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(Original Signature of Member)

115TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

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

\_\_\_\_\_  
**IN THE HOUSE OF REPRESENTATIVES**

Mr. POLIS introduced the following bill; which was referred to the Committee on \_\_\_\_\_  
\_\_\_\_\_

**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           petency 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 service members, 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 Competency-Based Education Council  
12                  any information described in subparagraph (A)  
13                  or (B) (other than personally identifiable infor-  
14                  mation) that may be necessary for the Council  
15                  to carry out its duties under section 3(e) of the  
16                  Advancing Competency-Based Education Act of  
17                  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                   “(D) 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                   “(E) the most effective means of delivering  
17                   competency-based education programs through  
18                   projects under this section; and

19                   “(F) 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 (c)(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 (iii) individuals currently enrolled in  
14 or graduated from a competency-based  
15 education program;

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

19 (v) 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;

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).