

COMBATING THE LIES OF AUTHORITARIANS IN SCHOOL  
SYSTEMS ACT

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JULY 5, 2024.—Committed to the Committee of the Whole House on the State of  
the Union and ordered to be printed

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Ms. FOXX, from the Committee on Education and the Workforce,  
submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 5567]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and the Workforce, to whom was referred the bill (H.R. 5567) to prohibit elementary and secondary schools from accepting funds from or entering into contracts with the Government of the People’s Republic of China and the Chinese Communist Party, and for other purposes, having considered the same, reports favorably thereon with amendments and recommends that the bill as amended do pass.

The amendments are as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Combating the Lies of Authoritarians in School Systems Act” or the “CLASS Act”.

**SEC. 2. DISCLOSURE OF FOREIGN FUNDING AND CONTRACTS.**

(a) **IN GENERAL.**—As a condition on receipt of Federal financial assistance under any applicable program by a public elementary school or a public secondary school, the school, not later than 30 days after receiving funds in excess of \$10,000 in the aggregate from a foreign source, or entering into one or more contracts with an aggregate value in excess of \$10,000 with a foreign source, shall submit to the Secretary of Education a written disclosure that identifies—

- (1) the name and country of origin of the foreign source;
- (2) in a case in which a school receives funds from a foreign source—
  - (A) the amount of funds received from that source; and
  - (B) any terms or conditions applicable to the receipt of such funds; and

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(3) in a case in which a school enters into a contract with a foreign source, the terms and conditions of such contract.

(b) DEFINITIONS.—In this section:

(1) The term “applicable program” has the meaning given that term in section 400 of the General Education Provisions Act (20 U.S.C. 1221).

(2) The terms “elementary school” and “secondary school” have the meanings given those terms in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(3) The term “Federal financial assistance” has the meaning given that term in section 7501(a)(5) of title 31, United States Code.

(4) The term “foreign source” has the meaning given that term in section 117(h) of the Higher Education Act of 1965 (20 U.S.C. 1011f(h)).

Amend the title so as to read:

A bill to require public elementary and secondary schools to disclose certain funds received from, or contracts with, a foreign source, and for other purposes.

#### PURPOSE

The purpose of H.R. 5567, the *Combating the Lies of Authoritarians in School Systems Act*, is to restrict school districts from accepting any funds from the People’s Republic of China or from individuals and entities with ties to its government and to require school districts to disclose any receipt of funding from other foreign governments.

#### COMMITTEE ACTION

#### 118TH CONGRESS

#### *First Session—Hearings*

On September 19, 2023, the Committee’s Subcommittee on Early Childhood, Elementary, and Secondary Education held a hearing on “Academic Freedom Under Attack: Loosening the CCP’s Grip on America’s Classrooms.” The purpose of the hearing was to examine the covert influence of foreign governments and organizations, particularly the Chinese Communist Party, on U.S. K–12 schools. Testifying before the Subcommittee were Mr. Michael Gonzalez, Senior Fellow, Heritage Foundation, Washington, DC; Ms. Gisela Perez Kusakawa, Executive Director, Asian American Scholar Forum, New York, NY; Mrs. Nicole Neily, President, Parents Defending Education, Arlington, VA; Mr. Ryan Walters, State Superintendent of Public Instruction, Oklahoma State Department of Education, Oklahoma City, OK.

#### *Second Session—Hearings*

On May 8, 2024, the Committee’s Subcommittee on Early Childhood, Elementary, and Secondary Education held a hearing on “Confronting Pervasive Antisemitism in K–12 Schools.” The purpose of the hearing was to discuss the proliferation of antisemitism in K–12 schools. During the hearing, Committee Chairwoman Virginia Foxx (R–NC) asked New York City Chancellor David Banks if foreign governments donate significant funding to NYC Public Schools. Chancellor Banks stated that the Qatar Foundation did, and he followed up after the hearing and confirmed that the Italian government and the Consulate General of the Republic of Korea contributed funding to NYC K–12 schools. Testifying before the Subcommittee were Mr. David Banks, Chancellor, New York City Public Schools, New York City, NY; Ms. Karla Silvestre, President,

Montgomery County Board of Education, Montgomery County Public Schools, Rockville, MD; Mr. Emerson Sykes, Senior Staff Attorney, American Civil Liberties Union, New York, NY; Ms. Enikia Ford Morthel, Superintendent, Berkeley Unified School District, Berkeley, CA.

#### *Legislative Action*

On September 19, 2023, Representative David Joyce (R–OH) introduced H.R. 5567, the *Combating the Lies of Authoritarians in School Systems Act*, with Representatives Elise Stefanik (R–NY), Ed Case (D–HI), Brandon Williams (R–NY), Mario Diaz-Balart (R–FL), Kelly Armstrong (R–ND), Troy Balderson (R–OH), Anthony D’Esposito (R–NY), Carlos Gimenez (R–FL), Lisa McClain (R–MI), Mike Carey (R–OH), Ashley Hinson (R–IA), and Jenniffer Gonzalez-Colon (R–PR) as original co-sponsors. The bill was referred solely to the Committee on Education and the Workforce. On June 13, 2024, the Committee considered H.R. 5567 in legislative session and reported it favorably, as amended, to the House of Representatives by a recorded vote of 23–16. The Committee considered the following amendments to H.R. 5567:

1. Representative Williams offered an Amendment in the Nature of a Substitute that strikes section 2 and inserts a minimum threshold of \$10,000 so as to ensure nominal gifts do not trigger reporting. The amendment was adopted by a recorded vote of 23–16.
2. Representative Scott offered an amendment that adds an authorization of \$300 million per year starting in fiscal year 2025. The amendment failed by a recorded vote of 16–24.

#### COMMITTEE VIEWS

##### INTRODUCTION

Over the last decade, the Chinese Communist Party has infiltrated American K–12 schools through grants, sister school partnerships, and other programming through an unassuming program called Confucius Classrooms, a trojan horse for Chinese propaganda.

##### CHINA’S ACTIVITY IN U.S. K–12 SCHOOLS

Styled as language and culture programs, Confucius Classrooms are an important element of the PRC’s global influence campaign. The Chinese government’s effort to forge ties with American schools through its Ministry of Education Office of Chinese Language Council International, which until recently was known as “Hanban,” is one facet of the Chinese Communist Party’s (CCP) broader soft-power strategy to influence policy in nations throughout the world. The United States Senate Permanent Subcommittee on Investigations found that expanding Confucius Classrooms in the United States has been a top priority for the Chinese government.<sup>1</sup> Many K–12 schools eagerly accepted CCP-linked grants, which came with perks including fully funded teacher exchanges,

<sup>1</sup> China’s Impact on the U.S. Education System—Permanent Subcommittee on Investigations.

Chinese language programs, and opportunities for American students to learn in China.<sup>2</sup>

Confucius Classrooms are smaller-scale, K–12 versions of Confucius Institutes that the CCP has pushed for on U.S. college campuses. These institutes purport to teach Chinese language and culture. Confucius Institutes are established as partnerships between a host institution, a Chinese partner (usually a Chinese university), and a Chinese government agency. The Ministry of Education Office of Chinese Language Council International funds each Confucius Institute, often at around \$100,000 per year, and asks host institutions to match those funds with their own contributions, usually classroom and office space.

China heavily encouraged the creation of Confucius Classrooms, and many of these developed as offshoots of a Confucius Institute. China strategically deployed and rapidly expanded their Confucius Classrooms, going from very few in 2008 to more than a thousand worldwide by 2017. More than 500 American K–12 schools have hosted Confucius Classrooms, aided in part by the Asia Society, an American nonprofit that previously ran a network of 100 Confucius Classrooms before they ended the partnership in 2021.<sup>3</sup> A Parents Defending Education report tracked Chinese affiliation in 143 schools across 34 states, with at least seven still active today.<sup>4</sup>

Confucius Institute funding comes with strings attached that compromise academic freedom. The Chinese government approves teachers, events, and speakers and requires teachers to sign contracts pledging they will not damage the national interests of China. The contracts make clear a Chinese director or teacher will be terminated if they “violate Chinese laws” or “engage in activities detrimental to national interests” and states that they must “conscientiously safeguard national interests.”<sup>5</sup>

#### OTHER COUNTRIES’ INFLUENCE IN U.S. K–12 SCHOOLS

While it appears that no other country has a program similar in scope and size to the CCP’s propaganda campaign in American schools, other countries have also invested in language and cultural educational programs in American K–12 schools.

One notable example is Qatar. The Qatar Foundation, along with its subsidiaries like Qatar Foundation International and the Qatar National Research Fund, have been actively involved in influencing American K–12 education through financial partnerships with individual schools.<sup>6</sup> From 2009 to 2017, the Qatar Foundation allocated \$30.6 million to various schools across 12 U.S. states. The funds are predominantly directed towards facilitating Arabic language programs, and they cover expenses for teacher education, materials, and salaries. These contributions have taken various forms, from direct funds to professional development initiatives, such as teacher councils and language conferences. Additionally, there are instances of school districts, like the Tucson Unified School District

<sup>2</sup>Little Red Classrooms—Parents Defending Education.

<sup>3</sup>Schools: Confucius Classrooms Network Online (asiasociety.org).

<sup>4</sup>Little Red Classrooms—Parents Defending Education.

<sup>5</sup>Microsoft Word—20190227 Chinas Impact on the US Education System (senate.gov).

<sup>6</sup>FARA\_Memo\_with\_Exhibits\_R-1.pdf (freebeacon.com).

and New Haven Public Schools, receiving substantial grants over multiple years.<sup>7</sup>

Other countries have also made notable donations to U.S. K–12 schools. After the May 8 Subcommittee hearing on antisemitism in K–12 schools, New York City Public Schools Chancellor David Banks informed Committee staff that the Italian-American Committee on Education, which is connected to the Italian government, contributed \$257,000 to New York City Public Schools from 2021 to 2024. Chancellor Banks also reported that the Consulate General of the Republic of Korea in New York contributed \$16,000 to support Korean instruction and programming in New York City Public Schools. It is unclear the extent to which these foreign ties had been publicized prior to the Committee’s request for information.<sup>8</sup>

#### CONCLUSION

It is unacceptable that foreign adversaries such as the CCP are attempting to influence U.S. K–12 schools. Congress should take immediate action to ensure that students are not being indoctrinated with communist propaganda. Congress should also take action to ensure that foreign influence is fully disclosed. This bill will help ensure that the Chinese government does not take advantage of local school districts and that the U.S. Secretary of Education is aware of all significant spending by foreign countries in the U.S. K–12 education system.

#### SUMMARY

On September 19, 2023, Representatives Joyce introduced H.R. 5567, the *Combating the Lies of Authoritarians in School Systems Act* (CLASS) with Representatives Stefanik, Case, Williams, Diaz-Balart, Armstrong, Balderson, D’Esposito, Gimenez, McClain, Carey, Hinson, and Gonzalez-Colon as original co-sponsors. The CLASS Act requires school districts to disclose to the Secretary of Education within 30 days any instance of them receive funding or entering into a contract with a foreign source.<sup>9</sup>

#### H.R. 5567 SECTION-BY-SECTION SUMMARY

##### *Section 1—Short title*

- Names the bill the *Combating the Lies of Authoritarians in School Systems Act* or *CLASS Act*.

##### *Section 2—Disclosure of foreign funding and contracts*

- The bill requires that, as a condition of receiving federal financial assistance under a U.S. Department of Education program by a public elementary school or public secondary school, the school shall report to the Secretary of Education when receiving foreign funds in excess of \$10,000, and such reporting shall include:
  - The name and country of origin of the foreign source.
  - The amount of funds received from the source.

<sup>7</sup>FARA Memo with Exhibits R-1.pdf (freebeacon.com).

<sup>8</sup>Documentation emailed from New York City Public Schools to Committee staff on May 22, 2024.

<sup>9</sup>H.R.5567—Combating the Lies of Authoritarians in School Systems Act.

- The terms and conditions applicable to the receipt of funds.
- The terms and conditions of any contract with a foreign source.

#### EXPLANATION OF AMENDMENTS

The amendments, including the amendment in the nature of a substitute, are explained in the body of this report.

#### APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104–1 requires a description of the application of this bill to the legislative branch. H.R. 5567 prohibits elementary and secondary schools from accepting funds from or entering into contracts with the Government of the People’s Republic of China and the Chinese Communist Party as a condition on receipt of Federal financial assistance. H.R. 5567 is applicable to public elementary and secondary schools, and therefore does not apply to the Legislative Branch.

#### UNFUNDED MANDATE STATEMENT

Pursuant to Section 423 of the Congressional Budget and Impoundment Control Act of 1974, Pub. L. No. 93–344 (as amended by Section 101(a)(2) of the Unfunded Mandates Reform Act of 1995, Pub. L. No. 104–4), the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office (CBO) pursuant to section 402 of the Congressional Budget and Impoundment Control Act of 1974.

#### EARMARK STATEMENT

H.R. 5567 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI of the Rules of the House of Representatives.

#### ROLL CALL VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee Report to include for each record vote on a motion to report the measure or matter and on any amendments offered to the measure or matter the total number of votes for and against and the names of the Members voting for and against.

Date: 6/13/24

**COMMITTEE ON EDUCATION AND THE WORKFORCE RECORD OF COMMITTEE VOTE**

Roll Call: 9

Bill: H.R. 5567

Amendment Number: n/a

Disposition: Amendment Not Adopted by a Full Committee Roll Call Vote (16 y – 24 n)

Sponsor/Amendment: Rep. Scott / H.R. 5567\_AMD\_001

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mrs. FOXX (NC) (Chairwoman)		X		Mr. SCOTT (VA) (Ranking)	X		
Mr. WILSON (SC)		X		Mr. GRIJALVA (AZ)			X
Mr. THOMPSON (PA)		X		Mr. COURNTEY (CT)	X		
Mr. WALBERG (MI)		X		Mr. SABLAN (MP)	X		
Mr. GROTHMAN (WI)		X		Ms. WILSON (FL)	X		
Ms. STEFANIK (NY)		X		Ms. BONAMICI (OR)	X		
Mr. ALLEN (GA)		X		Mr. TAKANO (CA)	X		
Mr. BANKS (IN)		X		Ms. ADAMS (NC)	X		
Mr. COMER (KY)		X		Mr. DESAULNIER (CA)	X		
Mr. SMUCKER (PA)		X		Mr. NORCROSS (NJ)			X
Mr. OWENS (UT)		X		Ms. JAYAPAL (WA)			X
Mr. GOOD (VA)		X		Ms. WILD (PA)	X		
Mrs. MCCLAIN (MI)		X		Ms. MCBATH (GA)	X		
Mrs. MILLER (IL)		X		Mrs. HAYES (CT)	X		
Mrs. STEEL (CA)		X		Ms. OMAR (MN)	X		
Mr. ESTES (KS)		X		Ms. STEVENS (MI)	X		
Ms. LETLOW (LA)		X		Ms. LEGER FERNÁNDEZ (NM)	X		
Mr. KILEY (CA)		X		Ms. MANNING (NC)	X		
Mr. BEAN (FL)		X		Mr. MRVAN (IN)	X		
Mr. BURLISON (MO)		X		Mr. BOWMAN (NY)			X
Mr. MORAN (TX)		X					
Ms. CHAVEZ-DEREMER (OR)		X					
Mr. WILLIAMS (NY)		X					
Ms. HOUCHIN (IN)		X					

TOTALS: Ayes: 16

Nos: 24

Not Voting:4

Total: 44 / Quorum: / Report:

(24 R - 20 D)

Date: 6/13/24

**COMMITTEE ON EDUCATION AND THE WORKFORCE RECORD OF COMMITTEE VOTE**

Roll Call: 10                      Bill: H.R. 5567                      Amendment Number: n/a

Disposition: Motion to Report H.R. 5567, as amended, passed by a Full Committee Roll

Call Vote (23 y – 16 n)

Sponsor/Amendment: Rep. Williams / ANS

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mrs. FOXX (NC) (Chairwoman)	X			Mr. SCOTT (VA) (Ranking)		X	
Mr. WILSON (SC)	X			Mr. GRIJALVA (AZ)			X
Mr. THOMPSON (PA)	X			Mr. COURNTEY (CT)		X	
Mr. WALBERG (MI)	X			Mr. SABLAN (MP)		X	
Mr. GROTHMAN (WI)	X			Ms. WILSON (FL)		X	
Ms. STEFANIK (NY)	X			Ms. BONAMICI (OR)		X	
Mr. ALLEN (GA)	X			Mr. TAKANO (CA)		X	
Mr. BANKS (IN)	X			Ms. ADAMS (NC)		X	
Mr. COMER (KY)	X			Mr. DESAULNIER (CA)		X	
Mr. SMUCKER (PA)	X			Mr. NORCROSS (NJ)			X
Mr. OWENS (UT)	X			Ms. JAYAPAL (WA)			X
Mr. GOOD (VA)	X			Ms. WILD (PA)		X	
Mrs. MCCLAIN (MI)	X			Ms. MCBATH (GA)		X	
Mrs. MILLER (IL)	X			Mrs. HAYES (CT)		X	
Mrs. STEEL (CA)	X			Ms. OMAR (MN)		X	
Mr. ESTES (KS)	X			Ms. STEVENS (MI)		X	
Ms. LETLOW (LA)			X	Ms. LEGER FERNÁNDEZ (NM)		X	
Mr. KILEY (CA)	X			Ms. MANNING (NC)		X	
Mr. BEAN (FL)	X			Mr. MRVAN (IN)		X	
Mr. BURLISON (MO)	X			Mr. BOWMAN (NY)			X
Mr. MORAN (TX)	X						
Ms. CHAVEZ-DEREMER (OR)	X						
Mr. WILLIAMS (NY)	X						
Ms. HOUCHIN (IN)	X						

TOTALS: Ayes: 23

Nos: 16

Not Voting: 5

Total: 44 / Quorum: / Report:

(24 R - 20 D)



## STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause (3)(c) of House rule XIII, the goal of H.R. 5567 is to ensure transparency by requiring school districts to disclose to the Secretary of Education any instance of them receiving funding from or entering into contract with a foreign source.

## DUPLICATION OF FEDERAL PROGRAMS

No provision of H.R. 5567 establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

## STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the committee's oversight findings and recommendations are reflected in the body of this report.

## REQUIRED COMMITTEE HEARING

In compliance with clause 3(c)(6) of rule XIII the following hearing held during the 118th Congress was used to develop or consider H.R. 5567: On September 19, 2023, the Committee's Subcommittee on Early Childhood, Elementary, and Secondary Education held a hearing on "Academic Freedom Under Attack: Loosening the CCP's Grip on America's Classrooms."

## NEW BUDGET AUTHORITY AND CBO COST ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office.

**At a Glance**

**Subject of the Legislation**

As ordered reported by the House Committee on Education and the Workforce on June 13, 2024

On June 13, 2024, the House Committee on Education and the Workforce ordered reported eight bills and one joint resolution. This comprehensive document provides estimates for seven of those bills and the resolution.

- H.R. 618 would have an insignificant effect on direct spending; thus, pay-as-you-go procedures apply. The other six bills and the resolution would not affect direct spending or revenues; thus, pay-as-you-go procedures do not apply to those pieces of legislation.
- H.R. 8606 would increase spending subject to appropriation by \$8 million over the 2024-2029 period. The other pieces of legislation would increase spending subject to appropriation by less than \$500,000.
- H.R. 8534 would impose an intergovernmental mandate by prohibiting states from designating varsity athletes of a school, conference, or association as employees of that entity. None of the other pieces of legislation would impose intergovernmental mandates. None of the bills or the resolution would impose private-sector mandates.

Details of the estimated costs of each piece of legislation are discussed in the text.

Bill	Net Increase or Decrease (-) in the Deficit Over the 2024-2034 Period (Millions of Dollars)	Changes in Spending Subject to Appropriation Over the 2024-2029 Period (Outlays, Millions of Dollars)	Mandate Effects?
H.J Res. 165	0	*	No
H.R. 618	*	*	No
H.R. 5567	0	*	No
H.R. 6816	0	*	No
H.R. 8534	0	*	Yes
H.R. 8606	0	8	No
H.R. 8648	0	*	No
H.R. 8649	0	*	No

\* = between -\$500,000 and \$500,000.

Legislation summary: On June 13, 2024, the House Committee on Education and the Workforce ordered to be reported eight bills and one joint resolution. This document provides estimates for seven of those bills and the resolution.

Generally, the legislation would:

- Repeal a rule submitted by the Department of Education relating to “Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance”;
- Allow nurse practitioners and physician assistants to diagnose, treat, and certify an injury and extent of disability for the purposes of federal workers’ compensation;
- Require elementary and secondary schools and institutions of higher education to meet new requirements in order to maintain eligibility for funding from the Department of Education;
- Prevent student athletes from being considered the employees of an institution of higher education; and
- Authorize appropriations for the educational activities of the United States Holocaust Memorial Museum.

Estimated Federal cost: The estimated costs of the legislation fall within budget function 500 (education, training, employment, and social services).

Basis of estimate: For this estimate, CBO assumes that the legislation will be enacted near the end of fiscal year 2024. The estimated costs do not include any interaction effects among the pieces of legislation. If all seven bills and the resolution were combined and enacted as a single piece of legislation, the estimated costs could be different than the sum of the separate estimates, although CBO expects that any difference would be small.

CBO estimates that implementing H.R. 8606 would cost \$8 million over the 2024–2029 period. Implementing the remaining bills and the joint resolution would each cost less than \$500,000 over the same period. Any related spending would be subject to the availability of appropriated funds.

H.J. Res. 165, a joint resolution providing for Congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Department of Education relating to “Non-discrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance”: H.J. Res 165 would disapprove the rule submitted by the Department of Education relating to “Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance,” as published in the Federal Register on April 29, 2024.

The rule amends title IX of the Education Amendments of 1972 (title IX), which prohibits discrimination on the basis of sex in any education program or activity receiving federal financial assistance. The rule clarifies definitions related to sex-based discrimination and harassment and specifies the requirements for grievance procedures, and requirements for preventing sexual discrimination and remedying its effects.

Institutions that fail to comply with title IX, as amended by the rule, could lose federal funding. However, CBO expects that institutions will comply with the regulations to avoid doing so. On that basis, CBO estimates that disapproving the rule would not affect institutions’ eligibility for federal student aid.

Based on the costs of similar activities, CBO estimates that implementing the resolution would cost less than \$500,000 over the 2024–2029 period. Any related spending would be subject to the availability of appropriated funds.

H.R. 618, Improving Access to Workers’ Compensation for Injured Federal Workers Act: H.R. 618 would allow nurse practitioners and physician assistants to diagnose, prescribe treatment, and certify an injury and the extent of disability for the purpose of compensating federal workers under the Federal Employees’ Compensation Act (FECA). Using information from the Department of Labor, CBO expects that nonphysician providers would be compensated at the same rate as physicians and that total benefits provided to injured federal workers would not significantly change. Some people may receive treatment more quickly under the bill, which could increase costs over the 10-year period because some payments to medical providers that would have occurred in 2035 under current law could be paid in 2034. On the other hand, if injured workers receive treatment faster, some may return to work more quickly, which could reduce costs. CBO has no basis to estimate which effect would predominate, but we expect that those effects would roughly offset each other. Thus, CBO estimates that

enacting H.R. 618 would affect net direct spending by an insignificant amount.

The FECA payments are mandatory. The costs of those payments are charged to a claimant's employing agency, which reimburses the Department of Labor out of its salaries and expense accounts. Any effect on discretionary spending would be subject to future appropriation actions.

H.R. 5567, CLASS Act: H.R. 5567 would require public elementary and secondary schools that receive funding from the Department of Education to disclose to the department funds received or contracts signed with foreign sources that are more than \$10,000.

CBO expects schools would comply with the new requirements; thus, enacting the bill would not affect their eligibility to receive federal funds. Based on the costs of similar activities, CBO estimates that implementing the bill would cost the Department of Education less than \$500,000 over the 2024–2029 period. Any related spending would be subject to the availability of appropriated funds.

H.R. 6816, PROTECT Our Kids Act: H.R. 6816 would prohibit elementary and secondary schools that receive direct or indirect support from the government of the People's Republic of China (including Confucius Institutes), from receiving funds from the Department of Education.

The 2018 National Defense Authorization Act prohibited institutions of higher education from using federal funding for Chinese language programs at Confucius Institutes. As a result, nearly all Confucius Institutes at postsecondary institutions have closed, according to a Government Accountability Office report released in 2023.<sup>1</sup> On that basis, CBO expects schools would comply with the new requirements; thus, enacting the bill would not affect their eligibility to receive federal funds.

Based on the costs of similar activities, CBO estimates that implementing the bill would cost the Department of Education less than \$500,000 over the 2024–2029 period. Any related spending would be subject to the availability of appropriated funds.

H.R. 8534, Protecting Student Athletes' Economic Freedom Act: The bill would prohibit student athletes from being considered an employee of an institution based on the athletes' participation in a varsity intercollegiate athletic program or competition. Based on the costs of similar activities, CBO estimates that implementing the bill would cost the Department of Education less than \$500,000 over the 2024–2029 period. Any related spending would be subject to the availability of appropriated funds.

H.R. 8606, Never Again Education Reauthorization and Study Act of 2024: H.R. 8606 would authorize the appropriation of \$2 million each year from 2026 through 2030 for the Director of the United States Holocaust Memorial Museum to support education and training related to the lessons of the Holocaust. Under current law, the authorization of appropriations for those activities expires at the end of 2025. The bill also would require the Director to conduct a study on the educational activities being carried out at the state and local level. Assuming appropriation of the authorized

<sup>1</sup> Government Accountability Office, *China: With Nearly All U.S. Confucius Institutes Closed, Some Schools Sought Alternative Language Support*, GAO–20–105981 (October 2023), [www.gao.gov/products/gao-24-105981](http://www.gao.gov/products/gao-24-105981).

amounts and using historical spending patterns for those activities, CBO estimates that implementing H.R. 8606 would cost \$8 million over the 2024–2029 period and \$2 million after 2029.

H.R. 8648, Civil Rights Protection Act of 2024: H.R. 8648 would require any institution of higher education that receives federal student aid to make publicly available its process for addressing violations of title VI of the Civil Rights Act and any complaints received regarding alleged violations. The bill also would require the Assistant Secretary for Civil Rights at the Department of Education to give monthly briefings on violations specific to race, color, or national origin, and report the findings of institutional complaints.

CBO expects institutions would comply with the new requirements; thus, enacting the bill would not affect their eligibility for federal student aid. Based on the costs of similar activities, CBO estimates that implementing the bill would cost the Department of Education less than \$500,000 over the 2024–2029 period. Any related spending would be subject to the availability of appropriated funds.

H.R. 8649, Transparency in Reporting Adversarial Contributions to Education Act: The bill would require elementary and secondary schools that receive funding from the Department of Education to disclose to parents and the public any contributions received from foreign countries and the terms or conditions of such contributions.

CBO expects schools would comply with the new requirements; thus, enacting the bill would not affect their eligibility to receive federal funds. Based on the costs of similar activities, CBO estimates that implementing the bill would cost the Department of Education less than \$500,000 over the 2024–2029 period. Any related spending would be subject to the availability of appropriated funds.

Pay-As-You-Go considerations: The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. CBO estimates that enacting H.R. 618 would affect net direct spending by less than \$500,000 over the 2024–2034 period.

Increase in long-term net direct spending and deficits: CBO estimates that enacting the joint resolution or any of the seven bills in this estimate would not increase net direct spending or deficits in any of the four consecutive 10-year periods beginning in 2035.

Mandates: H.R. 8534 would impose an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA) by prohibiting states from designating varsity athletes of a school, conference, or association as employees of that entity. CBO estimates that the net costs of the direct effects of the legislation would not result in additional expenditures or losses in revenue; therefore, the cost of the preemption would not exceed the threshold established in UMRA for intergovernmental mandates (\$100 million in 2024, adjusted annually for inflation).

The bill would not impose a private-sector mandate as defined in UMRA.

Enacting the legislation may result in other secondary effects on private entities by denying employment-related benefits to varsity athletes that they may otherwise have qualified for as an employee. However, CBO's estimate of those effects is subject to un-

certainty because the question of whether athletes affected by the bill should be recategorized as employees of their institutions remains unsettled as court rulings, administrative decisions, and changes in policies of the National Collegiate Athletics Association are announced. What effect, if any, the bill would have on private entities would depend on the final adjudication of the matter.

None of the remaining pieces of legislation contained in this estimate would impose intergovernmental or private-sector mandates as defined in UMRA.

Estimate prepared by: Federal costs: Meredith Decker (Department of Labor), Leah Koestner (Department of Education), Susanne Mehlman (United States Holocaust Memorial Museum), Garrett Quenneville (Department of Education); Mandates: Erich Dvorak, Brandon Lever, and Grace Watson.

Estimate reviewed by: Elizabeth Cove Delisle, Chief, Income Security Cost Estimates Unit; Justin Humphrey, Chief, Finance, Housing, and Education Cost Estimates Unit; Kathleen FitzGerald, Chief, Public and Private Mandates Unit; H. Samuel Papenfuss, Deputy Director of Budget Analysis.

Estimate approved by: Phillip L. Swagel, Director, Congressional Budget Office.

#### COMMITTEE COST ESTIMATE

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison of the costs that would be incurred in carrying out H.R. 5567. However, clause 3(d)(2)(B) of that rule provides that this requirement does not apply when, as with the present report, the Committee adopts as its own the cost estimate for the bill from the Director of the Congressional Budget Office.

#### CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

As reported by the Committee, H.R. 5567 makes no changes to existing law.

## MINORITY VIEWS

### INTRODUCTION

H.R. 5567, *Combating the Lies of Authoritarians in School Systems (CLASS) Act*, requires public elementary and secondary schools to disclose any receipt of funds “in excess of \$10,000 in the aggregate from a foreign source, or entering into one or more contracts with an aggregate value in excess of \$10,000 with a foreign source”<sup>1</sup>, to the Secretary of Education within 30 days of receiving funds or entering a contract as a condition of receiving federal funds. The Majority claims the only way to tackle “the pervasive influence of foreign funding in our K–12 schools” is by “increasing transparency in our schools funding streams” in order to “counter malicious influence in our education”, as “the threat that unaccountable foreign funding poses to the next generation is well documented” and “adversarial countries that wish to promote their un-American values in the classrooms of our children have long abused U.S. laws that allow them to exert influence through shady financial contributions to public institutions.”<sup>2</sup> Yet, H.R. 5667 fails to prove that pervasive, foreign influence exists in public schools, raises a number of administrative questions and concerns for public schools, and ignores real issues facing public education.

### SUMMARY OF CONCERNS

#### *Foreign influence has not posed a threat to K–12 classrooms*

Confucius Classrooms, which are affiliated with Confucius Institutes, are centers for Chinese culture and language established at public and private elementary and secondary schools—either to bolster a Chinese program already at the school or to start a new one.<sup>3</sup> Over nearly five years, the number of Classrooms has dropped from more than 500 to currently no more than 16.<sup>4</sup> Many countries around the world lack quality Chinese language and culture resources and Confucius Institutes and Classrooms provide

<sup>1</sup> Combating the Lies of Authoritarians in School Systems, H.R. 5567, 118th Cong. § 2.

<sup>2</sup> *Markup Hearing of H.R. 5567 Before the H. Comm. On Educ. & the Workforce*, 118th Cong. (Statement of Rep. Brandon Williams).

<sup>3</sup> *China’s Impact on the U.S. Education System: Hearing Before the Subcomm. on Investigations of the S. Comm. on Homeland Security & Governmental Affairs*, 116th Cong., 90,147 (2019).

<sup>4</sup> *Confucius Institutes Around the World—2024*, Dig Mandarin (Mar. 20, 2024) <https://www.digmandarin.com/confucius-institutes-around-the-world.html>; *Beth Wallis, Tulsa Public Schools ended Chinese language program weeks before Oklahoma Superintendent’s Congressional testimony*, National Public Radio KOSU (Sept. 29, 2023) <https://www.kosu.org/education/2023-09-29/tulsa-public-schools-ended-chinese-language-program-weeks-before-oklahoma-superintendents-congressional-testimony>; *Little Red Classrooms China’s Infiltration of American K–12 Schools*, Defending Ed. (Jul. 26, 2023) <https://defending.org/investigations/little-red-classrooms-china-infiltration-of-american-k-12-schools/>.

those resources for free.<sup>5</sup> Experts have summed up the current state of these programs, saying “[t]he harsh reality is that Confucius Institutes/Confucius Classrooms stepped up to fulfill a need that governments were not—and they were happy to accept a ‘freebie.’ . . . Now that Confucius Institutes have been tainted by wider distaste and suspicion of the Chinese government, this ‘freebie’ now has a cost.”<sup>6</sup>

Parents Defending Education (PDE), a right-wing non-profit organization, published a report in July 2023 entitled, “Little Red Classrooms: China’s Infiltration of American K–12 Schools.” The report alleges undue Chinese influence in America through the existence of Confucius Institutes, Classrooms, and related “programming” that currently exists or previously existed in public schools across the United States, including in areas near U.S. military bases.<sup>7</sup> Despite the claims in the report, Committee Democratic staff have been unable to locate credible evidence to support either the claims made by the Majority’s and PDE’s that there is inappropriate and undue foreign influence in our nation’s K–12 public schools. In 2019, the Senate Committee on Homeland Security and Governmental Affairs’ Permanent Subcommittee on Investigations held a hearing entitled “China’s Impact on the U.S. Education System”. The hearing was held the day after the Committee released a bipartisan staff report with the same title.<sup>8</sup> While the staff report made recommendations that schools should ensure that Chinese partnership organization’s “vetting, screening and interview processes are aligned with their own hiring protocols and procedures”<sup>9</sup> and that “the State Department should demand reciprocal and fair treatments of its diplomats and employees in China.”<sup>10</sup> the Committee did not find security risks or curriculum vulnerability, as claimed by the Majority.

*H.R. 5567 Will Raise Administrative Questions and Concerns for Public Schools*

Republicans argue schools should come into compliance with H.R. 5567 without additional financial resources to fund staff, monitoring programs, and other necessary support to ensure such compliance. The overwhelming majority of K–12 schools are not equipped to identify where their donors are from. For example, a parent who is not yet a U.S. citizen could potentially be a “foreign source” or a donation from a local business that is owned by someone who is not a U.S. citizen also could be a “foreign source”. However, this information is not tracked by most schools when receiving donations, planning to purchase materials to update buildings or contracting with companies to complete construction projects.

<sup>5</sup> Lin Yang, *Controversial Confucius Institutes Returning to U.S. Schools Under New Name*, VOA News, (June 27, 2022) <https://www.voanews.com/a/controversial-confucius-institutes-returning-to-u-s-schools-under-new-name/6635906.html>.

<sup>6</sup> *Id.*

<sup>7</sup> *Little Red Classrooms China’s Infiltration of American K–12 Schools*, Defending Ed. (Jul. 26, 2023) <https://defendinged.org/investigations/little-red-classrooms-china-infiltration-of-american-k-12-schools/>.

<sup>8</sup> *China’s Impact on the U.S. Education System*; hearing Before the Subcomm. on Investigations of the S. Comm. on Homeland Security & Governmental Affairs, 116th Cong., 80 (2019).

<sup>9</sup> *Id.* at 91.

<sup>10</sup> *Id.* at 92.



Additionally, the bill does not mention the roles of local educational agencies (LEAs) and state education agencies (SEAs) in this process. Typically, LEAs and SEAs distribute Federal financial assistance to schools in the form of services after they receive funds from ED. The main pathway that has funds move directly from ED to schools is funds authorized under Title I–A of the *Elementary and Secondary Education Act*, adding to the confusion this bill would bring.<sup>11</sup>

*H.R. 5567 Does Nothing to Address Current Issues in Public Education*

There are real issues facing public education that Americans are concerned about, such as inadequate early childhood education, achievement gaps, teacher shortages, and unfettered access to guns. For example, according to the Kaiser Family Foundation, guns are the leading cause of death among children and teens.<sup>12</sup> According to data provided by Everytown—a gun violence prevention organization—“[i]n 2023, there were at least 158 incidents of gunfire on school grounds, resulting in 45 deaths and 106 injuries nationally.”<sup>13</sup> However, the Majority chooses to spend its time focusing on issues that do not present challenges for students or the public education system. Foreign influence is not mentioned as a top concern in the National Center for Education Statistics (NCES) Report on the Condition of Education 2024.<sup>14</sup> This sort of legislation does not address the root cause of issues that are actually harming students or assist with helping our students learn. Similar to H.R. 6816, the *Promoting Responsible Oversight to Eliminate Communist Teachings (PROTECT) Act*, and H.R. 8649, the *Transparency in Reporting Adversarial Contributions to Education (TRACE) Act*—two bills also considered in the same markup as H.R. 5567—this bill is a solution in search of a problem and does nothing to benefit students or the public education system.

DEMOCRATIC AMENDMENT OFFERED DURING MARKUP OF H.R. 5567

Ranking Member Bobby Scott (D–VA) put forward an amendment to provide funds to assist with the administrative burden of complying with the bill. Significant effort may need to be expended to investigate new and existing contracts, to determine whether existing or potential business partners are foreign governments or “foreign entities of concern”, to create and maintain systems to keep track of all the new information and respond to inquiries, and to train staff in each school on the reporting and compliance with the bill. The amendment authorized \$300 million for Fiscal Year (FY) 2025 and each subsequent fiscal year to carry out the require-

<sup>11</sup>Fast Facts Title I, Nat’l Ctr. For Ed. Stats. <https://nces.ed.gov/fastfacts/display.asp?id=158> (last visited Jun. 14, 2024).

<sup>12</sup>Matt McGough, et al., *Child and Teen Firearm Mortality in the U.S. and Peer Countries*, Kaiser Family Foundation (Jul. 18, 2024) <https://www.kff.org/global-health-policy/issue-brief/child-and-teen-firearm-mortality-in-the-u-s-and-peer-countries/>.

<sup>13</sup>*Gunfire on School Grounds in the United States*, Everytown for Gun Safety, <https://everytownresearch.org/maps/gunfire-on-school-grounds/> (last visited Jun.14, 2024).

<sup>14</sup>Véronique Irwin, *Report on the Condition of Education 2024*, Nat’l Ctr. for Ed. Stats. (May 2024) <https://nces.ed.gov/pubs2024/2024144.pdf>.

ments in the bill.<sup>15</sup> Committee Republicans rejected this amendment.

CONCLUSION

H.R. 5567 is a solution in search of a problem. While the Majority claims adversarial governments are abusing U.S. laws and exerting influence through shady financial contributions to public schools; it has not proven any such foreign influence even exists. Furthermore, H.R. 5567 raises a number of administrative questions and concerns for public schools, while doing nothing to address real issues facing public education. For the reasons stated above, we urge the House of Representatives to oppose H.R. 5567.

ROBERT C. “BOBBY” SCOTT,  
*Ranking Member.*  
 GREGORIO KILILI CAMACHO  
 SABLAN,  
 SUZANNE BONAMICI,  
 MARK TAKANO,  
 MARK DESAULNIER,  
 PRAMILA JAYAPAL,  
*Members of Congress.*

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<sup>15</sup> According to the National Center for Education Statistics, there were 99,388 public elementary and secondary schools in the U.S. during the 2022–2023 school year. NCES, *Digest of Education Statistics* tbl. 216.10 (2023), [https://nces.ed.gov/programs/digest/d23/tables/dt23\\_216.10.asp](https://nces.ed.gov/programs/digest/d23/tables/dt23_216.10.asp). Three hundred million dollars would provide \$3000 per year to each of those schools to offset the costs of compliance. In reality, the administrative burden this bill poses could easily require a full-time administrative staff person at each school. Providing a modest salary of \$50,000 to each of those schools for such a position would cost approximately 5 billion dollars.