website of the Department, a report of the sta-
 19 tus of the existing experiments, which shall in-
 20 clude, for each such experiment—

21 “(i) the total cost to date and the pro-
 22 jected cost of continuation, to the extent
 23 practicable;

24 “(ii) an established timeframe for
 25 completion;

1 “(iii) the current methodology of data
2 collection;

3 “(iv) an analysis of findings, as of the
4 date of the report;

5 “(v) an analysis of the value in con-
6 tinuation of the existing experiment; and

7 “(vi) an analysis of whether the as-
8 sessment of the experiment could be re-
9 structured to answer other policy ques-
10 tions.

11 “(f) DEFINITION OF HISTORICALLY UNDERREP-
12 RESENTED STUDENT.—In this section, the term ‘histori-
13 cally underrepresented student’—

14 “(1) means a student, or prospective student, at
15 an institution of higher education who is at risk of
16 educational failure or otherwise in need of special
17 assistance and support; and

18 “(2) may include an adult learner, working stu-
19 dent, part-time student, student from a low-income
20 background, student of color, Native youth, single
21 parent (including a single pregnant woman), student
22 who is a homeless child or youth (as defined in sec-
23 tion 725 of the McKinney-Vento Homeless Assist-
24 ance Act (42 U.S.C. 11434a)), youth who is in, or
25 has aged out of, the foster care system, first genera-

- 1 tion college student (as defined in section 402A(h)),
- 2 and student with a disability.”.

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