Proposed Priorities, Requirement, and Definitions--Fund for the Improvement of Postsecondary Education--Open Textbooks Pilot Program

AGENCY: Office of Postsecondary Education, Department of Education.

ACTION: Proposed priorities, requirement, and definitions.

SUMMARY: The Assistant Secretary for Postsecondary Education proposes priorities, requirement, and definitions for the Open Textbooks Pilot program conducted under the Fund for the Improvement of Postsecondary Education (FIPSE), Catalog of Federal Domestic Assistance (CFDA) number 84.116T. The Assistant Secretary may use one or more of these priorities, requirement, and definitions for competitions in fiscal year (FY) 2020 and later years. We intend this action to further develop and identify programs and practices that improve instruction and student learning outcomes, as well as increase access, affordability, and completion rates of students seeking postsecondary education.
education degrees or other recognized credentials as a result of the development, enhancement, and use of open textbooks (as defined in this notice).

DATES: We must receive your comments on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Submit your comments through the Federal eRulemaking Portal or via postal mail, commercial delivery, or hand delivery. We will not accept comments submitted by fax or by email or those submitted after the comment period. To ensure that we do not receive duplicate copies, please submit your comments only once. In addition, please include the Docket ID at the top of your comments.

• Federal eRulemaking Portal: Go to www.regulations.gov to submit your comments electronically. Information on using Regulations.gov, including instructions for accessing agency documents, submitting comments, and viewing the docket, is available on the site under “Help.”

• Postal Mail, Commercial Delivery, or Hand Delivery: If you mail or deliver your comments about the proposed priorities, requirement, and definitions, address them to

Privacy Note: The Department’s policy is to make all comments received from members of the public available for public viewing in their entirety on the Federal eRulemaking Portal at www.regulations.gov. Therefore, commenters should be careful to include in their comments only information that they wish to make publicly available.


If you use a telecommunications device for the deaf (TDD) or a text telephone (TTY), call the Federal Relay Service (FRS), toll free, at 1-800-877-8339.

SUPPLEMENTARY INFORMATION:

Invitation to Comment: We invite you to submit comments regarding the proposed priorities, requirement, and definitions. To ensure that your comments have maximum effect in developing the final priorities, requirement, and definitions, we urge you to identify clearly the specific
proposed priority, requirement, or definition your comment addresses.

We invite you to assist us in complying with the specific requirements of Executive Orders 12866, 13563, and 13371 and their overall requirement of reducing regulatory burden that might result from the proposed priorities, requirement, and definitions. Please let us know of any further ways we could reduce potential costs or increase potential benefits while preserving the effective and efficient administration of the program.

During and after the comment period, you may inspect all public comments about the proposed priorities, requirement, and definitions by accessing Regulations.gov. You may also inspect the comments in person in room 3E335, 400 Maryland Avenue, SW, Washington, DC, between the hours of 8:30 a.m. and 4:00 p.m., Eastern Time, Monday through Friday of each week except Federal holidays. Please contact the person listed under FOR FURTHER INFORMATION CONTACT.

Assistance to Individuals with Disabilities in Reviewing the Rulemaking Record: On request we will provide an appropriate accommodation or auxiliary aid to an individual
with a disability who needs assistance to review the comments or other documents in the public rulemaking record for the proposed priorities, requirement, and definitions. If you want to schedule an appointment for this type of accommodation or auxiliary aid, please contact the person listed under FOR FURTHER INFORMATION CONTACT.

**Purpose of Program**: The Open Textbooks Pilot program supports projects at institutions of higher education (IHEs) that create new open textbooks or expand the use of open textbooks in order to achieve savings for students while maintaining or improving instruction and student learning outcomes. Applicants are encouraged to develop projects that demonstrate the greatest potential to achieve the highest level of savings for students through sustainable, expanded use of open textbooks in high-enrollment courses (as defined in this notice) or in programs that prepare individuals for in-demand fields.

**Program Authority**: 20 U.S.C. 1138-1138d.

**PROPOSED PRIORITIES**:

This notice contains four proposed priorities. We may use one or more of these priorities in any year in which this program is in effect.
Background:

The growth in college textbook costs is an important contributing factor to the overall increase in the cost of attending college. The cost of college textbooks increased 88 percent between 2006 and 2016.¹ In the 2017-18 academic year, the average college student budget for books and supplies was $1,265 for students attending four-year institutions and $1,471 for students attending two-year institutions.² Increasing textbook costs creates financial barriers to college access and completion, particularly for low-income students who have a higher propensity to forego purchasing textbooks.

The Department seeks to promote student success, especially for non-traditional students, adult learners, and students from traditionally underserved populations, by supporting the development and expanded use of open textbooks. The proposed priorities, requirement, and definitions are based largely on those used in the notice

inviting applications published in the Federal Register on July 30, 2018 (83 FR 36577), which introduced the Open Textbooks Pilot program. This notice is intended to establish a programmatic structure to further support the widespread adoption and use of existing open textbooks and the development of new open textbooks for courses in one or more high-enrollment programs.

In addition to seeking public comment on the proposed priorities, requirement, and definitions, the Department seeks feedback on the following four topics to help guide future Open Textbooks Pilot program grant competitions:

1. Award Size: In the FY 2020 notice inviting applications for the Open Textbook Pilot program, the Department will establish a maximum award and provide estimates regarding the range of award sizes, the total number of awards, and the average award. In establishing a maximum award, the Department seeks to balance the desire to make multiple awards with the need to provide adequate support to ensure that only the highest quality materials will be developed, will be adopted and implemented by a number of institutions, and will be updated beyond the grant period. The Department seeks feedback from the
public on the appropriate amounts for each of these elements, assuming a 48-month project period and approximately $6 million available for new awards.

2. Matching Contributions: Many Department programs and competitions include matching requirements to support key policy goals, including leveraging Federal dollars to maximize program impact or encouraging the institutionalization or sustainability of a program or project. The Department seeks feedback from the public on whether a matching requirement would be appropriate and, if so, the appropriate threshold to establish for matching contributions.

3. High-enrollment: In the FY 2018 competition, the Department defined “high-enrollment courses” as courses required for an associate or bachelor's degree at the IHE and that have a student enrollment above the average enrollment of courses at that institution or have higher than average enrollments nationally as compared to other academic or career and technical education courses. Likewise, the definition for a “high-enrollment program” was a program with a student enrollment above the average enrollment for programs at that institution or that has
higher than average enrollments nationally as compared to other academic or career and technical education programs. To establish a direction for this program that ensures funds are reaching courses and programs with the highest enrollment, the Department seeks feedback on the proposed revised definition, which broadens the definition of “high-enrollment courses” to include courses in a recognized postsecondary credentialing pathway, as well as increases the benchmark for high-enrollment courses and programs to course and program enrollments within, at least, the top third of all courses and programs offered within the institution.

4. Open Textbook: The learning resources marketplace has evolved beyond single textbooks to include supporting digital resources such as homework systems, assessment modules, and tutoring and support applications that are ubiquitous in classrooms and institutions. To more fully meet the needs of students and professional educators in higher education, the Department proposes a definition of “open textbook” that is broader than what was used in the FY 2018 competition. The Department seeks feedback on the revised definition included in this notice.
Proposed Priorities:

Proposed Priority 1—Improving Collaboration and Dissemination.

Background:

Institutions with textbook affordability programs have reported successful implementation of open textbooks by faculty and instructional support through collaboration with librarians, instructional designers, government, and other partners\(^3\)\(^4\)\(^5\).

However, there are a variety of challenges in developing and continuously updating open textbooks as well as in facilitating their widespread adoption and use. These include faculty awareness of open textbooks, real or perceived concerns about textbook quality, faculty self-interest in commercial textbooks they wrote, and availability of ancillary learning resources. National

---

surveys\textsuperscript{6} have shown that while approximately 46 percent of faculty are aware of open textbooks in their area of study, only 20 percent of faculty are aware of a specific open textbook initiative at their university. To address these challenges, this proposed priority would emphasize partnerships within and among institutions and organizations that promote the development, implementation, and use of existing openly licensed resources and provide professional development opportunities for instructors and faculty as they create or adapt open textbooks.

**Proposed Priority:**

To meet this priority, an eligible applicant must propose to lead and carry out projects that involve a consortia of institutions, instructors, and subject matter experts, including no less than three IHEs, along with relevant employers, workforce stakeholders (as defined in this notice), and/or trade or professional associations (as defined in this notice). Applicants must explain how the members of the consortium will work together to develop and

implement open textbooks that: (a) reduce the cost of college for large numbers of students through a variety of cost saving measures; and (b) contain instructional content and ancillary instructional materials that align student learning objectives with the skills or knowledge required by large numbers of students (at a given institution or nationally), or in the case of a career and technical postsecondary program, meet industry standards in in-demand industry sectors or in-demand occupations (as defined in this notice).

**Proposed Priority 2—Addressing Gaps in the Open Textbook Marketplace and Bringing Solutions to Scale.**

To meet this priority, an applicant must identify the gaps in the open textbook marketplace that it seeks to address and propose how to close such gaps. An applicant must propose a comprehensive plan to: (a) identify and assess existing open educational resources in the proposed subject area before creating new ones, such as by identifying any existing open textbooks that could potentially be used as models for the design of the project or ancillary learning resources that would support the development of courses that use open textbooks; (b) focus
on the creation and expansion of education and training materials that can be scaled, within and beyond the participating consortium members, to reach a broad range of students participating in high-enrollment courses or preparing for in-demand industry sectors or in-demand occupations; (c) create and disseminate protocols to review any open textbooks created or adapted through the project for accuracy, rigor, and accessibility for students with disabilities; (d) disseminate information about the results of the project to other IHEs, including promoting the adoption of any open textbooks created or adapted through the project, or adopting open standards of interoperability for any digital assets created; (e) include professional development to build capacity of faculty, instructors, and other staff to adapt and use open textbooks; and (f) describe the courses for which open textbooks and ancillary materials are being developed.

**Proposed Priority 3--Promoting Student Success.**

To meet this priority, an applicant must propose to build upon existing open textbook materials and/or develop new open textbooks for high-enrollment courses or high-
enrollment programs in order to achieve the highest level of savings for students.

Additionally, this priority requires the applicant to include plans for: (a) promoting and tracking the use of open textbooks in postsecondary courses across participating members of the consortium, including an estimate of the projected direct cost savings for students which will be reported during the annual performance review; (b) monitoring the impact of open textbooks on instruction, learning outcomes, course outcomes, and educational costs; (c) investigating and disseminating evidence-based practices associated with using open textbooks that improve student outcomes; and (d) updating the open textbooks beyond the funded period.

Proposed Priority 4--Using Technology-Based Strategies for Personalized Learning and Continuous Improvement.

To meet this priority, an applicant must propose a project that focuses on improving instruction and student learning outcomes by integrating personalized learning strategies, such as artificial intelligence and adaptive learning, and providing support to faculty, instructors, and other staff who are delivering courses using these
techniques. The project must enable students to tailor and monitor their own learning and/or allow instructors to monitor the individual performance of each student in the classes or courses for which the applicant proposes to develop open textbooks. In addition, online and technology-enabled content and courses developed under this project must incorporate the principles of universal design in order to ensure that they are readily accessible by all students. The openly licensed resources that are developed should support traditional, text-based materials, including through such tools as adaptive learning modules, digital simulations, and tools to assist student engagement.

Types of Priorities:

When inviting applications for a competition using one or more priorities, we designate the type of each priority as absolute, competitive preference, or invitational through a notice in the Federal Register. The effect of each type of priority follows:

Absolute Priority: Under an absolute priority, we consider only applications that meet the priority (34 CFR 75.105(c)(3)).
Competitive Preference Priority: Under a competitive preference priority, we give competitive preference to an application by: (1) awarding additional points, depending on the extent to which the application meets the priority (34 CFR 75.105(c)(2)(i)); or (2) selecting an application that meets the priority over an application of comparable merit that does not meet the priority (34 CFR 75.105(c)(2)(ii)).

Invitational Priority: Under an invitational priority we are particularly interested in applications that meet the priority. However, we do not give an application that meets the priority a preference over other applications (34 CFR 75.105(c)(1)).

PROPOSED REQUIREMENT:
Background: Consistent with the explanatory statement accompanying the FY 2020 appropriations bill, we propose to expand the entities eligible to apply to lead the activities of the consortium to include State higher education agencies. Proposed Requirement:

The Assistant Secretary for Postsecondary Education proposes the following requirement for this program. We
may apply this requirement in any year in which this program is in effect.

**Eligible Applicants:** Eligible applicants are IHEs as defined in section 101 of the Higher Education Act of 1965, as amended (HEA) (20 U.S.C. 1001), or State higher education agencies that—

(a) Lead the activities of a consortium that is comprised of at least—

(1) Three IHEs, as defined in section 101 of the HEA;

(2) An educational technology or electronic curriculum design expert (which may include such experts that are employed by one or more of the consortium institutions); and

(3) An advisory group of at least five employers, workforce organizations, or sector partners (as defined in this notice); and

(b) Have demonstrated experience in the development and implementation of open educational resources.

**PROPOSED DEFINITIONS:**

**Background:**

Multiple terms associated with this program have not been defined. We discuss our reasoning for the proposed
definitions of “high-enrollment courses,” “high-enrollment program,” and “open textbook” in the Background section under PROPOSED PRIORITIES. For the other proposed definitions, we are drawing on language and defined terms in the Workforce Innovation and Opportunity Act (WIOA) (Pub. L. 113-128) to ensure consistency across programs. In addition to the proposed definitions, we also use the following defined term in the proposed priorities, requirement, and definitions: State higher education agency as defined in section 103 of the HEA (20 U.S.C. 1003).

**Proposed Definitions:**

The Assistant Secretary for Postsecondary Education proposes the following definitions for this program. We may apply one or more of these definitions in any year in which this program is in effect.

**High-enrollment courses** means courses that are required for a credential conferred by an eligible IHE that either have total student enrollments within the top third of courses: (a) at the lead institution, if applicable, or at one or more of the consortia partner institutions; (b) in the State; or (c) nationally as compared to other academic or career and technical education courses.
High-enrollment program means a program that yields a postsecondary credential that either has total student enrollments within the top third of programs: (a) at the lead institution, if applicable, or at one or more of the consortia partner institutions; (b) in the State; or (c) nationally as compared to other academic or career and technical education courses.

In-demand industry sector means an industry sector that has a substantial current or potential impact (including through jobs that lead to economic self-sufficiency and opportunities for advancement) on the State, regional, or local economy, as appropriate, and that contributes to the growth or stability of other supporting businesses, or the growth of other industry sectors.

In-demand occupation means an occupation that currently has or is projected to have a number of positions (including positions that lead to economic self-sufficiency and opportunities for advancement) in an industry sector so as to have a significant impact on the State, regional, or local economy, as appropriate.

Open textbook means a textbook that is licensed under a worldwide, non-exclusive, royalty-free, perpetual, and
irrevocable license to the public to exercise any of the rights under copyright conditioned only on the requirement that attribution be given as directed by the copyright owner. An open textbook may also include a variety of open educational resources or materials used by instructors in the development of a course and those learning activities necessary for successful completion of a course by students. These include any learning exercises, technology-enabled experiences (e.g., simulations), and adaptive support and assessment tools.

**Sector partner** means a member of a workforce collaborative, convened by or acting in partnership with a State board or local board, that organizes key stakeholders interconnected by labor markets, technologies, and worker skill needs into a working group that focuses on shared goals and resource needs.

**Trade or professional association** means a membership organization that inspects employers or practitioners, or leads credentialing programs, in a specific industry or sector.

**Workforce stakeholder** means an individual or organization with an interest in the employability of
others either for self-interest or the interest of other employers.

**Final Priorities, Requirement, and Definitions:**

We will announce the final priorities, requirement, and definitions in a notice in the *Federal Register*. We will determine the final priorities, requirement, and definitions after considering responses to the proposed priorities, requirement, and definitions and other information available to the Department. This document does not preclude us from proposing additional priorities, requirements, definitions, or selection criteria, subject to meeting applicable rulemaking requirements.

**Note:** This notice does not solicit applications. In any year in which we choose to use any of the proposed priorities, requirement, or definitions, we invite applications through a notice in the *Federal Register*.

**Executive Orders 12866, 13563, and 13771**

**Regulatory Impact Analysis**

Under Executive Order 12866, it must be determined whether this regulatory action is “significant” and, therefore, subject to the requirements of the Executive order and subject to review by the Office of Management and
Budget (OMB). Section 3(f) of Executive Order 12866 defines a "significant regulatory action" as an action likely to result in a rule that may—

(1) Have an annual effect on the economy of $100 million or more, or adversely affect in a material way a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local or Tribal governments or communities (also referred to as an "economically significant" rule);

(2) Create serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(3) Materially alter the budgetary impacts of entitlement grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

(4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles stated in the Executive order.

This proposed regulatory action is not a significant regulatory action subject to review by OMB under section 3(f) of Executive Order 12866.

Under Executive Order 13771, for each new rule that
the Department proposes for notice and comment or otherwise promulgates that is a significant regulatory action under Executive Order 12866, and that imposes total costs greater than zero, it must identify two deregulatory actions. For FY 2020, any new incremental costs associated with a new regulation must be fully offset by the elimination of existing costs through deregulatory actions. Because the proposed regulatory action is not significant, the requirements of Executive Order 13771 do not apply.

We have also reviewed this proposed regulatory action under Executive Order 13563, which supplements and explicitly reaffirms the principles, structures, and definitions governing regulatory review established in Executive Order 12866. To the extent permitted by law, Executive Order 13563 requires that an agency—

(1) Propose or adopt a regulation only upon a reasoned determination that its benefits justify its costs (recognizing that some benefits and costs are difficult to quantify);

(2) Tailor its regulations to impose the least burden on society, consistent with obtaining regulatory objectives and taking into account, among other things and to the
extent practicable, the costs of cumulative regulations;

(3) Select, in choosing among alternative regulatory approaches, those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity);

(4) To the extent feasible, specify performance objectives, rather than the behavior or manner of compliance that regulated entities must adopt; and

(5) Identify and assess available alternatives to direct regulation, including economic incentives to encourage the desired behavior, such as user fees or marketable permits, or providing information upon which choices can be made by the public.

Executive Order 13563 also requires an agency “to use the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible.” The Office of Information and Regulatory Affairs of OMB has emphasized that these techniques may include “identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes.”
We are issuing these proposed priorities, requirement, and definitions only on a reasoned determination that their benefits would justify their costs. In choosing among alternative regulatory approaches, we selected those approaches that would maximize net benefits. Based on the analysis that follows, the Department believes that this regulatory action is consistent with the principles in Executive Order 13563.

We also have determined that this regulatory action would not unduly interfere with State, local, and Tribal governments in the exercise of their governmental functions.

In accordance with both Executive orders, the Department has assessed the potential costs and benefits, both quantitative and qualitative, of this regulatory action. The potential costs are those resulting from statutory requirements and those we have determined as necessary for administering the Department’s programs and activities.

*Paperwork Reduction Act of 1995*

The proposed priorities, requirement, and definitions contain information collection requirements that are
approved by OMB under OMB control number 1894-0006; the proposed priorities, requirement, and definitions do not affect the currently approved data collection.

Clarity of the Regulations

Executive Order 12866 and the Presidential memorandum “Plain Language in Government Writing” require each agency to write regulations that are easy to understand.

The Secretary invites comments on how to make the proposed priorities, requirement, and definitions easier to understand, including answers to questions such as the following:

- Are the requirements in the proposed regulations clearly stated?
- Do the proposed regulations contain technical terms or other wording that interferes with their clarity?
- Does the format of the proposed regulations (grouping and order of sections, use of headings, paragraphing, etc.) aid or reduce their clarity?
- Would the proposed regulations be easier to understand if we divided them into more (but shorter) sections?
- Could the description of the proposed regulations in
the SUPPLEMENTARY INFORMATION section of this preamble be more helpful in making the proposed regulations easier to understand? If so, how?

- What else could we do to make the proposed regulations easier to understand?

**Regulatory Flexibility Act Certification:** The Secretary certifies that this proposed regulatory action would not have a significant economic impact on a substantial number of small entities. The U.S. Small Business Administration (SBA) Size Standards define “small entities” as for-profit or nonprofit institutions with total annual revenue below $7,000,000 or, if they are institutions controlled by small governmental jurisdictions (that are comprised of cities, counties, towns, townships, villages, school districts, or special districts), with a population of less than 50,000.

The small entities that this proposed regulatory action would affect are public or private nonprofit agencies and organizations, including Indian Tribes and institutions of higher education that may apply. We believe that the costs imposed on an applicant by the proposed priorities, requirement, and definitions would be limited to paperwork burden related to preparing an
application and that the benefits of the proposed priorities, requirement, and definitions would outweigh any costs incurred by the applicant.

Participation in the Open Textbooks Pilot program is voluntary. For this reason, the proposed priorities, requirement, and definitions would impose no burden on small entities unless they applied for funding under the program. We expect that in determining whether to apply for the Open Textbooks Pilot program funds, an eligible entity would evaluate the requirement of preparing an application and any associated costs, and weigh them against the benefits likely to be achieved by receiving a program grant. An eligible entity would probably apply only if it determines that the likely benefits exceed the costs of preparing an application.

We believe that the proposed priorities, requirement, and definitions would not impose any additional burden on a small entity applying for a grant than the entity would face in the absence of the proposed action. That is, the length of the applications those entities would submit in the absence of the proposed regulatory action and the time needed to prepare an application would likely be the same.
This proposed regulatory action would not have a significant economic impact on a small entity once it receives a grant because it would be able to meet the costs of compliance using the funds provided under this program. We invite comments from eligible small entities as to whether they believe this proposed regulatory action would have a significant economic impact on them and, if so, request evidence to support that belief.

**Intergovernmental Review:** This program is subject to Executive Order 12372 and the regulations in 34 CFR part 79. One of the objectives of the Executive order is to foster an intergovernmental partnership and a strengthened federalism. The Executive order relies on processes developed by State and local governments for coordination and review of proposed Federal financial assistance.

This document provides early notification of our specific plans and actions for this program.

**Assessment of Educational Impact**

In accordance with section 411 of GEPA, 20 U.S.C. 1221e-4, the Secretary particularly requests comments on whether the proposed regulations would require transmission of information that any other agency or authority of the
United States gathers or makes available.

Accessible Format: Individuals with disabilities can obtain this document in an accessible format (e.g., braille, large print, audiotape, or compact disc) on request to the contact person listed under FOR FURTHER INFORMATION CONTACT.

Electronic Access to This Document: The official version of this document is the document published in the Federal Register. You may access the official edition of the Federal Register and the Code of Federal Regulations at www.govinfo.gov. At this site you can view this document, as well as all other documents of this Department published in the Federal Register, in text or Portable Document Format (PDF). To use PDF, you must have Adobe Acrobat Reader, which is available free at the site.

You may also access documents of the Department published in the Federal Register by using the article search feature at www.federalregister.gov. Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

__________________________
Robert L. King,
Assistant Secretary for Postsecondary Education.

[FR Doc. 2020-06350 Filed: 3/30/2020 8:45 am; Publication Date: 3/31/2020]