

Union Calendar No. 9

119TH CONGRESS
1ST SESSION

H. R. 1048

[Report No. 119–16]

To amend the Higher Education Act of 1965 to strengthen disclosure requirements relating to foreign gifts and contracts, to prohibit contracts between institutions of higher education and certain foreign entities and countries of concern, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 6, 2025

Mr. BAUMGARTNER (for himself, Mr. MESSMER, Mr. OWENS, Mr. ALLEN, Mr. KILEY of California, Mr. WALBERG, Mr. WILSON of South Carolina, Mr. RULLI, Ms. FOXX, and Mr. GROTHMAN) introduced the following bill; which was referred to the Committee on Education and Workforce

MARCH 14, 2025

Additional sponsors: Mr. ONDER, Ms. TENNEY, Mr. THOMPSON of Pennsylvania, Mr. WEBER of Texas, Mr. BARR, Mrs. HOUCHIN, Mr. BEAN of Florida, Mr. DAVIS of North Carolina, Mr. FINSTAD, Ms. PEREZ, Mr. JAMES, and Mr. MOOLENAAR

MARCH 14, 2025

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 *italie*]

[For text of introduced bill, see copy of bill as introduced on February 6, 2025]

A BILL

To amend the Higher Education Act of 1965 to strengthen disclosure requirements relating to foreign gifts and contracts, to prohibit contracts between institutions of higher education and certain foreign entities and countries of concern, and for other purposes.

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 with the Secretary,*
 15 *in accordance with subsection (b)(1), a disclosure re-*
 16 *port on July 31 of the calendar year immediately fol-*
 17 *lowing 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 **ign 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—*

6 *“(i) receives a gift from a foreign coun-*
 7 *try of concern or foreign entity of concern;*
 8 *or*

9 *“(ii) upon receiving a waiver under*
 10 *section 117A to enter into a contract with*
 11 *such a country or entity, enters into such*
 12 *contract, without regard to the value of such*
 13 *gift or contract.*

14 “(2) *FOREIGN SOURCE OWNERSHIP OR CONTROL*
 15 *DISCLOSURES.—Notwithstanding paragraph (1), in*
 16 *the case of an institution that is substantially con-*
 17 *trolled (as described in section 668.174(c)(3) of title*
 18 *34, Code of Federal Regulations) (or successor regula-*
 19 *tions)) by a foreign source, the institution shall file*
 20 *with the Secretary, in accordance with subsection*
 21 *(b)(2), a disclosure report on July 31 of each year.*

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

1 *considered a gift to, or contract with, respectively,*
2 *such institution.*

3 “(b) *CONTENTS OF REPORT.*—

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

7 “(A) *With respect to a gift received from, or*
8 *a contract entered into with, any foreign*
9 *source—*

10 “(i) *the terms of such gift or contract,*
11 *including—*

12 “(I) *the name of the individual,*
13 *department, or other entity at the in-*
14 *stitution receiving the gift or carrying*
15 *out the contract on behalf of the insti-*
16 *tution;*

17 “(II) *the foreign source’s intended*
18 *purpose of such gift or contract, or, in*
19 *the absence of such a purpose, the man-*
20 *ner in which the institution intends to*
21 *use such gift or contract; and*

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

1 “(ii) with respect to a gift—

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

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

8 “(iii) with respect to a contract—

9 “(I) the total fair market dollar
10 amount or dollar value of the contract,
11 as of the date of submission of such re-
12 port;

13 “(II) the date on which the insti-
14 tution enters into such contract;

15 “(III) the date on which such con-
16 tract first takes effect;

17 “(IV) if the contract has a termi-
18 nation date, such termination date;
19 and

20 “(V) an assurance that the insti-
21 tution will—

22 “(aa) maintain an
23 unredacted copy of the contract
24 until the latest of—

1 “(AA) the date that is 5
2 years after the date on which
3 such contract first takes ef-
4 fect;

5 “(BB) the date on which
6 the contract terminates; or

7 “(CC) the last day of
8 any period that applicable
9 State law requires a copy of
10 such contract to be main-
11 tained; and

12 “(bb) upon request of the
13 Secretary during an investigation
14 under section 117D(a)(1), produce
15 such an unredacted copy of the
16 contract; and

17 “(iv) an assurance that in a case in
18 which information is required to be dis-
19 closed under this section with respect to a
20 gift or contract that is not in English, such
21 information is translated into English in
22 accordance with subsection (c).

23 “(B) With respect to a gift received from, or
24 a contract entered into with, a foreign source

1 *that is a foreign government (other than the gov-*
2 *ernment of a foreign country of concern)—*

3 *“(i) the name of such foreign govern-*
4 *ment;*

5 *“(ii) the department, agency, office, or*
6 *division of such foreign government that ap-*
7 *proved such gift or contract, as applicable;*
8 *and*

9 *“(iii) the physical mailing address of*
10 *such department, agency, office, or division.*

11 *“(C) With respect to a gift received from, or*
12 *contract entered into with, a foreign source*
13 *(other than a foreign government subject to the*
14 *requirements of subparagraph (B))—*

15 *“(i) the legal name of the foreign*
16 *source, or, if such name is not available, a*
17 *statement certified by a compliance officer*
18 *in accordance with section 117D(c) that the*
19 *institution has reasonably attempted to ob-*
20 *tain such name;*

21 *“(ii) in the case of a foreign source*
22 *that is a natural person, the country of citi-*
23 *zenship of such person, or, if such country*
24 *is not known, the principal country of resi-*
25 *dence of such person;*

1 “(iii) *in the case of a foreign source*
2 *that is a legal entity, the country in which*
3 *such entity is incorporated, or, if such in-*
4 *formation is not available, the principal*
5 *place of business of such entity;*

6 “(iv) *the physical mailing address of*
7 *such foreign source, or, if such address is*
8 *not available, a statement certified by a*
9 *compliance officer in accordance with sec-*
10 *tion 117D(c) that the institution has rea-*
11 *sonably attempted to obtain such address;*
12 *and*

13 “(v) *any affiliation of the foreign*
14 *source to an organization that is designated*
15 *as a foreign terrorist organization pursuant*
16 *to section 219 of the Immigration and Na-*
17 *tionality Act (8 U.S.C. 1189).*

18 “(D) *With respect to a contract entered into*
19 *with a foreign source that is a foreign country*
20 *of concern or a foreign entity of concern—*

21 “(i) *a complete and unredacted text of*
22 *the original contract, and if such original*
23 *contract is not in English, a translated*
24 *copy in accordance with subsection (c);*

1 “(ii) a copy of the waiver received
2 under section 117A for such contract; and

3 “(iii) the statement submitted by the
4 institution for purposes of receiving such a
5 waiver under section 117A(b)(2).

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

9 “(A) the legal name and address of the for-
10 *ign source that owns or controls the institution;*

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

13 “(C) any changes in program or structure
14 *resulting from the change in ownership or con-*
15 *trol.*

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

22 “(d) *PUBLIC INSPECTION.—*

23 “(1) *DATABASE REQUIREMENT.—Beginning not*
24 *later than May 31 of the calendar year following the*

1 *date of enactment of the DETERRENT Act, the Sec-*
2 *retary shall—*

3 “(A) *establish and maintain a searchable*
4 *database on a website of the Department, under*
5 *which all reports submitted under this section*
6 *(including any report submitted under this sec-*
7 *tion before the date of enactment of the DETER-*
8 *RENT Act)—*

9 “(i) *are made publicly available (in*
10 *electronic and downloadable format), in-*
11 *cluding any information provided in such*
12 *reports (other than the information prohib-*
13 *ited from being publicly disclosed pursuant*
14 *to paragraph (2));*

15 “(ii) *can be individually identified*
16 *and compared; and*

17 “(iii) *are searchable and sortable—*

18 “(I) *by the institution that filed*
19 *such report;*

20 “(II) *by the date on which the in-*
21 *stitution filed such report;*

22 “(III) *by the date on which the*
23 *institution received the gift which is*
24 *the subject of the report;*

1 “(IV) by the date on which the in-
2 stitution enters into the contract which
3 is the subject of the report;

4 “(V) by the date on which such
5 contract first takes effect;

6 “(VI) by the attributable country
7 of such gift or contract;

8 “(VII) by the name of the foreign
9 source (other than a foreign source that
10 is a natural person);

11 “(VIII) by the information de-
12 scribed in subparagraph (C)(i); and

13 “(IX) by the information de-
14 scribed in subparagraph (C)(ii);

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

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

22 “(i) a foreign source that is a foreign
23 government; or

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

1 “(D) with respect to a disclosure report that
 2 does not include the name or address of a foreign
 3 source, indicate, as part of the public record of
 4 such report included in such database, that such
 5 report did not include such information.

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

11 “(A) as part of the public record of such
 12 disclosure report described in paragraph (1); or

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

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

1 *Secretary of Commerce, the Secretary of Homeland Secu-*
 2 *urity, the Secretary of Energy, the Director of the National*
 3 *Science Foundation, and the Director of the National Insti-*
 4 *tutes of Health.*

5 “(f) *DEFINITIONS.—In this section:*

6 “(1) *AFFILIATED ENTITY.—The term ‘affiliated*
 7 *entity’, when used with respect to an institution,*
 8 *means an entity or organization that operates pri-*
 9 *marily for the benefit of, or under the auspices of,*
 10 *such institution, including a foundation of the insti-*
 11 *tution or a related entity (such as any educational,*
 12 *cultural, or language entity).*

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

15 “(A) *the country of citizenship of a foreign*
 16 *source who is a natural person, or, if such coun-*
 17 *try is unknown, the principal residence (as ap-*
 18 *plicable) of such foreign source; or*

19 “(B) *the country of incorporation of a for-*
 20 *ign source that is a legal entity, or, if such*
 21 *country is unknown, the principal place of busi-*
 22 *ness (as applicable) of such foreign source.*

23 “(3) *CONTRACT.—The term ‘contract’—*

24 “(A) *means—*

1 “(i) *any agreement for the acquisition*
2 *by purchase, lease, or barter of property or*
3 *services by the foreign source;*

4 “(ii) *any affiliation, agreement, or*
5 *similar transaction with a foreign source*
6 *that involves the use or exchange of an in-*
7 *stitution’s name, likeness, time, services, or*
8 *resources; and*

9 “(iii) *any agreement for the acquisi-*
10 *tion by purchase, lease, or barter, of prop-*
11 *erty or services from a foreign source (other*
12 *than an arms-length agreement for such ac-*
13 *quisition from a foreign source that is not*
14 *a foreign country of concern or a foreign en-*
15 *tity of concern); and*

16 “(B) *does not include an agreement made*
17 *between an institution and a foreign source re-*
18 *garding any payment of one or more elements of*
19 *a student’s cost of attendance (as such term is*
20 *defined in section 472), unless such an agreement*
21 *is made for more than 15 students or is made*
22 *under a restricted or conditional contract.*

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

1 “(A) a foreign government, including an
2 agency of a foreign government;

3 “(B) a legal entity, governmental or other-
4 wise, created under the laws of a foreign state or
5 states;

6 “(C) a legal entity, governmental or other-
7 wise, substantially controlled (as described in
8 section 668.174(c)(3) of title 34, Code of Federal
9 Regulations) (or successor regulations)) by a for-
10 eign source;

11 “(D) a natural person who is not a citizen
12 or a national of the United States or a trust ter-
13 ritory or protectorate thereof;

14 “(E) an agent of a foreign source, includ-
15 ing—

16 “(i) a subsidiary or affiliate of a for-
17 eign legal entity, acting on behalf of a for-
18 eign source;

19 “(ii) a person that operates primarily
20 for the benefit of, or under the auspices of,
21 a foreign source, including a foundation or
22 a related entity (such as any educational,
23 cultural, or language entity); and

24 “(iii) a person who is an agent of a
25 foreign principal (as such term is defined

1 *in section 1 of the Foreign Agents Registra-*
2 *tion Act of 1938 (22 U.S.C. 611)); and*

3 “(F) *an international organization (as such*
4 *term is defined in the International Organiza-*
5 *tions Immunities Act (22 U.S.C. 288)).*

6 “(5) *GIFT.—The term ‘gift’—*

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

9 “(B) *does not include—*

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

22 “(ii) *assignment or license of registered*
23 *industrial and intellectual property rights,*
24 *such as patents, utility models, trademarks,*
25 *or copyrights, or technical assistance, that*

1 *are not associated with a category listed in*
 2 *the Commerce Control List maintained by*
 3 *the Bureau of Industry and Security of the*
 4 *Department of Commerce and set forth in*
 5 *Supplement No. 1 to part 774 of title 15,*
 6 *Code of Federal Regulations (or successor*
 7 *regulations); or*

8 *“(iii) decorations (as such term is de-*
 9 *finied 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) *IN GENERAL.*—*A waiver issued under this*
 16 *section to an institution with respect to a contract*
 17 *shall only—*

18 “(A) *wave the prohibition under subsection*
 19 *(a) for a 1-year period; and*

20 “(B) *apply to the terms and conditions of*
 21 *the proposed contract submitted as part of the re-*
 22 *quest for such waiver.*

23 “(2) *SUBMISSION.*—

24 “(A) *FIRST WAIVER REQUESTS.*—

1 “(i) *IN GENERAL.*—An institution that
2 desires to enter into a contract with a for-
3 eign entity of concern or a foreign country
4 of concern may submit to the Secretary, not
5 later than 120 days before the institution
6 enters into such a contract, a request to
7 waive the prohibition under subsection (a)
8 with respect to such contract.

9 “(ii) *CONTENTS OF WAIVER RE-*
10 *QUEST.*—A waiver request submitted by an
11 institution under clause (i) shall include—

12 “(I) the complete and unredacted
13 text of the proposed contract for which
14 the waiver is being requested, and if
15 such original contract is not in
16 English, a translated copy of the text
17 into English (in a manner that com-
18 plies with section 117(c)); and

19 “(II) a statement that—

20 “(aa) is certified by a com-
21 pliance officer of the institution
22 designated in accordance with sec-
23 tion 117D(c); and

1 “(bb) includes information
2 that demonstrates that such con-
3 tract—

4 “(AA) is for the benefit
5 of the institution’s mission
6 and students; and

7 “(BB) will promote the
8 security, stability, and eco-
9 nomic vitality of the United
10 States.

11 “(B) RENEWAL WAIVER REQUESTS.—

12 “(i) IN GENERAL.—An institution
13 that, pursuant to a waiver issued under this
14 section, has entered into a contract, the
15 term of which is longer than the 1-year
16 waiver period and the terms and conditions
17 of which remain the same as the proposed
18 contract submitted as part of the request for
19 such waiver may submit, not later than 120
20 days before the expiration of such waiver
21 period, a request for a renewal of such
22 waiver for an additional 1-year period
23 (which shall include any information re-
24 quested by the Secretary).

1 “(ii) *TERMINATION.*—*If the institution*
 2 *fails to submit a request under clause (i) or*
 3 *is not granted a renewal under such clause,*
 4 *such institution shall terminate such con-*
 5 *tract on the last day of the original 1-year*
 6 *waiver period.*

7 “(3) *WAIVER ISSUANCE.*—*The Secretary—*

8 “(A) *not later than 60 days before an insti-*
 9 *tution enters into a contract pursuant to a waiv-*
 10 *er request under paragraph (2)(A), or before a*
 11 *contract described in paragraph (2)(B)(i) is re-*
 12 *newed pursuant to a renewal request under such*
 13 *paragraph, shall notify the institution—*

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

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

19 “(B) *may only issue a waiver under this*
 20 *section to an institution if the Secretary deter-*
 21 *mines, in consultation with each individual list-*
 22 *ed in section 117(e), that the contract for which*
 23 *the waiver is being requested—*

24 “(i) *is for the benefit of the institu-*
 25 *tion’s mission and students; and*

1 “(ii) will promote the security, sta-
2 bility, and economic vitality of the United
3 States.

4 “(4) *DISCLOSURE*.—Not less than 2 weeks prior
5 to issuing a waiver under paragraph (2), the Sec-
6 retary shall notify the authorizing committees of the
7 intent to issue the waiver, including a justification
8 for the waiver.

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

17 “(d) *CONTRACTS PRIOR TO DATE OF ENACTMENT*.—
18 “(1) *IN GENERAL*.—In the case of an institution
19 that has entered into a contract with a foreign coun-
20 try of concern or foreign entity of concern prior to the
21 date of enactment of the *DETERRENT Act*—

22 “(A) the institution shall as soon as prac-
23 ticable, but not later than 30 days after such
24 date of enactment, submit to the Secretary a

1 waiver request in accordance with clause (ii) of
2 subsection (b)(2)(A); and

3 “(B) the Secretary shall, upon receipt of the
4 request submitted under such clause, issue a
5 waiver to the institution for a period beginning
6 on the date on which the waiver is issued and
7 ending on the sooner of—

8 “(i) the date that is 1 year after the
9 date of enactment of the *DETERRENT* Act;
10 or

11 “(ii) the date on which the contract
12 terminates.

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

22 “(e) *CONTRACT DEFINED*.—The term ‘contract’ has the
23 meaning given such term in section 117(f).”.

24 “(c) *INTERAGENCY INFORMATION SHARING*.—Not later
25 than 90 days after the date of enactment of this Act, the

1 *Secretary of Education shall transmit to each individual*
 2 *listed in section 117(e) of the Higher Education Act of 1965,*
 3 *as amended by this Act—*

4 (1) *any report received by the Department of*
 5 *Education under section 117 of the Higher Education*
 6 *Act of 1965 (20 U.S.C. 1011f) prior to the date of en-*
 7 *actment of this Act; and*

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

11 (A) *of an institution with respect to the*
 12 *compliance of such institution with such section;*
 13 *and*

14 (B) *initiated prior to the date of enactment*
 15 *of this Act.*

16 **SEC. 3. POLICY REGARDING CONFLICTS OF INTEREST**
 17 **FROM FOREIGN GIFTS AND CONTRACTS.**

18 *The Higher Education Act of 1965 (20 U.S.C. 1001*
 19 *et seq.), as amended by the preceding section, is further*
 20 *amended by inserting after section 117A the following:*

21 **“SEC. 117B. INSTITUTIONAL POLICY REGARDING FOREIGN**
 22 **GIFTS AND CONTRACTS TO FACULTY AND**
 23 **STAFF.**

24 **“(a) REQUIREMENT TO MAINTAIN POLICY AND DATA-**
 25 **BASE.—Beginning not later than 90 days after the date of**

1 *enactment of the DETERRENT Act, each institution de-*
2 *scribed in subsection (b) shall maintain—*

3 “(1) *a policy requiring covered individuals em-*
4 *ployed at the institution to disclose in a report to*
5 *such institution on July 31 of each calendar year that*
6 *begins after the year in which such enactment date*
7 *occurs—*

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

15 “(B) *any contract with a foreign source*
16 *(other than a foreign country of concern or for-*
17 *ign entity of concern) entered into or in effect*
18 *during the previous calendar year, the value of*
19 *which is \$5,000 or more, considered alone or in*
20 *combination with all other contracts with that*
21 *foreign source within the calendar year, and in-*
22 *cluding the date on which such contract is en-*
23 *tered into, the date on which the contract first*
24 *takes effect, and, as applicable, the date on which*
25 *such contract terminates;*

1 “(C) any contract with a foreign source
2 (other than a foreign country of concern or for-
3 eign entity of concern) entered into or in effect
4 during the previous calendar year that has an
5 undetermined monetary value, and including the
6 date on which such contract is entered into, the
7 date on which the contract first takes effect, and,
8 as applicable, the date on which such contract
9 terminates; and

10 “(D) any contract entered into or in effect
11 with a foreign country of concern or foreign enti-
12 ty of concern during the previous calendar year,
13 the value of which is \$0 or more or which has
14 an undetermined monetary value, and includ-
15 ing—

16 “(i) the date on which such contract is
17 entered into;

18 “(ii) the date on which the contract
19 first takes effect;

20 “(iii) if the contract has a termination
21 date, such termination date; and

22 “(iv) the full text of such contract and
23 any addenda;

24 “(2) a publicly available and searchable database
25 (in electronic and downloadable format), on a website

1 *of the institution, of the information required to be*
 2 *disclosed under paragraph (1) (other than the name*
 3 *or any other personally identifiable information of a*
 4 *covered individual) that—*

5 *“(A) makes available the information dis-*
 6 *closed under paragraph (1) (other than the name*
 7 *or any other personally identifiable information*
 8 *of a covered individual) beginning on the date*
 9 *that is 30 days after receipt of the report under*
 10 *such paragraph containing such information*
 11 *and until the latest of—*

12 *“(i) the date that is 5 years after the*
 13 *date on which—*

14 *“(I) a gift referred to in para-*
 15 *graph (1)(A) is received; or*

16 *“(II) a contract referred to in sub-*
 17 *paragraph (B), (C) or (D) of para-*
 18 *graph (1) first takes effect; or*

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

22 *“(B) is searchable and sortable—*

23 *“(i) if the subject of the disclosure is a*
 24 *gift, by the date on which the gift is re-*
 25 *ceived;*

1 “(ii) if the subject of the disclosure is
2 a contract—

3 “(I) by the date on which such
4 contract is entered into; and

5 “(II) by the date on which such
6 contract first takes effect;

7 “(iii) by the attributable country with
8 respect to which information is being dis-
9 closed;

10 “(iv) by the narrowest of the depart-
11 ment, school, or college of the institution, as
12 applicable, for which the individual making
13 the disclosure works; and

14 “(v) by the name of the foreign source
15 (other than a foreign source who is a nat-
16 ural person); and

17 “(3) an effective plan to identify and manage
18 potential information gathering by foreign sources
19 through espionage targeting covered individuals that
20 may arise from gifts received from, or contracts en-
21 tered into with, a foreign source, including through
22 the use of—

23 “(A) periodic communications;

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

4 “(C) enforcement of the policy described in
5 paragraph (1); and

6 “(4) for purposes of investigations under section
7 117D(a)(1) or responses to requests under section 552
8 of title 5, United States Code (commonly known as
9 the ‘Freedom of Information Act’), a record of the
10 names of the individuals making disclosures under
11 paragraph (1).

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

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

16 “(2)(A) received more than \$50,000,000 in Fed-
17 eral funds in any of the previous five calendar years
18 to support (in whole or in part) research and develop-
19 ment (as determined by the institution and measured
20 by the Higher Education Research and Development
21 Survey of the National Center for Science and Engi-
22 neering Statistics); or

23 “(B) receives funds under title VI.

24 “(c) DEFINITIONS.—In this section—

1 “(1) the terms ‘attributable country’, ‘foreign
2 source’, and ‘gift’ have the meanings given such terms
3 in section 117(f);

4 “(2) the term ‘contract’ means—

5 “(A) any agreement for the acquisition by
6 purchase, lease, or barter of property or services
7 by the foreign source;

8 “(B) any affiliation, agreement, or similar
9 transaction with a foreign source that involves
10 the use or exchange of an institution’s name,
11 likeness, time, services, or resources; and

12 “(C) any agreement for the acquisition by
13 purchase, lease, or barter, of property or services
14 from a foreign source (other than an arms-length
15 agreement for such acquisition from a foreign
16 source that is not a foreign country of concern
17 or a foreign entity of concern); and

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

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

23 “(B) shall be interpreted in accordance with
24 the Guidance for Implementing National Secu-
25 rity Presidential Memorandum 33 (NSPM–33)

1 *on National Security Strategy for United States*
 2 *Government-Supported Research and Develop-*
 3 *ment published by the Subcommittee on Research*
 4 *Security and the Joint Committee on the Re-*
 5 *search Environment in January 2022 (or any*
 6 *successor guidance).”.*

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

8 *The Higher Education Act of 1965 (20 U.S.C. 1001*
 9 *et seq.), as amended by this Act, is further amended by in-*
 10 *serting after section 117B the following:*

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

12 “(a) *INVESTMENT DISCLOSURE REPORT.*—*A specified*
 13 *institution shall file a disclosure report in accordance with*
 14 *subsection (b) with the Secretary on each July 31 imme-*
 15 *diately following any calendar year in which the specified*
 16 *institution purchases, sells, or holds (directly or indirectly*
 17 *through any chain of ownership) one or more investments*
 18 *of concern.*

19 “(b) *CONTENTS OF REPORT.*—*Each report to the Sec-*
 20 *retary required by subsection (a) shall contain, with respect*
 21 *to the calendar year preceding the calendar year in which*
 22 *such report is filed, the following information:*

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

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

4 “(3) *The combined value of all investments of*
 5 *concern sold over the course of such calendar year, as*
 6 *measured by the fair market value of such invest-*
 7 *ments at the time of the sale.*

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

10 “(c) *TREATMENT OF CERTAIN POOLED INVEST-*
 11 *MENTS.—*

12 “(1) *POOLED INVESTMENT CLASSIFICATION.—*

13 “(A) *IN GENERAL.—For purposes of this*
 14 *section, except as provided in subparagraph (B),*
 15 *a specified interest acquired by a specified insti-*
 16 *tution in a regulated investment company, ex-*
 17 *change traded fund, or any other pooled invest-*
 18 *ment that holds an investment of concern shall*
 19 *be treated as an investment of concern and shall*
 20 *be reported pursuant to paragraph (2)(A).*

21 “(B) *CERTIFICATION OF POOLED INVEST-*
 22 *MENT.—Notwithstanding subparagraph (A), such*
 23 *specified interest shall not be subject to subpara-*
 24 *graph (A) if the Secretary certifies, pursuant to*

1 *paragraph (2)(B), that such pooled investment is*
 2 *not holding an investment of concern.*

3 “(2) *PROCEDURES.—The Secretary, after con-*
 4 *sultation with the Secretary of the Treasury and the*
 5 *Securities and Exchange Commission, shall establish*
 6 *procedures under which a pooled investment described*
 7 *in paragraph (1)—*

8 *“(A) shall be reported in accordance with*
 9 *the requirements of subsection (b); and*

10 *“(B) may be certified under paragraph*
 11 *(1)(B) as not holding an investment of concern.*

12 “(d) *TREATMENT OF RELATED ORGANIZATIONS.—For*
 13 *purposes of this section, assets held by any related organiza-*
 14 *tion (as defined in section 4968(d)(2) of the Internal Rev-*
 15 *enue Code of 1986) with respect to a specified institution*
 16 *shall be treated as held by such specified institution, except*
 17 *that—*

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

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

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

4 “(f) *REGULATIONS.*—The Secretary, after consultation
5 with the Secretary of the Treasury and the Securities and
6 Exchange Commission, may issue such regulations or other
7 guidance as may be necessary or appropriate to carry out
8 the purposes of this section, including regulations or other
9 guidance providing for the proper application of this sec-
10 tion with respect to certain regulated investment compa-
11 nies, exchange traded funds, and pooled investments.

12 “(g) *DATABASE REQUIREMENT.*—Beginning not later
13 than May 31 of the calendar year following the date of en-
14 actment of the *DETERRENT* Act, the Secretary 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

“(2) not later than 30 days after receipt of a disclosure report under this section, include such report in such database.

“(h) *DEFINITIONS.—In this section:*

“(1) *INVESTMENT OF CONCERN.—*

“(A) *IN GENERAL.—The term ‘investment of concern’ means any specified interest with respect to any of the following:*

“(i) *A foreign country of concern.*

“(ii) *A foreign entity of concern.*

“(B) *SPECIFIED INTEREST.—The term ‘specified interest’ means, with respect to any entity—*

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

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

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

“(2) *SPECIFIED INSTITUTION.—*

“(A) *IN GENERAL.—The term ‘specified institution’, as determined with respect to any calendar year, means an institution that—*

“(i) *is not a public institution; and*

1 “(ii) at the close of such calendar year,
2 holds—

3 “(I) assets (other than those assets
4 which are used directly in carrying out
5 the institution’s exempt purpose) the
6 aggregate fair market value of which is
7 in excess of \$6,000,000,000; and

8 “(II) investments of concern the
9 aggregate fair market value of which is
10 in excess of \$250,000,000.

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

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

21 (a) **ENFORCEMENT AND OTHER GENERAL PROVI-**
22 **SIONS.**—The Higher Education Act of 1965 (20 U.S.C.
23 1001 et seq.), as amended by this Act, is further amended
24 by inserting after section 117C the following:

1 **“SEC. 117D. ENFORCEMENT; SINGLE POINT-OF-CONTACT;**
2 **INSTITUTIONAL REQUIREMENTS.**

3 “(a) *ENFORCEMENT.*—

4 “(1) *INVESTIGATION.*—*The Secretary (acting*
5 *through the General Counsel of the Department) shall*
6 *conduct investigations of possible violations of sec-*
7 *tions 117, 117A, 117B, 117C, and subsection (c) of*
8 *this section by institutions and, whenever it appears*
9 *that an institution has knowingly or willfully failed*
10 *to comply with a requirement of any of such provi-*
11 *sions (including any rule or regulation promulgated*
12 *under any such provision), shall request that the At-*
13 *torney General bring a civil action in accordance*
14 *with paragraph (2).*

15 “(2) *CIVIL ACTION.*—*Whenever it appears that*
16 *an institution has knowingly or willfully failed to*
17 *comply with a requirement of any of the provisions*
18 *listed in paragraph (1) (including any rule or regula-*
19 *tion promulgated under any such provision) based on*
20 *an investigation under such paragraph, a civil action*
21 *shall be brought by the Attorney General, at the re-*
22 *quest of the Secretary, in an appropriate district*
23 *court of the United States, or the appropriate United*
24 *States court of any territory or other place subject to*
25 *the jurisdiction of the United States, to request such*

1 *court to compel compliance with the requirement of*
 2 *the provision that has been violated.*

3 “(3) *COSTS AND OTHER FINES.*—*An institution*
 4 *that is compelled to comply with a requirement of a*
 5 *provision listed in paragraph (1) pursuant to para-*
 6 *graph (2) shall—*

7 “(A) *pay to the Treasury of the United*
 8 *States the full costs to the United States of ob-*
 9 *taining compliance with the requirement of such*
 10 *provision, including all associated costs of inves-*
 11 *tigation and enforcement; and*

12 “(B) *if applicable, be subject to the applica-*
 13 *ble fines described in paragraph (4).*

14 “(4) *FINES FOR VIOLATIONS.*—*The Secretary*
 15 *shall impose a fine on an institution that is com-*
 16 *pelled to comply with a requirement of a section list-*
 17 *ed in paragraph (1) pursuant to paragraph (2) as*
 18 *follows:*

19 “(A) *SECTION 117.*—

20 “(i) *FIRST-TIME VIOLATIONS.*—*In the*
 21 *case of an institution that is compelled to*
 22 *comply with a requirement of section 117*
 23 *pursuant to a civil action described in*
 24 *paragraph (2), and that has not previously*
 25 *been compelled to comply with any such re-*

1 *quirement pursuant to such a civil action,*
2 *the Secretary shall impose a fine on the in-*
3 *stitution for such violation as follows:*

4 *“(I) In the case of an institution*
5 *that knowingly or willfully fails to*
6 *comply with a reporting requirement*
7 *under subsection (a)(1) of section 117,*
8 *such fine shall be in an amount that*
9 *is—*

10 *“(aa) for each gift or con-*
11 *tract with determinable value that*
12 *is the subject of such a failure to*
13 *comply, the greater of—*

14 *“(AA) \$50,000; or*

15 *“(BB) the monetary*
16 *value of such gift or contract;*
17 *or*

18 *“(bb) for each gift or contract*
19 *of no value or of indeterminable*
20 *value, not less than 1 percent and*
21 *not more than 10 percent of the*
22 *total amount of Federal funds re-*
23 *ceived by the institution under*
24 *this Act for the most recent fiscal*
25 *year.*

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

10 “(ii) *SUBSEQUENT VIOLATIONS.—In*
11 *the case of an institution that has pre-*
12 *viously been compelled to comply with a re-*
13 *quirement of section 117 pursuant to a civil*
14 *action described in paragraph (2), and is*
15 *subsequently compelled to comply with such*
16 *a requirement pursuant to a subsequent*
17 *civil action described in paragraph (2), the*
18 *Secretary shall impose a fine on the institu-*
19 *tion as follows:*

20 “(I) *In the case of an institution*
21 *that knowingly or willfully fails to*
22 *comply with a reporting requirement*
23 *under subsection (a)(1) of section 117,*
24 *such fine shall be in an amount that*
25 *is—*

1 “(aa) for each gift or con-
2 tract with determinable value that
3 is the subject of such a failure to
4 comply, the greater of—

5 “(AA) \$100,000; or

6 “(BB) twice the mone-
7 tary value of such gift or
8 contract; or

9 “(bb) for each gift or contract
10 of no value or of indeterminable
11 value, not less than 5 percent and
12 not more than 10 percent of the
13 total amount of Federal funds re-
14 ceived by the institution under
15 this Act for the most recent fiscal
16 year.

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

1 “(B) *SECTION 117A.*—

2 “(i) *FIRST-TIME VIOLATIONS.*—*In the*
3 *case of an institution that is compelled to*
4 *comply with a requirement of section 117A*
5 *pursuant to a civil action described in*
6 *paragraph (2), and that has not previously*
7 *been compelled to comply with any such re-*
8 *quirement pursuant to such a civil action,*
9 *the Secretary shall impose a fine on the in-*
10 *stitution in an amount that is not less than*
11 *5 percent and not more than 10 percent of*
12 *the total amount of Federal funds received*
13 *by the institution under this Act for the*
14 *most recent fiscal year.*

15 “(ii) *SUBSEQUENT VIOLATIONS.*—*In*
16 *the case of an institution that has pre-*
17 *viously been compelled to comply with a re-*
18 *quirement of section 117A pursuant to a*
19 *civil action described in paragraph (2), and*
20 *is subsequently compelled to comply with*
21 *such a requirement pursuant to a subse-*
22 *quent civil action described in paragraph*
23 *(2), the Secretary shall impose a fine on the*
24 *institution in an amount that is not less*
25 *than 20 percent of the total amount of Fed-*

1 *eral funds received by the institution under*
2 *this Act for the most recent fiscal year.*

3 “(C) *SECTION 117B.*—

4 “(i) *FIRST-TIME VIOLATIONS.*—*In the*
5 *case of an institution that is compelled to*
6 *comply with a requirement of section 117B*
7 *pursuant to a civil action described in*
8 *paragraph (2), and that has not previously*
9 *been compelled to comply with any such re-*
10 *quirement pursuant to such a civil action,*
11 *the Secretary shall impose a fine on the in-*
12 *stitution for such violation in an amount*
13 *that is the greater of—*

14 “(I) \$250,000; or

15 “(II) *the total amount of gifts or*
16 *contracts that the institution is com-*
17 *pelled to report pursuant to such civil*
18 *action.*

19 “(ii) *SUBSEQUENT VIOLATIONS.*—*In*
20 *the case of an institution that has pre-*
21 *viously been compelled to comply with a re-*
22 *quirement of section 117B pursuant to a*
23 *civil action described in paragraph (2), and*
24 *is subsequently compelled to comply with*
25 *such a requirement pursuant to a subse-*

1 *quent civil action described in paragraph*
2 *(2), the Secretary shall impose a fine on the*
3 *institution in an amount that is the greater*
4 *of—*

5 *“(I) \$500,000; or*

6 *“(II) twice the total amount of*
7 *gifts or contracts that the institution is*
8 *compelled to report pursuant to such*
9 *civil action.*

10 *“(D) SECTION 117C.—*

11 *“(i) FIRST-TIME VIOLATIONS.—In the*
12 *case of an institution that is compelled to*
13 *comply with a requirement of section 117C*
14 *pursuant to a civil action described in*
15 *paragraph (2), and that has not previously*
16 *been compelled to comply with any such re-*
17 *quirement pursuant to such a civil action,*
18 *the Secretary shall impose a fine on the in-*
19 *stitution in an amount that is not less than*
20 *50 percent and not more than 100 percent*
21 *of the sum of—*

22 *“(I) the aggregate fair market*
23 *value of all investments of concern held*
24 *by such institution as of the close of the*
25 *final calendar year for which the insti-*

1 *tution is compelled to comply with*
2 *such requirement pursuant to such*
3 *civil action; and*

4 *“(II) the combined value of all in-*
5 *vestments of concern sold over the*
6 *course of all the calendar years for*
7 *which the institution is compelled to*
8 *comply with such requirement pursu-*
9 *ant to such civil action, as measured*
10 *by the fair market value of such invest-*
11 *ments at the time of the sale.*

12 *“(ii) SUBSEQUENT VIOLATIONS.—In*
13 *the case of an institution that has pre-*
14 *viously been compelled to comply with a re-*
15 *quirement of section 117C pursuant to a*
16 *civil action described in paragraph (2), and*
17 *is subsequently compelled to comply with*
18 *such a requirement pursuant to a subse-*
19 *quent civil action described in paragraph*
20 *(2), the Secretary shall impose a fine on the*
21 *institution in an amount that is not less*
22 *than 100 percent and not more than 200*
23 *percent of the sum of—*

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

1 *by such institution as of the close of the*
 2 *final calendar year for which the insti-*
 3 *tution is compelled to comply with*
 4 *such requirement pursuant to such sub-*
 5 *sequent civil action; and*

6 “(II) *the combined value of all in-*
 7 *vestments of concern over the course of*
 8 *all the calendar years for which the in-*
 9 *stitution is compelled to comply with*
 10 *such requirement pursuant to such sub-*
 11 *sequent civil action, as measured by*
 12 *the fair market value of such invest-*
 13 *ments at the time of the sale.*

14 “(E) *INELIGIBILITY FOR WAIVER.—In the*
 15 *case of an institution that is fined pursuant to*
 16 *subparagraph (A)(ii), (B)(ii), (C)(ii), or (D)(ii),*
 17 *the Secretary shall prohibit the institution from*
 18 *obtaining a waiver, or a renewal of a waiver,*
 19 *under section 117A.*

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

23 “(1) *receive and respond to inquiries and re-*
 24 *quests for technical assistance from institutions re-*
 25 *garding compliance with the requirements of sections*

1 117, 117A, 117B, 117C, and subsection (c) of this sec-
2 tion;

3 “(2) coordinate and implement technical im-
4 provements to the database described in section
5 117(d)(1), including—

6 “(A) improving upload functionality by al-
7 lowing for batch reporting, including by allow-
8 ing institutions to upload one file with all re-
9 quired information into the database;

10 “(B) publishing and maintaining a data-
11 base users guide annually, including information
12 on how to edit an entry and how to report er-
13 rors;

14 “(C) creating a standing user group (to
15 which chapter 10 of title 5, United States Code,
16 shall not apply) to discuss possible database im-
17 provements, which group shall—

18 “(i) include at least—

19 “(I) 3 members representing pub-
20 lic institutions with high or very high
21 levels of research activity (as defined
22 by the National Center for Education
23 Statistics);

24 “(II) 2 members representing pri-
25 vate, nonprofit institutions with high

1 *or very high levels of research activity*
2 *(as so defined);*

3 *“(III) 2 members representing*
4 *proprietary institutions of higher edu-*
5 *cation (as defined in section 102(b));*
6 *and*

7 *“(IV) 2 members representing*
8 *area career and technical education*
9 *schools (as defined in subparagraph*
10 *(C) or (D) of section 3(3) of the Carl*
11 *D. Perkins Career and Technical Edu-*
12 *cation Act of 2006 (20 U.S.C.*
13 *2302(3)); and*

14 *“(ii) meet at least twice a year with*
15 *officials from the Department to discuss*
16 *possible database improvements;*

17 *“(D) publishing, on a publicly available*
18 *website, recommended database improvements*
19 *following each meeting described in subpara-*
20 *graph (C)(ii); and*

21 *“(E) responding, on a publicly available*
22 *website, to each recommendation published under*
23 *subparagraph (D) as to whether or not the De-*
24 *partment will implement the recommendation,*

1 *including the rationale for either approving or*
 2 *rejecting the recommendation;*

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

7 “(A) *the authorizing committees; and*

8 “(B) *any institution that is the subject of*
 9 *such investigation or action;*

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

11 “(A) *a full comprehensive list of all foreign*
 12 *countries of concern and foreign entities of con-*
 13 *cern; and*

14 “(B) *the date on which the last update was*
 15 *made to such list; and*

16 “(5) *not later than 7 days after making an up-*
 17 *date to the list maintained under paragraph (4)(A),*
 18 *notify each institution required to comply with the*
 19 *sections listed in paragraph (1) of such update.*

20 “(c) *INSTITUTIONAL REQUIREMENTS FOR COMPLIANCE*
 21 *OFFICERS AND INSTITUTIONAL POLICY REQUIREMENTS.—*

22 “(1) *IN GENERAL.—An institution that is re-*
 23 *quired to file a report under section 117 or 117C, that*
 24 *is seeking a waiver under section 117A, or that is*
 25 *subject to the requirements of section 117B, shall, not*

1 *later than the earlier of the date on which the institu-*
2 *tion files the first report under such a section, re-*
3 *quests the institution's first waiver under section*
4 *117A, or first fulfills the requirements of section*
5 *117C—*

6 “(A) *establish an institutional policy that*
7 *the institution shall follow in meeting the re-*
8 *quirements of sections 117, 117A, 117B, and*
9 *117C; and*

10 “(B) *designate and maintain at least one,*
11 *but not more than three, current employees or le-*
12 *gally authorized agents of such institution to*
13 *serve as compliance officers to carry out the re-*
14 *quirements listed in paragraph (2).*

15 “(2) *DUTIES OF COMPLIANCE OFFICERS.—A*
16 *compliance officer designated by an institution under*
17 *paragraph (1)(B) shall certify—*

18 “(A) *whenever the institution is required to*
19 *file a report under section 117 or 117C—*

20 “(i) *the institution's accurate compli-*
21 *ance with the reporting requirements under*
22 *such section;*

23 “(ii) *that the institution, in filing such*
24 *report under section 117 or 117C—*

1 “(I) followed the institutional pol-
2 icy established under paragraph (1)(A)
3 applicable to such section; and

4 “(II) conducted good faith efforts
5 and reasonable due diligence to ensure
6 that accurate information is provided
7 in such report, including with respect
8 to the valuations of any assets that are
9 disclosed in a report submitted under
10 section 117C; and

11 “(iii) in the case of a report under sec-
12 tion 117, any statements by the institution
13 required to be certified by such an officer
14 under clause (i) or (iv) of section
15 117(b)(1)(C); and

16 “(B) whenever the institution requests a
17 waiver under section 117A—

18 “(i) that the institution—

19 “(I) is in compliance with the re-
20 quirements of such section; and

21 “(II) followed the institutional
22 policy established under paragraph
23 (1)(A) applicable to such section; and

1 “(ii) the statement by the institution
2 required to be certified by such an officer
3 under section 117A(b)(2)(A)(ii)(II); and

4 “(C) whenever the institution is subject to
5 the requirements of section 117B, that the insti-
6 tution—

7 “(i) is in compliance with the require-
8 ments of such section; and

9 “(ii) followed the institutional policy
10 established under paragraph (1)(A) applica-
11 ble to such section.

12 “(d) *DEFINITIONS.*—For purposes of sections 117,
13 117A, 117B, 117C, and this section:

14 “(1) *FOREIGN COUNTRY OF CONCERN.*—The term
15 ‘foreign country of concern’ means the following:

16 “(A) Any covered nation defined in section
17 4872 of title 10, United States Code.

18 “(B) Any country the Secretary, in con-
19 sultation with the Secretary of Defense, the Sec-
20 retary of State, and the Director of National In-
21 telligence, determines, for purposes of sections
22 117, 117A, 117B, 117C, or this section, to be en-
23 gaged in conduct that is detrimental to the na-
24 tional security or foreign policy of the United
25 States.

1 “(2) *FOREIGN ENTITY OF CONCERN.*—*The term*
 2 *‘foreign entity of concern’ has the meaning given such*
 3 *term in section 10612(a) of the Research and Develop-*
 4 *ment, Competition, and Innovation Act (42 U.S.C.*
 5 *19221(a)) and includes a foreign entity that is identi-*
 6 *fied on the list published under section 1286(c)(8)(A)*
 7 *of the John S. McCain National Defense Authoriza-*
 8 *tion Act for Fiscal Year 2019 (10 U.S.C. 22 4001*
 9 *note; Public Law 115–232).*

10 “(3) *INSTITUTION.*—*The term ‘institution’ means*
 11 *an institution of higher education (as such term is de-*
 12 *finied in section 102, other than an institution de-*
 13 *scribed in subsection (a)(1)(C) of such section).’.*

14 “(b) *PROGRAM PARTICIPATION AGREEMENT.*—*Section*
 15 *487(a) of the Higher Education Act of 1965 (20 U.S.C.*
 16 *1094) is amended by adding at the end the following:*

17 “(30)(A) *An institution will comply with the re-*
 18 *quirements of sections 117, 117A, 117B, 117C, and*
 19 *117D(c).*

20 “(B) *In the case of an institution described in*
 21 *subparagraph (C), the institution will—*

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

1 “(ii) in order to regain eligibility to par-
 2 ticipate in such programs, demonstrate compli-
 3 ance with all requirements of each such section
 4 for not less than 2 institutional fiscal years after
 5 the institutional fiscal year in which such insti-
 6 tution became ineligible.

7 “(C) An institution described in this subpara-
 8 graph is an institution that—

9 “(i) has been subject to 3 separate civil ac-
 10 tions described in section 117D(a)(2) that have
 11 each resulted in the institution being compelled
 12 to comply with one or more requirements of sec-
 13 tion 117, 117A, 117B, 117C, or 117D(c); and

14 “(ii) pursuant to section 117D(a)(4)(E), is
 15 prohibited from obtaining a waiver, or a renewal
 16 of a waiver, under section 117A.”.

17 (c) GAO STUDY AND REPORT.—

18 (1) STUDY.—Not later than 180 days after the
 19 date of enactment of this Act, the Comptroller General
 20 of the United States shall initiate a study to identify
 21 ways to improve intergovernmental agency coordina-
 22 tion regarding implementation and enforcement of
 23 sections 117, 117A, 117B, 117C, and 117D(c) of the
 24 Higher Education Act of 1965 (20 U.S.C. 1011f), as
 25 amended or added by this Act, including increasing

1 *information sharing, increasing compliance rates,*
2 *and establishing processes for enforcement.*

3 (2) *REPORT.*—*Not later than 3 years after the*
4 *date of enactment of this Act, the Comptroller General*
5 *of the United States shall submit to Congress, and*
6 *make public, a report containing the results of the*
7 *study described in paragraph (1).*

Union Calendar No. 9

119TH CONGRESS
1ST Session

H. R. 1048

[Report No. 119-16]

A BILL

To amend the Higher Education Act of 1965 to strengthen disclosure requirements relating to foreign gifts and contracts, to prohibit contracts between institutions of higher education and certain foreign entities and countries of concern, and for other purposes.

MARCH 14, 2025

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