

Higher Education Innovation Act of 2022

Senators Michael Bennet (D-CO) and Marco Rubio (R-FL)

The Problem: Currently, students that do not attend an accredited higher education institution are unable to receive federal student aid funds to help finance their education. Trade schools, community colleges, and other postsecondary institutions with a proven record of positive outcomes are unable to enroll bright students because of an outdated bureaucratic accreditation process. This process emphasizes inputs and fails to recognize evidence-based innovation, competition, and successful student outcomes. As the needs of today's students and workforce expand and diversify, the accreditation system must modernize with them.

The Solution: The *Higher Education Innovation Act* creates a five-year pilot program for an alternative, outcomes-based process for quality postsecondary institutions to receive authorization to participate in federal financial aid programs. Through this process, students would have the ability to use federal student aid funds to attend a greater variety of institutions that offer high-quality, innovative, and effective programs that have a proven track record of successful student outcomes. The bill would also create an innovative approach to financing higher education. Currently, higher education programs must exist for several years before they are eligible to apply to receive federal financial aid. The Bennet-Rubio bill would allow new programs, including college and non-college providers, to enter into contracts with the U.S. Department of Education so long as they are generating positive student outcomes.

The *Higher Education Innovation Act of 2022* creates an alternative system of accreditation for high-quality American colleges, universities and other higher education providers so their students can access federal financial aid.

The *Higher Education Innovation Act of 2022* would:

- Support postsecondary institutions that promote and support student success outcomes and cost-effectiveness in postsecondary education by providing them the opportunity to participate in federal financial aid and other programs given to traditionally accredited institutions.
- Establish innovation authorizers to approve high-quality, evidence-based higher education providers as part of a five-year pilot program to reward innovative programs with successful student outcomes.
- Allow students, especially nontraditional students to use federal financial aid to attend innovative authorized-institutions that embrace the new ways people learn and acquire skills that lead to good paying jobs without enormous student loan debt.
- Promote educational programs that lead to a degree, certificate, or industry-recognized credential that meets the requirements for licensing in the relevant field.
- Require higher education providers to meet high student performance outcomes related to student learning and completion of education programs that benefit students and address college affordability.