

115TH CONGRESS  
2D SESSION

# S. 2342

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

JANUARY 25, 2018

Mr. YOUNG 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 achieve the following out-  
7 comes:

8           “(A) Increase in student success, which  
9 may be defined as one or more of the following:

10           “(i) Reduction in student loan debt.

11           “(ii) Increase in student retention and  
12 program completion at institutions of high-  
13 er education.

14           “(iii) Increase in student job place-  
15 ment rate upon graduation.

16           “(iv) Improved financial aid disburse-  
17 ment and service to students.

18           “(v) Increase in student safety,  
19 wellness, or food and housing security.

20           “(vi) Other innovative practices that  
21 benefit students.

22           “(B) Reduction of regulatory burden on in-  
23 stitutions of higher education or the Depart-  
24 ment, without harm to students.

1           “(2) WAIVERS.—The Secretary is authorized to  
2 waive, for any institution of higher education partici-  
3 pating in an innovation zone experiment under para-  
4 graph (1), one or more requirements of title I or IV.

5           “(b) SOLICITATION OF EXPERIMENT SUGGES-  
6 TIONS.—

7           “(1) SOLICITATION OF SUGGESTIONS.—Not less  
8 frequently than every 2 years, the Secretary shall  
9 provide an opportunity for the public, institutions of  
10 higher education, and other stakeholders to submit  
11 suggestions for potential experiments under this sec-  
12 tion.

13           “(2) CONTENTS OF SUGGESTIONS.—Any person  
14 that wishes to submit a suggestion under paragraph  
15 (1) shall include—

16                   “(A) the goals or objectives of the pro-  
17 posed experiment;

18                   “(B) a description of how the experiment  
19 would be conducted, including participation pro-  
20 tections;

21                   “(C) the specific statutory or regulatory  
22 requirements for which a waiver would be re-  
23 quested; and

1           “(D) an examination of the current need  
2           or interest, as of the date of the submission, for  
3           the experiment.

4           “(c) SELECTION OF EXPERIMENTS AND DESIGNA-  
5 TION OF PARTICIPATING INSTITUTIONS.—

6           “(1) SELECTION CONSIDERATIONS.—After con-  
7           sidering any suggestions submitted under subsection  
8           (b), the Secretary may select experiments to be car-  
9           ried out under subsection (a). The Secretary shall  
10          base any such selection on the following:

11           “(A) Sufficient interest in the experiment  
12           among institutions of higher education, re-  
13           searchers, and practitioners.

14           “(B) Promising evidence of fulfilling out-  
15           comes described in subsection (a)(1).

16           “(C) 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 shall com-  
22          plete the following:

23           “(A) Identify answerable questions for the  
24           experiment and design an experiment that can  
25           measure those answers.

1           “(B) Identify the methodology of data col-  
2           lection for the experiment.

3           “(C) Identify rigorous evaluation methods  
4           for the experiment, in partnership with the In-  
5           stitute of Education Sciences, that are informed  
6           by—

7                   “(i) external researchers;

8                   “(ii) responses to requests from the  
9                   Department for information; and

10                   “(iii) other opportunities for stake-  
11                   holder feedback.

12           “(D) Establish a timeframe for conducting  
13           the experiment that shall not exceed 10 years.

14           “(E) Estimate the cost of conducting the  
15           experiment.

16           “(F) Estimate the necessary size of the  
17           treatment group needed to have statistically sig-  
18           nificant grants.

19           “(3) DISSEMINATION OF INFORMATION.—The  
20           Secretary shall notify institutions of higher edu-  
21           cation, through the website of the Department or  
22           other means, of the experiments selected by the Sec-  
23           retary under this section and the steps necessary to  
24           participate in an experiment. Such notice shall in-  
25           clude the information described in subparagraphs

1 (A) through (F) of paragraph (2) for the experi-  
2 ment.

3 “(4) COMMENCEMENT OF EXPERIMENT.—The  
4 Secretary may carry out an experiment, in accord-  
5 ance with the requirements of this section, only if  
6 the Secretary has entered into agreements with not  
7 less than 5, and not more than 100, institutions of  
8 higher education, under which the institutions  
9 agree—

10 “(A) to participate in the experiment de-  
11 scribed in the applicable evaluation plan under  
12 paragraph (2);

13 “(B) to comply with the data collection re-  
14 quirements under subsection (d)(1) and any  
15 other reporting requirements determined by the  
16 Secretary; and

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

20 “(ii) upon the request of the institution  
21 and if the Secretary determines appropriate, to  
22 an alternative methodology for data collection.

23 “(5) FAST-TRACK PROCESS TO COMPLY WITH  
24 INFORMATION COLLECTION REQUIREMENTS.—Not-  
25 withstanding section 3507 of title 44, United States

1 Code, the Secretary shall be deemed to have the au-  
2 thority to approve, for purposes of such section  
3 3507, any proposed collection of information related  
4 to an experiment conducted under this section, in  
5 the same manner and to the same extent as such au-  
6 thority is provided to a senior official by the Direc-  
7 tor of the Office of Management and Budget under  
8 section 3507(i) of such title.

9 “(d) OUTCOMES REPORTING.—

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

16 “(2) REPORT.—

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

18 “(i) review and evaluate the experi-  
19 ence of all institutions participating in  
20 each experiment carried out under this sec-  
21 tion; and

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

1                   “(I) prepare and submit a report  
2                   regarding the innovation zone initia-  
3                   tive under this section to the author-  
4                   izing committees; and

5                   “(II) post the report on the pub-  
6                   lic website of the Department.

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

11                  “(i) a summary of the status of the  
12                  experiment;

13                  “(ii) a summary and analysis of the  
14                  findings, to date, of the experiment;

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 30 days after the completion



1 of the timeframe established under subsection  
2 (e)(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; and

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

14 “(ii) publish the report on the public  
15 website of the Department and submit the  
16 report to the authorizing committees.

17 “(e) TRANSITION; REVIEW.—

18 “(1) CONTINUATION OF EXISTING EXPERI-  
19 MENTS.—The Secretary may continue any experi-  
20 ment commenced under this section before the date  
21 of enactment of the Innovation Zone Act (referred to  
22 in this subsection as an ‘existing experiment’). Any  
23 such existing experiment shall be subject to the re-  
24 quirements of this section, as amended by the Inno-

1 vation Zone Act, except for the requirements of sub-  
2 section (c).

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

6 “(A) conduct an extensive review and as-  
7 sessment of existing experiments still in effect;  
8 and

9 “(B) prepare and submit to the author-  
10 izing committees, and publish on the public  
11 website of the Department, a report of the sta-  
12 tus of the existing experiments, which shall in-  
13 clude, for each such experiment—

14 “(i) the total cost to date and the pro-  
15 jected cost of continuation;

16 “(ii) an established timeframe for  
17 completion;

18 “(iii) the current methodology of data  
19 collection;

20 “(iv) an analysis of findings, as of the  
21 date of the report;

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

24 “(vi) an analysis of whether the as-  
25 sessment of the experiment could be re-

1 structured to answer other policy ques-  
2 tions.”.

○