DEFINITION OF CREDIT HOUR

Regulatory Language: Definition (Page 34872)

2. Section 600.2 is amended by:
A. Adding, in alphabetical order, the definition of a Credit hour.
B. Revising the definition of Recognized occupation.

The addition and revision read as follows:

§600.2 Definitions.
* * * * *
Credit hour: Except as provided in 34 CFR 668.8(k) and (l), a credit hour is—

(1) One hour of classroom or direct faculty instruction and a minimum of two hours of out of class student work each week for approximately fifteen weeks for one semester or trimester hour of credit, or ten to twelve weeks for one quarter hour of credit, or the equivalent amount of work over a different amount of time;

(2) At least an equivalent amount of work as required in paragraph (1) of this definition for other academic activities as established by the institution including laboratory work, internships, practica, studio work, and other academic work leading to the award of credit hours; or

(3) Institutionally established reasonable equivalencies for the amount of work required in paragraph (1) of this definition for the credit hours awarded, including as represented in intended learning outcomes and verified by evidence of student achievement.

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Regulatory Language: Accreditation (Page 34872)

8. Section 602.24 is amended by adding a new paragraph (f) to read as follows:

§602.24 Additional procedures certain institutional accreditors must have.

* * * * *
(f) Credit-hour policies. The accrediting agency, as part of its review of an institution for initial accreditation or preaccreditation or renewal of accreditation, must conduct an effective review and evaluation of the reliability and accuracy of the institution’s assignment of credit hours.
(1) The accrediting agency meets this requirement if--
(i) It reviews the institution’s--
(A) Policies and procedures for determining the credit hours, as defined in 34 CFR 600.2, that the institution awards for courses and programs; and

(B) The application of the institution’s policies and procedures to its programs and coursework; and

(ii) Makes a reasonable determination of whether the institution's assignment of credit hours conforms to commonly accepted practice in higher education.

(2) In reviewing and evaluating an institution's policies and procedures for determining credit hour assignments, an accrediting agency may use sampling or other methods in the evaluation, sufficient to comply with paragraph (f)(1)(i)(B) of this section.

(3) The accrediting agency must take such actions that it deems appropriate to address any deficiencies that it identifies at an institution as part of its reviews and evaluations under paragraph (f)(1)(i) and (ii) of this section, as it does in relation to other deficiencies it may identify, subject to the requirements of this part.

(4) If, following the institutional review process under this paragraph (f), the agency finds systemic noncompliance with the agency’s policies or significant noncompliance regarding one or more programs at the institution, the agency must promptly notify the Secretary.

* * * * *

**Regulatory Language: State Approval – Public Postsecondary (This applies to a very small subset of public institutions.) (Pages 34872-73)**

PART 603--SECRETARY’S RECOGNITION PROCEDURES FOR STATE AGENCIES

9. The authority citation for part 603 is revised to read as follows:

AUTHORITY: 20 U.S.C. 1001, 1002, 1094(c)(4); 42 U.S.C. 293a(b), 38 U.S.C. 3675, unless otherwise noted.

10. Section 603.24 is amended by redesignating paragraph (c) as paragraph (d) and adding a new paragraph (c) to read as follows:

§603.24 Criteria for State agencies.

* * * * *

(c) Credit-hour policies. The State agency, as part of its review of an institution for initial approval or renewal of approval, must conduct an effective review and evaluation of the reliability and accuracy of the institution’s assignment of credit hours.

(1) The State agency meets this requirement if--
(i) It reviews the institution’s--
(A) Policies and procedures for determining the credit hours, as defined in 34 CFR 600.2, that the institution awards for courses and programs; and
(B) The application of the institution’s policies and procedures to its programs and coursework; and
(ii) Makes a reasonable determination of whether the institution's assignment of credit hours conforms to commonly accepted practice in higher education.

(2) In reviewing and evaluating an institution's policies and procedures for determining credit hour assignments, a State agency may use sampling or other methods in the evaluation, sufficient to comply with paragraph (c)(1)(i)(B) of this section.

(3) The State agency must take such actions that it deems appropriate to address any deficiencies that it identifies at an institution as part of its reviews and evaluations under paragraph (c)(1)(i) and (ii) of this section, as it does in relation to other deficiencies it may identify, subject to the requirements of this part.

(4) If, following the institutional review process under this paragraph (c), the agency finds systemic noncompliance with the agency’s policies or significant noncompliance regarding one or more programs at the institution, the agency must promptly notify the Secretary.

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**Regulatory Language: Clock Hours (Page 34874)**

15. Section 668.8 is amended by:

A. Revising paragraph (c)(3).
B. In paragraph (d)(2)(iii), adding the words, “as provided under §668.6” immediately after the word “occupation.”
C. In paragraph (d)(3)(iii), adding the words, “as provided under §668.6” immediately after the word “occupation.”
D. Revising paragraphs (k) and (l).

The revisions read as follows:

§668.8 Eligible program.
* * * * *
(c) * * *
(3) Be at least a one-academic-year training program that leads to a certificate, or other nondegree recognized credential, and prepares students for gainful employment in a recognized occupation.
* * * * *

(k) Undergraduate educational program in credit hours. (1) Except as provided in paragraph (k)(2) of this section, if an institution offers an undergraduate educational program in credit hours, the institution must use the formula contained in paragraph (l) of this section to determine whether that program satisfies the requirements contained in
paragraph (c)(3) or (d) of this section, and the number of credit hours in that educational program for purposes of the title IV, HEA programs, unless—

(i) The program is at least two academic years in length and provides an associate degree, a bachelor's degree, a professional degree, or an equivalent degree as determined by the Secretary; or

(ii) Each course within the program is acceptable for full credit toward that institution's associate degree, bachelor's degree, professional degree, or equivalent degree as determined by the Secretary provided that—
(A) The institution's degree requires at least two academic years of study; and
(B) The institution demonstrates that students enroll in, and graduate from, the degree program.

(2) A program is considered to be a clock-hour program for purposes of the title IV, HEA programs if—
(i) Except as provided in paragraph (k)(3) of this section, a program is required to measure student progress in clock hours when—
(A) Receiving Federal or State approval or licensure to offer the program; or
(B) Completing clock hours is a requirement for graduates to apply for licensure or the authorization to practice the occupation that the student is intending to pursue;
(ii) The credit hours awarded for the program are not in compliance with the definition of a credit hour in 34 CFR 600.2; or
(iii) The institution does not provide the clock hours that are the basis for the credit hours awarded for the program or each course in the program and, except as provided in §668.4(e), requires attendance in the clock hours that are the basis for the credit hours awarded.

(3) The requirements of paragraph (k)(2)(i) of this section do not apply to a program if there is a State or Federal approval or licensure requirement that a limited component of the program must include a practicum, internship, or clinical experience component of the program that must include a minimum number of clock hours.

(l) Formula. (1) Except as provided in paragraph (l)(2) of this section, for purposes of determining whether a program described in paragraph (k) of this section satisfies the requirements contained in paragraph (c)(3) or (d) of this section, and of determining the number of credit hours in that educational program with regard to the title IV, HEA programs—
(i) A semester hour must include at least 37.5 clock hours of instruction;
(ii) A trimester hour must include at least 37.5 clock hours of instruction; and
(iii) A quarter hour must include at least 25 clock hours of instruction.

(2) The institution’s conversions to establish a minimum number of clock hours of instruction per credit may be less than those specified in paragraph (l)(1) of this section, if neither the institution’s designated accrediting agency nor the relevant State licensing authority for participation in the title IV, HEA programs has identified any deficiencies with the institution’s policies and procedures, or their implementation, for determining the credit hours, as defined in 34 CFR 600.2, that the institution awards for programs and
courses, in accordance with 34 CFR 602.24(f), or, if applicable, 34 CFR 603.24(c), so long as—

(i) The institution’s student work outside of class combined with the clock-hours of instruction meet or exceed the numeric requirements in paragraph (l)(1) of this section; and

(ii)(A) A semester hour must include at least 30 clock hours of instruction;
(B) A trimester hour must include at least 30 clock hours of instruction; and
(C) A quarter hour must include at least 20 hours of instruction.

* * * * *

Need for Regulatory Action (Page 34851)

(This is a summary of the material in the preamble.)

Definition of a Credit Hour (§§600.2, 602.24, 603.24, and 668.8): Credit hours are used to measure degree completion and award title IV, HEA aid, but under current regulations there is no commonly accepted definition of a credit hour. The increased availability of weekend, evening, and distance education programs complicates the measurement of credit hours by seat time in the definitions and conversion formulas existing under current regulations. In current §668.8(k) and (l), the regulations provide the formula that certain undergraduate programs must use to convert the number of clock hours offered to the appropriate number of credit hours, with each semester or trimester hour requiring at least 30 clock hours of instruction, and each quarter hour requiring at least 20 hours of instruction. An institution must use the formula to determine if a program is eligible for title IV, HEA purposes unless (1) the institution offers an undergraduate program in credit hours that is at least two academic years in length and leads to an associate degree, a bachelor’s degree, or a professional degree or (2) each course within the program is acceptable for full credit toward an associate degree, bachelor’s degree, or professional degree offered by the institution, and the degree offered by the institution requires at least two academic years of study.

The proposed regulations would add a definition of a credit hour, amend accrediting agency procedures for reviewing the assignment of credit hours, and revise the clock-to-credit hour conversion formulas. Under the proposed regulations, a credit hour is defined as a unit measuring the amount of work consisting of one hour of classroom or direct faculty instruction and at least two hours of student work outside the classroom over a set period of time. The required time period is fifteen weeks for a semester or trimester credit hour, ten to twelve weeks for a quarter hour of credit, and the equivalent amount of work for a different amount of time. For other activities that grant credit such as internships, studio work, and laboratory work, the institution must require at least a comparable amount of work to award credit hours. For programs for which the provisions above are not appropriate, the institution must establish reasonable equivalencies as represented by learning outcomes for the amount of work required in the definition of a credit hour.

The credit hour was developed as part of a process to establish a standard measure of faculty workloads, costs of instruction, and rates of educational efficiencies as well as a
measure of student work for transfer students. A standard measure will provide increased assurance that a credit hour has the necessary educational content to support the amounts of Federal funds that are awarded to participants in Federal funding programs and that students at different institutions are treated equitably in the awarding of those funds. During the negotiated rulemaking sessions, a few of the non-Federal negotiators were opposed to any proposal to define a credit hour because they believed that a definition would impinge upon an institution’s ability to create innovative courses and teaching methods. Other non-Federal negotiators agreed with the Department that the proposed definition of a credit hour would provide sufficient flexibilities for institutions and supported keeping it in the proposed regulations. In response to these concerns, the proposed regulations were changed to allow institutions to establish reasonable equivalent measures of a credit hour in accordance with its accrediting agency’s requirements and adopt alternative measures of student work. The proposed definition of a credit hour does not change the policy providing funding based only on credit hours that are the direct result of postsecondary student work and not Advanced Placement (AP) or International Baccalaureate (IB) programs, tests or testing out, life experience, or similar competency measures. No agreement was reached on this issue due to the belief of some non-Federal negotiators that a definition would limit an institution’s ability to use alternative measures of student work.

In addition, the proposed regulations require accrediting agencies to review an institution’s assignment of credit hours and determine that they comply with accepted practice in higher education. Accrediting agencies may use sampling or other methods in reviews of programs at institutions. The accrediting agency must take actions to address deficiencies identified in such a review and must inform the Secretary if it finds systemic noncompliance or significant noncompliance in one or more programs at an institution.

Finally, the proposed regulations would revise the clock-to-credit hour conversion process. Proposed §668.8(l)(1) would modify existing clock hour to credit hour conversion formulas so a semester or trimester credit hour must include at least 37.5 clock hours of instruction and a quarter hour must include at least 25 clock hours of instruction. If an institution’s process for determining credit hours has not been found deficient by the accrediting or state licensing agency, then the minimum clock hours of instruction can be reduced to 30 for semester and trimester programs and 20 for quarter programs as long as the combined instruction and work outside the class meets the longer requirements described above. With respect to the definition of an eligible program in §668.8, the proposed regulations require that institutions demonstrate that students enroll in and graduate from the degree program. The proposed regulations also require a program to use clock hours when accrediting agencies determine that an institution’s policies and procedures about credit hours are deficient or when completing clock hours is required for graduates to apply for a license or authorization to practice their intended occupation.