

116TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

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

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IN THE SENATE OF THE UNITED STATES

Mr. YOUNG (for himself, Ms. HASSAN, Mr. CASSIDY, and Mr. KAINÉ) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**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);

1           “(B) a description of how the experiment  
2 would be conducted, including participation pro-  
3 tections or mechanisms in place to ensure that  
4 students participating in the experiment will  
5 not be negatively impacted, such as by facing  
6 additional barriers to completion or losing cred-  
7 it as a result of the experiment;

8           “(C) the specific statutory or regulatory  
9 requirements for which a waiver would be re-  
10 quested;

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

14           “(E) a description of how the suggested  
15 experiment contributes to building the evidence  
16 base and how evaluation could be used to gen-  
17 erate that evidence.

18           “(c) SELECTION OF EXPERIMENTS AND DESIGNA-  
19 TION OF PARTICIPATING INSTITUTIONS.—

20           “(1) SELECTION CONSIDERATIONS.—After con-  
21 sidering any suggestions submitted under subsection  
22 (b), the Secretary may select experiments to be car-  
23 ried out under subsection (a). The Secretary shall  
24 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 (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, 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.”.