



**Opening Statement of Rep. Virginia Foxx (R-NC), Chairwoman  
Committee on Education and the Workforce**

**Markup of H.R. 5933, the *Defending Education Transparency and Ending Rogue  
Regimes Engaging in Nefarious Transactions (DETERRENT) Act*  
November 8, 2023**

(As prepared for delivery)

Before turning to the legislative agenda today, I would like to first take a moment to address the critical moment facing our nation.

In the Middle East, America's enemies are emboldened by the bloody war launched by Hamas on the 7th of October. According to Israeli authorities, the barbaric attack marked the single deadliest day in history for the citizens of Israel. Iran is empowered in the region thanks to our feckless leadership, and the situation in the Levant grows dire.

In the Far East, our adversaries are watching carefully for signs of American weakness. China is emboldened by the rhetoric of extreme House Democrats who equivocate over the murder of women and children. China sees the division and hate growing out of the ugly seeds of antisemitism as a window of opportunity.

Anything but absolute moral clarity in the face of human atrocities emboldens our enemies. America must project strength and unity in these troubling times.

Today, we have an opportunity to do just that. By passing the Defending Education Transparency and Ending Rogue Regimes Engaging in Nefarious Transactions (DETERRENT) Act we can project strength to our adversaries.

The DETERRENT Act, authored by Rep. Michelle Steel (R-CA), will combat malign foreign influence on college campuses. The bill also includes many great policy ideas from other Committee members including Reps. Owens, Stefanik, Banks, James, and

Wilson. In an age of unconventional warfare, postsecondary education is an easy target for adversaries seeking to steal our national security secrets and undermine our unifying national principles.

Countries of concern, including Iran and China, leverage lavish gifts to our most prestigious universities to extract favors from top American academics. Some cases of foreign influence and espionage are clear-cut, like when the Chair of Harvard's Chemistry Department, Dr. Charles Leiber, lied to the FBI about working at the behest of the Chinese Communist Party (CCP) and then later admitted to flying from Wuhan to Boston with over \$50,000 in bags of cash.

Other foreign influence operations are more clandestine. For instance, CCP-funded Confucius Institutes pose as innocuous cultural exchange centers but are actually an integral pillar of the CCP's soft power strategy to undermine American traditions and values. A retired Politburo propaganda czar put it this way: Confucius Institutes "are an important part of China's overseas propaganda setup." Political pressure has caused many Confucius Institutes to close in name, but many simply rebrand and maintain concerning partnerships.

In the face of growing danger around the world, transparency and accountability in foreign gift reporting is desperately needed. A 2019 Senate report found that 70 percent of gifts from the CCP are not reported. Even when gifts are reported, the data is far from accurate or useful. In 2020 the Department estimated over \$8.4 billion was reported as "anonymous," and in 2022 the Lincoln Policy Network found nearly 30 percent of reports had no receipt date. If you received an anonymous deposit from Beijing or the Kremlin into your bank account, I promise the IRS would want to know about it!

It is not a radical principle that universities should be held to the same standard as the American people. We deserve to know which countries are paying for influence on college campuses.

The DETERRENT Act secures transparency and accountability through five main pillars. First, it slashes the foreign gift reporting threshold from \$250,000 to \$50,000, with an even lower \$0 threshold for countries of concern. Second, it closes loopholes so foreign entities cannot hide the true origin or purpose of their gifts. Third, it

requires public disclosure of foreign gifts to individual staff at research heavy institutions. Fourth, it reveals foreign investments by the endowments of our largest private universities. And finally, it implements a stringent series of repercussions for colleges that remain noncompliant.

At a time when our adversaries are emboldened, this Committee must stand firm. I urge all our members to pass this bill and send a resounding message to our adversaries: We are strong, we are unified, and we will combat advances from our foreign enemies in any arena.

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