

119TH CONGRESS
1ST SESSION

H. R. 5693

To amend the Higher Education Act of 1965 to prohibit certain private-equity and sovereign wealth fund agreements involving intercollegiate athletics.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 6, 2025

Mr. BAUMGARTNER introduced the following bill; which was referred to the
Committee on Education and Workforce

A BILL

To amend the Higher Education Act of 1965 to prohibit certain private-equity and sovereign wealth fund agreements involving intercollegiate athletics.

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 “Protect College Sports
5 from Private Equity and Foreign Influence Act” or the
6 “PROTECT Act”.

7 **SEC. 2. FINDINGS.**

8 Congress finds the following:

9 (1) Intercollegiate athletics are conducted under
10 the auspices of nonprofit institutions of higher edu-

1 cation and, when properly governed, promote stu-
2 dent development, campus life, community identity,
3 and broad public engagement in education—benefits
4 that constitute a public good aligned with the edu-
5 cational missions those institutions are chartered to
6 serve.

7 (2) Intercollegiate athletics generate billions of
8 dollars in revenue annually through national media
9 contracts, sponsorships, and ticket sales that span
10 multiple States, creating a significant impact on
11 interstate commerce.

12 (3) Public institutions of higher education are
13 financed and supported by taxpayers through direct
14 appropriations, tax-exempt status, subsidized Fed-
15 eral student aid, and tax-advantaged debt, and
16 therefore have a heightened obligation to ensure that
17 institutional assets—including intercollegiate ath-
18 letics programs and facilities—are managed for pub-
19 lic benefit and student welfare rather than private
20 enrichment.

21 (4) Agreements that convey ownership, revenue-
22 sharing, control rights, or security interests in inter-
23 collegiate athletics to private equity, hedge funds, or
24 similar vehicles are inherently conflicted, create pres-
25 sure to maximize short-term cash flows at the ex-

1 pense of educational and Title IX obligations, and
2 risk extracting wealth from publicly supported insti-
3 tutions and their students—undermining trans-
4 parency, accountability, and the public purposes for
5 which those institutions exist.

6 **SEC. 3. PROGRAM PARTICIPATION AGREEMENTS.**

7 Section 487(a) of the Higher Education Act of 1965
8 (20 U.S.C. 1094(a)) is amended by adding at the end the
9 following:

10 “(30) PROHIBITION ON PRIVATE-CAPITAL AND
11 SOVEREIGN WEALTH AGREEMENTS INVOLVING
12 INTERCOLLEGIATE ATHLETICS.—

13 “(A) As a condition of eligibility under this
14 title, an institution shall not enter into, main-
15 tain, or permit any agreement with a private
16 capital firm or a sovereign wealth fund that—

17 “(i) transfers, assigns, pledges, or
18 otherwise conveys to such firm or fund any
19 ownership, profit, net-revenue, or gross-
20 revenue interest arising from the institu-
21 tion’s intercollegiate athletics program, in-
22 cluding media, sponsorship, licensing,
23 ticketing, premium seating, data, or other
24 commercial rights;

1 “(ii) grants such firm or fund control
2 rights over athletics decisions, institutional
3 branding, scheduling, personnel, or student
4 participation; or

5 “(iii) establishes a joint venture, new
6 entity, or other agreement through which
7 such firm or fund receives any share of, or
8 any interest in, athletics-related revenues
9 or rights, including licensing and merchan-
10 dising rights, or athletics facilities or re-
11 lated real property including any leasehold,
12 sublease, concession, easement, mortgage,
13 deed of trust, lien, or similar property in-
14 terest.

15 “(B) EXCEPTIONS.—Subparagraph (A)
16 shall not apply to:

17 “(i) fee-for-service contracts for dis-
18 crete services;

19 “(ii) charitable contributions, gifts or
20 grants;

21 “(iii) tax-exempt bond financings or
22 lease-purchase agreements with govern-
23 mental units or §501(c)(3) conduit issuers
24 that do not convey revenue interests or
25 control rights to a private capital firm; or

1 “(iv) sponsorships or advertising
2 agreements that provide brand placement
3 without revenue-sharing or control.

4 “(C) CONFERENCE AND AFFILIATE COV-
5 ERAGE.—An institution shall ensure compliance
6 with this paragraph for any agreement entered
7 by an athletics conference, media-rights consor-
8 tium, or other affiliate that allocates, assigns,
9 or encumbers the institution’s athletics-related
10 revenues or rights.

11 “(D) COLLECTIVES AND CONTROLLED EN-
12 TITIES.—This paragraph applies to any collec-
13 tive, foundation, affiliate, or separate legal enti-
14 ty that is directly or indirectly owned, con-
15 trolled, or operated by the institution or its ath-
16 letics department.

17 “(E) CERTIFICATION AND DISCLOSURE.—
18 The Secretary shall require annual program
19 participation agreement certification that the
20 institution and its affiliates have not entered
21 into any agreement described under subpara-
22 graph (A) and shall require public disclosure of
23 all agreements relying on an exception under
24 subparagraph (B).

“(F) DEFINITIONS.—For purposes of this paragraph:

“(i) PRIVATE CAPITAL FIRM.—The term ‘private capital firm’ means (I) a hedge fund or private equity fund as those terms are defined in 12 U.S.C. §1851(h)(2), (II) a private fund as defined in 15 U.S.C. § 80b–2(a)(29), and (III) any investment adviser (as defined in 15 U.S.C. § 80b–2(a)(11)) that advises a fund described in subclause (I) or (II).

“(ii) CONTROL RIGHTS.—The term ‘control rights’ includes consent, veto, or approval rights over budgets, hiring, scheduling, competition, branding, or strategic decisions; or other rights to assume or direct management or operations of an intercollegiate athletics program or athletics facility.

“(iii) INTERCOLLEGIATE ATHLETICS PROGRAM.—The term ‘intercollegiate athletics program’ includes teams, departments, conferences, media or data rights, ticketing and premium seating, sponsorships, licensing and merchandising, and

1 athletics facilities used primarily for inter-
2 collegiate varsity sports competition.

3 “(iv) SOVEREIGN WEALTH FUND.—

4 The term ‘sovereign wealth fund’ means an
5 investment fund owned or controlled by a
6 foreign state, an agency or instrumentality
7 of a foreign state (as defined in 28 U.S.C.
8 §1603), or an agent of a foreign principal
9 (as defined in 22 U.S.C. §611).

10 “(G) TRANSITION.—Agreements in effect

11 on the date of enactment shall be brought into
12 compliance or terminated not later than 24
13 months after such date. No agreement may be
14 renewed or extended except in compliance with
15 this paragraph.

16 “(H) RULEMAKING.—The Secretary of

17 Education shall issue regulations to carry out
18 this paragraph after consultation with the Sec-
19 retary of the Treasury and the Securities and
20 Exchange Commission; and shall, to the max-
21 imum extent practicable, harmonize such regu-
22 lations with definitions and interpretations
23 under the Federal securities laws.”.

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