

**AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO H.R. 1048  
OFFERED BY MR. BAUMGARTNER OF  
WASHINGTON**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Defending Education  
3 Transparency and Ending Rogue Regimes Engaging in  
4 Nefarious Transactions Act” or the “DETERRENT  
5 Act”.

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

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

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

11 “(a) DISCLOSURE REPORTS.—

12 “(1) AGGREGATE GIFTS AND CONTRACT DIS-  
13 CLOSURES.—An institution shall file with the Sec-  
14 retary, in accordance with subsection (b)(1), a dis-  
15 closure report on July 31 of the calendar year imme-  
16 diately following any calendar year in which—

1           “(A) the institution receives a gift from, or  
2 enters into a contract with, a foreign source  
3 (other than a foreign country of concern or for-  
4 eign entity of concern)—

5           “(i) the value of which is \$50,000 or  
6 more, considered alone or in combination  
7 with all other gifts from, or contracts with,  
8 that foreign source within the calendar  
9 year; or

10          “(ii) the value of which is undeter-  
11 mined; or

12          “(B) the institution—

13          “(i) receives a gift from a foreign  
14 country of concern or foreign entity of con-  
15 cern; or

16          “(ii) upon receiving a waiver under  
17 section 117A to enter into a contract with  
18 such a country or entity, enters into such  
19 contract, without regard to the value of  
20 such gift or contract.

21          “(2) FOREIGN SOURCE OWNERSHIP OR CON-  
22 TROL DISCLOSURES.—Notwithstanding paragraph  
23 (1), in the case of an institution that is substantially  
24 controlled (as described in section 668.174(c)(3) of  
25 title 34, Code of Federal Regulations) (or successor

1 regulations)) by a foreign source, the institution  
2 shall file with the Secretary, in accordance with sub-  
3 section (b)(2), a disclosure report on July 31 of each  
4 year.

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

10 “(b) CONTENTS OF REPORT.—

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

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

17 “(i) the terms of such gift or contract,  
18 including—

19 “(I) the name of the individual,  
20 department, or other entity at the in-  
21 stitution receiving the gift or carrying  
22 out the contract on behalf of the insti-  
23 tution;

24 “(II) the foreign source’s in-  
25 tended purpose of such gift or con-

1 tract, or, in the absence of such a  
2 purpose, the manner in which the in-  
3 stitution intends to use such gift or  
4 contract; and

5 “(III) in the case of a restricted  
6 or conditional gift or contract, a de-  
7 scription of the restrictions or condi-  
8 tions of such gift or contract;

9 “(ii) with respect to a gift—

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

14 “(II) the date on which the insti-  
15 tution received such gift;

16 “(iii) with respect to a contract—

17 “(I) the total fair market dollar  
18 amount or dollar value of the con-  
19 tract, as of the date of submission of  
20 such report;

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

23 “(III) the date on which such  
24 contract first takes effect;

1 “(IV) if the contract has a termi-  
2 nation date, such termination date;  
3 and

4 “(V) an assurance that the insti-  
5 tution will—

6 “(aa) maintain an  
7 unredacted copy of the contract  
8 until the latest of—

9 “(AA) the date that is  
10 5 years after the date on  
11 which such contract first  
12 takes effect;

13 “(BB) the date on  
14 which the contract termi-  
15 nates; or

16 “(CC) the last day of  
17 any period that applicable  
18 State law requires a copy of  
19 such contract to be main-  
20 tained; and

21 “(bb) upon request of the  
22 Secretary during an investigation  
23 under section 117D(a)(1),  
24 produce such an unredacted copy  
25 of the contract; and

1           “(iv) an assurance that in a case in  
2           which information is required to be dis-  
3           closed under this section with respect to a  
4           gift or contract that is not in English, such  
5           information is translated into English in  
6           accordance with subsection (c).

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

11           “(i) the name of such foreign govern-  
12          ment;

13           “(ii) the department, agency, office,  
14          or division of such foreign government that  
15          approved such gift or contract, as applica-  
16          ble; and

17           “(iii) the physical mailing address of  
18          such department, agency, office, or divi-  
19          sion.

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

24           “(i) the legal name of the foreign  
25          source, or, if such name is not available, a

1 statement certified by a compliance officer  
2 in accordance with section 117D(c) that  
3 the institution has reasonably attempted to  
4 obtain such name;

5 “(ii) in the case of a foreign source  
6 that is a natural person, the country of  
7 citizenship of such person, or, if such coun-  
8 try is not known, the principal country of  
9 residence of such person;

10 “(iii) in the case of a foreign source  
11 that is a legal entity, the country in which  
12 such entity is incorporated, or, if such in-  
13 formation is not available, the principal  
14 place of business of such entity;

15 “(iv) the physical mailing address of  
16 such foreign source, or, if such address is  
17 not available, a statement certified by a  
18 compliance officer in accordance with sec-  
19 tion 117D(c) that the institution has rea-  
20 sonably attempted to obtain such address;  
21 and

22 “(v) any affiliation of the foreign  
23 source to an organization that is des-  
24 ignated as a foreign terrorist organization

1                   pursuant to section 219 of the Immigra-  
2                   tion and Nationality Act (8 U.S.C. 1189).

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

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

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

13                  “(iii) the statement submitted by the  
14                  institution for purposes of receiving such a  
15                  waiver under section 117A(b)(2).

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

19                  “(A) the legal name and address of the  
20                  foreign source that owns or controls the institu-  
21                  tion;

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



1           “(C) any changes in program or structure  
2           resulting from the change in ownership or con-  
3           trol.

4           “(c) TRANSLATION REQUIREMENTS.—Any informa-  
5           tion required to be disclosed under this section with re-  
6           spect to a gift or contract that is not in English shall be  
7           translated, for purposes of such disclosure, by a person  
8           that is not an affiliated entity or agent of the foreign  
9           source involved with such gift or contract.

10          “(d) PUBLIC INSPECTION.—

11           “(1) DATABASE REQUIREMENT.—Beginning not  
12           later than May 31 of the calendar year following the  
13           date of enactment of the DETERRENT Act, the  
14           Secretary shall—

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

21           “(i) are made publicly available (in  
22           electronic and downloadable format), in-  
23           cluding any information provided in such  
24           reports (other than the information prohib-

1                   ited from being publicly disclosed pursuant  
2                   to paragraph (2));

3                   “(ii) can be individually identified and  
4                   compared; and

5                   “(iii) are searchable and sortable—

6                   “(I) by the institution that filed  
7                   such report;

8                   “(II) by the date on which the in-  
9                   stitution filed such report;

10                  “(III) by the date on which the  
11                  institution received the gift which is  
12                  the subject of the report;

13                  “(IV) by the date on which the  
14                  institution enters into the contract  
15                  which is the subject of the report;

16                  “(V) by the date on which such  
17                  contract first takes effect;

18                  “(VI) by the attributable country  
19                  of such gift or contract;

20                  “(VII) by the name of the foreign  
21                  source (other than a foreign source  
22                  that is a natural person);

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

1                   “(IX) by the information de-  
2                   scribed in subparagraph (C)(ii);

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

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

10                   “(i) a foreign source that is a foreign  
11                   government; or

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

14                   “(D) with respect to a disclosure report  
15                   that does not include the name or address of a  
16                   foreign source, indicate, as part of the public  
17                   record of such report included in such database,  
18                   that such report did not include such informa-  
19                   tion.

20                   “(2) NAME AND ADDRESS OF FOREIGN  
21                   SOURCE.—The Secretary shall not disclose the name  
22                   or address of a foreign source that is a natural per-  
23                   son (other than the attributable country of such for-  
24                   eign source) included in a disclosure report—

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

3           “(B) in response to a request under sec-  
4 tion 552 of title 5, United States Code (com-  
5 monly known as the ‘Freedom of Information  
6 Act’), pursuant to subsection (b)(3) of such sec-  
7 tion.

8           “(e) INTERAGENCY INFORMATION SHARING.—Not  
9 later than 30 days after receiving a disclosure report from  
10 an institution in compliance with this section, the Sec-  
11 retary shall transmit an unredacted copy of such report  
12 (that includes the name and address of a foreign source  
13 disclosed in such report) to the Director of the Federal  
14 Bureau of Investigation, the Director of National Intel-  
15 ligence, the Director of the Central Intelligence Agency,  
16 the Secretary of State, the Secretary of Defense, the At-  
17 torney General, the Secretary of Commerce, the Secretary  
18 of Homeland Security, the Secretary of Energy, the Direc-  
19 tor of the National Science Foundation, and the Director  
20 of the National Institutes of Health.

21           “(f) DEFINITIONS.—In this section:

22           “(1) AFFILIATED ENTITY.—The term ‘affiliated  
23 entity’, when used with respect to an institution,  
24 means an entity or organization that operates pri-  
25 marily for the benefit of, or under the auspices of,

1 such institution, including a foundation of the insti-  
2 tution or a related entity (such as any educational,  
3 cultural, or language entity).

4 “(2) ATTRIBUTABLE COUNTRY.—The term ‘at-  
5 tributable country’ means—

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

10 “(B) the country of incorporation of a for-  
11 eign source that is a legal entity, or, if such  
12 country is unknown, the principal place of busi-  
13 ness (as applicable) of such foreign source.

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

15 “(A) means—

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

19 “(ii) any affiliation, agreement, or  
20 similar transaction with a foreign source  
21 that involves the use or exchange of an in-  
22 stitution’s name, likeness, time, services, or  
23 resources; and

24 “(iii) any agreement for the acquisi-  
25 tion by purchase, lease, or barter, of prop-

1           erty or services from a foreign source  
2           (other than an arms-length agreement for  
3           such acquisition from a foreign source that  
4           is not a foreign country of concern or a  
5           foreign entity of concern); and

6           “(B) does not include an agreement made  
7           between an institution and a foreign source re-  
8           garding any payment of one or more elements  
9           of a student’s cost of attendance (as such term  
10          is defined in section 472), unless such an agree-  
11         ment is made for more than 15 students or is  
12         made under a restricted or conditional contract.

13         “(4) FOREIGN SOURCE.—The term ‘foreign  
14         source’ means—

15                 “(A) a foreign government, including an  
16                 agency of a foreign government;

17                 “(B) a legal entity, governmental or other-  
18                 wise, created under the laws of a foreign state  
19                 or states;

20                 “(C) a legal entity, governmental or other-  
21                 wise, substantially controlled (as described in  
22                 section 668.174(c)(3) of title 34, Code of Fed-  
23                 eral Regulations) (or successor regulations)) by  
24                 a foreign source;

1           “(D) a natural person who is not a citizen  
2 or a national of the United States or a trust  
3 territory or protectorate thereof;

4           “(E) an agent of a foreign source, includ-  
5 ing—

6           “(i) a subsidiary or affiliate of a for-  
7 eign legal entity, acting on behalf of a for-  
8 eign source;

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

14           “(iii) a person who is an agent of a  
15 foreign principal (as such term is defined  
16 in section 1 of the Foreign Agents Reg-  
17 istration Act of 1938 (22 U.S.C. 611); and

18           “(F) an international organization (as such  
19 term is defined in the International Organiza-  
20 tions Immunities Act (22 U.S.C. 288)).

21           “(5) GIFT.—The term ‘gift’—

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

24           “(B) does not include—

1           “(i) any payment of one or more ele-  
2           ments of a student’s cost of attendance (as  
3           such term is defined in section 472) to an  
4           institution by, or scholarship from, a for-  
5           eign source who is a natural person, acting  
6           in their individual capacity and not as an  
7           agent for, at the request or direction of, or  
8           on behalf of, any person or entity (except  
9           the student), made for not more than 15  
10          students, and that is not made under a re-  
11          stricted or conditional contract with such  
12          foreign source; or

13          “(ii) assignment or license of reg-  
14          istered industrial and intellectual property  
15          rights, such as patents, utility models,  
16          trademarks, or copyrights, or technical as-  
17          sistance, that are not associated with a  
18          category listed in the Commerce Control  
19          List maintained by the Bureau of Industry  
20          and Security of the Department of Com-  
21          merce and set forth in Supplement No. 1  
22          to part 774 of title 15, Code of Federal  
23          Regulations (or successor regulations); or



1 “(iii) decorations (as such term is de-  
2 fined in section 7342(a) of title 5, United  
3 States Code).

4 “(6) RESTRICTED OR CONDITIONAL GIFT OR  
5 CONTRACT.—The term ‘restricted or conditional gift  
6 or contract’ means any endowment, gift, grant, con-  
7 tract, award, present, or property of any kind which  
8 includes provisions regarding—

9 “(A) the employment, assignment, or ter-  
10 mination of faculty;

11 “(B) the establishment of departments,  
12 centers, institutes, instructional programs, re-  
13 search or lecture programs, or new faculty posi-  
14 tions;

15 “(C) the selection, admission, or education  
16 of students;

17 “(D) the award of grants, loans, scholar-  
18 ships, fellowships, or other forms of financial  
19 aid restricted to students of a specified country,  
20 religion, sex, ethnic origin, or political opinion;  
21 or

22 “(E) any other restriction on the use of a  
23 gift or contract.”.

24 (b) PROHIBITION ON CONTRACTS WITH CERTAIN  
25 FOREIGN ENTITIES AND COUNTRIES.—Part B of title I

1 of the Higher Education Act of 1965 (20 U.S.C. 1011  
2 et seq.) is amended by inserting after section 117 the fol-  
3 lowing:

4 **“SEC. 117A. PROHIBITION ON CONTRACTS WITH CERTAIN**  
5 **FOREIGN ENTITIES AND COUNTRIES.**

6 “(a) IN GENERAL.—An institution shall not enter  
7 into a contract with a foreign country of concern or a for-  
8 eign entity of concern.

9 “(b) WAIVERS.—

10 “(1) IN GENERAL.—A waiver issued under this  
11 section to an institution with respect to a contract  
12 shall only—

13 “(A) waive the prohibition under sub-  
14 section (a) for a 1-year period; and

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

18 “(2) SUBMISSION.—

19 “(A) FIRST WAIVER REQUESTS.—

20 “(i) IN GENERAL.—An institution  
21 that desires to enter into a contract with  
22 a foreign entity of concern or a foreign  
23 country of concern may submit to the Sec-  
24 retary, not later than 120 days before the  
25 institution enters into such a contract, a

1 request to waive the prohibition under sub-  
2 section (a) with respect to such contract.

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

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

13 “(II) a statement that—

14 “(aa) is certified by a com-  
15 pliance officer of the institution  
16 designated in accordance with  
17 section 117D(c); and

18 “(bb) includes information  
19 that demonstrates that such con-  
20 tract—

21 “(AA) is for the benefit  
22 of the institution’s mission  
23 and students; and

24 “(BB) will promote the  
25 security, stability, and eco-



1 waiver request under paragraph (2)(A), or be-  
2 fore a contract described in paragraph (2)(B)(i)  
3 is renewed pursuant to a renewal request under  
4 such paragraph, shall notify the institution—

5 “(i) if the waiver or renewal will be  
6 issued by the Secretary; and

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

10 “(B) may only issue a waiver under this  
11 section to an institution if the Secretary deter-  
12 mines, in consultation with each individual list-  
13 ed in section 117(e), that the contract for which  
14 the waiver is being requested—

15 “(i) is for the benefit of the institu-  
16 tion’s mission and students; and

17 “(ii) will promote the security, sta-  
18 bility, and economic vitality of the United  
19 States.

20 “(4) DISCLOSURE.—Not less than 2 weeks  
21 prior to issuing a waiver under paragraph (2), the  
22 Secretary shall notify the authorizing committees of  
23 the intent to issue the waiver, including a justifica-  
24 tion for the waiver.

1           “(c) DESIGNATION DURING CONTRACT TERM.—In  
2 the case of an institution that enters into a contract with  
3 a foreign source that is not a foreign country of concern  
4 or a foreign entity of concern but which, during the term  
5 of such contract, is designated as a foreign country of con-  
6 cern or foreign entity of concern, such institution shall ter-  
7 minate such contract not later than 60 days after the Sec-  
8 retary notifies the institution of such designation.

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

10           “(1) IN GENERAL.—In the case of an institu-  
11 tion that has entered into a contract with a foreign  
12 country of concern or foreign entity of concern prior  
13 to the date of enactment of the DETERRENT  
14 Act—

15           “(A) the institution shall as soon as prac-  
16 ticable, but not later than 30 days after such  
17 date of enactment, submit to the Secretary a  
18 waiver request in accordance with clause (ii) of  
19 subsection (b)(2)(A); and

20           “(B) the Secretary shall, upon receipt of  
21 the request submitted under such clause, issue  
22 a waiver to the institution for a period begin-  
23 ning on the date on which the waiver is issued  
24 and ending on the sooner of—

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

4                   “(ii) the date on which the contract  
5                   terminates.

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

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

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

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

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

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

6 (A) of an institution with respect to the  
7 compliance of such institution with such sec-  
8 tion; and

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

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

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

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

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

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



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

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

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

21 “(C) any contract with a foreign source  
22 (other than a foreign country of concern or for-  
23 eign entity of concern) entered into or in effect  
24 during the previous calendar year that has an  
25 undetermined monetary value, and including

1 the date on which such contract is entered into,  
2 the date on which the contract first takes ef-  
3 fect, and, as applicable, the date on which such  
4 contract terminates; and

5 “(D) any contract entered into or in effect  
6 with a foreign country of concern or foreign en-  
7 tity of concern during the previous calendar  
8 year, the value of which is \$0 or more or which  
9 has an undetermined monetary value, and in-  
10 cluding—

11 “(i) the date on which such contract  
12 is entered into;

13 “(ii) the date on which the contract  
14 first takes effect;

15 “(iii) if the contract has a termination  
16 date, such termination date; and

17 “(iv) the full text of such contract and  
18 any addenda;

19 “(2) a publicly available and searchable data-  
20 base (in electronic and downloadable format), on a  
21 website of the institution, of the information re-  
22 quired to be disclosed under paragraph (1) (other  
23 than the name or any other personally identifiable  
24 information of a covered individual) that—

1           “(A) makes available the information dis-  
2           closed under paragraph (1) (other than the  
3           name or any other personally identifiable infor-  
4           mation of a covered individual) beginning on  
5           the date that is 30 days after receipt of the re-  
6           port under such paragraph containing such in-  
7           formation and until the latest of—

8                       “(i) the date that is 5 years after the  
9                       date on which—

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

12                               “(II) a contract referred to in  
13                               subparagraph (B), (C) or (D) of para-  
14                               graph (1) first takes effect; or

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

18                       “(B) is searchable and sortable—

19                               “(i) if the subject of the disclosure is  
20                               a gift, by the date on which the gift is re-  
21                               ceived;

22                               “(ii) if the subject of the disclosure is  
23                               a contract—

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

1                   “(II) by the date on which such  
2                   contract first takes effect;

3                   “(iii) by the attributable country with  
4                   respect to which information is being dis-  
5                   closed;

6                   “(iv) by the narrowest of the depart-  
7                   ment, school, or college of the institution,  
8                   as applicable, for which the individual  
9                   making the disclosure works; and

10                  “(v) by the name of the foreign source  
11                  (other than a foreign source who is a nat-  
12                  ural person); and

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

19                         “(A) periodic communications;

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

23                         “(C) enforcement of the policy described in  
24                         paragraph (1); and

1           “(4) for purposes of investigations under sec-  
2           tion 117D(a)(1) or responses to requests under sec-  
3           tion 552 of title 5, United States Code (commonly  
4           known as the ‘Freedom of Information Act’), a  
5           record of the names of the individuals making disclo-  
6           sures under paragraph (1).

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

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

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

18          “(B) receives funds under title VI.

19          “(c) DEFINITIONS.—In this section—

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

23          “(2) the term ‘contract’ means—

1           “(A) any agreement for the acquisition by  
2 purchase, lease, or barter of property or serv-  
3 ices by the foreign source;

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

8           “(C) any agreement for the acquisition by  
9 purchase, lease, or barter, of property or serv-  
10 ices from a foreign source (other than an arms-  
11 length agreement for such acquisition from a  
12 foreign source that is not a foreign country of  
13 concern or a foreign entity of concern); and

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

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

19           “(B) shall be interpreted in accordance  
20 with the Guidance for Implementing National  
21 Security Presidential Memorandum 33 (NSPM-  
22 33) on National Security Strategy for United  
23 States Government-Supported Research and  
24 Development published by the Subcommittee on  
25 Research Security and the Joint Committee on

1 the Research Environment in January 2022 (or  
2 any successor guidance).”.

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

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

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

8 “(a) INVESTMENT DISCLOSURE REPORT.—A speci-  
9 fied institution shall file a disclosure report in accordance  
10 with subsection (b) with the Secretary on each July 31  
11 immediately following any calendar year in which the spec-  
12 ified institution purchases, sells, or holds (directly or indi-  
13 rectly through any chain of ownership) one or more invest-  
14 ments of concern.

15 “(b) CONTENTS OF REPORT.—Each report to the  
16 Secretary required by subsection (a) shall contain, with  
17 respect to the calendar year preceding the calendar year  
18 in which such report is filed, the following information:

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

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

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

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

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

5 “(c) TREATMENT OF CERTAIN POOLED INVEST-  
6 MENTS.—

7 “(1) POOLED INVESTMENT CLASSIFICATION.—

8 “(A) IN GENERAL.—For purposes of this  
9 section, except as provided in subparagraph  
10 (B), a specified interest acquired by a specified  
11 institution in a regulated investment company,  
12 exchange traded fund, or any other pooled in-  
13 vestment that holds an investment of concern  
14 shall be treated as an investment of concern  
15 and shall be reported pursuant to paragraph  
16 (2)(A).

17 “(B) CERTIFICATION OF POOLED INVEST-  
18 MENT.—Notwithstanding subparagraph (A),  
19 such specified interest shall not be subject to  
20 subparagraph (A) if the Secretary certifies, pur-  
21 suant to paragraph (2)(B), that such pooled in-  
22 vestment is not holding an investment of con-  
23 cern.

24 “(2) PROCEDURES.—The Secretary, after con-  
25 sultation with the Secretary of the Treasury and the



1 Securities and Exchange Commission, shall establish  
2 procedures under which a pooled investment de-  
3 scribed in paragraph (1)—

4 “(A) shall be reported in accordance with  
5 the requirements of subsection (b); and

6 “(B) may be certified under paragraph  
7 (1)(B) as not holding an investment of concern.

8 “(d) TREATMENT OF RELATED ORGANIZATIONS.—  
9 For purposes of this section, assets held by any related  
10 organization (as defined in section 4968(d)(2) of the In-  
11 ternal Revenue Code of 1986) with respect to a specified  
12 institution shall be treated as held by such specified insti-  
13 tution, except that—

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

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

23 “(e) VALUATION OF DEBT.—For purposes of this  
24 section, the fair market value of any debt shall be the prin-  
25 cipal amount of such debt.

1           “(f) REGULATIONS.—The Secretary, after consulta-  
2 tion with the Secretary of the Treasury and the Securities  
3 and Exchange Commission, may issue such regulations or  
4 other guidance as may be necessary or appropriate to  
5 carry out the purposes of this section, including regula-  
6 tions or other guidance providing for the proper applica-  
7 tion of this section with respect to certain regulated invest-  
8 ment companies, exchange traded funds, and pooled in-  
9 vestments.

10           “(g) DATABASE REQUIREMENT.—Beginning not  
11 later than May 31 of the calendar year following the date  
12 of enactment of the DETERRENT Act, the Secretary  
13 shall—

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

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

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

22           “(C) are searchable and sortable; and

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

1 “(h) DEFINITIONS.—In this section:

2 “(1) INVESTMENT OF CONCERN.—

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

6 “(i) A foreign country of concern.

7 “(ii) A foreign entity of concern.

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

11 “(i) stock or any other equity or prof-  
12 its interest of such entity;

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

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

17 “(2) SPECIFIED INSTITUTION.—

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

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

22 “(ii) at the close of such calendar  
23 year, holds—

24 “(I) assets (other than those as-  
25 sets which are used directly in car-



1           “(1) INVESTIGATION.—The Secretary (acting  
2 through the General Counsel of the Department)  
3 shall conduct investigations of possible violations of  
4 sections 117, 117A, 117B, 117C, and subsection (c)  
5 of this section by institutions and, whenever it ap-  
6 pears that an institution has knowingly or willfully  
7 failed to comply with a requirement of any of such  
8 provisions (including any rule or regulation promul-  
9 gated under any such provision), shall request that  
10 the Attorney General bring a civil action in accord-  
11 ance with paragraph (2).

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

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

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

10                   “(B) if applicable, be subject to the appli-  
11                   cable fines described in paragraph (4).

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

17                   “(A) SECTION 117.—

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

1                   tion, the Secretary shall impose a fine on  
2                   the institution for such violation as follows:

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

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

13                  “(AA) \$50,000; or

14                  “(BB) the monetary  
15                  value of such gift or con-  
16                  tract; or

17                  “(bb) for each gift or con-  
18                  tract of no value or of indeter-  
19                  minable value, not less than 1  
20                  percent and not more than 10  
21                  percent of the total amount of  
22                  Federal funds received by the in-  
23                  stitution under this Act for the  
24                  most recent fiscal year.

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

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

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



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

5                                   “(AA) \$100,000; or

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

9                   “(bb) for each gift or con-  
10                  tract of no value or of indeter-  
11                  minable value, not less than 5  
12                  percent and not more than 10  
13                  percent of the total amount of  
14                  Federal funds received by the in-  
15                  stitution under this Act for the  
16                  most recent fiscal year.

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

1 “(B) SECTION 117A.—

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

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

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

4 “(C) SECTION 117B.—

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

15 “(I) \$250,000; or

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

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

1           such a requirement pursuant to a subse-  
2           quent civil action described in paragraph  
3           (2), the Secretary shall impose a fine on  
4           the institution in an amount that is the  
5           greater of—

6                           “(I) \$500,000; or

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

11                           “(D) SECTION 117C.—

12                           “(i) FIRST-TIME VIOLATIONS.—In the  
13                           case of an institution that is compelled to  
14                           comply with a requirement of section 117C  
15                           pursuant to a civil action described in  
16                           paragraph (2), and that has not previously  
17                           been compelled to comply with any such  
18                           requirement pursuant to such a civil ac-  
19                           tion, the Secretary shall impose a fine on  
20                           the institution in an amount that is not  
21                           less than 50 percent and not more than  
22                           100 percent of the sum of—

23                                   “(I) the aggregate fair market  
24                                   value of all investments of concern  
25                                   held by such institution as of the close

1 of the final calendar year for which  
2 the institution is compelled to comply  
3 with such requirement pursuant to  
4 such civil action; and

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

13 “(ii) SUBSEQUENT VIOLATIONS.—In  
14 the case of an institution that has pre-  
15 viously been compelled to comply with a re-  
16 quirement of section 117C pursuant to a  
17 civil action described in paragraph (2), and  
18 is subsequently compelled to comply with  
19 such a requirement pursuant to a subse-  
20 quent civil action described in paragraph  
21 (2), the Secretary shall impose a fine on  
22 the institution in an amount that is not  
23 less than 100 percent and not more than  
24 200 percent of the sum of—

1                   “(I) the aggregate fair market  
2                   value of all investments of concern  
3                   held by such institution as of the close  
4                   of the final calendar year for which  
5                   the institution is compelled to comply  
6                   with such requirement pursuant to  
7                   such subsequent civil action; and

8                   “(II) the combined value of all  
9                   investments of concern over the course  
10                  of all the calendar years for which the  
11                  institution is compelled to comply with  
12                  such requirement pursuant to such  
13                  subsequent civil action, as measured  
14                  by the fair market value of such in-  
15                  vestments at the time of the sale.

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

22                  “(b) SINGLE POINT-OF-CONTACT AT THE DEPART-  
23                  MENT.—The Secretary shall maintain a single point-of-  
24                  contact at the Department to—

1           “(1) receive and respond to inquiries and re-  
2           quests for technical assistance from institutions re-  
3           garding compliance with the requirements of sec-  
4           tions 117, 117A, 117B, 117C, and subsection (c) of  
5           this section;

6           “(2) coordinate and implement technical im-  
7           provements to the database described in section  
8           117(d)(1), including—

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

13                   “(B) publishing and maintaining a data-  
14                   base users guide annually, including informa-  
15                   tion on how to edit an entry and how to report  
16                   errors;

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

21                           “(i) include at least—

22                                   “(I) 3 members representing  
23                                   public institutions with high or very  
24                                   high levels of research activity (as de-

1                    fined by the National Center for Edu-  
2                    cation Statistics);

3                    “(II) 2 members representing  
4                    private, nonprofit institutions with  
5                    high or very high levels of research  
6                    activity (as so defined);

7                    “(III) 2 members representing  
8                    proprietary institutions of higher edu-  
9                    cation (as defined in section 102(b));  
10                   and

11                   “(IV) 2 members representing  
12                   area career and technical education  
13                   schools (as defined in subparagraph  
14                   (C) or (D) of section 3(3) of the Carl  
15                   D. Perkins Career and Technical  
16                   Education Act of 2006 (20 U.S.C.  
17                   2302(3)); and

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

21                   “(D) publishing, on a publicly available  
22                   website, recommended database improvements  
23                   following each meeting described in subpara-  
24                   graph (C)(ii); and



1           “(E) responding, on a publicly available  
2 website, to each recommendation published  
3 under subparagraph (D) as to whether or not  
4 the Department will implement the rec-  
5 ommendation, including the rationale for either  
6 approving or rejecting the recommendation;

7           “(3) provide, every 90 days after the date of en-  
8 actment of the DETERRENT Act, status updates  
9 on any pending or completed investigations and civil  
10 actions under subsection (a)(1) to—

11                   “(A) the authorizing committees; and

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

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

16                   “(A) a full comprehensive list of all foreign  
17 countries of concern and foreign entities of con-  
18 cern; and

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

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

1           “(c) INSTITUTIONAL REQUIREMENTS FOR COMPLI-  
2 ANCE OFFICERS AND INSTITUTIONAL POLICY REQUIRE-  
3 MENTS.—

4           “(1) IN GENERAL.—An institution that is re-  
5 quired to file a report under section 117 or 117C,  
6 that is seeking a waiver under section 117A, or that  
7 is subject to the requirements of section 117B, shall,  
8 not later than the earlier of the date on which the  
9 institution files the first report under such a section,  
10 requests the institution’s first waiver under section  
11 117A, or first fulfills the requirements of section  
12 117C—

13           “(A) establish an institutional policy that  
14 the institution shall follow in meeting the re-  
15 quirements of sections 117, 117A, 117B, and  
16 117C; and

17           “(B) designate and maintain at least one,  
18 but not more than three, current employees or  
19 legally authorized agents of such institution to  
20 serve as compliance officers to carry out the re-  
21 quirements listed in paragraph (2).

22           “(2) DUTIES OF COMPLIANCE OFFICERS.—A  
23 compliance officer designated by an institution under  
24 paragraph (1)(B) shall certify—

1           “(A) whenever the institution is required  
2           to file a report under section 117 or 117C—

3                   “(i) the institution’s accurate compli-  
4                   ance with the reporting requirements  
5                   under such section;

6                   “(ii) that the institution, in filing such  
7                   report under section 117 or 117C—

8                           “(I) followed the institutional  
9                           policy established under paragraph  
10                          (1)(A) applicable to such section; and

11                           “(II) conducted good faith efforts  
12                           and reasonable due diligence to ensure  
13                           that accurate information is provided  
14                           in such report, including with respect  
15                           to the valuations of any assets that  
16                           are disclosed in a report submitted  
17                           under section 117C; and

18                           “(iii) in the case of a report under  
19                           section 117, any statements by the institu-  
20                           tion required to be certified by such an of-  
21                           ficer under clause (i) or (iv) of section  
22                           117(b)(1)(C); and

23           “(B) whenever the institution requests a  
24           waiver under section 117A—

25                   “(i) that the institution—

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

3 “(II) followed the institutional  
4 policy established under paragraph  
5 (1)(A) applicable to such section; and

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

9 “(C) whenever the institution is subject to  
10 the requirements of section 117B, that the in-  
11 stitution—

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

14 “(ii) followed the institutional policy  
15 established under paragraph (1)(A) appli-  
16 cable to such section.

17 “(d) DEFINITIONS.—For purposes of sections 117,  
18 117A, 117B, 117C, and this section:

19 “(1) FOREIGN COUNTRY OF CONCERN.—The  
20 term ‘foreign country of concern’ means the fol-  
21 lowing:

22 “(A) Any covered nation defined in section  
23 4872 of title 10, United States Code.

24 “(B) Any country the Secretary, in con-  
25 sultation with the Secretary of Defense, the

1 Secretary of State, and the Director of National  
2 Intelligence, determines, for purposes of sec-  
3 tions 117, 117A, 117B, 117C, or this section,  
4 to be engaged in conduct that is detrimental to  
5 the national security or foreign policy of the  
6 United States.

7 “(2) FOREIGN ENTITY OF CONCERN.—The  
8 term ‘foreign entity of concern’ has the meaning  
9 given such term in section 10612(a) of the Research  
10 and Development, Competition, and Innovation Act  
11 (42 U.S.C. 19221(a)) and includes a foreign entity  
12 that is identified on the list published under section  
13 1286(e)(8)(A) of the John S. McCain National De-  
14 fense Authorization Act for Fiscal Year 2019 (10  
15 U.S.C. 22 4001 note; Public Law 115–232).

16 “(3) INSTITUTION.—The term ‘institution’  
17 means an institution of higher education (as such  
18 term is defined in section 102, other than an institu-  
19 tion described in subsection (a)(1)(c) of such sec-  
20 tion).”.

21 (b) PROGRAM PARTICIPATION AGREEMENT.—Section  
22 487(a) of the Higher Education Act of 1965 (20 U.S.C.  
23 1094) is amended by adding at the end the following:

1           “(30)(A) An institution will comply with the re-  
2           quirements of sections 117, 117A, 117B, 117C, and  
3           117D(c).

4           “(B) In the case of an institution described in  
5           subparagraph (C), the institution will—

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

9                   “(ii) in order to regain eligibility to partici-  
10                  pate in such programs, demonstrate compliance  
11                  with all requirements of each such section for  
12                  not less than 2 institutional fiscal years after  
13                  the institutional fiscal year in which such insti-  
14                  tution became ineligible.

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

17                   “(i) has been subject to 3 separate civil ac-  
18                   tions described in section 117D(a)(2) that have  
19                   each resulted in the institution being compelled  
20                   to comply with one or more requirements of  
21                   section 117, 117A, 117B, 117C, or 117D(c);  
22                   and

23                   “(ii) pursuant to section 117D(a)(4)(E), is  
24                   prohibited from obtaining a waiver, or a re-  
25                   newal of a waiver, under section 117A.”.

1 (c) GAO STUDY AND REPORT.—

2 (1) STUDY.—Not later than 180 days after the  
3 date of enactment of this Act, the Comptroller Gen-  
4 eral of the United States shall initiate a study to  
5 identify ways to improve intergovernmental agency  
6 coordination regarding implementation and enforce-  
7 ment of sections 117, 117A, 117B, 117C, and  
8 117D(c) of the Higher Education Act of 1965 (20  
9 U.S.C. 1011f), as amended or added by this Act, in-  
10 cluding increasing information sharing, increasing  
11 compliance rates, and establishing processes for en-  
12 forcement.

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

