

Union Calendar No. 223

118TH CONGRESS
1ST SESSION

H. R. 5933

[Report No. 118-278]

To amend the Higher Education Act of 1965 to require additional information in disclosures of foreign gifts and contracts from foreign sources, restrict contracts with certain foreign entities and foreign countries of concern, require certain staff and faculty to report foreign gifts and contracts, and require disclosure of certain foreign investments within endowments.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 11, 2023

Mrs. STEEL (for herself, Ms. FOXX, Mr. OWENS, Mr. WILSON of South Carolina, Mr. THOMPSON of Pennsylvania, Mr. GROTHMAN, Ms. STEFANIK, Mr. SMUCKER, Mrs. MCCLAIN, Ms. LETLOW, Mr. WILLIAMS of New York, Mrs. HOUCHIN, Mr. ESTES, and Mr. WALBERG) introduced the following bill

OCTOBER 25, 2023

Referred to the Committee on Education and the Workforce

NOVEMBER 24, 2023

Additional sponsors: Mrs. MILLER of Illinois, Mr. BEAN of Florida, Mr. WEBER of Texas, Mr. JAMES, Mr. BURLISON, Mr. ALLEN, Mr. NORMAN, Mr. D'ESPOSITO, Mr. LAMALFA, Mr. KILEY, Mr. BARR, Mrs. CHAVEZ-DEREMÉR, and Mrs. MILLER of West Virginia

NOVEMBER 24, 2023

Reported with an amendment; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on October 11, 2023]

A BILL

To amend the Higher Education Act of 1965 to require additional information in disclosures of foreign gifts and contracts from foreign sources, restrict contracts with certain foreign entities and foreign countries of concern, require certain staff and faculty to report foreign gifts and contracts, and require disclosure of certain foreign investments within endowments.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Defending Education*
5 *Transparency and Ending Rogue Regimes Engaging in Ne-*
6 *farious Transactions Act” or the “DETERRENT Act”.*

7 **SEC. 2. DISCLOSURES OF FOREIGN GIFTS.**

8 *(a) IN GENERAL.—Section 117 of the Higher Edu-*
9 *cation Act of 1965 (20 U.S.C. 1011f) is amended to read*
10 *as follows:*

11 **“SEC. 117. DISCLOSURES OF FOREIGN GIFTS.**

12 *“(a) DISCLOSURE REPORTS.—*

13 *“(1) AGGREGATE GIFTS AND CONTRACT DISCLO-*
14 *SURES.—An institution shall file a disclosure report*
15 *in accordance with subsection (b)(1) with the Sec-*
16 *retary on July 31 of the calendar year immediately*
17 *following any calendar year in which—*

18 *“(A) the institution receives a gift from, or*
19 *enters into a contract with, a foreign source*
20 *(other than a foreign country of concern or for-*
21 *eign entity of concern)—*

22 *“(i) the value of which is \$50,000 or*
23 *more, considered alone or in combination*
24 *with all other gifts from, or contracts with,*

1 that foreign source within the calendar
2 year; or

3 “(ii) the value of which is undeter-
4 mined; or

5 “(B) the institution receives a gift from a
6 foreign country of concern or foreign entity of
7 concern, or, upon receiving a waiver under sec-
8 tion 117A to enter into a contract with such a
9 country or entity, enters into such contract,
10 without regard to the value of such gift or con-
11 tract.

12 “(2) *FOREIGN SOURCE OWNERSHIP OR CONTROL*
13 *DISCLOSURES.*—In the case of an institution that is
14 substantially controlled (as described in section
15 668.174(c)(3) of title 34, Code of Federal Regulations)
16 (or successor regulations)) by a foreign source, the in-
17 stitution shall file a disclosure report in accordance
18 with subsection (b)(2) with the Secretary on July 31
19 of each year.

20 “(3) *TREATMENT OF AFFILIATED ENTITIES.*—
21 For purposes of this section, any gift to, or contract
22 with, an affiliated entity of an institution shall be
23 considered a gift to or contract with, respectively,
24 such institution.

25 “(b) *CONTENTS OF REPORT.*—

1 “(1) *GIFTS AND CONTRACTS.*—*Each report to the*
2 *Secretary required under subsection (a)(1) shall con-*
3 *tain the following:*

4 “(A) *With respect to a gift received from, or*
5 *a contract entered into with, any foreign*
6 *source—*

7 “(i) *the terms of such gift or contract,*
8 *including—*

9 “(I) *the name of the individual,*
10 *department, or benefactor at the insti-*
11 *tution receiving the gift or carrying*
12 *out the contract;*

13 “(II) *the intended purpose of such*
14 *gift or contract, as provided to the in-*
15 *stitution by such foreign source, or if*
16 *no such purpose is provided by such*
17 *foreign source, the intended use of such*
18 *gift or contract, as provided by the in-*
19 *stitution; and*

20 “(III) *in the case of a restricted*
21 *or conditional gift or contract, a de-*
22 *scription of the restrictions or condi-*
23 *tions of such gift or contract;*

24 “(ii) *with respect to a gift—*

1 “(I) the total fair market dollar
2 amount or dollar value of the gift, as
3 of the date of submission of such re-
4 port; and

5 “(II) the date on which the insti-
6 tution received such gift;

7 “(iii) with respect to a contract—

8 “(I) the date on which such con-
9 tract commences;

10 “(II) as applicable, the date on
11 which such contract terminates; and

12 “(III) an assurance that the insti-
13 tution will—

14 “(aa) maintain an
15 unredacted copy of the contract
16 until the latest of—

17 “(AA) the date that is 4
18 years after the date on which
19 the contract commences;

20 “(BB) the date on which
21 the contract terminates; or

22 “(CC) the last day of
23 any period that applicable
24 State law requires a copy of

1 *such contract to be main-*
2 *tained; and*

3 *“(bb) upon request of the*
4 *Secretary during an investigation*
5 *under subsection (f)(1), produce*
6 *such an unredacted copy of the*
7 *contract; and*

8 *“(iv) an assurance that in a case in*
9 *which information is required to be dis-*
10 *closed under this section with respect to a*
11 *gift or contract that is not in English, such*
12 *information is translated into English in*
13 *compliance with the requirements of sub-*
14 *section (c)(1).*

15 *“(B) With respect to a gift received from, or*
16 *a contract entered into with, a foreign source*
17 *that is a foreign government (other than the gov-*
18 *ernment of a foreign country of concern)—*

19 *“(i) the name of such foreign govern-*
20 *ment;*

21 *“(ii) the department, agency, office, or*
22 *division of such foreign government that ap-*
23 *proved such gift or contract, as applicable;*
24 *and*

1 “(iii) the physical mailing address of
2 such department, agency, office, or division.

3 “(C) With respect to a gift received from, or
4 contract entered into with, a foreign source
5 (other than a foreign government subject to the
6 requirements of subparagraph (B))—

7 “(i) the legal name of the foreign
8 source, or, if such name is not available, a
9 statement certified by the compliance officer
10 in accordance with subsection (f)(2) that the
11 institution has reasonably attempted to ob-
12 tain such name;

13 “(ii) in the case of a foreign source
14 that is a natural person, the country of citi-
15 zenship of such person, or, if such country
16 is not known, the principal country of resi-
17 dence of such person;

18 “(iii) in the case of a foreign source
19 that is a legal entity, the country in which
20 such entity is incorporated, or if such infor-
21 mation is not available, the principal place
22 of business of such entity; and

23 “(iv) the physical mailing address of
24 such foreign source, or if such address is not
25 available, a statement certified by the com-

1 *pliance officer in accordance with sub-*
2 *section (f)(2) that the institution has rea-*
3 *sonably attempted to obtain such address.*

4 *“(D) With respect to a contract entered into*
5 *with a foreign source that is a foreign country*
6 *of concern or a foreign entity of concern—*

7 *“(i) a complete and unredacted text of*
8 *the original contract, and if such original*
9 *contract is not in English, a translated*
10 *copy of the text into English;*

11 *“(ii) a copy of the waiver received*
12 *under section 117A for such contract; and*

13 *“(iii) the statement submitted by the*
14 *institution for purposes of receiving such a*
15 *waiver under section 117A(b)(1).*

16 *“(2) FOREIGN SOURCE OWNERSHIP OR CON-*
17 *TROL.—Each report to the Secretary required under*
18 *subsection (a)(2) shall contain—*

19 *“(A) the legal name and address of the for-*
20 *foreign source that owns or controls the institution;*

21 *“(B) the date on which the foreign source*
22 *assumed ownership or control; and*

23 *“(C) any changes in program or structure*
24 *resulting from the change in ownership or con-*
25 *trol.*

1 “(c) *TRANSLATION REQUIREMENTS.*—Any informa-
2 tion required to be disclosed under this section with respect
3 to a gift or contract that is not in English shall be trans-
4 lated, for purposes of such disclosure, by a person that is
5 not an affiliated entity or agent of the foreign source in-
6 volved with such gift or contract.

7 “(d) *PUBLIC INSPECTION.*—

8 “(1) *DATABASE REQUIREMENT.*—Beginning not
9 later than 60 days before the July 31 immediately fol-
10 lowing the date of the enactment of the *DETERRENT*
11 Act, the Secretary shall—

12 “(A) establish and maintain a searchable
13 database on a website of the Department, under
14 which all reports submitted under this section
15 (including any report submitted under this sec-
16 tion before the date of the enactment of the *DE-*
17 *TERRENT Act*)—

18 “(i) are made publicly available (in
19 electronic and downloadable format), in-
20 cluding any information provided in such
21 reports (other than the information prohib-
22 ited from being publicly disclosed pursuant
23 to paragraph (2));

24 “(ii) can be individually identified
25 and compared; and

1 “(iii) are searchable and sortable by—

2 “(I) the date the institution filed
3 such report;

4 “(II) the date on which the insti-
5 tution received the gift, or entered into
6 the contract, which is the subject of the
7 report;

8 “(III) the attributable country of
9 such gift or contract; and

10 “(IV) the name of the foreign
11 source (other than a foreign source that
12 is a natural person);

13 “(B) not later than 30 days after receipt of
14 a disclosure report under this section, include
15 such report in such database;

16 “(C) indicate, as part of the public record
17 of a report included in such database, whether
18 the report is with respect to a gift received from,
19 or a contract entered into with—

20 “(i) a foreign source that is a foreign
21 government; or

22 “(ii) a foreign source that is not a for-
23 eign government; and

24 “(D) with respect to a disclosure report that
25 does not include the name or address of a foreign

1 *source, indicate, as part of the public record of*
2 *such report included in such database, that such*
3 *report did not include such information.*

4 “(2) *NAME AND ADDRESS OF FOREIGN*
5 *SOURCE.—The Secretary shall not disclose the name*
6 *or address of a foreign source that is a natural person*
7 *(other than the attributable country of such foreign*
8 *source) included in a disclosure report—*

9 “(A) *as part of the public record of such*
10 *disclosure report described in paragraph (1); or*

11 “(B) *in response to a request under section*
12 *552 of title 5, United States Code (commonly*
13 *known as the ‘Freedom of Information Act’),*
14 *pursuant to subsection (b)(3) of such section.*

15 “(e) *INTERAGENCY INFORMATION SHARING.—Not later*
16 *than 30 days after receiving a disclosure report from an*
17 *institution in compliance with this section, the Secretary*
18 *shall transmit an unredacted copy of such report (that in-*
19 *cludes the name and address of a foreign source disclosed*
20 *in such report) to the Director of the Federal Bureau of*
21 *Investigation, the Director of National Intelligence, the Di-*
22 *rector of the Central Intelligence Agency, the Secretary of*
23 *State, the Secretary of Defense, the Attorney General, the*
24 *Secretary of Commerce, the Secretary of Homeland Secu-*
25 *rity, the Secretary of Energy, the Director of the National*

1 *Science Foundation, and the Director of the National Insti-*
2 *tutes of Health.*

3 “(f) *COMPLIANCE OFFICER.*—*Any institution that is*
4 *required to file a disclosure report under subsection (a) shall*
5 *designate, before the filing deadline for such report, and*
6 *maintain a compliance officer, who shall—*

7 “(1) *be a current employee or legally authorized*
8 *agent of such institution; and*

9 “(2) *be responsible, on behalf of the institution,*
10 *for personally certifying accurate compliance with the*
11 *foreign gift reporting requirement under this section.*

12 “(g) *DEFINITIONS.*—*In this section:*

13 “(1) *AFFILIATED ENTITY.*—*The term ‘affiliated*
14 *entity’, when used with respect to an institution,*
15 *means an entity or organization that operates pri-*
16 *marily for the benefit of, or under the auspices of,*
17 *such institution, including a foundation of the insti-*
18 *tution or a related entity (such as any educational,*
19 *cultural, or language entity).*

20 “(2) *ATTRIBUTABLE COUNTRY.*—*The term ‘at-*
21 *tributable country’ means—*

22 “(A) *the country of citizenship of a foreign*
23 *source who is a natural person, or, if such coun-*
24 *try is unknown, the principal residence (as ap-*
25 *plicable) of such foreign source; or*

1 “(B) the country of incorporation of a for-
2 foreign source that is a legal entity, or, if such
3 country is unknown, the principal place of busi-
4 ness (as applicable) of such foreign source.

5 “(3) CONTRACT.—The term ‘contract’—

6 “(A) means—

7 “(i) any agreement for the acquisition
8 by purchase, lease, or barter of property or
9 services by the foreign source;

10 “(ii) any affiliation, agreement, or
11 similar transaction with a foreign source
12 that involves the use or exchange of an in-
13 stitution’s name, likeness, time, services, or
14 resources; and

15 “(iii) any agreement for the acquisi-
16 tion by purchase, lease, or barter, of prop-
17 erty or services from a foreign source (other
18 than an arms-length agreement for such ac-
19 quisition from a foreign source that is not
20 a foreign country of concern or a foreign en-
21 tity of concern); and

22 “(B) does not include an agreement made
23 between an institution and a foreign source re-
24 garding any payment of one or more elements of
25 a student’s cost of attendance (as such term is

1 *defined in section 472), unless such an agreement*
2 *is made for more than 15 students or is made*
3 *under a restricted or conditional contract.*

4 “(4) *FOREIGN SOURCE.*—*The term ‘foreign*
5 *source’ means—*

6 “(A) *a foreign government, including an*
7 *agency of a foreign government;*

8 “(B) *a legal entity, governmental or other-*
9 *wise, created under the laws of a foreign state or*
10 *states;*

11 “(C) *a legal entity, governmental or other-*
12 *wise, substantially controlled (as described in*
13 *section 668.174(c)(3) of title 34, Code of Federal*
14 *Regulations) (or successor regulations)) by a for-*
15 *foreign source;*

16 “(D) *a natural person who is not a citizen*
17 *or a national of the United States or a trust ter-*
18 *ritory or protectorate thereof; and*

19 “(E) *an agent of a foreign source, includ-*
20 *ing—*

21 “(i) *a subsidiary or affiliate of a for-*
22 *foreign legal entity, acting on behalf of a for-*
23 *foreign source;*

24 “(ii) *a person that operates primarily*
25 *for the benefit of, or under the auspices of,*

1 *a foreign source, including a foundation or*
2 *a related entity (such as any educational,*
3 *cultural, or language entity); and*

4 *“(iii) a person who is an agent of a*
5 *foreign principal (as such term is defined*
6 *in section 1 of the Foreign Agents Registra-*
7 *tion Act of 1938 (22 U.S.C. 611).*

8 “(5) *GIFT.*—*The term ‘gift’—*

9 *“(A) means any gift of money, property, re-*
10 *sources, staff, or services; and*

11 *“(B) does not include—*

12 *“(i) any payment of one or more ele-*
13 *ments of a student’s cost of attendance (as*
14 *such term is defined in section 472) to an*
15 *institution by, or scholarship from, a for-*
16 *foreign source who is a natural person, acting*
17 *in their individual capacity and not as an*
18 *agent for, at the request or direction of, or*
19 *on behalf of, any person or entity (except*
20 *the student), made for not more than 15*
21 *students, and that is not made under a re-*
22 *stricted or conditional contract with such*
23 *foreign source; or*

24 *“(ii) assignment or license of registered*
25 *industrial and intellectual property rights,*

1 *such as patents, utility models, trademarks,*
2 *or copyrights, or technical assistance, that*
3 *are not identified as being associated with*
4 *a national security risk or concern by the*
5 *Federal Research Security Council as de-*
6 *scribed under section 7902 of title 31,*
7 *United States Code; or*

8 *“(iii) decorations (as such term is de-*
9 *defined in section 7342(a) of title 5, United*
10 *States Code).*

11 *“(6) RESTRICTED OR CONDITIONAL GIFT OR CON-*
12 *TRACT.—The term ‘restricted or conditional gift or*
13 *contract’ means any endowment, gift, grant, contract,*
14 *award, present, or property of any kind which in-*
15 *cludes provisions regarding—*

16 *“(A) the employment, assignment, or termi-*
17 *nation of faculty;*

18 *“(B) the establishment of departments, cen-*
19 *ters, institutes, instructional programs, research*
20 *or lecture programs, or new faculty positions;*

21 *“(C) the selection, admission, or education*
22 *of students;*

23 *“(D) the award of grants, loans, scholar-*
24 *ships, fellowships, or other forms of financial aid*

1 *restricted to students of a specified country, reli-*
2 *gion, sex, ethnic origin, or political opinion; or*
3 “(E) *any other restriction on the use of a*
4 *gift or contract.*”.

5 (b) *PROHIBITION ON CONTRACTS WITH CERTAIN FOR-*
6 *EIGN ENTITIES AND COUNTRIES.*—*Part B of title I of the*
7 *Higher Education Act of 1965 (20 U.S.C. 1011 et seq.) is*
8 *amended by inserting after section 117 the following:*

9 “**SEC. 117A. PROHIBITION ON CONTRACTS WITH CERTAIN**
10 **FOREIGN ENTITIES AND COUNTRIES.**”

11 “(a) *IN GENERAL.*—*An institution shall not enter into*
12 *a contract with a foreign country of concern or a foreign*
13 *entity of concern.*”

14 “(b) *WAIVERS.*—

15 “(1) *SUBMISSION.*—

16 “(A) *FIRST WAIVER REQUESTS.*—

17 “(i) *IN GENERAL.*—*An institution that*
18 *desires to enter into a contract with a for-*
19 *foreign entity of concern or a foreign country*
20 *of concern may submit to the Secretary, not*
21 *later than 120 days before the institution*
22 *enters into such a contract, a request to*
23 *waive the prohibition under subsection (a)*
24 *with respect to such contract.*”

1 “(i) *CONTENTS OF WAIVER RE-*
2 *QUEST.—A waiver request submitted by an*
3 *institution under clause (i) shall include—*

4 “(I) *the complete and unredacted*
5 *text of the proposed contract for which*
6 *the waiver is being requested, and if*
7 *such original contract is not in*
8 *English, a translated copy of the text*
9 *into English (in a manner that com-*
10 *plies with section 117(c)); and*

11 “(II) *a statement that—*

12 “(aa) *is signed by the point*
13 *of contact of the institution de-*
14 *scribed in section 117(h); and*

15 “(bb) *includes information*
16 *that demonstrates that such con-*
17 *tract is for the benefit of the insti-*
18 *tution’s mission and students and*
19 *will promote the security, sta-*
20 *bility, and economic vitality of*
21 *the United States.*

22 “(B) *RENEWAL WAIVER REQUESTS.—*

23 “(i) *IN GENERAL.—An institution that*
24 *has entered into a contract pursuant to a*
25 *waiver issued under this section, the term of*

1 *which is longer than the 1-year waiver pe-*
2 *riod and the terms and conditions of which*
3 *remain the same as the proposed contract*
4 *submitted as part of the request for such*
5 *waiver may submit, not later than 120 days*
6 *before the expiration of such waiver period,*
7 *a request for a renewal of such waiver for*
8 *an additional 1-year period (which shall in-*
9 *clude any information requested by the Sec-*
10 *retary).*

11 “(ii) *TERMINATION.*—*If the institution*
12 *fails to submit a request under clause (i) or*
13 *is not granted a renewal under such clause,*
14 *such institution shall terminate such con-*
15 *tract on the last day of the original 1-year*
16 *waiver period.*

17 “(2) *WAIVER ISSUANCE.*—*The Secretary—*

18 “(A) *not later than 60 days before an insti-*
19 *tution enters into a contract pursuant to a waiv-*
20 *er request under paragraph (1)(A), or before a*
21 *contract described in paragraph (1)(B)(i) is re-*
22 *newed pursuant to a renewal request under such*
23 *paragraph, shall notify the institution—*

24 “(i) *if the waiver or renewal will be*
25 *issued by the Secretary; and*

1 “(ii) in a case in which the waiver or
2 renewal will be issued, the date on which
3 the 1-year waiver period starts; and

4 “(B) may only issue a waiver under this
5 section to an institution if the Secretary deter-
6 mines, in consultation with the heads of each
7 agency and department listed in section 117(e),
8 that the contract for which the waiver is being
9 requested is for the benefit of the institution’s
10 mission and students and will promote the secu-
11 rity, stability, and economic vitality of the
12 United States.

13 “(3) *DISCLOSURE*.—Not less than 2 weeks prior
14 to issuing a waiver under paragraph (2), the Sec-
15 retary shall notify the—

16 “(A) the Committee on Education and the
17 Workforce of the House of Representatives; and

18 “(B) the Committee on Health, Education,
19 Labor, and Pensions of the Senate,
20 of the intent to issue the waiver, including a justifica-
21 tion for the waiver.

22 “(4) *APPLICATION OF WAIVERS*.—A waiver
23 issued under this section to an institution with re-
24 spect to a contract shall only—

1 “(A) waive the prohibition under subsection
2 (a) for a 1-year period; and

3 “(B) apply to the terms and conditions of
4 the proposed contract submitted as part of the re-
5 quest for such waiver.

6 “(c) *DESIGNATION DURING CONTRACT TERM.*—In the
7 case of an institution that enters into a contract with a
8 foreign source that is not a foreign country of concern or
9 a foreign entity of concern but which, during the term of
10 such contract, is designated as a foreign country of concern
11 or foreign entity of concern, such institution shall terminate
12 such contract not later than 60 days after the Secretary
13 notifies the institution of such designation.

14 “(d) *CONTRACTS PRIOR TO DATE OF ENACTMENT.*—

15 “(1) *IN GENERAL.*—In the case of an institution
16 that has entered into a contract with a foreign coun-
17 try of concern or foreign entity of concern prior to the
18 date of the enactment of the *DETERRENT Act*—

19 “(A) the institution shall immediately sub-
20 mit to the Secretary a waiver request in accord-
21 ance with subsection (b)(1)(A)(ii); and

22 “(B) the Secretary shall, upon receipt of the
23 request submitted under paragraph (1), imme-
24 diately issue a waiver to the institution for a pe-

1 riod beginning on the date on which the waiver
2 is issued and ending on the sooner of—

3 “(i) the date that is 1 year after the
4 date of the enactment of the *DETERRENT*
5 *Act*; or

6 “(ii) the date on which the contract
7 terminates.

8 “(2) *RENEWAL*.—An institution that has entered
9 into a contract described in paragraph (1), the term
10 of which is longer than the waiver period described in
11 subparagraph (B) of such paragraph and the terms
12 and conditions of which remain the same as the con-
13 tract submitted as part of the request required under
14 subparagraph (A) of such paragraph, may submit a
15 request for renewal of the waiver issued under such
16 paragraph in accordance with subsection (b)(1)(B).

17 “(e) *CONTRACT DEFINED*.—The term ‘contract’ has the
18 meaning given such term in section 117(g).”.

19 (c) *INTERAGENCY INFORMATION SHARING*.—Not later
20 than 90 days after the date of the enactment of this Act,
21 the Secretary of Education shall transmit to the heads of
22 each agency and department listed in section 117(e) of the
23 Higher Education Act of 1965, as amended by this Act—

24 (1) any report received by the Department of
25 Education under section 117 of the Higher Education

1 *Act of 1965 (20 U.S.C. 1011f) prior to the date of the*
2 *enactment of this Act; and*

3 *(2) any report, document, or other record gen-*
4 *erated by the Department of Education in the course*
5 *of an investigation—*

6 *(A) of an institution with respect to the*
7 *compliance of such institution with such section;*
8 *and*

9 *(B) initiated prior to the date of the enact-*
10 *ment of this Act.*

11 **SEC. 3. POLICY REGARDING CONFLICTS OF INTEREST**
12 **FROM FOREIGN GIFTS AND CONTRACTS.**

13 *The Higher Education Act of 1965 (20 U.S.C. 1001*
14 *et seq.), as amended by section 2 of this Act, is further*
15 *amended by inserting after section 117A the following:*

16 **“SEC. 117B. INSTITUTIONAL POLICY REGARDING FOREIGN**
17 **GIFTS AND CONTRACTS TO FACULTY AND**
18 **STAFF.**

19 *“(a) REQUIREMENT TO MAINTAIN POLICY AND DATA-*
20 *BASE.—Beginning not later than 90 days after the date of*
21 *the enactment of the DETERRENT Act, each institution*
22 *described in subsection (b) shall maintain—*

23 *“(1) a policy requiring covered individuals em-*
24 *ployed at the institution to disclose in a report to*
25 *such institution on July 31 of each calendar year that*

1 *begins after the year in which such enactment date*
2 *occurs—*

3 *“(A) any gift received from a foreign source*
4 *in the previous calendar year, the value of which*
5 *is greater than the minimal value (as such term*
6 *is defined in section 7342(a) of title 5, United*
7 *States Code) or is of undetermined value, and*
8 *including the date on which the gift was re-*
9 *ceived;*

10 *“(B) any contract entered into with a for-*
11 *ign source in the previous calendar year, the*
12 *value of which is \$5,000 or more, considered*
13 *alone or in combination with all other contracts*
14 *with that foreign source within the calendar*
15 *year, and including the date on which such con-*
16 *tract commences and, as applicable, the date on*
17 *which such contract terminates;*

18 *“(C) any contract with a foreign source in*
19 *force during the previous calendar year that has*
20 *an undetermined monetary value, and including*
21 *the date on which such contract commences and,*
22 *as applicable, the date on which such contract*
23 *terminates; and*

24 *“(D) any contract entered into with a for-*
25 *ign country of concern or foreign entity of con-*

1 cern in the previous calendar year, the value of
2 which is \$0 or more, and including the begin-
3 ning and ending dates of such contract and the
4 full text of such contract and any addenda;

5 “(2) a publicly available and searchable database
6 (in electronic and downloadable format), on a website
7 of the institution, of the information required to be
8 disclosed under paragraph (1) that—

9 “(A) makes available the information dis-
10 closed under paragraph (1) beginning on the
11 date that is 30 days after receipt of the report
12 under such paragraph containing such informa-
13 tion and until the latest of—

14 “(i) the date that is 4 years after the
15 date on which—

16 “(I) a gift referred to in para-
17 graph (1)(A) is received; or

18 “(II) a contract referred to in sub-
19 paragraph (B), (C) or (D) of para-
20 graph (1) begins; or

21 “(ii) the date on which a contract re-
22 ferred to in subparagraph (B), (C) or (D)
23 of paragraph (1) terminates; and

24 “(B) is searchable and sortable by—

1 “(i) the date received (if a gift) or the
2 date commenced (if a contract);

3 “(ii) the attributable country with re-
4 spect to which information is being dis-
5 closed;

6 “(iii) name of the individual making
7 the disclosure; and

8 “(iv) the name of the foreign source
9 (other than a foreign source who is a nat-
10 ural person);

11 “(3) a plan effectively to identify and manage
12 potential information gathering by foreign sources
13 through espionage targeting covered individuals that
14 may arise from gifts received from, or contracts en-
15 tered into with, a foreign source, including through
16 the use of—

17 “(A) periodic communications;

18 “(B) accurate reporting under paragraph
19 (2) of the information required to be disclosed
20 under paragraph (1); and

21 “(C) enforcement of the policy described in
22 paragraph (1).

23 “(b) INSTITUTIONS.—An institution shall be subject to
24 the requirements of this section if such institution—

1 “(1) is an eligible institution for the purposes of
2 any program authorized under title IV; and

3 “(2)(A) received more than \$50,000,000 in Fed-
4 eral funds in any of the previous five calendar years
5 to support (in whole or in part) research and develop-
6 ment (as determined by the institution and measured
7 by the Higher Education Research and Development
8 Survey of the National Center for Science and Engi-
9 neering Statistics); or

10 “(B) receives funds under title VI.

11 “(c) DEFINITIONS.—In this section—

12 “(1) the terms ‘foreign source’ and ‘gift’ have the
13 meanings given such terms in section 117(g);

14 “(2) the term ‘contract’—

15 “(A) means any—

16 “(i) agreement for the acquisition, by
17 purchase, lease, or barter, of property or
18 services by a foreign source;

19 “(ii) affiliation, agreement, or similar
20 transaction with a foreign source involving
21 the use or exchange of the name, likeness,
22 time, services, or resources of covered indi-
23 viduals employed at an institution de-
24 scribed in subsection (b); or

1 “(iii) purchase, lease, or barter of
2 property or services from a foreign source
3 that is a foreign country of concern or a
4 foreign entity of concern; and

5 “(B) does not include any fair-market,
6 arms-length agreement made by covered individ-
7 uals for the acquisition, by purchase, lease, or
8 barter of property or services from a foreign
9 source other than such a foreign source that is a
10 foreign country of concern or a foreign entity of
11 concern;

12 “(3) the term ‘covered individual’—

13 “(A) has the meaning given such term in
14 section 223(d) of the William M. (Mac) Thorn-
15 berry National Defense Authorization Act for
16 Fiscal Year 2021 (42 U.S.C. 6605); and

17 “(B) shall be interpreted in accordance with
18 the Guidance for Implementing National Secu-
19 rity Presidential Memorandum 33 (NSPM–33)
20 on National Security Strategy for United States
21 Government-supported Research and Develop-
22 ment published by the Subcommittee on Research
23 Security and the Joint Committee on the Re-
24 search Environment in January 2022; and

1 “(4) the term ‘professional staff’ means profes-
2 sional employees, as defined in section 3 of the Fair
3 Labor Standards Act of 1938 (29 U.S.C. 203).”.

4 **SEC. 4. INVESTMENT DISCLOSURE REPORT.**

5 *The Higher Education Act of 1965 (20 U.S.C. 1001*
6 *et seq.), as amended by section 3 of this Act, is further*
7 *amended by inserting after section 117B the following:*

8 **“SEC. 117C. INVESTMENT DISCLOSURE REPORT.**

9 “(a) *INVESTMENT DISCLOSURE REPORT.—A specified*
10 *institution shall file a disclosure report in accordance with*
11 *subsection (b) with the Secretary on July 31 immediately*
12 *following any calendar year in which the specified institu-*
13 *tion purchases, sells, or holds (directly or indirectly through*
14 *any chain of ownership) one or more investments of con-*
15 *cern.*

16 “(b) *CONTENTS OF REPORT.—Each report to the Sec-*
17 *retary required by subsection (a) with respect to any cal-*
18 *endar year shall contain the following:*

19 “(1) *A list of the investments of concern pur-*
20 *chased, sold, or held during such calendar year.*

21 “(2) *The aggregate fair market value of all in-*
22 *vestments of concern held as of the close of such cal-*
23 *endar year.*

24 “(3) *The combined value of all investments of*
25 *concern sold over the course of such calendar year, as*

1 *measured by the fair market value of such invest-*
2 *ments at the time of the sale.*

3 “(4) *The combined value of all capital gains*
4 *from such sales of investments of concern.*

5 “(c) *INCLUSION OF CERTAIN POOLED FUNDS.—*

6 “(1) *IN GENERAL.—An investment of concern ac-*
7 *quired through a regulated investment company, ex-*
8 *change traded fund, or any other pooled investment*
9 *shall be treated as acquired through a chain of owner-*
10 *ship referred to in subsection (a), unless such pooled*
11 *investment is certified by the Secretary as not holding*
12 *any listed investments in accordance with subpara-*
13 *graph (B) of paragraph (2).*

14 “(2) *CERTIFICATIONS OF POOLED FUNDS.—The*
15 *Secretary, after consultation with the Secretary of the*
16 *Treasury, shall establish procedures under which cer-*
17 *tain regulated investment companies, exchange traded*
18 *funds, and other pooled investments—*

19 “(A) *shall be reported in accordance with*
20 *the requirements under subsection (b); and*

21 “(B) *may be certified by the Secretary as*
22 *not holding any listed investments.*

23 “(d) *TREATMENT OF RELATED ORGANIZATIONS.—For*
24 *purposes of this section, assets held by any related organiza-*
25 *tion (as defined in section 4968(d)(2) of the Internal Rev-*

1 *enue Code of 1986) with respect to a specified institution*
2 *shall be treated as held by such specified institution, except*
3 *that—*

4 “(1) *such assets shall not be taken into account*
5 *with respect to more than 1 specified institution; and*

6 “(2) *unless such organization is controlled by*
7 *such institution or is described in section 509(a)(3) of*
8 *the Internal Revenue Code of 1986 with respect to*
9 *such institution, assets which are not intended or*
10 *available for the use or benefit of such specified insti-*
11 *tution shall not be taken into account.*

12 “(e) *VALUATION OF DEBT.—For purposes of this sec-*
13 *tion, the fair market value of any debt shall be the principal*
14 *amount of such debt.*

15 “(f) *REGULATIONS.—The Secretary, after consultation*
16 *with the Secretary of the Treasury, may issue such regula-*
17 *tions or other guidance as may be necessary or appropriate*
18 *to carry out the purposes of this section, including regula-*
19 *tions or other guidance providing for the proper application*
20 *of this section with respect to certain regulated investment*
21 *companies, exchange traded funds, and pooled investments.*

22 “(g) *COMPLIANCE OFFICER.—Any specified institu-*
23 *tion that is required to submit a report under subsection*
24 *(a) shall designate, before the submission of such report, and*
25 *maintain a compliance officer, who shall—*

1 “(1) be a current employee or legally authorized
2 agent of such institution;

3 “(2) be responsible, on behalf of the institution,
4 for personally certifying accurate compliance with the
5 reporting requirements under this section; and

6 “(3) certify the institution has, for purposes of
7 filing such report under subsection (a), followed an
8 established institutional policy and conducted good
9 faith efforts and reasonable due diligence to determine
10 the accuracy and valuations of the assets reported.

11 “(h) *DATABASE REQUIREMENT.*—Beginning not later
12 than 60 days before the July 31 immediately following the
13 date of the enactment of the *DETERRENT Act*, the Sec-
14 retary shall—

15 “(1) establish and maintain a searchable data-
16 base on a website of the Department, under which all
17 reports submitted under this section—

18 “(A) are made publicly available (in elec-
19 tronic and downloadable format), including any
20 information provided in such reports;

21 “(B) can be individually identified and
22 compared; and

23 “(C) are searchable and sortable; and

1 “(2) not later than 30 days after receipt of a dis-
2 closure report under this section, include such report
3 in such database.

4 “(i) *DEFINITIONS.—In this section:*

5 “(1) *INVESTMENT OF CONCERN.—*

6 “(A) *IN GENERAL.—The term ‘investment of*
7 *concern’ means any specified interest with re-*
8 *spect to any of the following:*

9 “(i) *A foreign country of concern.*

10 “(ii) *A foreign entity of concern.*

11 “(B) *SPECIFIED INTEREST.—The term*
12 *‘specified interest’ means, with respect to any en-*
13 *tity—*

14 “(i) *stock or any other equity or profits*
15 *interest of such entity;*

16 “(ii) *debt issued by such entity; and*

17 “(iii) *any contract or derivative with*
18 *respect to any property described in clause*
19 *(i) or (ii).*

20 “(2) *SPECIFIED INSTITUTION.—*

21 “(A) *IN GENERAL.—The term ‘specified in-*
22 *stitution’, as determined with respect to any cal-*
23 *endar year, means an institution if—*

24 “(i) *such institution is not a public in-*
25 *stitution; and*

1 “(ii) the aggregate fair market value
2 of—

3 “(I) the assets held by such insti-
4 tution at the end of such calendar year
5 (other than those assets which are used
6 directly in carrying out the institu-
7 tion’s exempt purpose) is in excess of
8 \$6,000,000,000; or

9 “(II) the investments of concern
10 held by such institution at the end of
11 such calendar year is in excess of
12 \$250,000,000

13 “(B) REFERENCES TO CERTAIN TERMS.—
14 For the purpose of applying the definition under
15 subparagraph (A), the terms ‘aggregate fair mar-
16 ket value’ and ‘assets which are used directly in
17 carrying out the institution’s exempt purpose’
18 shall be applied in the same manner as such
19 terms are applied for the purposes of section
20 4968(b)(1)(D) of the Internal Revenue Code of
21 1986.”.

22 **SEC. 5. ENFORCEMENT AND OTHER GENERAL PROVISIONS.**

23 (a) **ENFORCEMENT AND OTHER GENERAL PROVI-**
24 **SIONS.**—The Higher Education Act of 1965 (20 U.S.C.

1 1001 et seq.), as amended by section 4 of this Act, is further
2 amended by inserting after section 117C the following:

3 **“SEC. 117D. ENFORCEMENT; SINGLE POINT-OF-CONTACT.**

4 “(a) *ENFORCEMENT.*—

5 “(1) *INVESTIGATION.*—*The Secretary (acting*
6 *through the General Counsel of the Department) shall*
7 *conduct investigations of possible violations of sec-*
8 *tions 117, 117A, 117B, and 117C by institutions.*

9 “(2) *CIVIL ACTION.*—*Whenever it appears that*
10 *an institution has knowingly or willfully failed to*
11 *comply with a requirement of any of the sections list-*
12 *ed in paragraph (1) (including any rule or regulation*
13 *promulgated under any such section) based on such*
14 *an investigation, a civil action shall be brought by the*
15 *Attorney General, at the request of the Secretary, in*
16 *an appropriate district court of the United States, or*
17 *the appropriate United States court of any territory*
18 *or other place subject to the jurisdiction of the United*
19 *States, to request such court to compel compliance*
20 *with the requirement of the section that has been vio-*
21 *lated.*

22 “(3) *COSTS AND OTHER FINES.*—*An institution*
23 *that is compelled to comply with a requirement of a*
24 *section listed in paragraph (1) pursuant to para-*
25 *graph (2) shall—*

1 “(A) pay to the Treasury of the United
2 States the full costs to the United States of ob-
3 taining compliance with the requirement of such
4 section, including all associated costs of inves-
5 tigation and enforcement; and

6 “(B) be subject to the applicable fines de-
7 scribed in paragraph (4).

8 “(4) FINES FOR VIOLATIONS.—The Secretary
9 shall impose a fine on an institution that knowingly
10 or willfully fails to comply with a requirement of a
11 section listed in paragraph (1) as follows:

12 “(A) SECTION 117.—

13 “(i) FIRST-TIME VIOLATIONS.—In the
14 case of an institution that knowingly or
15 willfully fails to comply with a requirement
16 of section 117 with respect to a calendar
17 year, and that has not previously knowingly
18 or willfully failed to comply with such a re-
19 quirement, the Secretary shall impose a fine
20 on the institution for such violation as fol-
21 lows:

22 “(I) In the case of an institution
23 that knowingly or willfully fails to
24 comply with a reporting requirement
25 under subsection (a)(1) of section 117,

1 *such fine shall be in an amount that*
2 *is—*

3 “(aa) *not less than \$50,000*
4 *but not more than the monetary*
5 *value of the gift from, or contract*
6 *with, the foreign source; or*

7 “(bb) *in the case of a gift or*
8 *contract of no value or of indeter-*
9 *minable value, not less than 1*
10 *percent, and not more than 10*
11 *percent of the total amount of*
12 *Federal funds received by the in-*
13 *stitution under this Act for the*
14 *most recent fiscal year.*

15 “(II) *In the case of an institution*
16 *that knowingly or willfully fails to*
17 *comply with the reporting requirement*
18 *under subsection (a)(2) of section 117,*
19 *such fine shall be in an amount that is*
20 *not less than 10 percent of the total*
21 *amount of Federal funds received by*
22 *the institution under this Act for the*
23 *most recent fiscal year.*

24 “(ii) *SUBSEQUENT VIOLATIONS.—In*
25 *the case of an institution that has been*

1 *fined pursuant to clause (i) with respect to*
2 *a calendar year, and that knowingly or*
3 *willfully fails to comply with a requirement*
4 *of section 117 with respect to any addi-*
5 *tional calendar year, the Secretary shall*
6 *impose a fine on the institution with respect*
7 *to any such additional calendar year as fol-*
8 *lows:*

9 *“(I) In the case of an institution*
10 *that knowingly or willfully fails to*
11 *comply with a reporting requirement*
12 *under subsection (a)(1) of section 117*
13 *with respect to an additional calendar*
14 *year, such fine shall be in an amount*
15 *that is—*

16 *“(aa) not less than \$100,000*
17 *but not more than twice the mone-*
18 *tary value of the gift from, or con-*
19 *tract with, the foreign source; or*

20 *“(bb) in the case of a gift or*
21 *contract of no value or of indeter-*
22 *minable value, not less than 1*
23 *percent, but not more than 10*
24 *percent, of the total amount of*
25 *Federal funds received by the in-*

1 *stitution under this Act for the*
2 *most recent fiscal year.*

3 *“(II) In the case of an institution*
4 *that knowingly or willfully fails to*
5 *comply with a reporting requirement*
6 *under subsection (a)(2) of section 117*
7 *with respect to an additional calendar*
8 *year, such fine shall be in an amount*
9 *that is not less than 20 percent of the*
10 *total amount of Federal funds received*
11 *by the institution under this Act for*
12 *the most recent fiscal year.*

13 *“(B) SECTION 117A.—*

14 *“(i) FIRST-TIME VIOLATIONS.—In the*
15 *case of an institution that knowingly or*
16 *willfully fails to comply with a requirement*
17 *of section 117A for the first time, the Sec-*
18 *retary shall impose a fine on the institution*
19 *in an amount that is not less than 5 per-*
20 *cent, but not more than 10 percent, of the*
21 *total amount of Federal funds received by*
22 *the institution under this Act for the most*
23 *recent fiscal year.*

24 *“(ii) SUBSEQUENT VIOLATIONS.—In*
25 *the case of an institution that has been*

1 *fined pursuant to clause (i), the Secretary*
2 *shall impose a fine on the institution for*
3 *each subsequent time the institution know-*
4 *ingly or willfully fails to comply with a re-*
5 *quirement of section 117A in an amount*
6 *that is not less than 20 percent of the total*
7 *amount of Federal funds received by the in-*
8 *stitution under this Act for the most recent*
9 *fiscal year.*

10 “(C) SECTION 117B.—

11 “(i) FIRST-TIME VIOLATIONS.—*In the*
12 *case of an institution that knowingly or*
13 *willfully fails to comply with a requirement*
14 *of section 117B with respect to a calendar*
15 *year, and that has not previously knowingly*
16 *or willfully failed to comply with such a re-*
17 *quirement, the Secretary shall impose a fine*
18 *on the institution of not less than \$250,000,*
19 *but not more than the total amount of gifts*
20 *or contracts reported by such institution in*
21 *the database required under section*
22 *117B(a)(2).*

23 “(ii) SUBSEQUENT VIOLATIONS.—*In*
24 *the case of an institution that has been*
25 *fined pursuant to clause (i) with respect to*

1 *a calendar year, and that knowingly or*
2 *willfully fails to comply with a requirement*
3 *of section 117B with respect to any addi-*
4 *tional calendar year, the Secretary shall*
5 *impose a fine on the institution with respect*
6 *to any such additional calendar year in an*
7 *amount that is not less than \$500,000, but*
8 *not more than twice the total amount of*
9 *gifts or contracts reported by such institu-*
10 *tion in the database required under section*
11 *117B(a)(2).*

12 “(D) SECTION 117C.—

13 “(i) *FIRST-TIME VIOLATIONS.*—*In the*
14 *case of a specified institution that know-*
15 *ingly or willfully fails to comply with a re-*
16 *quirement of section 117C with respect to a*
17 *calendar year, and that has not previously*
18 *knowingly or willfully failed to comply with*
19 *such a requirement, the Secretary shall im-*
20 *pose a fine on the institution in an amount*
21 *that is not less than 50 percent and not*
22 *more than 100 percent of the sum of—*

23 “(I) *the aggregate fair market*
24 *value of all investments of concern held*

1 *by such institution as of the close of*
2 *such calendar year; and*

3 “(II) *the combined value of all in-*
4 *vestments of concern sold over the*
5 *course of such calendar year, as meas-*
6 *ured by the fair market value of such*
7 *investments at the time of the sale.*

8 “(ii) *SUBSEQUENT VIOLATIONS.—In*
9 *the case of a specified institution that has*
10 *been fined pursuant to clause (i) with re-*
11 *spect to a calendar year, and that know-*
12 *ingly or willfully fails to comply with a re-*
13 *quirement of section 117C with respect to*
14 *any additional calendar year, the Secretary*
15 *shall impose a fine on the institution with*
16 *respect to any such additional calendar*
17 *year in an amount that is not less than 100*
18 *percent and not more than 200 percent of*
19 *the sum of—*

20 “(I) *the aggregate fair market*
21 *value of all investments of concern held*
22 *by such institution as of the close of*
23 *such additional calendar year; and*

24 “(II) *the combined value of all in-*
25 *vestments of concern sold over the*

1 *course of such additional calendar*
2 *year, as measured by the fair market*
3 *value of such investments at the time of*
4 *the sale.*

5 “(b) *SINGLE POINT-OF-CONTACT AT THE DEPART-*
6 *MENT.—The Secretary shall maintain a single point-of-con-*
7 *tact at the Department to—*

8 “(1) *receive and respond to inquiries and re-*
9 *quests for technical assistance from institutions re-*
10 *garding compliance with the requirements of sections*
11 *117, 117A, 117B, and 117C;*

12 “(2) *coordinate and implement technical im-*
13 *provements to the database described in section*
14 *117(d)(1), including—*

15 “(A) *improving upload functionality by al-*
16 *lowing for batch reporting, including by allow-*
17 *ing institutions to upload one file with all re-*
18 *quired information into the database;*

19 “(B) *publishing and maintaining a data-*
20 *base users guide annually, including information*
21 *on how to edit an entry and how to report er-*
22 *rors;*

23 “(C) *creating a standing user group (to*
24 *which chapter 10 of title 5, United States Code,*

1 *shall not apply) to discuss possible database im-*
2 *provements, which group shall—*

3 *“(i) include at least—*

4 *“(I) 3 members representing pub-*
5 *lic institutions with high or very high*
6 *levels of research activity (as defined*
7 *by the National Center for Education*
8 *Statistics);*

9 *“(II) 2 members representing pri-*
10 *vate, nonprofit institutions with high*
11 *or very high levels of research activity*
12 *(as so defined);*

13 *“(III) 2 members representing*
14 *proprietary institutions of higher edu-*
15 *cation (as defined in section 102(b));*
16 *and*

17 *“(IV) 2 members representing*
18 *area career and technical education*
19 *schools (as defined in subparagraph*
20 *(C) or (D) of section 3(3) of the Carl*
21 *D. Perkins Career and Technical Edu-*
22 *cation Act of 2006 (20 U.S.C.*
23 *2302(3)); and*

1 “(ii) meet at least twice a year with
2 officials from the Department to discuss
3 possible database improvements;

4 “(D) publishing, on a publicly available
5 website, recommended database improvements
6 following each meeting described in subpara-
7 graph (C)(ii); and

8 “(E) responding, on a publicly available
9 website, to each recommendation published under
10 subparagraph (D) as to whether or not the De-
11 partment will implement the recommendation,
12 including the rationale for either approving or
13 rejecting the recommendation;

14 “(3) provide, every 90 days after the date of en-
15 actment of the *DETERRENT* Act, status updates on
16 any pending or completed investigations and civil ac-
17 tions under subsection (a)(1) to—

18 “(A) the authorizing committees; and

19 “(B) any institution that is the subject of
20 such investigation or action;

21 “(4) maintain, on a publicly accessible website—

22 “(A) a full comprehensive list of all foreign
23 countries of concern and foreign entities of con-
24 cern; and

1 “(B) the date on which the last update was
2 made to such list; and

3 “(5) not later than 7 days after making an up-
4 date to the list maintained in paragraph (4)(A), no-
5 tify each institution required to comply with the sec-
6 tions listed in paragraph (1) of such update.

7 “(c) DEFINITIONS.—For purposes of sections 117,
8 117A, 117B, 117C, and this section:

9 “(1) FOREIGN COUNTRY OF CONCERN.—The term
10 ‘foreign country of concern’ includes the following:

11 “(A) A country that is a covered nation (as
12 defined in section 4872(d) of title 10, United
13 States Code).

14 “(B) Any country that the Secretary, in
15 consultation with the Secretary of Defense, the
16 Secretary of State, and the Director of National
17 Intelligence, determines to be engaged in conduct
18 that is detrimental to the national security or
19 foreign policy of the United States.

20 “(2) FOREIGN ENTITY OF CONCERN.—The term
21 ‘foreign entity of concern’ has the meaning given such
22 term in section 10612(a) of the Research and Develop-
23 ment, Competition, and Innovation Act (42 U.S.C.
24 19221(a)) and includes a foreign entity that is identi-
25 fied on the list published under section 1286(c)(8)(A)

1 *of the John S. McCain National Defense Authoriza-*
2 *tion Act for Fiscal Year 2019 (10 U.S.C. 22 4001*
3 *note; Public Law 115–232).*

4 “(3) *INSTITUTION.*—*The term ‘institution’ means*
5 *an institution of higher education (as such term is de-*
6 *fined in section 102, other than an institution de-*
7 *scribed in subsection (a)(1)(c) of such section).”.*

8 “(b) *PROGRAM PARTICIPATION AGREEMENT.*—*Section*
9 *487(a) of the Higher Education Act of 1965 (20 U.S.C.*
10 *1094) is amended by adding at the end the following:*

11 “(30)(A) *An institution will comply with the re-*
12 *quirements of sections 117, 117A, 117B, and 117C.*

13 “(B) *An institution that, for 3 consecutive insti-*
14 *tutional fiscal years, violates any requirement of any*
15 *of the sections listed in subparagraph (A), shall—*

16 “(i) *be ineligible to participate in the pro-*
17 *grams authorized by this title for a period of not*
18 *less than 2 institutional fiscal years; and*

19 “(ii) *in order to regain eligibility to par-*
20 *ticipate in such programs, demonstrate compli-*
21 *ance with all requirements of each such section*
22 *for not less than 2 institutional fiscal years after*
23 *the institutional fiscal year in which such insti-*
24 *tution became ineligible.”.*

1 (c) *GAO STUDY.*—Not later than one year after the
2 date of the enactment of this Act, the Comptroller General
3 of the United States—

4 (1) shall conduct a study to identify ways to im-
5 prove intergovernmental agency coordination regard-
6 ing implementation and enforcement of sections 117,
7 117A, 117B, and 117C of the Higher Education Act
8 of 1965 (20 U.S.C. 1011f), as amended or added by
9 this Act, including increasing information sharing,
10 increasing compliance rates, and establishing proc-
11 esses for enforcement; and

12 (2) shall submit to the Congress, and make pub-
13 lic, a report containing the results of such study.

Union Calendar No. 223

118TH CONGRESS
1ST Session

H. R. 5933

[Report No. 118-278]

A BILL

To amend the Higher Education Act of 1965 to require additional information in disclosures of foreign gifts and contracts from foreign sources, restrict contracts with certain foreign entities and foreign countries of concern, require certain staff and faculty to report foreign gifts and contracts, and require disclosure of certain foreign investments within endowments.

NOVEMBER 24, 2023

Reported with an amendment; committed to the Committee of the Whole House on the State of the Union and ordered to be printed