Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Ohio.

Mr. JOHNSON of Ohio. Mr. Speaker, the purpose of the CARS Act is to permit Americans, not the executive branch of the Federal Government, to continue deciding what type of car makes the most sense for them.

The purpose is not to reopen decades-old requirements that Americans have become accustomed to with their cars, and which manufacturers consider to be standard—whether it is the catalytic converter or the onboard diagnostic system, especially because those regulations were not trying to do away with an engine type—but, rather, to just address the most harmful pollution coming from that car.

Rather than creating any confusion for EPA, automakers, or the public, or leading to unintended consequences or unnecessary litigation, this amendment sets a limit on how far back in time the provisions of H.R. 4468 apply.

Instead of applying to any regulation ever issued in the history of the authority provided under Clean Air Act section 202(a), the manager's amendment caps the retroactivity of the bill's provisions to section 202(a) regulations, including revisions, proposed or prescribed on or after January 1, 2021.

By adding this date, the legislation focuses on pushing back on regulations that would have the Federal Government, and not Americans, decide what kinds of cars they should be able to drive.

For over 100 years, Americans have been free to buy their own mode of transportation based upon what is available, reliable, affordable, and functional for their lives. Quite frankly, it was because of these criteria that electric vehicles never took off with American consumers, but the Model T did.

The Congressional Budget Office has concluded that adopting this amendment would have an insignificant net effect on the deficit.

I urge all Members to support the amendment, and I reserve the balance of my time.

Mr. PALLONE. Mr. Speaker, I rise in opposition to the amendment.

The SPEAKER pro tempore. The gentleman from New Jersey is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, this amendment would revise the look-back portion of the bill that requires EPA to revise all previous regulations to conform with the bill's vague metrics on limiting availability of vehicles.

This amendment would shorten this period to only apply to rules finalized under the Biden administration, so please understand what they are doing here is saying that the only thing we are going to revoke, essentially, are the rules that were finalized under President Biden. I mean, nothing could be clearer that this amendment is based on politics and not policy by limiting the revocation to the Biden administration.

This amendment does not improve the legislation in any way. It fails to address the fundamental problems with the underlying bill. The amendment is essentially trying to go back in time to the failed policies of the Trump EPA. We would literally be moving backwards in our efforts to address the climate crisis and decarbonize the transportation sector and trying to eliminate pollution that affects Americans.

The amendment doesn't address any of the concerns that my Republican colleagues claim to have about electric vehicles. This amendment simply doubles down on Republicans' attacks on EPA's authority, public health, and regulatory certainty.

It does absolutely nothing to support our domestic vehicle manufacturing industry, like boost American competitiveness, counter China, or strengthen our economy.

This is just blatantly political, and I urge my colleagues to oppose the amendment as well as the underlying bill.

Mr. Speaker, I yield back the balance of my time.

Mr. JOHNSON of Ohio. Mr. Speaker, I yield myself the balance of my time to close.

Mr. Speaker, let's look at what we have heard today. If we want to help America's autoworkers, then let's keep them on the job. It takes a lot less labor to make electric vehicles than it does to make combustion engine vehicles.

If we want to protect the environment, then let's keep China from doing all the mining and refining of the rare earth minerals and critical materials, and supply chain that we actually need to make electric vehicles here in America.

If we want to stop supporting China, rather than buy Chinese cars, which is where this is ultimately going to go if we continue down this road, let's permit mining and refining of critical materials right here in America so when we do make electric vehicles, and we give the American people a choice about purchasing those vehicles, they are made with American materials mined and refined in America by American workers rather than putting money in the pockets of the Chinese Communist Party.

Mr. Speaker, I urge my colleagues to think about what the future looks like. We need to rein in the EPA's egregious rule mandating electric vehicles.

Let me remind you, Republicans are not opposed to electric vehicles. I have a lot of friends who own electric vehicles. Not very many of them live in Appalachia, rural communities, where they are impractical and unaffordable, but if we want to empower the American people with choice, then we need to roll back this EV mandate because the day will come when the only choice that people will have is to buy a car that is manufactured in China by China. That will be the only thing that is going to be available because we can't get permits here in America to do our mining and refining of those critical materials.

China has already sent signals that they are going to start and have already started withholding those critical materials that we need to make electric vehicles.

The Chinese are setting a trap. God forbid if we let the Biden administration force us to fall into that trap.

Mr. Speaker, I rise in strong support of H.R. 4468, the Choice in Automobile Retail Sales Act. I urge my colleagues to support it, and I yield back the balance of my time.

The SPEAKER pro tempore. Pursuant to the rule, the previous question is ordered on the bill and on the amendment offered by the gentleman from Ohio (Mr. JOHNSON).

The question is on the amendment offered by the gentleman from Ohio (Mr. JOHNSON).

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. Pursuant to clause 1(c) of rule XIX, further consideration of H.R. 4468 is postponed.

□ 1345

DEFENDING EDUCATION TRANSPARENCY AND ENDING ROGUE REGIMES ENGAGING IN NEFARIOUS TRANSACTIONS ACT

GENERAL LEAVE

Ms. FOXX. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from North Carolina?

There was no objection.

The SPEAKER pro tempore. Pursuant to House Resolution 906 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the consideration of the bill, H.R. 5933.

The Chair appoints the gentleman from Guam (Mr. MOYLAN) to preside over the Committee of the Whole.

□ 1346

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 5933) to amend the Higher Education Act of 1965 to require additional information in disclosures of foreign gifts and contracts from foreign sources, restrict contracts with certain foreign entities and foreign countries of concern, require certain staff and faculty to report foreign gifts and contracts, and require disclosure of certain foreign investments within endowments, with Mr. MOYLAN in the chair.

The Clerk read the title of the bill.

The CHAIR. Pursuant to the rule, the bill is considered read the first time.

General debate shall be confined to the bill and shall not exceed 1 hour equally divided and controlled by the chair and ranking minority member of the Committee on Education and the Workforce or their respective designees.

The gentlewoman from North Carolina (Ms. FOXX) and the gentleman from Virginia (Mr. SCOTT) each will control 30 minutes.

The Chair recognizes the gentlewoman from North Carolina.

Ms. FOXX. Mr. Chair, I yield myself such time as I may consume.

Mr. Chair, I rise today in support of the DETERRENT Act, H.R. 5933. The Republican transparency and accountability agenda is on the march, and the Committee on Education and the Workforce has set its sights on postsecondary education.

We delivered the Protection of Women and Girls in Sports Act, a bill to ensure Title IX funding doesn't go to athletic programs which disadvantage young women.

Just yesterday, we conducted oversight of anti-Semitism on campus during a contentious hearing with Ivy League presidents.

Now, we are considering the DETERRENT Act, a bill that restores transparency and accountability in foreign donations to American universities.

The DETERRENT Act strengthens section 117 of the Higher Education Act, which was intended to protect American universities from nefarious foreign donations.

Unfortunately, many schools failed to report these foreign gifts and funding, leaving foreign actors with a stranglehold on U.S. academic institutions.

A 2019 Senate report found that up to 70 percent of universities fail to comply with the law, and outside experts uncovered nearly $13 billion in previously undisclosed foreign funds.

Of course, this is just the tip of the iceberg. Without transparency, we have no idea the true amount of foreign funds at our universities.

This legislation safeguards our national security in five key ways. First, this bill lowers the minimum foreign gift reporting threshold to $50,000 from its current $250,000. For countries of concern, every penny must be reported.

Second, the bill closes loopholes that allow foreign entities to hide the true origin or purpose of their gifts.

Every disclosure must include the intended purposes, dates, and person at the institution responsible for accepting the gift.

Third, the DETERRENT Act requires that research faculty at our largest research universities disclose foreign gifts and contracts publicly so the American people can see if academic work is compromised.

Fourth, it reveals foreign investments by the endowments of our largest private universities.

Finally, it sets real, meaningful penalties for universities that fail to comply. Foreign influence is not something our schools should take lightly.

I am proud of my Republican colleague, Representative MICHELLE STEEL, for introducing this fantastic piece of legislation, and the Committee on Education and the Workforce is proud to deliver yet another win for transparency, for accountability, and for the American people.

Mr. Chair, I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Chair, I rise in opposition to H.R. 5933, and I yield myself such time as I may consume.

Mr. Chair, the Defending Education Transparency and Ending Rogue Regimes Engaging in Nefarious Transactions, or DETERRENT Act, is before us today.

Historically, collaborations with global partners—and careful Federal investments in research—have enabled our colleges and universities to make bold, forward-thinking strides in health, science, and technology for people around the world.

Additionally, institutions have collaborated with the U.S. Government to enhance our research by attracting and retaining researchers and scholars from across the world.

These partnerships help drive intellectual and campus diversity, strengthen inner workings of our economy, and give us an undeniable competitive edge.

Institutions, however, must be transparent about the resources they receive from foreign entities, particularly as the Federal Government invests nearly $30 billion annually in our higher education research and development efforts.

Some colleges and universities, unfortunately, have not complied with all of their responsibilities in those disclosures. Regrettably, H.R. 5933 does nothing to meaningfully protect research security at colleges and universities.

For example, colleges must report any gift from a representative of a ''country of concern'' no matter the value—even a cup of coffee.

The faculty's information is then shared in a publicly searchable database, regardless of whether the action was nefarious or not.

This is excessive and burdensome—to say nothing about the potential discriminatory effect—and would disincentivize universities from conducting critical research using collaborative partners from around the world.

It would force them to deviate from established compliance and reporting guidelines under section 117 of the Higher Education Act.

Schools are already grappling with recruiting and retaining students and scholars. If passed, H.R. 5933 will stall decades of innovative progress and jeopardize global research initiatives.

Students and faculties are already calling on Congress to improve our higher education system and address discrimination on campus.

However, certain provisions of this bill would only exacerbate the ongoing culture wars that have consumed our colleagues in Congress.

For example, the legislation singles out partnerships with certain countries, targeting researchers based solely on their nationality.

As I have said before, we can achieve accountability and compliance without contributing to anti-Asian, anti-Semitic, or Islamophobic animosity.

I have offered a thoughtful alternative to improve section 117 compliance and support institutions as they evaluate and implement their research integrity and foreign influence policies, and that alternative will be offered during the amendment process.

This amendment builds on the Chips and Science Act and the Presidential Memorandum on government-supported research and development national security policy guidelines.

Specifically, it aligns reporting requirements with those of Federal agencies and requires the Secretary of Education to go through negotiated rulemaking to address key implementation aspects of section 117.

We must take targeted and thoughtful steps to protect our research and development initiatives without jeopardizing our global partnerships that will benefit us all.

Mr. Chair, I reserve the balance of my time.

Ms. FOXX. Mr. Chair, I yield 6 minutes to the gentlewoman from California (Mrs. STEEL).

Mrs. STEEL. Mr. Chair, I thank the chairwoman, Dr. Foxx, for yielding time.

Actually, this has nothing to do with an anti-Asian bill. This is my bill, and we want to protect our children from this propaganda.

Yesterday, before the Committee on Education and the Workforce and the entire world, leaders of three of our Nation's most prestigious universities failed to demonstrate the most basic levels of humanity when discussing anti-Semitism on campus.

Make no mistake: Their lack of moral clarity shows exactly what happens when we permit hostile foreign actors like Qatar, Iran, and Communist China to buy influence on our college campuses.

When they give money without return, actually, there is no such thing as a free lunch. That is why today I am offering a legislative solution to crack down on this crisis in our higher education system. That is why I rise today to urge support and passage of the DETERRENT Act.

Justice Brandeis once said: Sunlight is the best disinfectant. As we saw yesterday, our college campuses are infected.

The DETERRENT Act brings desperately needed sunlight by strengthening transparency and disclosure requirements under section 117 of the Higher Education Act of 1965.

While the previous administration reinvigorated the use of this tool, the current administration has repeatedly downplayed the threat of foreign actors and failed to take meaningful steps to protect our students, research, and national security. If the President will not act, Congress must.

The DETERRENT Act has three pillars to strengthen section 117. The first pillar brings much-needed transparency.

Foreign adversaries look for any loophole to hide their intentions. This is especially true for states that pose the greatest threats to our Nation, like Russia, China, Iran, and North Korea.

The DETERRENT Act eliminates these loopholes by lowering the foreign gifts reporting threshold from $250,000 to $50,000 for all foreign donors and eliminating the threshold entirely for those from countries of concern.

The bill also requires the disclosures include detailed information about the foreign source, the intent of the gift, and the complete text of any contracts with the concerned entities.

The second pillar of my bill establishes accountability. For too long, schools have adopted a take the money first, ask questions later approach to billions of dollars of foreign funds.

As reporting and congressional oversight revealed in the case of UC Berkeley in my home State of California, these problematic relationships are often discovered years after the fact when the damage has already been done.

Requiring timely transparency for institutions receiving foreign funds means ensuring the penalties for nonreporting are more than a slap on the wrist.

□ 1400

The DETERRENT Act institutes a progressive fine schedule, culminating in the loss of title IV funding for noncompliant universities. The bill also sets up an institutional point of contact so institutions cannot use the faceless bureaucracy to claim ignorance of unreported foreign funds on their campuses.

The third and final pillar of the DETERRENT Act is clarity. The DETERRENT Act streamlines the bureaucratic reporting process and aligns section 117 with other laws. It shifts the reporting schedule from a biannual to an annual basis, using reporting thresholds from existing law to avoid confusion.

It improves communication between the Department of Education and institutions by mandating a point of contact on section 117 for institutions to utilize at the Department. It also requires periodic meetings between the Department and institutions to discuss improvements to online reporting.

Section 117 has not been updated in more than 30 years. These reforms are long overdue.

The DETERRENT Act is a commonsense bill that adds transparency, accountability, and clarity to section 117. That is why it passed the Education and the Workforce Committee in a bipartisan vote.

Let's protect our students from this propaganda. Mr. Chair, I urge every Member of this body to vote ''yes'' on the DETERRENT Act.

Mr. SCOTT of Virginia. Mr. Chair, I yield myself such time as I may consume.

Mr. Chairman, I will quote from a letter we received from the Asian American Scholar Forum in terms of the effect this bill would have on Asian-American researchers. It is a long letter, but I will read one paragraph.

''The DETERRENT Act would further chill participation in research by signaling to researchers and institutions that scientific collaboration is discouraged and effectively deter economic institutions and scholars from engaging with Chinese-American and immigrant colleagues and peers out of fear of punishment or heightened scrutiny. The DETERRENT Act's definition of a 'foreign source' includes not just individuals overseas but those with lawful immigration status in the United States who are not U.S. citizens or nationals. As a practical matter, the DETERRENT Act would force scholars and researchers to scrutinize the immigration status of potential collaborators and would deter them from collaboration with individuals who may be perceived to be immigrants. Moreover, many scholars would not have access to private information, such as the immigration status of their peers, making this practically a difficult or impossible requirement for faculty, scholars, and researchers to meet. Additionally, the reporting requirement for contracts of no monetary value as it pertains to foreign entities and countries of concern as defined by the DETERRENT Act would significantly chill even normal, everyday communications, as it may be perceived as an agreement.''

This would obviously have a chilling effect, and that is one of the reasons we are opposing the DETERRENT Act.

Mr. Chair, I reserve the balance of my time.

Ms. FOXX. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia (Mr. GOOD).

Mr. GOOD of Virginia. Mr. Chair, I support the DETERRENT Act, and I urge all Members to vote for this bill.

Education is a battleground for influence, and it seems that foreign countries understand this better than some Members of this Congress.

On our watch, the Federal Government doles out billions in taxpayer dollars to fund expensive degrees that empower an anti-American agenda while these woke universities secretly collect checks from hostile nations and watch their endowments grow and grow.

The DETERRENT Act would strengthen existing law, requiring colleges to publicly report gifts and contracts with foreign countries. Under the DETERRENT Act, this information would be publicly available on a searchable database because taxpayers, parents, and students deserve to see who is buying the opportunity to influence the next generation of Americans.

The DETERRENT Act would further expose disturbing data that has recently come to light. At least 200 American colleges declined to report a total of $13 billion in contributions from authoritarian countries like Qatar, China, and Saudi Arabia.

For some reason, the Biden administration has halted many of the existing investigations of reporting violations and has declined to enforce current law. Why would that be? Could it have something to do with the $14 million donated to the Penn Biden Center from unnamed contributors in China?

The Biden administration minimizes it, and universities try to hide it, but the American people are suffering the effects of foreign influence.

Just yesterday, in the Education and the Workforce Committee, the presidents of Harvard, Penn, and MIT defended the influence Hamas has on our campuses and students across this country. The number one donor of these undisclosed funds, Qatar, is a country that says Israel alone is responsible for the attacks by Hamas and even houses an office for the Hamas leader in its capital city.

International partnerships can be beneficial for universities but should not come at the cost of our national security, intellectual property, academic freedom, or perpetuation of our American values.

Mr. Chair, I support passage of the DETERRENT Act to ensure greater transparency regarding who is funding our colleges and universities, and I urge all of my colleagues to do the same.

Mr. SCOTT of Virginia. Mr. Chair, I ask unanimous consent that the letter from the Asian American Scholars Forum from which I quoted be entered into the RECORD.

The CHAIR. The gentleman's request will be covered under general leave.

ASIAN AMERICAN SCHOLAR FORUM,
November 7, 2023.

Hon. VIRGINIA FOXX,
Chairwoman, Committee on Education & the Workforce, House of Representatives, Washington, DC.

Hon. BOBBY SCOTT,
Ranking Member, Committee on Education & the Workforce, House of Representatives, Washington, DC.

DEAR CHAIRWOMAN FOXX AND RANKING MEMBER SCOTT: Asian American Scholar Forum (AASF) respectfully submits this letter to provide feedback on H.R. 5933, the Defending Education Transparency and Ending Rogue Regimes Engaging in Nefarious Transactions (DETERRENT) Act. We write to express our concerns in opposition of the DETERRENT Act, which will have a chilling effect on Asian American and Asian immigrant researchers and all scholars from participating in U.S. scientific innovation, and will chill open science and innovation more broadly.

AASF is a national non-profit, non-partisan organization that works to promote

academic belonging, openness, freedom, and equality for all. AASF accomplishes this through education and research, advocacy, and building up leaders within the Asian American scientific and academic community. AASF is one of the leading Asian American national civil rights organizations on science and research security policy as it relates to the Asian American community including profiling concerns. Our membership includes the National Academy of Engineering, the National Academy of Medicine, the National Academy of Science, and the American Academy of Arts & Sciences members as well as past and current university presidents, provost, vice provosts, deans, associate deans, and past and current department chairs. AASF is a member of the National Council for Asian Pacific Americans (NCAPA). Founded in 1996, NCAPA is a coalition of 47 national Asian American, Native Hawaiian, and Pacific Islander (AANHPI) organizations serving to represent the interests of the greater AANHPI communities and to provide a national voice for Asian American and National Hawaiian Pacific Islander issues.

In January 2021, the Trump Administration issued NSPM–33, which directed federal agencies and academic institutions to protect U.S. government-supported research and development ''[w]hile maintaining an open environment to foster research discoveries and innovation.'' In January 2022, the Office of Science and Technology Policy (OSTP) issued guidance to implement NSPM–33. In addition to protecting ''security and openness,'' the guidance seeks ''to be clear so that well-intentioned researchers can easily and properly comply'' and ''to clarify and simplify how researchers disclose information to the federal government.'' The guidance cautioned that ''if our policies to address [research security challenges] significantly diminish our superpower of attracting global scientific talent—or if they fuel xenophobia against Asian Americans—we will have done more damage to ourselves than any competitor or adversary could. So we need a thoughtful and effective approach.'' Further, OSTP noted that ''is important to avoid undue, vague, and implicit pressures on researchers, as this could create a chilling atmosphere that would only constrain and damage the U.S. scientific enterprise.'' in light of the White House's NSPM–33 and the current process within federal agencies and academic institutions to harmonize and create new requirements and policies, we are concerned with the addition of the DETERRENT Act in its entirety. Moreover, we have several key concerns with problematic sections that would result in significant negative impact to the Asian American and scholar community.

NEW REPORTING REQUIREMENTS UNDER THE DETERRENT ACT WILL HINDER THE IMPLEMENTATION OF NSPM–33, CREATING CONFUSING AND ADDITIONAL UNDUE BURDENS ON ACADEMIC INSTITUTIONS AND RESEARCHERS.

As indicated by the NSPM–33 guidance, transparency and clarity of any federal requirements with disclosure of information is critical not only for compliance, but also for safeguarding our national security. Currently, academic institutions and federal agencies are working to implement the reporting and disclosure requirements under NSPM–33. With this implementation process underway, any new reporting requirements will create confusion and additional burdens on academic institutions and researchers. Transparency and clarity of process will help everyone—from researchers, academic institutions, and the governments—and promote effective collection of information. Any new disclosure requirements at this time will be counterproductive to that process.

Additionally, it is critical to ensure that federal agencies and academic institutions follow the NSPM–33 mandatory anti-discriminatory provision, engage with the directly impacted Asian American and scholar community, and that due processes are in place both within federal agencies and academic institutions to protect the rights of Asian Americans, particularly those of Chinese descent who have been subjected to heightened scrutiny as U.S.-China tensions worsen.

THE DETERRENT ACT WILL CHILL ASIAN AMERICANS AND IMMIGRANTS FROM PARTICIPATING IN AMERICAN SOCIETY AND RESEARCH, THEREBY RESULTING IN CIVIL RIGHTS CONCERNS AND HARM U.S. LEADERSHIP IN SCIENCE AND TECHNOLOGY.

The DETERRENT Act will worsen the existing chilling effect on Asian American and immigrant communities, hurting their ability to participate in American society and contribute to our country through their leadership and research. The Asian American community has a long history of being targeted and scapegoated as national security threats based on our race, ethnicity, religion, or ancestry, such as the Chinese Exclusion Act of 1882 and the incarceration of Japanese Americans during World War II. More recently, federal agency programs such as the Justice Department's now-defunct ''China Initiative,'' raised concerns about racial bias and profiling of Asian Americans, particularly scientists, researchers, and scholars of Chinese descent. While there are legitimate concerns about the activities of the People's Republic of China (PRC) government, the increasing pressure on federal agencies to scrutinize scientists, researchers, and scholars, along with rising xenophobic and anti-China rhetoric from U.S. government officials, have further fueled anti-Asian sentiments at home and instigated a new wave of fear, profiling, and violent targeting of our communities.

The Asian American and immigrant community are currently living in a climate of fear. A survey conducted between December 2021 and March 2022 of 1300+ faculty members nationwide found that although an overwhelming majority of the survey respondents (89 percent) would like to contribute to the U.S. leadership in science and technology, many feel unsafe (72 percent) and fearful of conducting research (42 percent) in the U.S., especially engineering and computing science faculty, life science faculty, federal grant awardees, and senior faculty. Around 61 percent of the survey respondents feel pressure to leave the U.S., especially junior faculty and federal grant awardees. Moreover, nearly half of respondents (45 percent) intend to avoid federal grant applications, especially engineering and computing science faculty and senior faculty due to fear.

This chilling effect is especially felt among Chinese-origin American faculty in the U.S., who fear potential federal investigation and prosecution stemming from the China Initiative. This has been exemplified by the recent significant rise over the last few years of Chinese-origin scientists returning to China, despite an overwhelming majority of them wanting to contribute to U.S. leadership in science and technology. This is extremely concerning considering that U.S. leadership in science and technology and national defense have benefited significantly from immigrants by attracting the best and brightest scientists and engineers from around the world, yet U.S. policies and rhetoric push these researchers out of the country despite their desire to contribute. Around 46 percent of PhD students in science and technology fields in 2020 were from abroad. Chinese students account for the largest of this group (37 percent), with 87 percent of them having stayed in the U.S., constituting a significant part of the American science and technology labor force.

These findings reveal the widespread fear of conducting routine research and academic activities, along with the significant risks of losing talent culminated in hesitancy to remain in the U.S. The DETERRENT Act and its potential for misguided heightened scrutiny towards Chinese Americans and immigrants will exacerbate these fears, ultimately harming research and hampering innovation in the U.S.

THE DETERRENT ACT RAISES ADDITIONAL IMPLEMENTATION CONCERNS AS IT IS NOT WORKABLE, RAISES PRIVACY AND SECURITY CONCERNS, AND IS UNREASONABLY PUNITIVE

The DETERRENT Act would further chill participation in research by signaling to researchers and institutions that scientific collaboration is discouraged, and effectively deter academic institutions and scholars from engaging with Chinese American and immigrant colleagues and peers out of fear of punishment or heightened scrutiny. The DETERRENT Act's definition of a ''foreign source'' includes not just individuals overseas but those with lawful immigration status in the United States who are not U.S. citizens or nationals. As a practical matter, the DETERRENT Act would force scholars and researchers to scrutinize the immigration status of potential collaborators and would deter them from collaboration with individuals who may be perceived to be immigrants. Moreover, many scholars would not have access to private information such as the immigration status of their peers, making this practically a difficult or impossible requirement for faculty, scholars, and researchers to meet. Additionally, the reporting requirement for contracts of no monetary value as it pertains to foreign entities and countries of concern as defined by the DETERRENT Act would significantly chill even normal, everyday communications, as it may be perceived as an agreement.

Second, the public disclosure requirements in the DETERRENT Act raises serious concerns of privacy, especially as it pertains to Section 117b, which would require academic institutions to publicly post on its website the information researchers and faculty report under this provision, including their name. This will not only further chill scientific participation, but may also expose researchers to be targeted by foreign adversaries.

Moreover, the requirement under Section 117a for the Department of Education to share information reported with national security and intelligence agencies both pursuant to the DETERRENT Act and retroactively, raises serious concerns about how the shared information will be used and protected by the receiving agencies. The Chinese American and immigration communities have already experienced years of heightened scrutiny and concerns of racially biased surveillance and prosecution. We need further privacy and surveillance protections, rather than further encroachment into their rights and privacy.

Third, we are very concerned with how low the new threshold is for the reporting for gifts and contracts dropping from $250,000 to $50,000, as this would significantly increase academic institution's reporting burden.

Furthermore, the harsh penalty provisions are punitive and would not only harm scientific research and innovation, but education and scholarship more broadly. Section 117d of the DETERRENT Act ties violations under the act to student aid funding, impacting students at the academic institution who

are not connected with any reporting requirement at issue. Section 117 as it stands today allows the Secretary of Education to investigate and bring a civil action to compel compliance with the reporting requirements, as well as to recover costs for enforcement. The DETERRENT Act's punitive and arbitrary penalties are unnecessary and call into question the purpose of this legislation.

We encourage the committee to consider our concerns raised above. Additionally, we encourage you to engage in further discussion with AASF to include the perspective of the Asian American scholar community and help foster a climate of trust with the Asian American and immigrant communities.

Sincerely,

GISELA PEREZ KUSAKAWA,
Executive Director,
Asian American Scholar Forum.

Mr. SCOTT of Virginia. Mr. Chair, I reserve the balance of my time.

Ms. FOXX. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. BEAN).

Mr. BEAN of Florida. Mr. Chairman, I thank Chair FOXX for yielding.

Mr. Chairman, we have a problem. Today, America's education system is being purchased and manipulated by foreign nations. Since 2013, we know about $12 billion has flooded in from foreign sources to U.S. colleges, and outside experts say billions more in foreign funds could have been underreported.

Foreign nations are pumping money into our higher education systems, and these nations are not our friends. This means our enemies are funding our colleges and universities.

Make no mistake, every dollar that flows into our classrooms comes with strings attached. By accepting these foreign funds, our colleges and universities are importing toxic hatred straight from the dogma of our Nation's enemies into our classrooms.

The results speak for themselves, as we saw in Chair FOXX's committee hearing yesterday: rampant anti-Semitism, censorship, and disdain for our U.S. Constitution, our Founding Fathers, and our American way of life.

This is what happens when our institutions of higher learning accept the Trojan horse of foreign funding. This blatant attempt to inject foreign ideologies into our schools undermines the fundamental purpose of American education.

It goes without saying that we should be teaching American values in American schools.

As a proud cosponsor of Representative STEEL's bill, H.R. 5933, the DETERRENT Act, I look forward today to supporting this timely legislation, which will provide much-needed transparency in foreign funding to schools and reporting requirements.

As we say in Florida, let the sunshine in. Mr. Chairman, let me be clear: America's institutions of higher learning are not for sale.

Mr. SCOTT of Virginia. Mr. Chair, I reserve the balance of my time.

Ms. FOXX. Mr. Chair, I yield 2 minutes to the gentleman from Utah (Mr. OWENS).

Mr. OWENS. Mr. Chair, I proudly rise today in support of Congresswoman STEEL's DETERRENT Act.

The world is on fire, and evil is spreading globally. We cannot permit American colleges and universities to be compromised. Our adversaries are determined to subvert our national interests, and today's modern battleground now includes American college campuses.

When American higher ed administrators accept financial incentives and gifts from adversarial regimes, it sends a clear message that influence on campus is for sale and that American universities are open for business.

Simply put, this is profit over patriotism. I will go a step further and call it anti-American.

It is important to understand that when our universities receive millions from countries that are antithetical to American values, there are strings attached.

Under section 117 of the Higher Education Act, colleges and universities must disclose any foreign funding to an institution exceeding $250,000. Yet, in 2019, a Senate report found that 70 percent of colleges chose to evade, hide, and cheat to avoid compliance with this law. Only 30 percent of administrators overseeing our educational institutions deemed it important to follow the law put in place by Congress with oversight authority.

This is incredibly concerning, and it must come to an end.

I am proud that my bill, the Reporting on Investments in Foreign Adversaries Act, the RIFA Act, was included in Congresswoman STEEL's landmark legislation. This is the latest step to hold private industry accountable for their financial partnerships with foreign countries and entities hostile to the United States.

There is a disturbing lack of accountability for private institutions with endowments funded by foreign countries. Many of these countries seek nefarious influence within American universities, which undermines our national security.

By bribing American academic institutions with billions of dollars, our adversaries corrode the minds of American students with anti-American and pro-Marxist propaganda. This poses a threat to our national security, research and development efforts, intellectual property, and academic freedom as a whole.

The CHAIR. The time of the gentleman has expired.

Ms. FOXX. Mr. Chair, I yield an additional 30 seconds to the gentleman from Utah.

Mr. OWENS. Mr. Chair, the manipulation of our children on American soil paid for by the American taxpayer is unacceptable.

For the sake of our Republic and the millions of taxpaying Americans, we demand a higher standard, full transparency, and more accountability for college administrators who are complicit. We cannot be satisfied with anything less.

Mr. Chair, I urge all of my colleagues to vote ''yes'' on the DETERRENT Act.

Mr. SCOTT of Virginia. Mr. Chairman, I yield myself the balance of my time.

Mr. Chair, despite my colleagues' claims, the DETERRENT Act would only burden colleges and universities and jeopardize global partnerships while doing nothing to help them comply with existing compliance and reporting guidelines.

House Democrats tried several times to ensure that the legislation included attainable, commonsense provisions for these institutions. For example, in committee, I offered an amendment to build on the Chips and Science Act and the ''Presidential Memorandum on United States Government-Supported Research and Development National Security Guidelines,'' aligning reporting requirements precisely to those Federal agencies that are already reporting with the Department of Education and requiring the Department of Education to go through negotiated rulemaking to conform those reporting requirements. Unfortunately, the Republican majority did not agree to it.

Mr. Chairman, Democrats are committed to helping institutions comply with the law, but we must always strike a balance between enforcing the law and fostering safe campuses for students, scholars, and faculty.

Regrettably, the legislation before us does nothing to achieve that goal. It would only drive deeper wedges into higher education systems at the expense of students, faculty, and our country's global innovative efforts.

Mr. Chair, as I indicated, in that letter from the Asian American Scholar Forum, they said: ''As a practical matter, the DETERRENT Act would force scholars and researchers to scrutinize the immigration status of potential collaborators and would deter them from collaboration with individuals who may be perceived to be immigrants,'' and the zero limit on monetary value for gifts ''would significantly chill even normal, everyday communications.''

Mr. Chair, I urge my colleagues to oppose H.R. 5933, and I yield back the balance of my time.

□ 1415

Ms. FOXX. Mr. Chair, I yield myself the balance of my time.

As we all know, public confidence in American universities is in a free fall. According to Gallup, it has dropped almost 3 percentage points a year, on average, over the last 8 years.

The crisis of confidence is multifaceted: part tuition cost, sinking return on investment, and soaring debt. To each of the issues plaguing modern universities, the answer is restoring the principles of transparency and accountability.

Yes, passing this legislation would send a strong message to our foreign

adversaries, but more importantly, it will send a strong message to our constituents: We are good stewards of your votes.

While I know we cannot restore public trust in the university system overnight, requiring a basic level of transparency in foreign donations and accountability from universities is a great first step.

Mr. Chair, I urge a ''yes'' vote on the DETERRENT Act, and I yield back the balance of my time.

The CHAIR. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

The amendment in the nature of a substitute recommended by the Committee on Education and the Workforce, printed in the bill, shall be considered as adopted. The bill, as amended, shall be considered as an original bill for purpose of further amendment under the 5-minute rule and shall be considered read.

H.R. 5933

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Defending Education Transparency and Ending Rogue Regimes Engaging in Nefarious Transactions Act'' or the ''DETERRENT Act''.

SEC. 2. DISCLOSURES OF FOREIGN GIFTS.

(a) IN GENERAL.—Section 117 of the Higher Education Act of 1965 (20 U.S.C. 1011f) is amended to read as follows:

''SEC. 117. DISCLOSURES OF FOREIGN GIFTS.

''(a) DISCLOSURE REPORTS.—

''(1) AGGREGATE GIFTS AND CONTRACT DISCLOSURES.—An institution shall file a disclosure report in accordance with subsection (b)(1) with the Secretary on July 31 of the calendar year immediately following any calendar year in which—

''(A) the institution receives a gift from, or enters into a contract with, a foreign source (other than a foreign country of concern or foreign entity of concern)—

''(i) the value of which is $50,000 or more, considered alone or in combination with all other gifts from, or contracts with, that foreign source within the calendar year; or

''(ii) the value of which is undetermined; or

''(B) the institution receives a gift from a foreign country of concern or foreign entity of concern, or, upon receiving a waiver under section 117A to enter into a contract with such a country or entity, enters into such contract, without regard to the value of such gift or contract.

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

''(3) TREATMENT OF AFFILIATED ENTITIES.—For purposes of this section, any gift to, or contract with, an affiliated entity of an institution shall be considered a gift to or contract with, respectively, such institution.

''(b) CONTENTS OF REPORT.—

''(1) GIFTS AND CONTRACTS.—Each report to the Secretary required under subsection (a)(1) shall contain the following:

''(A) With respect to a gift received from, or a contract entered into with, any foreign source—

''(i) the terms of such gift or contract, including—

''(I) the name of the individual, department, or benefactor at the institution receiving the gift or carrying out the contract;

''(II) the intended purpose of such gift or contract, as provided to the institution by such foreign source, or if no such purpose is provided by such foreign source, the intended use of such gift or contract, as provided by the institution; and

''(III) in the case of a restricted or conditional gift or contract, a description of the restrictions or conditions of such gift or contract;

''(ii) with respect to a gift—

''(I) the total fair market dollar amount or dollar value of the gift, as of the date of submission of such report; and

''(II) the date on which the institution received such gift;

''(iii) with respect to a contract—

''(I) the date on which such contract commences;

''(II) as applicable, the date on which such contract terminates; and

''(III) an assurance that the institution will—

''(aa) maintain an unredacted copy of the contract until the latest of—

''(AA) the date that is 4 years after the date on which the contract commences;

''(BB) the date on which the contract terminates; or

''(CC) the last day of any period that applicable State law requires a copy of such contract to be maintained; and

''(bb) upon request of the Secretary during an investigation under subsection (f)(1), produce such an unredacted copy of the contract; and

''(iv) an assurance that in a case in which information is required to be disclosed under this section with respect to a gift or contract that is not in English, such information is translated into English in compliance with the requirements of subsection (c)(1).

''(B) With respect to a gift received from, or a contract entered into with, a foreign source that is a foreign government (other than the government of a foreign country of concern)—

''(i) the name of such foreign government;

''(ii) the department, agency, office, or division of such foreign government that approved such gift or contract, as applicable; and

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

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

''(i) the legal name of the foreign source, or, if such name is not available, a statement certified by the compliance officer in accordance with subsection (f)(2) that the institution has reasonably attempted to obtain such name;

''(ii) in the case of a foreign source that is a natural person, the country of citizenship of such person, or, if such country is not known, the principal country of residence of such person;

''(iii) in the case of a foreign source that is a legal entity, the country in which such entity is incorporated, or if such information is not available, the principal place of business of such entity; and

''(iv) the physical mailing address of such foreign source, or if such address is not available, a statement certified by the compliance officer in accordance with subsection (f)(2) that the institution has reasonably attempted to obtain such address.

''(D) With respect to a contract entered into with a foreign source that is a foreign country of concern or a foreign entity of concern—

''(i) a complete and unredacted text of the original contract, and if such original contract is not in English, a translated copy of the text into English;

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

''(iii) the statement submitted by the institution for purposes of receiving such a waiver under section 117A(b)(1).

''(2) FOREIGN SOURCE OWNERSHIP OR CONTROL.—Each report to the Secretary required under subsection (a)(2) shall contain—

''(A) the legal name and address of the foreign source that owns or controls the institution;

''(B) the date on which the foreign source assumed ownership or control; and

''(C) any changes in program or structure resulting from the change in ownership or control.

''(c) TRANSLATION REQUIREMENTS.—Any information required to be disclosed under this section with respect to a gift or contract that is not in English shall be translated, for purposes of such disclosure, by a person that is not an affiliated entity or agent of the foreign source involved with such gift or contract.

''(d) PUBLIC INSPECTION.—

''(1) DATABASE REQUIREMENT.—Beginning not later than 60 days before the July 31 immediately following the date of the enactment of the DETERRENT Act, the Secretary shall—

''(A) establish and maintain a searchable database on a website of the Department, under which all reports submitted under this section (including any report submitted under this section before the date of the enactment of the DETERRENT Act)—

''(i) are made publicly available (in electronic and downloadable format), including any information provided in such reports (other than the information prohibited from being publicly disclosed pursuant to paragraph (2));

''(ii) can be individually identified and compared; and

''(iii) are searchable and sortable by—

''(I) the date the institution filed such report;

''(II) the date on which the institution received the gift, or entered into the contract, which is the subject of the report;

''(III) the attributable country of such gift or contract; and

''(IV) the name of the foreign source (other than a foreign source that is a natural person);

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

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

''(i) a foreign source that is a foreign government; or

''(ii) a foreign source that is not a foreign government; and

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

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

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

''(B) in response to a request under section 552 of title 5, United States Code (commonly known as the 'Freedom of Information Act'), pursuant to subsection (b)(3) of such section.

''(e) INTERAGENCY INFORMATION SHARING.—Not later than 30 days after receiving a disclosure report from an institution in compliance with this section, the Secretary shall transmit an unredacted copy of such report (that includes the name and address of a foreign source disclosed in such report) to the Director of the Federal Bureau of Investigation, the Director of National Intelligence, the Director of the Central Intelligence Agency, the Secretary of State, the Secretary of Defense, the Attorney General, the Secretary of Commerce, the Secretary of Homeland Security, the Secretary of Energy, the Director of the National Science Foundation, and the Director of the National Institutes of Health.

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

''(1) be a current employee or legally authorized agent of such institution; and

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

''(g) DEFINITIONS.—In this section:

''(1) AFFILIATED ENTITY.—The term 'affiliated entity', when used with respect to an institution, means an entity or organization that operates primarily for the benefit of, or under the auspices of, such institution, including a foundation of the institution or a related entity (such as any educational, cultural, or language entity).

''(2) ATTRIBUTABLE COUNTRY.—The term 'attributable country' means—

''(A) the country of citizenship of a foreign source who is a natural person, or, if such country is unknown, the principal residence (as applicable) of such foreign source; or

''(B) the country of incorporation of a foreign source that is a legal entity, or, if such country is unknown, the principal place of business (as applicable) of such foreign source.

''(3) CONTRACT.—The term 'contract'—

''(A) means—

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

''(ii) any affiliation, agreement, or similar transaction with a foreign source that involves the use or exchange of an institution's name, likeness, time, services, or resources; and

''(iii) any agreement for the acquisition by purchase, lease, or barter, of property or services from a foreign source (other than an arms-length agreement for such acquisition from a foreign source that is not a foreign country of concern or a foreign entity of concern); and

''(B) does not include an agreement made between an institution and a foreign source regarding any payment of one or more elements of a student's cost of attendance (as such term is defined in section 472), unless such an agreement is made for more than 15 students or is made under a restricted or conditional contract.

''(4) FOREIGN SOURCE.—The term 'foreign source' means—

''(A) a foreign government, including an agency of a foreign government;

''(B) a legal entity, governmental or otherwise, created under the laws of a foreign state or states;

''(C) a legal entity, governmental or otherwise, substantially controlled (as described in section 668.174(c)(3) of title 34, Code of Federal Regulations) (or successor regulations)) by a foreign source;

''(D) a natural person who is not a citizen or a national of the United States or a trust territory or protectorate thereof; and

''(E) an agent of a foreign source, including—

''(i) a subsidiary or affiliate of a foreign legal entity, acting on behalf of a foreign source;

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

''(iii) a person who is an agent of a foreign principal (as such term is defined in section 1 of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611).

''(5) GIFT.—The term 'gift'—

''(A) means any gift of money, property, resources, staff, or services; and

''(B) does not include—

''(i) any payment of one or more elements of a student's cost of attendance (as such term is defined in section 472) to an institution by, or scholarship from, a foreign source who is a natural person, acting in their individual capacity and not as an agent for, at the request or direction of, or on behalf of, any person or entity (except the student), made for not more than 15 students, and that is not made under a restricted or conditional contract with such foreign source; or

''(ii) assignment or license of registered industrial and intellectual property rights, such as patents, utility models, trademarks, or copyrights, or technical assistance, that are not identified as being associated with a national security risk or concern by the Federal Research Security Council as described under section 7902 of title 31, United States Code; or

''(iii) decorations (as such term is defined in section 7342(a) of title 5, United States Code).

''(6) RESTRICTED OR CONDITIONAL GIFT OR CONTRACT.—The term 'restricted or conditional gift or contract' means any endowment, gift, grant, contract, award, present, or property of any kind which includes provisions regarding—

''(A) the employment, assignment, or termination of faculty;

''(B) the establishment of departments, centers, institutes, instructional programs, research or lecture programs, or new faculty positions;

''(C) the selection, admission, or education of students;

''(D) the award of grants, loans, scholarships, fellowships, or other forms of financial aid restricted to students of a specified country, religion, sex, ethnic origin, or political opinion; or

''(E) any other restriction on the use of a gift or contract.''.

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

''SEC. 117A. PROHIBITION ON CONTRACTS WITH CERTAIN FOREIGN ENTITIES AND COUNTRIES.

''(a) IN GENERAL.—An institution shall not enter into a contract with a foreign country of concern or a foreign entity of concern.

''(b) WAIVERS.—

''(1) SUBMISSION.—

''(A) FIRST WAIVER REQUESTS.—

''(i) IN GENERAL.—An institution that desires to enter into a contract with a foreign entity of concern or a foreign country of concern may submit to the Secretary, not later than 120 days before the institution enters into such a contract, a request to waive the prohibition under subsection (a) with respect to such contract.

''(ii) CONTENTS OF WAIVER REQUEST.—A waiver request submitted by an institution under clause (i) shall include—

''(I) the complete and unredacted text of the proposed contract for which the waiver is being requested, and if such original contract is not in English, a translated copy of the text into English (in a manner that complies with section 117(c)); and

''(II) a statement that—

''(aa) is signed by the point of contact of the institution described in section 117(h); and

''(bb) includes information that demonstrates that such contract is for the benefit of the institution's mission and students and will promote the security, stability, and economic vitality of the United States.

''(B) RENEWAL WAIVER REQUESTS.—

''(i) IN GENERAL.—An institution that has entered into a contract pursuant to a waiver issued under this section, the term of which is longer than the 1-year waiver period and the terms and conditions of which remain the same as the proposed contract submitted as part of the request for such waiver may submit, not later than 120 days before the expiration of such waiver period, a request for a renewal of such waiver for an additional 1-year period (which shall include any information requested by the Secretary).

''(ii) TERMINATION.—If the institution fails to submit a request under clause (i) or is not granted a renewal under such clause, such institution shall terminate such contract on the last day of the original 1-year waiver period.

''(2) WAIVER ISSUANCE.—The Secretary—

''(A) not later than 60 days before an institution enters into a contract pursuant to a waiver request under paragraph (1)(A), or before a contract described in paragraph (1)(B)(i) is renewed pursuant to a renewal request under such paragraph, shall notify the institution—

''(i) if the waiver or renewal will be issued by the Secretary; and

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

''(B) may only issue a waiver under this section to an institution if the Secretary determines, in consultation with the heads of each agency and department listed in section 117(e), that the contract for which the waiver is being requested is for the benefit of the institution's mission and students and will promote the security, stability, and economic vitality of the United States.

''(3) DISCLOSURE.—Not less than 2 weeks prior to issuing a waiver under paragraph (2), the Secretary shall notify the—

''(A) the Committee on Education and the Workforce of the House of Representatives; and

''(B) the Committee on Health, Education, Labor, and Pensions of the Senate,

of the intent to issue the waiver, including a justification for the waiver.

''(4) APPLICATION OF WAIVERS.—A waiver issued under this section to an institution with respect to a contract shall only—

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

''(B) apply to the terms and conditions of the proposed contract submitted as part of the request for such waiver.

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

''(d) CONTRACTS PRIOR TO DATE OF ENACTMENT.—

''(1) IN GENERAL.—In the case of an institution that has entered into a contract with a foreign country of concern or foreign entity of concern prior to the date of the enactment of the DETERRENT Act—

''(A) the institution shall immediately submit to the Secretary a waiver request in accordance with subsection (b)(1)(A)(ii); and

''(B) the Secretary shall, upon receipt of the request submitted under paragraph (1), immediately issue a waiver to the institution for a period beginning on the date on which the waiver is issued and ending on the sooner of—

''(i) the date that is 1 year after the date of the enactment of the DETERRENT Act; or

''(ii) the date on which the contract terminates.

''(2) RENEWAL.—An institution that has entered into a contract described in paragraph (1), the term of which is longer than the waiver period described in subparagraph (B) of such paragraph and the terms and conditions of which remain the same as the contract submitted as part of the request required under subparagraph (A) of such paragraph, may submit a request for renewal of the waiver issued under such paragraph in accordance with subsection (b)(1)(B).

''(e) CONTRACT DEFINED.—The term 'contract' has the meaning given such term in section 117(g).''.

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

(1) any report received by the Department of Education under section 117 of the Higher Education Act of 1965 (20 U.S.C. 1011f) prior to the date of the enactment of this Act; and

(2) any report, document, or other record generated by the Department of Education in the course of an investigation—

(A) of an institution with respect to the compliance of such institution with such section; and

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

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

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

''SEC. 117B. INSTITUTIONAL POLICY REGARDING FOREIGN GIFTS AND CONTRACTS TO FACULTY AND STAFF.

''(a) REQUIREMENT TO MAINTAIN POLICY AND DATABASE.—Beginning not later than 90 days after the date of the enactment of the DETERRENT Act, each institution described in subsection (b) shall maintain—

''(1) a policy requiring covered individuals employed at the institution to disclose in a report to such institution on July 31 of each calendar year that begins after the year in which such enactment date occurs—

''(A) any gift received from a foreign source in the previous calendar year, the value of which is greater than the minimal value (as such term is defined in section 7342(a) of title 5, United States Code) or is of undetermined value, and including the date on which the gift was received;

''(B) any contract entered into with a foreign source in the previous calendar year, the value of which is $5,000 or more, considered alone or in combination with all other contracts with that foreign source within the calendar year, and including the date on which such contract commences and, as applicable, the date on which such contract terminates;

''(C) any contract with a foreign source in force during the previous calendar year that has an undetermined monetary value, and including the date on which such contract commences and, as applicable, the date on which such contract terminates; and

''(D) any contract entered into with a foreign country of concern or foreign entity of concern in the previous calendar year, the value of which is $0 or more, and including the beginning and ending dates of such contract and the full text of such contract and any addenda;

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

''(A) makes available the information disclosed under paragraph (1) beginning on the date that is 30 days after receipt of the report under such paragraph containing such information and until the latest of—

''(i) the date that is 4 years after the date on which—

''(I) a gift referred to in paragraph (1)(A) is received; or

''(II) a contract referred to in subparagraph (B), (C) or (D) of paragraph (1) begins; or

''(ii) the date on which a contract referred to in subparagraph (B), (C) or (D) of paragraph (1) terminates; and

''(B) is searchable and sortable by—

''(i) the date received (if a gift) or the date commenced (if a contract);

''(ii) the attributable country with respect to which information is being disclosed;

''(iii) name of the individual making the disclosure; and

''(iv) the name of the foreign source (other than a foreign source who is a natural person);

''(3) a plan effectively to identify and manage potential information gathering by foreign sources through espionage targeting covered individuals that may arise from gifts received from, or contracts entered into with, a foreign source, including through the use of—

''(A) periodic communications;

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

''(C) enforcement of the policy described in paragraph (1).

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

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

''(2)(A) received more than $50,000,000 in Federal funds in any of the previous five calendar years to support (in whole or in part) research and development (as determined by the institution and measured by the Higher Education Research and Development Survey of the National Center for Science and Engineering Statistics); or

''(B) receives funds under title VI.

''(c) DEFINITIONS.—In this section—

''(1) the terms 'foreign source' and 'gift' have the meanings given such terms in section 117(g);

''(2) the term 'contract'—

''(A) means any—

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

''(ii) affiliation, agreement, or similar transaction with a foreign source involving the use or exchange of the name, likeness, time, services, or resources of covered individuals employed at an institution described in subsection (b); or

''(iii) purchase, lease, or barter of property or services from a foreign source that is a foreign country of concern or a foreign entity of concern; and

''(B) does not include any fair-market, arms-length agreement made by covered individuals for the acquisition, by purchase, lease, or barter of property or services from a foreign source other than such a foreign source that is a foreign country of concern or a foreign entity of concern;

''(3) the term 'covered individual'—

''(A) has the meaning given such term in section 223(d) of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (42 U.S.C. 6605); and

''(B) shall be interpreted in accordance with the Guidance for Implementing National Security Presidential Memorandum 33 (NSPM–33) on National Security Strategy for United States Government-supported Research and Development published by the Subcommittee on Research Security and the Joint Committee on the Research Environment in January 2022; and

''(4) the term 'professional staff' means professional employees, as defined in section 3 of the Fair Labor Standards Act of 1938 (29 U.S.C. 203).''.

SEC. 4. INVESTMENT DISCLOSURE REPORT.

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

''SEC. 117C. INVESTMENT DISCLOSURE REPORT.

''(a) INVESTMENT DISCLOSURE REPORT.—A specified institution shall file a disclosure report in accordance with subsection (b) with the Secretary on July 31 immediately following any calendar year in which the specified institution purchases, sells, or holds (directly or indirectly through any chain of ownership) one or more investments of concern.

''(b) CONTENTS OF REPORT.—Each report to the Secretary required by subsection (a) with respect to any calendar year shall contain the following:

''(1) A list of the investments of concern purchased, sold, or held during such calendar year.

''(2) The aggregate fair market value of all investments of concern held as of the close of such calendar year.

''(3) The combined value of all investments of concern sold over the course of such calendar year, as measured by the fair market value of such investments at the time of the sale.

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

''(c) INCLUSION OF CERTAIN POOLED FUNDS.—

''(1) IN GENERAL.—An investment of concern acquired through a regulated investment company, exchange traded fund, or any other pooled investment shall be treated as acquired through a chain of ownership referred to in subsection (a), unless such pooled investment is certified by the Secretary as not holding any listed investments in accordance with subparagraph (B) of paragraph (2).

''(2) CERTIFICATIONS OF POOLED FUNDS.—The Secretary, after consultation with the Secretary of the Treasury, shall establish procedures under which certain regulated investment companies, exchange traded funds, and other pooled investments—

''(A) shall be reported in accordance with the requirements under subsection (b); and

''(B) may be certified by the Secretary as not holding any listed investments.

''(d) TREATMENT OF RELATED ORGANIZATIONS.—For purposes of this section, assets held by any related organization (as defined in section 4968(d)(2) of the Internal Revenue Code of 1986) with respect to a specified institution shall be treated as held by such specified institution, except that—

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

''(2) unless such organization is controlled by such institution or is described in section 509(a)(3) of the Internal Revenue Code of 1986 with respect to such institution, assets which are not intended or available for the use or benefit of such specified institution shall not be taken into account.

''(e) VALUATION OF DEBT.—For purposes of this section, the fair market value of any debt shall be the principal amount of such debt.

''(f) REGULATIONS.—The Secretary, after consultation with the Secretary of the Treasury, may issue such regulations or other guidance as may be necessary or appropriate to carry out the purposes of this section, including regulations or other guidance providing for the proper application of this section with respect to certain regulated investment companies, exchange traded funds, and pooled investments.

''(g) COMPLIANCE OFFICER.—Any specified institution that is required to submit a report under subsection (a) shall designate, before the submission of such report, and maintain a compliance officer, who shall—

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

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

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

''(h) DATABASE REQUIREMENT.—Beginning not later than 60 days before the July 31 immediately following the date of the enactment of the DETERRENT Act, the Secretary shall—

''(1) establish and maintain a searchable database on a website of the Department, under which all reports submitted under this section—

''(A) are made publicly available (in electronic and downloadable format), including any information provided in such reports;

''(B) can be individually identified and compared; and

''(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.

''(i) 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 if—

''(i) such institution is not a public institution; and

''(ii) the aggregate fair market value of—

''(I) the assets held by such institution at the end of such calendar year (other than those assets which are used directly in carrying out the institution's exempt purpose) is in excess of $6,000,000,000; or

''(II) the investments of concern held by such institution at the end of such calendar year is in excess of $250,000,000

''(B) REFERENCES TO CERTAIN TERMS.—For the purpose of applying the definition under subparagraph (A), the terms 'aggregate fair market value' and 'assets which are used directly in carrying out the institution's exempt purpose' shall be applied in the same manner as such terms are applied for the purposes of section 4968(b)(1)(D) of the Internal Revenue Code of 1986.''.

SEC. 5. ENFORCEMENT AND OTHER GENERAL PROVISIONS.

(a) ENFORCEMENT AND OTHER GENERAL PROVISIONS.—The Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), as amended by section 4 of this Act, is further amended by inserting after section 117C the following:

''SEC. 117D. ENFORCEMENT; SINGLE POINT-OF-CONTACT.

''(a) ENFORCEMENT.—

''(1) INVESTIGATION.—The Secretary (acting through the General Counsel of the Department) shall conduct investigations of possible violations of sections 117, 117A, 117B, and 117C by institutions.

''(2) CIVIL ACTION.—Whenever it appears that an institution has knowingly or willfully failed to comply with a requirement of any of the sections listed in paragraph (1) (including any rule or regulation promulgated under any such section) based on such an investigation, a civil action shall be brought by the Attorney General, at the request of the Secretary, in an appropriate district court of the United States, or the appropriate United States court of any territory or other place subject to the jurisdiction of the United States, to request such court to compel compliance with the requirement of the section that has been violated.

''(3) COSTS AND OTHER FINES.—An institution that is compelled to comply with a requirement of a section listed in paragraph (1) pursuant to paragraph (2) shall—

''(A) pay to the Treasury of the United States the full costs to the United States of obtaining compliance with the requirement of such section, including all associated costs of investigation and enforcement; and

''(B) be subject to the applicable fines described in paragraph (4).

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

''(A) SECTION 117.—

''(i) FIRST-TIME VIOLATIONS.—In the case of an institution that knowingly or willfully fails to comply with a requirement of section 117 with respect to a calendar year, and that has not previously knowingly or willfully failed to comply with such a requirement, the Secretary shall impose a fine on the institution for such violation as follows:

''(I) In the case of an institution that knowingly or willfully fails to comply with a reporting requirement under subsection (a)(1) of section 117, such fine shall be in an amount that is—

''(aa) not less than $50,000 but not more than the monetary value of the gift from, or contract with, the foreign source; or

''(bb) in the case of a gift or contract of no value or of indeterminable value, not less than 1 percent, and not more than 10 percent of the total amount of Federal funds received by the institution under this Act for the most recent fiscal year.

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

''(ii) SUBSEQUENT VIOLATIONS.—In the case of an institution that has been fined pursuant to clause (i) with respect to a calendar year, and that knowingly or willfully fails to comply with a requirement of section 117 with respect to any additional calendar year, the Secretary shall impose a fine on the institution with respect to any such additional calendar year as follows:

''(I) In the case of an institution that knowingly or willfully fails to comply with a reporting requirement under subsection (a)(1) of section 117 with respect to an additional calendar year, such fine shall be in an amount that is—

''(aa) not less than $100,000 but not more than twice the monetary value of the gift from, or contract with, the foreign source; or

''(bb) in the case of a gift or contract of no value or of indeterminable value, not less than 1 percent, but not more than 10 percent, of the total amount of Federal funds received by the institution under this Act for the most recent fiscal year.

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

''(B) SECTION 117A.—

''(i) FIRST-TIME VIOLATIONS.—In the case of an institution that knowingly or willfully fails to comply with a requirement of section 117A for the first time, the Secretary shall impose a fine on the institution in an amount that is not less than 5 percent, but not more than 10 percent, of the total amount of Federal funds received by the institution under this Act for the most recent fiscal year.

''(ii) SUBSEQUENT VIOLATIONS.—In the case of an institution that has been fined pursuant to clause (i), the Secretary shall impose a fine on the institution for each subsequent time the institution knowingly or willfully fails to comply with a requirement of section 117A in an amount that is not less than 20 percent of the total amount of Federal funds received by the institution under this Act for the most recent fiscal year.

''(C) SECTION 117B.—

''(i) FIRST-TIME VIOLATIONS.—In the case of an institution that knowingly or willfully fails to comply with a requirement of section 117B with respect to a calendar year, and that has not previously knowingly or willfully failed to comply with such a requirement, the Secretary shall impose a fine on the institution of not less than $250,000, but not more than the total amount of gifts or contracts reported by such institution in the database required under section 117B(a)(2).

''(ii) SUBSEQUENT VIOLATIONS.—In the case of an institution that has been fined pursuant to clause (i) with respect to a calendar year, and that knowingly or willfully fails to comply with a requirement of section 117B with respect to any additional calendar year, the Secretary shall impose a fine on the institution with respect to any such additional calendar year in an amount that is not less than $500,000, but not more than twice the total amount of gifts or contracts reported by such institution in the database required under section 117B(a)(2).

''(D) SECTION 117C.—

''(i) FIRST-TIME VIOLATIONS.—In the case of a specified institution that knowingly or willfully fails to comply with a requirement of section 117C with respect to a calendar year, and that has not previously knowingly or willfully failed to comply with such a requirement, the Secretary shall impose a fine on the institution in an amount that is not less than 50 percent and not more than 100 percent of the sum of—

''(I) the aggregate fair market value of all investments of concern held by such institution as of the close of such calendar year; and

''(II) the combined value of all investments of concern sold over the course of such calendar year, as measured by the fair market value of such investments at the time of the sale.

''(ii) SUBSEQUENT VIOLATIONS.—In the case of a specified institution that has been fined pursuant to clause (i) with respect to a calendar year, and that knowingly or willfully fails to comply with a requirement of section 117C with respect to any additional calendar year, the Secretary shall impose a fine on the institution with respect to any such additional calendar year in an amount that is not less than 100 percent and not more than 200 percent of the sum of—

''(I) the aggregate fair market value of all investments of concern held by such institution as of the close of such additional calendar year; and

''(II) the combined value of all investments of concern sold over the course of such additional calendar year, as measured by the fair market value of such investments at the time of the sale.

''(b) SINGLE POINT-OF-CONTACT AT THE DEPARTMENT.—The Secretary shall maintain a single point-of-contact at the Department to—

''(1) receive and respond to inquiries and requests for technical assistance from institutions regarding compliance with the requirements of sections 117, 117A, 117B, and 117C;

''(2) coordinate and implement technical improvements to the database described in section 117(d)(1), including—

''(A) improving upload functionality by allowing for batch reporting, including by allowing institutions to upload one file with all required information into the database;

''(B) publishing and maintaining a database users guide annually, including information on how to edit an entry and how to report errors;

''(C) creating a standing user group (to which chapter 10 of title 5, United States Code, shall not apply) to discuss possible database improvements, which group shall—

''(i) include at least—

''(I) 3 members representing public institutions with high or very high levels of research activity (as defined by the National Center for Education Statistics);

''(II) 2 members representing private, nonprofit institutions with high or very high levels of research activity (as so defined);

''(III) 2 members representing proprietary institutions of higher education (as defined in section 102(b)); and

''(IV) 2 members representing area career and technical education schools (as defined in subparagraph (C) or (D) of section 3(3) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302(3)); and

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

''(D) publishing, on a publicly available website, recommended database improvements following each meeting described in subparagraph (C)(ii); and

''(E) responding, on a publicly available website, to each recommendation published under subparagraph (D) as to whether or not the Department will implement the recommendation, including the rationale for either approving or rejecting the recommendation;

''(3) provide, every 90 days after the date of enactment of the DETERRENT Act, status updates on any pending or completed investigations and civil actions under subsection (a)(1) to—

''(A) the authorizing committees; and

''(B) any institution that is the subject of such investigation or action;

''(4) maintain, on a publicly accessible website—

''(A) a full comprehensive list of all foreign countries of concern and foreign entities of concern; and

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

''(5) not later than 7 days after making an update to the list maintained in paragraph (4)(A), notify each institution required to comply with the sections listed in paragraph (1) of such update.

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

''(1) FOREIGN COUNTRY OF CONCERN.—The term 'foreign country of concern' includes the following:

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

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

''(2) FOREIGN ENTITY OF CONCERN.—The term 'foreign entity of concern' has the meaning given such term in section 10612(a) of the Research and Development, Competition, and Innovation Act (42 U.S.C. 19221(a)) and includes a foreign entity that is identified on the list published under section 1286(c)(8)(A) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (10 U.S.C. 22 4001 note; Public Law 115–232).

''(3) INSTITUTION.—The term 'institution' means an institution of higher education (as such term is defined in section 102, other than an institution described in subsection (a)(1)(c) of such section).''.

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

''(30)(A) An institution will comply with the requirements of sections 117, 117A, 117B, and 117C.

''(B) An institution that, for 3 consecutive institutional fiscal years, violates any requirement of any of the sections listed in subparagraph (A), shall—

''(i) be ineligible to participate in the programs authorized by this title for a period of not less than 2 institutional fiscal years; and

''(ii) in order to regain eligibility to participate in such programs, demonstrate compliance with all requirements of each such section for not less than 2 institutional fiscal years after the institutional fiscal year in which such institution became ineligible.''.

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

(1) shall conduct a study to identify ways to improve intergovernmental agency coordination regarding implementation and enforcement of sections 117, 117A, 117B, and 117C of the Higher Education Act of 1965 (20 U.S.C. 1011f), as amended or added by this Act, including increasing information sharing, increasing compliance rates, and establishing processes for enforcement; and

(2) shall submit to the Congress, and make public, a report containing the results of such study.

The CHAIR. No further amendment to the bill, as amended, shall be in order except those printed in part B of House Report 118–298. Each such further amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

AMENDMENT NO. 1 OFFERED BY MS. FOXX

The CHAIR. It is now in order to consider amendment No. 1 printed in part B of House Report 118–298.

Ms. FOXX. Mr. Chair, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 7, line 4, strike ''subsection (f)(1)'' and insert ''section 117D(a)(1)''.

Page 17, beginning on line 3, strike ''identified as'' and all that follows through ''Code'' on line 7, and insert ''associated with a category listed in the Commerce Control List maintained by the Bureau of Industry and Security of the Department of Commerce and set forth in Supplement No. 1 to part 774 of title 15, Code of Federal Regulations''.

Page 19, beginning on line 12, strike ''point of contact of the institution described in section 117(h)'' and insert ''compliance officer of the institution designated in accordance with section 117(f)''.

Page 27, line 10, insert ''and'' after the semicolon.

Page 27, line 11, strike ''a plan effectively to identify'' and insert ''an effective plan to identify''.

Page 29, line 11, insert ''and'' after the semicolon.

Page 29, strike ''; and'' and insert a period.

Page 30, beginning on line 1, strike paragraph (4).

Page 36, line 8, before the period insert the following: ''and, whenever it appears that an institution has knowingly or willfully failed to comply with a requirement of any of such sections (including any rule or regulation promulgated under any such section), shall request that the Attorney General bring a civil action in accordance with paragraph (2).''

Page 49, beginning on line 1, strike subsection (c) and insert the following:

(c) GAO STUDY AND REPORT.—

(1) STUDY.—Not later than 180 days after the date of enactment of this Act, the Comptroller General of the United States shall initiate a study to identify ways to improve intergovernmental agency coordination regarding implementation and enforcement of sections 117, 117A, 117B, and 117C of the Higher Education Act of 1965 (20 U.S.C. 1011f), as amended or added by this Act, including increasing information sharing, increasing compliance rates, and establishing processes for enforcement.

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

The CHAIR. Pursuant to House Resolution 906, the gentlewoman from North Carolina (Ms. FOXX) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from North Carolina.

Ms. FOXX. Mr. Chair, my amendment makes technical edits to the underlying bill while also clarifying certain language on gifts, enforcement, and the timeline for the subsequent Government Accountability Office study.

The DETERRENT Act includes commonsense disclosure exemptions for industrial and intellectual property rights, except when they involve national security. My amendment clarifies the definition for intellectual property of national security concern by citing the existing Commerce Control List, which includes categories such as chemicals, avionics, and aerospace. If a transaction with foreign nations involves these sensitive industries, it should be disclosed.

Chronic noncompliance of section 117 is the central motivation for this bill, so my amendment also includes language to ensure the Secretary follows the law and brings civil action against noncompliant entities. This means even a recalcitrant administration, like the Biden administration, would have to treat noncompliance with the seriousness it deserves.

Lastly, my amendment adds language requested by the GAO to help it effectively measure the implementation and interagency coordination of provisions in the DETERRENT Act. Communication is key to combating malign foreign influence, and the GAO study will identify ways to improve that communication and coordination.

Mr. Chair, with this amendment's simplistic nature, I hope for its easy passage, and I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Chair, I ask unanimous consent to claim the time in opposition, although I am not opposed.

The CHAIR. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The CHAIR. The gentleman is recognized for 5 minutes.

Mr. SCOTT of Virginia. Mr. Chair, this appears to be technical and clarifying. That is always a good thing, and I hope that we will adopt the amendment.

Mr. Chair, I yield back the balance of my time.

Ms. FOXX. Mr. Chair, I thank the gentleman for yielding and supporting this very technical amendment, and I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentlewoman from North Carolina (Ms. FOXX).

The amendment was agreed to.

AMENDMENT NO. 2 OFFERED BY MR. CAREY

The CHAIR. It is now in order to consider amendment No. 2 printed in part B of House Report 118–298.

Mr. CAREY. Mr. Chair, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 26, line 10, insert ''(other than the name or any other personally identifiable information of a covered individual)'' after ''paragraph (1)''.

Page 26, line 10, insert ''(other than the name or any other personally identifiable information of a covered individual)'' after ''paragraph (1)''.

Page 27, beginning line 6, strike ''name of the individual making the disclosure'' and insert ''the narrowest of the department, school, or college of the institution, as applicable, for which the individual making the disclosure works''.

Page 27, line 22, strike the period at the end and insert ''; and''.

Page 27, after line 22, insert the following:

''(4) for purposes of investigations under section 117D(a)(1) or responses to requests under section 552 of title 5, United States Code (commonly known as the 'Freedom of Information Act'), the names of the individuals making disclosures under paragraph (1).''.

The CHAIR. Pursuant to House Resolution 906, the gentleman from Ohio (Mr. CAREY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Ohio.

Mr. CAREY. Mr. Chair, I yield myself such time as I may consume.

I rise in support of my amendment and the underlying bill, the DETERRENT Act.

Foreign influence on our universities and colleges is a serious threat, and I am concerned foreign adversaries are targeting our Nation's students.

The DETERRENT Act ensures that we have transparency, accountability, and clarity in how foreign actors are involved with our universities and colleges.

My amendment will improve this important bill by revising a provision in the underlying legislation that creates a public, searchable database of staff or faculty who have disclosed gifts or contracts from foreign entities.

While I support transparency and accountability for our university faculty and staff to ensure foreign entities do not have undue influence over university research, policies, or instruction practices, it is important we balance that with the need to protect the privacy of an individual faculty or staff member at our institutions of higher education.

This commonsense amendment simply changes the underlying bill's public database by removing the personally identifiable information of faculty and staff who are listed in the database as a result of reporting gifts or contracts with foreign entities.

Mr. Chair, I urge my colleagues to support the amendment, and I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Chair, I ask unanimous consent to claim the time in opposition, although I am not opposed to it.

The CHAIR. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The CHAIR. The gentleman is recognized for 5 minutes.

Mr. SCOTT of Virginia. Mr. Chair, I rise in support of this amendment. I still have deep concerns about section 117 of the bill, because it places a target on the backs of researchers who work with foreign collaborators and would create a chilling effect for both international research and retention of international faculty and scholars, but this amendment would take the identifying information out and remove that target. I think that is a good direction.

Mr. Chair, I support the amendment, and I yield back the balance of my time.

Mr. CAREY. Mr. Chair, I urge my colleagues to vote in support of this amendment, and I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from Ohio (Mr. CAREY).

The amendment was agreed to.

AMENDMENT NO. 3 OFFERED BY MR. FALLON

The CHAIR. It is now in order to consider amendment No. 3 printed in part B of House Report 118–298.

Mr. FALLON. Mr. Chair, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 44, after line 4, insert the following:

''(E) INELIGIBILTY FOR WAIVER.——In the case of an institution that has been fined pursuant to subparagraph (A)(i), (B)(i) (C)(i), or (D)(i) with respect to a calendar year, and that knowingly or willfully fails to comply with a requirement of section 117, 117A, 117B, or 117C with respect to any 2 additional calendar years, the Secretary shall prohibit the institution from obtaining a waiver, or a renewal of a waiver, under section 117A.''.

The CHAIR. Pursuant to House Resolution 906, the gentleman from Texas (Mr. FALLON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Texas.

Mr. FALLON. Mr. Chair, I rise today to offer an amendment to the DETERRENT Act, a bill that will work toward preventing foreign influence within America's institutions, colleges, and universities by strengthening section 117 of the Higher Education Act.

Section 117 requires colleges and universities to report contracts with and gifts from a foreign source that, alone or combined, are valued at $250,000 or more for per calendar year.

My amendment will prohibit repeat-offending institutions from obtaining waivers that will allow them to accept donations or gifts from countries or entities of concern.

Some countries and entities, like China, pose a particular concern to the United States, and as such, institutions are required under this act to obtain special waivers if they wish to accept donations, gifts, or contracts from them.

My amendment simply adds that if an institution fails to comply with this act for 3 years, they are no longer eligible to receive these waivers. It is kind of a ''three strikes and you are out'' deal.

Foreign funds can come with strings attached, as we all know, strings that undermine our own national security. Foreign countries can use investment in America's colleges and institutions to disseminate propaganda, steal secrets and research, and, unfortunately, so much more.

This is why countries that raise more concern have more supervision over any of their donations or gifts, including waiver requirements.

This is really a commonsense amendment. We are not stripping away waivers after the first mistake. We are not even stripping away waivers after the second mistake. If it is the third time, if you neglect this act, this is obviously purposeful and that is when we say, as I mentioned before, three strikes and you are out. You have proven, if you do that, that you lack the transparency and the trust that are required to have these waivers permitted.

This amendment is not only about transparency and accountability, but it is also fundamentally about our national security.

I urge my colleagues to vote in favor of our national security by supporting this amendment. I hope this is bipartisan.

Mr. Chair, I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Chair, I rise in opposition to the amendment.

The CHAIR. The gentleman is recognized for 5 minutes.

Mr. SCOTT of Virginia. Mr. Chair, while I certainly want to ensure that institutions remain compliant with section 117, many compliance problems can be minimal or unintentional. Colleges and universities will obviously be held accountable for those problems and subsequent violations can be punished more severely, but a permanent ban seems very excessive as a mandatory penalty in all cases.

Mr. Chair, I oppose the amendment, and I yield back the balance of my time.

Mr. FALLON. Mr. Chair, I think I made my point clear. I urge my colleagues to vote in favor, and I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from Texas (Mr. FALLON).

The amendment was agreed to.

AMENDMENT NO. 4 OFFERED BY MR. FALLON

The CHAIR. It is now in order to consider amendment No. 4 printed in part B of House Report 118–298.

Mr. FALLON. Mr. Chair, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 6, line 17, strike ''4'' and insert ''5''.

Page 26, line 14, strike ''4'' and insert ''5''.

The CHAIR. Pursuant to House Resolution 906, the gentleman from Texas (Mr. FALLON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Texas.

Mr. FALLON. Mr. Chair, I rise today to offer yet another amendment on the DETERRENT Act. It again deals with section 117, which requires colleges and universities to report contracts or gifts that total over $250,000 in a given year. It is, I think, very important because of the nefarious influence that some foreign governments might exert on our youngest and most talented minds.

When Secretary DeVos, in 2019, initiated investigations into just 12 universities to ensure compliance with section 117, the Department found that $6.5 billion of previously unreported foreign gifts and contracts were revealed. Despite this demonstrating a clear need for increased investigation and enforcement, the Biden administration's Department of Education refuses to open investigations under section 117 to ensure institutions aren't hiding foreign investments.

Think about that for a second: 12 institutions. $6.5 billion of gifts revealed, when they were essentially audited. That is scary. It is unbelievably frightening.

The underlying bill does not require institutions to maintain certain information about foreign gifts and contracts, including unredacted versions, which would allow for future investigations, if needed.

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However, my amendment would change the minimum length of time that they must maintain this information from 4 years to 5 years. It is a step in the right direction. It is really rather minor, 4 to 5 years. The yearlong extension, why this is relevant, is because if we had a potential change in the administrations—regardless that administrations last 4 years at a time—this would be protected with 5 years.

If we have a Department of Education that is uninterested or unwilling to investigate potential foreign influences in our institutions, this added extension of that 1 year could become very impactful.

This should be, I think, in my humble opinion, a completely bipartisan and noncontroversial amendment. It can go both ways. If my colleagues on the other side of the aisle have concerns about a future Republican administration, this just adds that extra year of protection.

This will also work toward restoring legislative branch relevance, as we see the executive branch continually year over year, regardless of what party is in power at the White House, eat away at our constitutional oversight, and, frankly, authority in powers.

Mr. Chair, I urge my colleagues to vote in favor of this amendment and in favor of the underlying bill.

Mr. Chair, I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, I ask unanimous consent to claim the time in opposition, although I am not opposed to it.

The CHAIR. Is there objection to the request of the gentleman?

There was no objection.

The CHAIR. The gentleman is recognized for 5 minutes.

Mr. SCOTT of Virginia. Mr. Chairman, this is not an unreasonable requirement. To have the information that is stored for 4 years, an additional year is not unreasonable. Therefore, I do not oppose the amendment.

Mr. Chairman, I yield such time as she may consume to the gentlewoman from California (Ms. CHU).

Ms. CHU. Mr. Chairman, as chair of the Congressional Asian Pacific American Caucus, I rise in strong opposition to the DETERRENT Act.

The DETERRENT Act would burden higher education institutions and Federal agencies by needlessly complicating existing research security measures. Further, the bill would impose unreasonably expansive reporting requirements on individual researchers. What is worse is that it would broadcast their personal information on public databases; therefore, casting a chilling effect disproportionately on the Asian-American academic community.

From the incarceration of Japanese Americans in World War II to racial profiling of Chinese-American scientists under the failed China Initiative, countless Asian Americans have had their lives destroyed because our government falsely accused them of being spies. Already, 72 percent of Asian-American academic researchers report feeling unsafe.

Safeguarding national security can be done through commonsense reforms that Democrats have offered that don't come at the expense of U.S. scientific innovation, global collaboration, and the Asian-American community. In fact, Congressman BOBBY SCOTT has submitted such an amendment that is a commonsense reform.

Meanwhile, this bill, the DETERRENT Act, is a bill that I urge all my colleagues to vote ''no'' on.

Mr. FALLON. Mr. Chairman, one of the other reasons why we should hopefully get overwhelming support for this amendment is this—let me give you a quick example.

In the final year of President Trump's administration, universities reported $1.6 billion in foreign donations. In the entire first year of the Biden Presidency, that number magically plunged to $4.3 million.

I doubt that the actual donations and gifts and such were reduced by 37,200 percent. I think it is merely a case of if section 117 isn't going to be essentially audited, then these universities and other institutions don't feel compelled to follow Federal law. That is another reason why I think extending this from 4 to 5 years is critical.

Mr. Chair, I yield back the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from Texas (Mr. FALLON).

The amendment was agreed to.

AMENDMENT NO. 5 OFFERED BY MR. MOLINARO

The CHAIR. It is now in order to consider amendment No. 5 printed in part B of House Report 118–298.

Mr. MOLINARO. Mr. Chair, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 8, line 22, strike ''and''.

Page 9, line 3, strike the period and insert ''; and''.

Page 9, after line 3, insert the following new clause:

''(v) any affiliation of the foreign source to an organization that is designated as a foreign terrorist organization pursuant to section 219 of the Immigration and Nationality Act (8 U.S.C. 1189).''.

The CHAIR. Pursuant to House Resolution 906, the gentleman from New York (Mr. MOLINARO) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New York.

Mr. MOLINARO. Mr. Chairman, the DETERRENT Act is an important bill. It seeks to hold colleges, universities, and foreign actors accountable while providing the transparency necessary into any influence foreign countries are attempting to exert onto our Nation's students and academic institutions through new disclosure requirements. This bill could not be more timely.

My amendment will clarify that ties to a designated terrorist organizations, such as Hamas, must be disclosed when receiving funds from a foreign group or individual.

In light of the disgustingly callous and vile pro-Hamas demonstration seen on college campuses across the country, including, sadly, even in my own district, this amendment is more important than ever.

Mr. Chair, I will remark that after comments made by college and university presidents in my colleague, Dr. FOXX from North Carolina's, committee hearing, those comments were so horribly dishonest, disturbing, and, quite frankly, dangerous.

This amendment and the necessary exclamation point it sends is necessary.

The public deserves to know the source of foreign money being poured into our universities, especially if these sources have any ties to terrorist groups and organizations like Hamas.

Mr. Chair, I urge my colleagues to adopt the amendment, and I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, I rise in opposition to the amendment.

The CHAIR. The gentleman is recognized for 5 minutes.

Mr. SCOTT of Virginia. Mr. Chair, this is an amendment that we should be able to accept. The problem is that it is hard to imagine how the college could actually comply with it.

Any association with a terrorist organization obviously should be avoided. You are not dealing with the terrorist organization; you are dealing with an organization who then has an affiliation or some support from the organization. There is no way for the college to know.

I would hope that we would not force the college into complying with something they would have no way to comply with.

Mr. Chair, I oppose the amendment, and I reserve the balance of my time.

Mr. MOLINARO. Mr. Chairman, there is adequate capacity for colleges and universities across this country to identify the source of funds such as this.

In fact, we know all too often that there are individuals even working within the Federal Government who have ties and have associated themselves with actions of Hamas. We have the technology to do so. And simply expecting that universities do their due diligence and then disclose to the American people, students, and supporters of those universities is certainly not a bar too great for them to meet.

Mr. Chair, I urge my colleagues to support the amendment, and I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, I reserve the balance of my time and have the right to close.

Mr. MOLINARO. Mr. Chairman, I yield back the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, I will read the short amendment. It says: ''Any affiliation of the foreign source to an organization that is designated as a foreign terrorist organization pursuant to section 219 of the Immigration and Nationality Act.''

It is hard to imagine how a college could always know exactly who has an affiliation with what.

Mr. Chair, for that reason, I oppose the amendment, and I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from New York (Mr. MOLINARO).

The question was taken; and the Chair announced that the ayes appeared to have it.

Mr. MOLINARO. Mr. Chair, I demand a recorded vote.

The CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New York will be postponed.

AMENDMENT NO. 6 OFFERED BY MR. OGLES

The CHAIR. It is now in order to consider amendment No. 6 printed in part B of House Report 118–298.

Mr. OGLES. Mr. Chair, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 3, line 22, strike ''$50,000'' and insert ''$1''.

Page 38, beginning on line 3, strike ''not less than $50,000 but''.

The CHAIR. Pursuant to House Resolution 906, the gentleman from Tennessee (Mr. OGLES) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Tennessee.

Mr. OGLES. Mr. Chairman, my amendment is really rather simple. It is about transparency. It is about simply moving the reporting requirements. My amendment reduces the threshold for the value of gifts that must be reported from $50,000 to $1. It simply lowers the threshold. Mr. Chairman, this is about transparency.

The underlying bill, which represents a solid and sorely needed first step, advertises much-needed transparency. If we are going to stop America's foreign adversaries from targeting our Nation's educational institutions and students, we need transparency at every level.

Mr. Chairman, I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, I rise in opposition to the amendment.

The CHAIR. The gentleman is recognized for 5 minutes.

Mr. SCOTT of Virginia. Mr. Chairman, this lowers the threshold to $1. Any gift from any source, every gift or contract from any country—if you have some Canadian collaborators or somebody from Great Britain offering you coffee and donuts, you have to report it on a searchable database. I think that is an absurd amount of reporting that would have to be done.

This would create backlogs at the Department of Education and take time away from the scrutiny of the reports that really need to be looked at.

Mr. Chair, I hope we do not pass this amendment, and I reserve the balance of my time.

Mr. OGLES. Mr. Chairman, the Trump administration discovered $6.5 billion in previously unreported foreign money to universities from adversarial countries.

In response to the terrorist attack against Israel, I think it is important that we make it tougher. That we make it more clear who is trying to unduly influence our universities and our students—the future of America.

Qatar, an anti-Semitic country, earlier this week accused Israel of committing genocide, has contributed $5 billion to U.S. universities. There are billions of dollars going unreported. Saudi Arabia has contributed $3 billion. This can't be allowed.

We have foreign adversaries, adversaries of Israel, adversaries of the West, adversaries of America donating to universities, and we need to know. That is all we are asking.

Mr. Chairman, I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, may I inquire how much time I have remaining?

The CHAIR. The gentleman has 4¼ minutes remaining.

Mr. SCOTT of Virginia. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas (Ms. JACKSON LEE).

Ms. JACKSON LEE. Mr. Chairman, our universities across America have opened the doors to working-class Americans and impoverished Americans to be able to access a better life and education.

I speak to this amendment that indicates that any donation, as much as $1, has to be under this particular act.

First of all, this is a blanket representation that our universities are taking moneys from terrorists. I am outraged to say that the University of Houston, University of Texas, Texas Southern University, and Prairie View A&M would be in the position of taking money from terrorists.

If you pass this amendment, you implode the innocent persons who are giving donations and the work of our universities attempting to provide dollars to educate more Americans—more impoverished Americans who simply have families that cannot afford for them to go to school. This is an outrage.

I want everybody to know that under this particular act, $1 has to be reported. That $1 may come from a grandmother or that $1 may come from a hardworking parent.

The CHAIR. The time of the gentlewoman has expired.

Mr. SCOTT of Virginia. Mr. Chairman, I yield an additional 30 seconds to the gentlewoman from Texas.

□ 1445

Ms. JACKSON LEE. Generous and kindhearted people from the faith institutions that many of our universities come under, Mr. Chair, you are going to ask them to vet or to determine whether terrorists are involved.

It is not the question of whether terrorists are involved. I want this Nation to be protected. We now realize that we are subject to a lot of terrorist potential because of the times we are in. I take it seriously. I am on the Homeland Security Committee.

Nevertheless, this $1 is to make a mockery of the hard work of many folks at ''working-class'' universities and colleges, our community colleges, and 2-year colleges that themselves receive donations from people who are grateful that they allowed them to be a vocational nurse or welder and, because of that opportunity, they were able to make a living for themselves and their families.

We must have rational and reasonable thinking here. I am grateful for America's hierarchy of education because so many people come here to be educated.

Mr. Chair, let us vote this amendment down. Let us not do this and undermine the educational system of this Nation and the Constitution.

Mr. OGLES. Mr. Chair, I think it is important to understand that we are in a new day. October 7 changed the world.

Qatar, for example, has praised Hamas. They have literally praised the systematic rape of women and the torture and rape of little girls. Surely, my colleagues understand why reporting donations is so paramount.

I can't stand by and pretend that this isn't going on. Qatar is trying to buy forgiveness—$500 million to Hamas. How many rapes did that pay for, Mr. Chairman? How much is enough to absolve their sins?

I am appalled that anyone would be opposed to this. We need reporting. We need transparency. We are in a new day. The West is under attack.

Mr. Chairman, I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, I reserve the balance of my time.

Mr. OGLES. Mr. Chairman, I could go on about Al Jazeera, which is funded by Qatar, praising the torture. They were cutting off the genitals of men. They were cutting off the breasts of women. They were gang-raping women.

Foreign contributions need to be found out, discovered, and disclosed. The only way to make sure that nothing is slipping through the cracks is to lower the threshold.

There is no reason to oppose this amendment. If the universities are doing nothing wrong, then they have nothing to hide.

Mr. Chairman, I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, I am prepared to close, and I reserve the balance of my time.

Mr. OGLES. Mr. Chairman, I urge adoption of my amendment. It is common sense, and it takes a stand against the atrocities that took place in Israel, the pay-fors, and the forgiveness that Qatar is trying to buy through our American universities.

Mr. Chair, I yield back the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, the gentleman from Tennessee mentioned billions of dollars from countries, and he mentioned some countries of concern. Countries of concern already have to report zero-dollar and up gifts. This just adds all other countries.

There is no need for the bill to go from the present law of $250,000 and up reports down to $50,000 for countries that are not countries of concern down to $1 to scrutinize billion-dollar gifts from countries of concern.

These reports are not free to comply with. The estimated costs of compliance are in the hundreds of thousands of dollars under the bill already.

Mr. Chairman, if you were to explode the number of reports that would have to be made if this amendment is adopted, there is no telling what the costs will be to the colleges and universities.

Mr. Chairman, I hope that we defeat the amendment, and I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from Tennessee (Mr. OGLES).

The question was taken; and the Chair announced that the ayes appeared to have it.

Ms. FOXX. Mr. Chair, I demand a recorded vote.

The CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Tennessee will be postponed.

AMENDMENT NO. 7 OFFERED BY MR. PERRY

The CHAIR. It is now in order to consider amendment No. 7 printed in part B of House Report 118–298.

Mr. PERRY. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 15, line 18, strike ''and''.

Page 16, line 7, strike the period and insert ''; and''.

Page 16, after line 7, insert the following subparagraph:

''(F) an international organization (as such term is defined in the International Organizations Immunities Act (22 U.S.C. 288)).''.

The CHAIR. Pursuant to House Resolution 906, the gentleman from Pennsylvania (Mr. PERRY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Pennsylvania.

Mr. PERRY. Mr. Chair, I would like to begin by thanking Chair FOXX for her hard work in an effort to try to right our country and the committee that she so artfully presides over.

This amendment, Mr. Chairman, simply adds international organizations to the bill's definition of foreign source, including them in the bill's reporting requirements. It uses the definition found in 22 U.S.C. 288, which reads, in part: ''a public international organization in which the United States participates pursuant to any treaty or under the authority of any act of Congress authorizing such participation or making an appropriation for such participation.''

Unfortunately, Mr. Chairman, Americans are all too aware of the influence of international organizations such as the United Nations or the World Health Organization. As just one example, the World Health Organization was one of the so-called authorities trying to dismiss the lab leak theory, with the assistance of prominent academics and the Chinese Communist Party.

Many of our adversaries, such as China and Iran, are active participants in these organizations, much to my dismay and to the dismay of many Americans.

The fact that Iran was appointed to chair the United Nations's 2023 Social Forum, a conference focusing on human rights, would be laughable if not for Iran's own very grave human rights abuses, which are serious, to say the least.

I am concerned that should the excellent policies in this bill become law, our adversaries will instead attempt to funnel money to college campuses through international organizations. This amendment would address that possibility and shed even more light on these foreign gifts received by American colleges and universities.

Mr. Chair, I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, I claim the time in opposition to the amendment.

The CHAIR. The gentleman is recognized for 5 minutes.

Mr. SCOTT of Virginia. Mr. Chairman, this amendment would add all international organizations as foreign sources that universities must report funding from under section 117. It would include the United Nations, UNESCO, the World Health Organization, and the World Trade Organization. These multinational organizations, many of which have significant participation by the United States, should not be deemed as necessarily national security threats.

This amendment would expand the burdensome section 117 compliance without giving any clear reason of how it would protect national security.

For that reason, I oppose the amendment.

Mr. Chair, I urge my colleagues to vote ''no,'' and I reserve the balance of my time.

Mr. PERRY. Mr. Chairman, my good friend and colleague talks about protecting national security and implies that somehow this amendment would imperil that. I don't understand how letting Americans know more about who is providing funds internationally to our universities in our country imperils our national security.

We should know who is trying to attempt to influence not only what is happening on campuses but the very minds on those campuses, whether it is Confucius Institutes or an organization antithetical, maybe anti-Semitic, from the Middle East that is sending endowments and funds to American universities to influence the minds of those who are participating in education at those universities. It is important not only for citizens to know but, quite honestly, for our Federal Government and the security agencies to know.

Mr. Chair, I remind my good friend on the other side of the aisle that I had a bill some time ago to require this reporting, which is already required in many aspects and many respects, but universities, even with the requirement, don't keep the information and don't report any of it at this time.

Isn't that a peril to national security?

If we actually want to strengthen security in our country for our citizens, then I urge adoption of this amendment.

Mr. Chair, I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, I am prepared to close, and I reserve the balance of my time.

Mr. PERRY. Mr. Chairman, I thank my good friend, the gentleman on the other side of the aisle, but, again, transparency is key. Universities have become, unfortunately, as we have seen in our public media on this very day and on these very days, hotspots for international insurgent activity in our country, things that are antithetical to our country and our way of life, things that we have never seen before, anti-Semitic chants on American university grounds.

If those things are being stoked, inflamed, encouraged, and paid for by international organizations at all, then Americans ought to know that.

Mr. Chair, I ask my colleagues to vote in favor of this amendment, and I yield back the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, I ask unanimous consent to include in the RECORD a letter from the American Council on Education signed by 18 national higher education organizations.

The CHAIR. The gentleman's request will be covered under general leave.

AMERICAN COUNCIL ON EDUCATION®,
Washington, DC, December 4, 2023.

Hon. MIKE JOHNSON,
Speaker of the House,
House of Representatives.
Hon. HAKEEM JEFFRIES,
House Minority Leader,
House of Representatives.

DEAR SPEAKER JOHNSON AND MINORITY LEADER JEFFRIES: On behalf of the American Council on Education and the undersigned higher education associations, I write in strong opposition to H.R. 5933, the ''Defending Education Transparency and Ending Rogue Regimes Engaging in Nefarious Transactions (DETERREM)'' Act, which the House is scheduled to consider on the floor this week. While we understand the concern regarding foreign funding to U.S. institutions of higher education is bipartisan, we believe the DETERRENT Act is duplicative of existing interagency efforts, unnecessary, and puts in place a problematic expansion of the data collection by the U.S. Department of Education that will broadly curtail important needed international research collaboration and academic and cultural exchanges.

Institutions of higher education share a strong interest with the government in safeguarding the integrity of government-funded research and protecting academic freedom and free speech from foreign influence and/or interference. Our community takes the reporting requirements regarding foreign gifts and contracts under Section 117 of the Higher Education Act very seriously. Indeed, our community has worked tirelessly over the past several years to educate our members regarding these reporting obligations, as well as working with the national security agencies, research agencies, and the Department of Education to clarify and improve foreign gift and contract reporting. For example, our associations and our institutions continue to work with federal agencies to implement new reporting requirements under NSPM–33, which is targeted at improving research security and addressing concerns around federal funding. We are also engaged in implementing new requirements under the recently passed CHIPS and Science Act and ensuring compliance with statutory requirements enacted in previous National Defense Authorization Acts.

Since 2018, when issues with foreign gift reporting were raised by Congress and policymakers, there has been a substantial increase in Section 117 reporting. In response to questions before the House Education and the Workforce Committee earlier this year, Secretary Cardona stated that the Department has received over 34,000 filings in the past two years and is on track to receive the most Section 117 reports of any administration. Just this month, ED announced that the most recent reporting dataset shows nearly 5,000 additional foreign gifts and contracts with transactions valued at nearly $4 billion since ED's last data release, as of October 2023. This increase in Section 117 reporting demonstrates that our institutions are committed to transparency and the efforts to bring more attention to the issue of foreign funding to our institutions.

However, the new Sections 117A, 117B, 117C, and 117D greatly expand Section 117 in a way that will be very problematic for colleges and universities seeking to engage in important and advantageous partnerships with foreign countries and entities. We would also note that the recently released 2023 annual report to Congress by the U.S.-China Economic and Security Review Commission made several recommendations regarding Section 117 but did not recommend these overly expansive and problematic new reporting requirements. Our concerns regarding each new provision are listed below:

Section 117A ''Prohibition on Contracts with Certain Foreign Entities and Countries'' would require institutions to receive a waiver from the Department of Education before beginning or continuing any contract with a country of concern (currently the People's Republic of China, Russia, North Korea, and Iran) or a foreign entity of concern. This provision is particularly concerning because the definition of a ''contract'' in the bill is incredibly broad and therefore will likely capture not only all research agreements, but also student exchange programs and other joint cultural and education programs with Chinese institutions.

Our institutions currently abide by the regulations and requirements maintained by the U.S. Department of Commerce and the U.S. Department of the Treasury regarding U.S. partnerships, exports, and purchases from foreign entities and foreign countries. In addition, federal research agencies, such as the U.S. Department of Defense, National Science Foundation, and National Institutes of Health all have recently strengthened research security and foreign partnership reporting requirements. There are no indications that expanded Department of Education reviews are necessary, and it is unlikely the Department of Education has the expertise to carry out the review of contracts, many of which will likely focus on scientific research. The Department lacks the technical expertise to assess risks associated with scientific research and critical and emerging technologies. Additionally, in light of the extremely broad definition of a contract in the legislation, this review will likely overwhelm the Department, and we are concerned that very few waiver requests would ultimately be granted. No other industry or government entities, including states, localities and other nonprofit organizations, must undertake this type of review of agreement before they can enter into a contract with a country or foreign entity.

Section 117B ''Institutional Policy Regarding Foreign Gifts and Contracts to Faculty and Staff'' would require institutions of higher education (those with more than $50 million in federal research and development funding or any institution receiving Title VI international education funding) to develop a policy to compel research faculty and staff to report foreign gifts and contracts over $480, as well as creating and maintaining a searchable, public database with that information. This requirement is unnecessary given other existing federal statutory mandates that require researchers to disclose all sources of foreign, domestic, current, and pending support for their research to federal research agencies as they apply for research awards and contracts. To effectively implement this requirement, the Office of Management and Budget recently approved common disclosure forms to be used by all federal agencies.

This provision also raises serious privacy concerns for research faculty and staff, whose private financial transactions of relatively small amounts will have to be made public. Not only will this information be available to the U.S. public, but it will also provide our foreign adversaries with a roadmap for targeting our top-notch U.S. researchers.

Section 117B will result in the collection of an ocean of data, much of it trivial and inconsequential, and do little to address the fundamental concerns regarding research security and foreign influence. In addition, this could inadvertently undermine the U.S. economic competitiveness and national security objectives these bills are intended to enhance (i.e., faculty will be discouraged from working with foreign partners because their personal financial information will be made public).

Section 117C would create new ''Investment Disclosure Reports'' for certain institutions of higher education (private institutions with endowments over $6 billion or with ''investments of concern'' above $250 million). Those institutions would need to report those investments with a country of concern or a foreign entity of concern, on an annual basis, to the U.S. Department of Education. Those investments would then be made public on a searchable database. As written, this would likely capture a small number of private institutions of higher education and does not serve to achieve any significant national interests, especially given that all U.S. institutions of higher education already comply with Treasury rules regulating their investments, including the recent Executive Order 14105 regarding outbound investments in certain sensitive technologies in countries of concern. It is also unclear how this will address issues of national security beyond existing federal requirements.

Section 117D would establish new fines regarding compliance with Section 117 and the new subsections of Section 117. The legislation would put into statute the tie between Section 117 and an institution's Program Participation Agreement (PPA), which governs an institution's ability to access Title IV federal student aid. For the past several years, the Department of Education has tied PPAs to Section 117 compliance. However, this legislation goes further by creating additional fines for each new reporting requirement, and in some cases tying those fines to an institution's Title IV funding. As you know, those funds are awarded to the students who then choose to use that funding at institutions of higher education. By tying the new proposed fines to a school's Title IV funding, this would punish students for compliance issues at institutions, specifically compliance with foreign gift reporting, which is not likely impacting individual students. We do not believe these additional fines are necessary, given that Section 117 is already tied to an institution's PPA.

We appreciate that the DETERRENT Act would make Section 117 an annual report, rather than the current biannual requirements, in order to better align it with the new National Science Foundation foreign

gift reporting requirement. We also appreciate that the legislation would exempt tuition and certain outgoing contracts from our institutions used to purchase goods from foreign companies. Exempting tuition is especially important since the DETERRENT Act would lower the reporting threshold from $250,000 to $50,000 for some gifts and contracts but $0 for certain countries of concern and foreign entities of concern.

Congress should examine the research security provisions in the CHIPS and Science Act, recent National Defense Authorization Acts, and NSPM–33 that are currently being implemented and not simply add duplicative and confusing regulations. A recent survey from the Council on Governmental Relations found that over the past four years, universities have spent considerable funds to comply with expanding federal requirements to address inappropriate foreign influence on research. The survey found: ''The projected year one average total cost per institution for compliance with the Disclosure Requirements, regardless of institutional size, is significant and concerning. The figure ranges from an average of over $100,000 for smaller institutions to over $400,000 for mid-size and large institutions. Although some of these expenses are onetime costs, a sizeable portion will be annual recurring compliance costs. Overall, the cost impact to research institutions in year one is expected to exceed $50 million. Further, all research institutions will experience significant cost burden and administrative stress, and smaller research institutions with less developed compliance infrastructure may be disproportionately affected.'' The DETERRENT Act would greatly increase these costs to our institutions, while also duplicating reporting requirements and provisions already being implemented.

We also urge Congress to examine the language included in the 2021 Senate-passed U.S. Innovation and Competition Act (USICA) (S. 1260) and 2022 House-passed America COMPETES Act (H.R. 4521), which proposed bipartisan fixes and improvements to Section 117. We urge Congress to reexamine that language, incorporated as an amendment in the nature of a substitute offered by Education and the Workforce Ranking Member Bobby Scott to the House Rules Committee, and work together in a bipartisan manner to improve Section 117 in a way that addresses national security concerns while also protecting the important work at our U.S. institutions of higher education.

We understand that Congress and policymakers are concerned with research security, as well as foreign malign influence, at our institutions. However, the DETERRENT Act is the wrong action to take to address these issues and we urge you to vote against the legislation.

Sincerely,

TED MITCHELL,
President.

On behalf of: American Association of Collegiate Registrars and Admissions Officers, American Association of Community Colleges, American Association of State Colleges and Universities, American Council on Education, APPA, ''Leadership in Educational Facilities'', Association of American Universities, Association of Catholic Colleges and Universities, Association of Governing Boards of Universities and Colleges, Association of Jesuit Colleges and Universities, Association of Public and Landgrant Universities, Association of Research Libraries, Council for Advancement and Support of Education, Council of Graduate Schools, EDUCAUSE, NAFSA: Association of International Educators, National Association of College and University Business Officers, National Association of Diversity Officers in Higher Education, National Association of Independent Colleges and Universities.

Mr. SCOTT of Virginia. Mr. Chairman, part of the letter reads: ''While we understand the concern regarding foreign funding to U.S. institutions in higher education is bipartisan, we believe the DETERRENT Act is duplicative of existing interagency efforts, unnecessary, and puts in place a problematic expansion of the data collection by the U.S. Department of Education that will broadly curtail important needed international research collaboration and academic and cultural exchanges.''

Mr. Chairman, I think that applies to this amendment, too.

Mr. Chairman, I hope Members vote ''no'' on the amendment, and I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. PERRY).

The amendment was agreed to.

AMENDMENT NO. 8 OFFERED BY MR. SCOTT OF VIRGINIA

The CHAIR. It is now in order to consider amendment No. 8 printed in part B of House Report 118–298.

Mr. SCOTT of Virginia. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Strike section 1 and all that follows and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''DETERRENT Act of 2023''.

SEC. 2. DISCLOSURES OF FOREIGN GIFTS AND CONTRACTS.

Section 117 of the Higher Education Act of 1965 (20 U.S.C. 1011f) is amended to read as follows:

''SEC. 117. DISCLOSURES OF FOREIGN GIFTS AND CONTRACTS.

''(a) DISCLOSURE REPORTS.—

''(1) AGGREGATE GIFT AND CONTRACT DISCLOSURES.—An institution shall file a disclosure report described in subsection (b) with the Secretary not later than July 31 of the calendar year immediately following any calendar year in which—

''(A) the institution receives a gift from, or enters into a contract with, a foreign source, the value of which is $100,000 or more, considered alone or in combination with all other gifts from, or contracts with, that foreign source within the calendar year; or

''(B) the institution receives a gift from, or enters into a contract with, a foreign source, the value of which totals $250,000 or more, considered alone or in combination with all other gifts from, or contracts with, that foreign source over the previous 3 calendar years.

''(2) FOREIGN SOURCE OWNERSHIP OR CONTROL DISCLOSURES.—In the case of an institution that is substantially owned or controlled (as described in section 668.174(c)(3) of title 34, Code of Federal Regulations (or successor regulations)) by a foreign source, the institution shall file a disclosure report described in subsection (b) with the Secretary not later than July 31 of every year.

''(b) CONTENTS OF REPORT.—Each report to the Secretary required under subsection (a) shall contain the following:

''(1)(A) In the case of gifts or contracts described in subsection (a)(1)—

''(i) for gifts received from, or contracts entered into with, a foreign government, the aggregate amount of such gifts and contracts received from or entered into with such foreign government;

''(ii) for gifts received from, or contracts entered into with, a foreign source other than a foreign government, the aggregate dollar amount of such gifts and contracts attributable to a particular country and the legal or formal name of the foreign source; and

''(iii) the intended purpose of such gift or contract, as provided to the institution by such foreign source, or if no such purpose is provided by such purpose is provided by such source, the intended use of such gift or contract, as provided by the institution.

''(B) For purposes of this paragraph, the country to which a gift is attributable is—

''(i) the country of citizenship or, if unknown, the principal residence, for a foreign source who is a natural person; or

''(ii) the country of incorporation or, if unknown, the principal place of business, for a foreign source that is a legal entity.

''(2) In the case of an institution required to file a report under subsection (a)(2)—

''(A) for gifts received from, or contracts entered into with, a foreign source, without regard to the value of such gift or contract, the information described in paragraph (1)(A);

''(B) the identity of the foreign source that owns or controls the institution;

''(C) the date on which the foreign source assumed ownership or control; and

''(D) any changes in program or structure resulting from such ownership or control.

''(3) An assurance that the institution will maintain a true copy of each gift or contract agreement subject to the disclosure requirements under this section, until the latest of—

''(A) the date that is 4 years after the date of the agreement;

''(B) the date on which the agreement terminates; or

''(C) the last day of any period of which applicable State public record law requires a true copy of such agreement to be maintained.

''(4) An assurance that the institution will—

''(A) produce true copies of gift and contract agreements subject to the disclosure requirements under this section upon request of the Secretary during a compliance audit or other institutional investigation; and

''(B) ensure that all contracts from the foreign source are translated into English, as applicable.

''(c) ADDITIONAL DISCLOSURES FOR RESTRICTED AND CONDITIONAL GIFTS AND CONTRACTS.—Notwithstanding subsection (b), whenever any institution receives a restricted or conditional gift or contract from a foreign source, the institution shall disclose the following to the Secretary, translated into English:

''(1) For such gifts received from, or contracts entered into with, a foreign source other than a foreign government, the amount, the date, and a description of such conditions or restrictions. The report shall also disclose the country of citizenship, or if unknown, the principal residence for a foreign source which is a natural person, and the country of incorporation, or if unknown, the principal place of business for a foreign source which is a legal entity.

''(2) For gifts received from, or contracts entered into with, a foreign government, the amount, the date, a description of such conditions or restrictions, and the name of the foreign government.

''(d) DATABASE REQUIREMENT.—Beginning not later than 30 days before the July 31 immediately following the date of enactment of

the DETERRENT Act of 2023, the Secretary shall—

''(1) establish and maintain a searchable database on a website of the Department, under which each report submitted under this section—

''(A) is, not later than 60 days after the date of the submission of such report, made publicly available (in electronic and downloadable format);

''(B) can be identified and compared to other such reports; and

''(C) is searchable and sortable by—

''(i) the date the institution filed such report;

''(ii) the date on which the institution received the gift, or entered into the contract, which is the subject of the report; and

''(iii) the attributable country of such gift or contract as described in subsection (b)(1)(B); and

''(2) indicate, as part of the public record of a report included in such database, whether the report was submitted by the institution with respect to a gift received from, or a contract entered into with—

''(A) a foreign source that is a foreign government; or

''(B) a foreign source that is not a foreign government.

''(e) RELATION TO OTHER REPORTING REQUIREMENTS.—

''(1) STATE REQUIREMENTS.—If an institution that is required to file a disclosure report under subsection (a) is in a State that has enacted requirements for public disclosure of gifts from. or contracts with, a foreign source that includes all information required under this section for the same or an equivalent time period, the institution may file with the Secretary a copy of the disclosure report filed with the State in lieu of the report required under such subsection. The State in which the institution is located shall provide the Secretary such assurances as the Secretary may require to establish that the institution has met the requirements for public disclosure under State law if the State report is filed.

''(2) USE OF OTHER FEDERAL REPORTS.—If an institution receives a gift from, or enters into a contract with, a foreign source, where any other department, agency, or bureau of the executive branch requires a report containing all the information required under this section for the same or an equivalent time period, a copy of the report may be filed with the Secretary in lieu of a report required under subsection (a).

''(f) MODIFICATION OF REPORTS.—The Secretary shall incorporate a process permitting institutions to revise and update previously filed disclosure reports under this section to ensure accuracy, compliance, and ability to cure.

''(g) SANCTIONS FOR NONCOMPLIANCE.—

''(1) IN GENERAL.—As a sanction for noncompliance with the requirements under this section, the Secretary may impose a fine on an institution that in any year knowingly or willfully violates this section, that is—

''(A) in the case of a failure to disclose a gift or contract with a foreign source as required under this section, or to comply with the requirements of subparagraphs (A) and (B) of subsection (b)(4) pursuant to the assurances made under such subsection, in an amount that is not less than $250 but not more than 50 percent of the amount of the gift or contract with the foreign source; or

''(B) in the case of any violation of the requirements of subsection (a)(2), in an amount that is not more than 25 percent of the total amount of funding received by the institution under this Act (other than funds received under title IV of this Act).

''(2) REPEATED FAILURES.—

''(A) KNOWING AND WILLFUL FAILURES.—In addition to a fine for a violation in any year under paragraph (1), the Secretary may impose a fine on an institution that knowingly or willfully violates this section for 3 consecutive years, that is—

''(i) in the case of a failure to disclose a gift or contract with a foreign source as required under this section or to comply with the requirements of subparagraphs (A) and (B) of subsection (b)(4) pursuant to the assurances made under such subsection, in an amount that is not less than $100,000 but not more than the amount of the gift or contract with the foreign source; or

''(ii) in the case of any violation of the requirements of subsection (a)(2), in an amount that is not more than 25 percent of the total amount of funding received by the institution under this Act (other than funds received under title IV of this Act).

''(B) ADMINISTRATIVE FAILURES.—The Secretary may impose a fine on an institution that fails to comply with the requirements of this section due to administrative errors for 3 consecutive years, in an amount that is not less than $250 but not more than 50 percent of the amount of the gift or contract with the foreign source.

''(C) COMPLIANCE PLAN REQUIREMENT.—If an institution fails to file a disclosure report for a receipt of a gift from or contract with a foreign source for 2 consecutive years, the Secretary may require the institution to submit a compliance plan.

''(h) COMPLIANCE OFFICER.—Any institution that is required to report a gift or contract under this section shall designate and maintain a compliance officer who—

''(1) shall be a current employee (including such an employee with another job title or duties other than the duties described in paragraph (2)) or legally authorized agent of such institution; and

''(2) shall be responsible, on behalf of the institution, for compliance with the foreign gift reporting requirement under this section.

''(i) SINGLE POINT OF CONTACT.—The Secretary shall appoint and maintain a single point of contact to—

''(1) receive and respond to inquiries and requests for technical assistance from institutions of higher education regarding compliance with the requirements of this section; and

''(2) coordinate and implement technical improvements to the database described in subsection (d), including—

''(A) improving upload functionality by allowing for batch reporting, including by allowing institutions to upload to the database one file with all required information;

''(B) publishing and maintaining, on an annual basis, a database user guide that includes information on how to edit an entry and how to report errors;

''(C) creating a user group (to which chapter 10 of title 5, United States Code, shall not apply) to discuss possible database improvements, which shall—

''(i) include at least—

''(I) 3 members representing public institutions with high or very high levels of research activity (as defined by the National Center for Education Statistics);

''(II) 2 members representing private, nonprofit institutions with high or very high levels of research activity (as so defined);

''(III) 2 members representing proprietary institutions of higher education (as defined in section 102(b)); and

''(IV) 2 members representing area career and technical education schools (as defined in subparagraph (C) or (D) of section 3(3) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302(3)); and

''(ii) meet at least twice a year with officials from the Department to discuss possible database improvements; and

''(D) publishing, on a publicly available website—

''(i) following each meeting described in subparagraph (C)(ii), recommended database improvements; and

''(ii) with respect to each recommended improvement described in clause (i)—

''(I) the decision of the Department as to whether such recommended improvement will be implemented; and

''(II) the rationale for such decision.

''(j) TREATMENT OF CERTAIN PAYMENTS AND GIFTS.—

''(1) EXCLUSIONS.—The following shall not be considered a gift from, or contract with, a foreign source under this section:

''(A) Any payment of one or more elements of a student's cost of attendance (as defined in section 472) to an institution by, or scholarship from, a foreign source who is a natural person, acting in their individual capacity and not as an agent for, at the request or direction of, or on behalf of, any person or entity (except the student), made on behalf of students that is not made under contract with such foreign source, except for the agreement between the institution and such student covering one or more elements of such student's cost of attendance.

''(B) Assignment or license of registered industrial and intellectual property rights, such as patents, utility models, trademarks, or copy-rights, or technical assistance, that are not identified as being associated with a national security risk or concern.

''(C) Any payment from a foreign source that is solely for the purpose of conducting one or more clinical trials.

''(2) INCLUSIONS.—Any gift to, or contract with, an entity or organization, such as a research foundation, that operates substantially for the benefit or under the auspices of an institution shall be considered a gift to, or contract with, such institution.

''(k) DEFINITIONS.—In this section—

''(1) the term 'clinical trial' means a research study in which one or more human subjects are prospectively assigned to one or more interventions to evaluate the effects of those interventions on health-related biomedical or behavioral outcomes;

''(2) the term 'contract'—

''(A) means any—

''(i) agreement for the acquisition by purchase, lease, or barter of property or services by the foreign source, for the direct benefit or use of either of the parties, except as provided in subparagraph (B); or

''(ii) affiliation, agreement, or similar transaction with a foreign source that is based on the use or exchange of an institution's name, likeness, time, services, or resources, except as provided in subparagraph (B); and

''(B) does not include any agreement made by an institution located in the United States for the acquisition, by purchase, lease, or barter, of property or services from a foreign source;

''(3) the term 'foreign source' means—

''(A) a foreign government, including an agency of a foreign government;

''(B) a legal entity, governmental or otherwise, created under the laws of a foreign state or states;

''(C) an individual who is not a citizen or a national of the United States or a trust territory or protectorate thereof; and

''(D) an agent, including a subsidiary or affiliate of a foreign legal entity, acting on behalf of a foreign source;

''(4) the term 'gift'—

''(A) means any gift of money, property, resources, staff, or services; and

''(B) does not include anything described in section 487(e)(2)(B)(ii);

''(5) the term 'institution' means an institution of higher education, as defined in section 102, or, if a multicampus institution, any single campus of such institution, in any State; and

''(6) the term 'restricted or conditional gift or contract' means any endowment, gift, grant, contract, award, present, or property of any kind that includes provisions regarding—

''(A) the employment, assignment, or termination of faculty;

''(B) the establishment of departments, centers, institutes, instructional programs, research or lecture programs, or faculty positions;

''(C) the selection or admission of students; or

''(D) the award of grants, loans, scholarships, fellowships, or other forms of financial aid restricted to students of a specified country, religion, sex, ethnic origin, or political opinion.''.

SEC. 3. REGULATIONS.

(a) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary of Education shall begin the negotiated rulemaking process under section 492 of the Higher Education Act of 1965 (20 U.S.C. 1098a) to carry out the amendment made by section 2.

(b) ISSUES.—Regulations issued pursuant to subsection (a) to carry out the amendment made by section 2 shall, at a minimum, address the following issues:

(1) Instructions on reporting structured gifts and contracts.

(2) The inclusion in institutional reports of gifts received from, and contracts entered into with, foreign sources by entities and organizations, such as research foundations, that operate substantially for the benefit or under the auspices of the institution.

(3) Procedures to protect confidential or proprietary information included in gifts and contracts.

(4) The alignment of such regulations with the reporting and disclosure of foreign gifts or contracts required by Federal agencies other than the Department of Education, including with respect to—

(A) the CHIPS Act of 2022 (Division A of Public Law 117–167; 15 U.S.C. 4651 note);

(B) the Research and Development, Competition, and Innovation Act (Division B of Public Law 117–167; 42 U.S.C. 18901 note); and

(C) any guidance released by the White House Office of Science and Technology Policy, including the Guidance for Implementing National Security Presidential Memorandum 33 (NSPM–33) on National Security Strategy for United States Government-supported Research and Development published by the Subcommittee on Research Security and the Joint Committee on the Research Environment in January 2022.

(5) The treatment of foreign gifts or contracts involving research or technologies identified as being associated with a national security risk or concern.

(c) EFFECTIVE DATE.—The amendment made by section 2 shall take effect on the date on which the regulations issued under subsection (a) take effect.

The CHAIR. Pursuant to House Resolution 906, the gentleman from Virginia (Mr. SCOTT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Virginia.

Mr. SCOTT of Virginia. Mr. Chairman, I am pleased to offer this Democratic amendment in the nature of a substitute to H.R. 5933.

My Democratic colleagues and I remain committed to ensuring institutions have sufficient resources to safeguard their work from undue foreign influence. Nevertheless, while I appreciate the majority's interest in addressing this important issue, I fear that their proposal is far too extreme and does not actually promote institutional compliance.

Specifically, with such harsh fines and limited opportunities for institutions to seek guidance, I am concerned that these changes to section 117 of the Higher Education Act will discourage institutions from collaborating with international entities that are essential in solving important global issues.

It is also very concerning to see language that targets individual faculty members for their collaboration with foreign entities. We have seen, in cases such as the wrongfully accused MIT faculty member, that this sort of targeting can easily lead to harmful consequences rooted in xenophobia for innocent scholars. We must always strive to strike a balance between enforcing the law and fostering safe campuses for students, scholars, and faculty.

Through its overlapping and overly burdensome requirements, harsh penalties, and duplicities to current foreign influence requirements across Federal agencies, the DETERRENT Act takes a sledgehammer to a problem that needs to be addressed with a scalpel.

The Democratic substitute makes a thoughtful approach to section 117 compliance to support institutions as they evaluate and implement their research integrity and foreign influence policies.

In addition to requiring the filing of annual reports for gifts and contracts from foreign entities, our bill would create a robust database at the Department of Education to hold these reports. It establishes commonsense sanctions for noncompliance that allow for room to help institutions that need support scaling up their compliance work. Moreover, it establishes a single point of contact at the Department to coordinate section 117 compliance.

It also builds on the work being done through the implementation of the Chips and Science Act and the ''Presidential Memorandum on United States Government-Supported Research and Development National Security Guidelines'' by aligning important requirements to those of other Federal agencies and requiring the Secretary of Education to go through negotiated rulemaking to address key implementation aspects of section 117.

Mr. Chair, I urge my colleagues to support the Democratic substitute, rather than the underlying bill, to enhance institutions' real ability to protect against foreign influence.

Mr. Chair, I reserve the balance of my time.

□ 1500

Ms. FOXX. Mr. Chair, I rise in opposition to the amendment.

The CHAIR. The gentlewoman from North Carolina is recognized for 5 minutes.

Ms. FOXX. Mr. Chair, I rise to speak in opposition to the amendment in the nature of a substitute from Mr. SCOTT.

Instead of taking the threat of foreign influence seriously, this amendment is a mere slap on the wrist for campuses and includes gaping disclosure loopholes. This is insufficient to protect our students and institutions from our worst adversaries.

The amendment first makes it easier for foreign sources to be undetected, doubling the threshold for contracts to $100,000 and allowing gifts under $250,000 over a 3-year span to go unreported.

Bad actors will seek any possible way to avoid transparency about their attempts to harm America through their influence over American postsecondary education, and a strict threshold is essential to stop that from happening.

The annual thresholds in the DETERRENT Act are simple and align with other requirements in existing Federal law.

Shockingly, this amendment includes no differences for America's biggest enemies: countries of concern and entities of concern. In my colleagues' minds, gifts from Russia and Iran are the same as gifts from England.

I find it alarming that my colleagues are trying to make it easier for countries of concern to find ways to influence our universities.

The DETERRENT Act uses a tailored list of countries and individuals, pulled from existing law, that have a proven track record of being security threats and actively working against the United States.

The Democratic amendment in the nature of a substitute also has terrible carve-outs that provide gaping loopholes for cunning adversaries. The amendment prevents disclosure of the names of foreign sources and who at the institution is responsible for receiving the gift.

These loopholes will make it easier for foreign sources to conceal their relationships and schools to feign ignorance, rendering disclosures all but useless.

Finally, the Democrats provide no real incentive for schools to comply. Their fines for violations go as low as $250. After three consecutive years of violations, the Democrats' fine only goes up to the full amount of the gift.

This is a laughable drop in the bucket compared to the billions in foreign contributions. Money talks, and institutions need to know section 117 cannot be ignored. We have already seen institutions fail to disclose billions in the past, and this paltry fine has no real consequences.

Mr. Chair, it is time to take foreign influence seriously. I stand against this amendment, and I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, may I inquire as to the time remaining.

The CHAIR. The gentleman from Virginia has 2¼ minutes remaining.

Mr. SCOTT of Virginia. Mr. Chair, I yield 1 minute to the gentlewoman from Texas (Ms. JACKSON LEE).

Ms. JACKSON LEE. Mr. Chair, it should be made very clear that there is not one American, not one Member of Congress, not one Democratic Member of Congress, as well, joined with colleagues who reasonably understand our mutual commitment to the national security of this Nation, who wants any interference in the important research that is being done by universities across America.

They are the hope of the world. There are brilliant students who come with complete innocence here to the United States to create global research that will help not only this country but the world.

I want that to continue. I want the bad actors to be wiped out. Clearly, as my friends have now moved from China to the Mideast, I abhor Hamas. They are terrorists, but I am yet to find a dollar from them to any legitimate institution here in the United States.

What I will say is that we have a system in place. It builds on the Chips and Science Act and the Presidential memorandum on government-supported research.

The CHAIR. The time of the gentlewoman has expired.

Mr. SCOTT of Virginia. Mr. Chair, I yield an additional 15 seconds to the gentlewoman from Texas.

Ms. JACKSON LEE. Mr. Chair, we already have a process to weed out and stop it. I can't imagine stopping research at the Yales and Harvards and Princetons, but I also can't imagine stopping it from the ordinary universities across America.

Let us support the present legislation and the U.S. Department of Education and stop blaming our educational institutions and calling them terrorists.

Mr. SCOTT of Virginia. Mr. Chair, I yield myself the balance of my time.

Mr. Chair, in the committee chair's remarks, she mentioned that there is a difference between countries of concern and other countries. I remind her that we just passed an amendment that essentially eliminated that difference. A recorded vote was requested, and perhaps she could join me in trying to defeat that amendment to the bill.

This amendment in the nature of a substitute significantly increases the gifts and contracts that need to be reported compared to present law. It takes a more moderate approach to national security than the underlying bill, which I think is an extreme approach.

It will be very difficult for colleges to comply with. For that reason, I hope that we adopt the Democratic amendment in the nature of a substitute and, if not, defeat the underlying bill.

Mr. Chair, I yield back the balance of my time.

Ms. FOXX. Mr. Chair, my friend from Virginia and I have been doing really very well in working in a bipartisan manner recently, and I hate for things to come between us, but his amendment in the nature of a substitute really does do a lot of damage to the underlying bill.

There is no enforcement mechanism. There is no difference for malign actors. We have evidence to show that these foreign gifts are having an impact on the number of anti-Semitic demonstrations on the campuses. We know that foreigners are doing a lot to undermine our beliefs and values in this country.

We need to be aware of where money is coming from, from other countries and particularly from those countries that we know want to destroy us.

Mr. Chair, I have to very strongly oppose the amendment in the nature of a substitute, and I urge my colleagues to vote ''no'' on it.

The CHAIR. The question is on the amendment offered by the gentleman from Virginia (Mr. SCOTT).

The question was taken; and the Chair announced that the noes appeared to have it.

Mr. SCOTT of Virginia. Mr. Chair, I demand a recorded vote.

The CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Virginia will be postponed.

Ms. FOXX. Mr. Chair, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. PERRY) having assumed the chair, Mr. MOYLAN, Chair of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 5933) to amend the Higher Education Act of 1965 to require additional information in disclosures of foreign gifts and contracts from foreign sources, restrict contracts with certain foreign entities and foreign countries of concern, require certain staff and faculty to report foreign gifts and contracts, and require disclosure of certain foreign investments within endowments, had come to no resolution thereon.

GENERAL LEAVE

Ms. FOXX. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 5933.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from North Carolina?

There was no objection.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 3 o'clock and 10 minutes p.m.), the House stood in recess.

□ 1630

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. CRAWFORD) at 4 o'clock and 30 minutes p.m.

DEFENDING EDUCATION TRANSPARENCY AND ENDING ROGUE REGIMES ENGAGING IN NEFARIOUS TRANSACTIONS ACT

The SPEAKER pro tempore. Pursuant to House Resolution 906 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the further consideration of the bill, H.R. 5933.

Will the gentleman from Florida (Mr. STEUBE) kindly take the chair.

□ 1631

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H.R. 5933) to amend the Higher Education Act of 1965 to require additional information in disclosures of foreign gifts and contracts from foreign sources, restrict contracts with certain foreign entities and foreign countries of concern, require certain staff and faculty to report foreign gifts and contracts, and require disclosure of certain foreign investments within endowments, with Mr. STEUBE (Acting Chair) in the chair.

The Clerk read the title of the bill.

The Acting CHAIR. When the committee of the Whole rose earlier today, a request for a recorded vote on amendment No. 8 printed in part B of House Report 118–298 offered by the gentleman from Virginia (Mr. SCOTT) had been postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments printed in part B of House Report 118–298 on which further proceedings were postponed, in the following order:

Amendment No. 5 by Mr. MOLINARO of New York.

Amendment No. 6 by Mr. OGLES of Tennessee.

Amendment No. 8 by Mr. SCOTT of Virginia.

The Chair will reduce to 2 minutes the minimum time for any electronic vote after the first vote in this series.

AMENDMENT NO. 5 OFFERED BY MR. MOLINARO

The Acting CHAIR. The unfinished business is the demand for a recorded vote on amendment No. 5, printed in part B of House Report 118–298 offered by the gentleman from New York (Mr. MOLINARO), on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.