



House of Representatives

General Assembly

File No. 335

January Session, 2021

House Bill No. 5668

House of Representatives, April 8, 2021

The Committee on Higher Education and Employment Advancement reported through REP. ELLIOTT of the 88th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT REQUIRING THE OFFICE OF HIGHER EDUCATION TO ESTABLISH A MICROCREDENTIAL PILOT PROGRAM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective July 1, 2021*) (a) As used in this section:
- 2 (1) "Microcredential" means a digital badge earned in six months or
3 less through completion of for-credit or noncredit coursework and
4 demonstrated mastery of a specific skill;
- 5 (2) "Digital badge" means an indicator of accomplishment or skill that
6 can be displayed, accessed and verified online; and
- 7 (3) "Microcredential provider" means an institution of higher
8 education, an employer in the state, a professional association or other
9 entity that develops and offers a microcredential.
- 10 (b) Not later than January 1, 2022, the Office of Higher Education, in
11 consultation with the Board of Regents for Higher Education, shall

12 establish a pilot program to develop a virtual platform on which
13 microcredentials may be earned or renewed by state residents and
14 offered by microcredential providers. The office may enter into a
15 contract with a third-party administrator to develop and administer the
16 virtual platform. Any such third-party administrator shall be required
17 under such contract to charge such third-party administrator's lowest
18 available rate for such services. Such virtual platform shall include, but
19 not be limited to, (1) a catalog of the available microcredentials with
20 information submitted by the microcredential provider pursuant to
21 subsection (c) of this section, (2) an access portal for a microcredential
22 provider to develop and offer microcredentials, (3) an access portal for
23 state residents to (A) earn or renew microcredentials, (B) share the
24 receipt of microcredentials with employers or institutions of higher
25 education, and (C) submit applications for jobs opportunities posted on
26 the virtual platform, (4) an access portal for employers in the state to
27 post job opportunities that require skills which may be demonstrated
28 through one or more microcredentials, (5) online support for all users of
29 the virtual platform, and (6) a means for employers and institutions of
30 higher education to prepurchase microcredentials for distribution to
31 employees or students.

32 (c) Each user of the virtual platform shall register in the form and
33 manner prescribed by the Office of Higher Education. Each
34 microcredential provider shall submit information for each new
35 microcredential offered by such provider, including, but not limited to,
36 (1) the name of the microcredential, (2) whether the microcredential is
37 industry-recognized, (3) whether a microcredential is offered through
38 synchronous or asynchronous coursework, (4) the enrollment fee, if any,
39 provided such fee shall not exceed an amount established by the office,
40 (5) the expected time for completion, (6) any required prerequisites,
41 provided related work experience shall be allowed in lieu of course
42 prerequisites whenever possible, (7) the effective period of a
43 microcredential if such microcredential is for a limited duration, (8) the
44 rubric by which a microcredential provider evaluates whether an
45 enrolled student successfully demonstrated mastery of the skill related
46 to the microcredential, and (9) if the microcredential provider is an

47 institution of higher education, the number college credits earned upon
48 completion and the career pathway for such microcredential, including,
49 but not limited to, certificate or degree programs to which any
50 completed credits may be applied.

51 (d) The Office of Higher Education may deny access to the virtual
52 platform to any microcredential provider that offers one or more
53 microcredentials that do not meet the academic or industry standards
54 of employers and institutions of higher education in the state. The office
55 shall establish a process by which such microcredential provider may
56 appeal the office's denial of access.

57 (e) The Office of Higher Education shall consult with the Department
58 of Economic and Community Development and the Labor Department
59 to identify shortages in the state labor market and solicit the
60 participation of microcredential providers to offer microcredentials on
61 the virtual platform to meet such shortages.

62 (f) Not later than six months after a person has completed a
63 microcredential, the Office of Higher Education shall distribute a survey
64 to such person which shall include, but not be limited to, questions
65 regarding such person's (1) goals for completing the microcredential, (2)
66 employment status, (3) experience with the coursework and the virtual
67 platform, and (4) intention to use the virtual platform in the future to
68 earn other microcredentials or to seek employment.

69 (g) Each employer posting job opportunities on the virtual platform
70 shall submit a fee in an amount established by the Office of Higher
71 Education for each such posting. Any enrollment fee or job posting fee
72 shall be deposited into the microcredential account established
73 pursuant to subsection (h) of this section. The fees paid to the
74 microcredential account shall be expended by the office to compensate
75 microcredential providers and for reasonable and necessary expenses
76 for the administration of the virtual platform.

77 (h) There is established an account to be known as the
78 "microcredential account" which shall be a separate, nonlapsing account

79 within the General Fund. The account shall contain any moneys
80 required by law to be deposited in the account. Moneys in the account
81 shall be expended by the Office of Higher Education as set forth in
82 subsection (g) of this section.

83 (i) Not later than January 1, 2023, and annually thereafter, until
84 January 1, 2026, the Office of Higher Education shall submit a report, in
85 accordance with the provisions of section 11-4a of the general statutes,
86 to the joint standing committee of the General Assembly having
87 cognizance of matters relating to higher education. Such report shall
88 include (1) the catalog of microcredentials available on the virtual
89 platform, highlighting any new microcredentials offered and any
90 microcredentials ceased during the prior year, (2) the number of users
91 who registered on the virtual platform by type of user, (3) the number
92 of students who enrolled and the number of students who completed
93 each microcredential, (4) the results of the student survey conducted
94 pursuant to subsection (f) of this section, and (5) in the final report, the
95 office's decision on whether to establish the pilot program permanently
96 or whether to terminate the pilot program.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2021	New section

HED *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Higher Ed., Off.	GF - Cost	888,443	138,443
State Comptroller - Fringe Benefits ¹	GF - Cost	57,177	57,177
Higher Ed., Off.	GF - Revenue Gain	None	Indeterminate

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill requires the Office of Higher Education (OHE) to establish a pilot program, by January 1, 2022, to develop a virtual platform for state residents to earn or renew a microcredential. The bill is anticipated to result in costs to OHE that total \$888,443 in FY 22 and \$138,443 in FY 23, along with fringe benefit costs of \$57,177 in both years.

The bill is anticipated to result in additional, annual staff costs to OHE of \$138,443, and corresponding fringe benefit costs of \$57,177, associated with hiring two full-time Senior Consultants. The two additional staff members would be responsible for monitoring microcredential registration, fee collection, and survey analysis.

In addition to staffing costs, OHE would require funding to develop the virtual platform. It is anticipated, based on third party providers who have developed similar platforms in other states, that OHE would

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 41.3% of payroll in FY 22 and FY 23.

incur one-time FY 22 development costs of approximately \$500,000, with an additional \$200,000 in one-time connection costs to integrate the platform into OHE's Academic Affairs database. It is also anticipated that OHE would require staff training and marketing development in FY 22, totaling approximately \$50,000.

The bill creates a non-lapsing "microcredential account." Employers posting job opportunities on the virtual platform are required to submit a fee in the amount OHE establishes, and any fee must be deposited into the account. This will result in a revenue gain, beginning in FY 23 (as the platform must be developed before any revenue is collected) to the General Fund. The scope of the net revenue gain is indeterminate and will vary based on the fee set by OHE, the number of employers posting job opportunities on the virtual platform, and the expenditures from the fund by OHE in support of the microcredential program, in the ways specified in the bill.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

Sources: <https://www.midaseducation.com/>

OLR Bill Analysis**HB 5668*****AN ACT REQUIRING THE OFFICE OF HIGHER EDUCATION TO ESTABLISH A MICROCREDENTIAL PILOT PROGRAM.*****SUMMARY**

This bill requires the Office of Higher Education (OHE), in consultation with the Board of Regents for Higher Education, to establish a pilot program by January 1, 2022, to develop a virtual platform for state residents to earn or renew a microcredential offered by a microcredential provider.

The bill defines a microcredential as a digital badge (i.e., an indicator of accomplishment or skill that can be displayed, accessed, and verified online) earned in no more than six months by completing for-credit or noncredit coursework and demonstrating mastery of a specific skill. A “microcredential provider” is a higher education institution, employer in the state, professional association, or other entity that develops and offers a microcredential.

The bill requires OHE to consult with the departments of Economic and Community Development and Labor to identify shortages in the state labor market and solicit the participation of microcredential providers to offer microcredentials on the virtual platform that address the shortages.

The bill also requires OHE to develop and distribute a survey to people who complete a microcredential to obtain their completion goals, employment status, and their experience with the microcredential coursework and virtual platform.

The bill creates a “microcredential account” as a separate, non-lapsing General Fund account to contain enrollment fees and fees from

employers who post job opportunities on the platform.

EFFECTIVE DATE: July 1, 2021

VIRTUAL PLATFORM

The bill allows OHE to contract with a third-party administrator to develop and administer the virtual platform. The administrator must provide this service at its lowest available rate. Under the bill, the virtual platform must include: (1) a catalog of available microcredentials with provider provided information, (2) online support for all virtual platform users, and (3) a means for employers and higher education institutions to pre-purchase microcredentials for employee and student distribution.

The platform must also include an access portal for:

1. a microcredential provider to develop and offer microcredentials;
2. state residents to (a) earn or renew microcredentials, (b) share the receipt of microcredentials with employers or higher education institutions, and (c) submit applications for job opportunities posted on the virtual platform; and
3. employers in the state to post job opportunities that require skills that can be demonstrated through one or more microcredentials.

The bill requires each virtual platform user to register in OHE's prescribed form and manner.

MICROCREDENTIAL PROVIDER REGISTRATION

Under the bill, each microcredential provider must submit information for each new microcredential it offers, including:

1. the microcredential name;
2. whether the microcredential is industry-recognized;
3. whether a microcredential is offered through synchronous or

-
- asynchronous coursework;
4. the enrollment fee, if any, provided the fee must not exceed an OHE-established amount;
 5. the expected time for completion;
 6. any required prerequisites, provided related work experience must be allowed in lieu of course prerequisites whenever possible;
 7. the effective period of a microcredential if the microcredential is for limited duration;
 8. the rubric a microcredential provider uses to determine successful demonstrated mastery of the skill related to the microcredential; and
 9. if the microcredential provider is a higher education institution, the number of college credits earned upon completion and the microcredential career pathway, including certificate or degree programs where the completed credits may be applied.

Under the bill, OHE may deny access to the virtual platform to any microcredential provider that offers one or more microcredentials that do not meet academic or industry standards of employers and higher education institutions. OHE must establish a process for providers to appeal access denial.

SURVEY

Under the bill, OHE must distribute a survey to a person who has completed a microcredential within six months of completion. The survey must include questions about the person's (1) goals for completing the microcredential, (2) employment status, (3) experience with the coursework and the virtual platform, and (4) intention to use the virtual platform in the future to earn other microcredentials or to seek employment.

MICROCREDENTIAL ACCOUNT

The bill creates a “microcredential account,” as a separate, non-lapsing General Fund account. The account must contain any money required by law to be deposited into it.

Under the bill, employers posting job opportunities on the virtual platform are required to submit a fee in the amount OHE establishes, and any fee must be deposited into the account. OHE must spend fees paid into the account (1) to compensate microcredential providers and (2) for reasonable and necessary virtual platform administration expenses.

REPORTING REQUIREMENTS

The bill requires OHE, by January 1, 2023, and annually thereafter, to submit to the Higher Education and Employment Advancement Committee a report that includes:

1. the catalog of microcredentials available on the virtual platform, highlighting any new microcredentials offered and ceased during the prior year;
2. the number of registered users on the virtual platform by user type;
3. the number of enrolled students and students who complete each microcredential;
4. the student survey results; and
5. in the final report, OHE’s decision on whether to permanently establish or terminate the pilot program.

COMMITTEE ACTION

Higher Education and Employment Advancement Committee

Joint Favorable

Yea 22 Nay 0 (03/22/2021)