

MARCH 17, 2025

**RULES COMMITTEE PRINT 119-1**  
**TEXT OF H.R. 1048, DEFENDING EDUCATION**  
**TRANSPARENCY AND ENDING ROGUE RE-**  
**GIMES ENGAGING IN NEFARIOUS TRANS-**  
**ACTIONS ACT**

[Showing the text of H.R. 1048, as ordered reported by the  
Committee on Education and Workforce, with modifications]

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 indetermi-  
11 nate; or

12           “(B) the institution—

13           “(i) receives a gift from a foreign  
14 country of concern or foreign entity of con-  
15 cern, without regard to the value of such  
16 gift; or

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

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

1 title 34, Code of Federal Regulations) (or successor  
2 regulations)) by a foreign source, the institution  
3 shall file with the Secretary, in accordance with sub-  
4 section (b)(2), a disclosure report on July 31 of each  
5 year.

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

11 “(b) CONTENTS OF REPORT.—

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

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

18 “(i) the name of the individual, de-  
19 partment, or other entity at the institution  
20 receiving the gift or carrying out the con-  
21 tract on behalf of the institution;

22 “(ii) any intended purpose of the gift  
23 or contract communicated to the institu-  
24 tion by the foreign source, and, as of the  
25 date of filing such report, the manner in

1 which the institution intends to use such  
2 gift or contract;

3 “(iii) in the case of a restricted or  
4 conditional gift or contract, a description  
5 of each restriction or condition that meets  
6 the definition of the term ‘restricted or  
7 conditional gift or contract’ in subsection  
8 (f);

9 “(iv) with respect to such 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 “(v) with respect to such 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.

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

5                   “(i) the name of such foreign govern-  
6                   ment;

7                   “(ii) the department, agency, office,  
8                   or division of such foreign government that  
9                   approved such gift or contract, as applica-  
10                  ble; and

11                  “(iii) the physical mailing address of  
12                  such department, agency, office, or divi-  
13                  sion.

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

18                   “(i)(I) the legal name of the foreign  
19                   source; or

20                   “(II) in the case of a gift received  
21                   from a foreign source that awarded such  
22                   gift to the institution as an agent de-  
23                   scribed in subsection (f)(4)(G) on behalf of  
24                   another foreign source—

1                   “(aa) the legal name of the for-  
2                   eign source that awarded such gift;  
3                   and

4                   “(bb) the legal name of the for-  
5                   eign source on whose behalf the gift  
6                   was awarded, or a statement certified  
7                   by a compliance officer in accordance  
8                   with section 117D(c) that the institu-  
9                   tion has reasonably attempted to ob-  
10                  tain such name;

11                  “(ii) in the case of a foreign source  
12                  that is a natural person, each country of  
13                  citizenship of such person, or, if no such  
14                  country is known, the principal country of  
15                  residence of such person;

16                  “(iii) in the case of a foreign source  
17                  that is a legal entity, the country in which  
18                  such entity is incorporated, or, if such in-  
19                  formation is not available, the principal  
20                  place of business of such entity;

21                  “(iv) the physical mailing address of  
22                  such foreign source, or, if such address is  
23                  not available, a statement certified by a  
24                  compliance officer in accordance with sec-  
25                  tion 117D(c) that the institution has rea-

1 sonably attempted to obtain such address;  
2 and

3 “(v) any affiliation of the foreign  
4 source to an organization that is des-  
5 ignated as a foreign terrorist organization  
6 pursuant to section 219 of the Immigra-  
7 tion and Nationality Act (8 U.S.C. 1189).

8 “(D) With respect to a contract entered  
9 into with a foreign source that is a foreign  
10 country of concern or a foreign entity of con-  
11 cern—

12 “(i) a complete and unredacted copy  
13 of the original contract, and if such origi-  
14 nal contract is not in English, a translated  
15 copy in accordance with subsection (c);

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

18 “(iii) the statement submitted by the  
19 institution for purposes of receiving such a  
20 waiver under section 117A(b)(2).

21 “(E) With respect to a gift received from  
22 a foreign source that is a foreign country of  
23 concern or a foreign entity of concern, an as-  
24 surance that the institution will—



1                   “(i) in a case in which the institution  
2                   received documentation relating to such  
3                   gift, maintain such documentation until  
4                   the latest of—

5                                 “(I) the date that is 5 years after  
6                   the date such gift was received by the  
7                   institution; or

8                                 “(II) the last day of any period  
9                   that applicable State law requires a  
10                  copy of such documentation to be  
11                  maintained; and

12                                “(ii) upon request of the Secretary  
13                  during an investigation under section  
14                  117D(a)(1), produce such documentation;

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

18                                “(A) the information required under para-  
19                  graph (1) of this subsection;

20                                “(B) the legal name and the mailing ad-  
21                  dress of the foreign source that substantially  
22                  controls the institution as described in such  
23                  subsection;

24                                “(C) the date on which the foreign source  
25                  assumed such substantial control; and

1           “(D) any changes in program or structure  
2           of the institution of higher education resulting  
3           from such substantial control.

4           “(c) TRANSLATION REQUIREMENTS.—Any informa-  
5           tion required to be disclosed under this section, or re-  
6           quested by the Secretary pursuant to an investigation  
7           under section 117D(a)(1), with respect to a gift or con-  
8           tract that is not in English shall be translated into  
9           English, for purposes of such disclosure or such investiga-  
10          tion, by a person that is not—

11           “(1) a foreign source that awarded such gift or  
12          entered into such contract; or

13           “(2) any other foreign source from an attrib-  
14          utable country of a foreign source referred to in  
15          paragraph (1).

16          “(d) PUBLIC INSPECTION.—

17           “(1) DATABASE REQUIREMENT.—Beginning not  
18          later than May 31 of the calendar year following the  
19          date of enactment of the DETERRENT Act, the  
20          Secretary shall—

21           “(A) establish and maintain a searchable  
22          database on a website of the Department, under  
23          which all reports submitted under this section  
24          (including, to the extent practicable, any report

1 submitted under this section before the date of  
2 enactment of the DETERRENT Act)—

3 “(i) are made publicly available (in  
4 electronic and downloadable format), in-  
5 cluding any information provided in such  
6 reports (other than the information prohib-  
7 ited from being publicly disclosed pursuant  
8 to paragraph (2));

9 “(ii) can be individually identified and  
10 compared; and

11 “(iii) to the extent practicable, are  
12 searchable and sortable—

13 “(I) by the institution that filed  
14 such report;

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

17 “(III) by the date on which the  
18 institution received the gift which is  
19 the subject of the report;

20 “(IV) by the date on which the  
21 institution enters into the contract  
22 which is the subject of the report;

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

1 “(VI) by the attributable country  
2 of such gift or contract;

3 “(VII) by the name of the foreign  
4 source;

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

7 “(IX) by the information de-  
8 scribed in subparagraph (C)(ii);

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

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

16 “(i) a foreign source that is a foreign  
17 government; or

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

20 “(D) with respect to a disclosure report  
21 that does not include the name or address of a  
22 foreign source, indicate, as part of the public  
23 record of such report included in such database,  
24 that such report did not include such informa-  
25 tion.

1           “(2) APPLICATION OF FEDERAL PRIVACY LAW;  
2 PROTECTIONS FOR NATURAL PERSONS.—

3           “(A) APPLICATION OF FEDERAL PRIVACY  
4 LAW.—Except as provided in subparagraph (B),  
5 a disclosure report filed pursuant to this section  
6 is not subject to Federal privacy law (including  
7 any exemption from disclosure described in sec-  
8 tion 552(b) of title 5, United States Code)).

9           “(B) PROTECTIONS FOR NATURAL PER-  
10 SONS.—

11           “(i) IN GENERAL.—Except as pro-  
12 vided in clause (ii), with respect to a dis-  
13 closure report filed under this section, the  
14 name or address (other than the attrib-  
15 utable country) of a foreign source that is  
16 a natural person—

17           “(I) may not be publicly dis-  
18 closed; and

19           “(II) is exempt from disclosure  
20 under subsection (b)(3) of section 552  
21 of title 5, United States Code (com-  
22 monly referred to as the Freedom of  
23 Information Act).

24           “(ii) EXCEPTIONS FOR CONTRACTS  
25 WITH A FOREIGN COUNTRY OF CONCERN

1 OR FOREIGN ENTITY OF CONCERN.—  
2 Clause (i) shall not apply to a disclosure  
3 report filed pursuant to this section that  
4 contains information with respect to a con-  
5 tract described in subsection (a)(1)(B)(ii)  
6 entered into with a foreign country of con-  
7 cern or foreign entity of concern.

8 “(e) INTERAGENCY INFORMATION SHARING.—Not-  
9 withstanding any other provision of law, not later than  
10 30 days after receiving a disclosure report from an institu-  
11 tion in compliance with this section, the Secretary shall  
12 transmit an unredacted copy of such report (including the  
13 name and address of a foreign source disclosed in such  
14 report) to the Director of the Federal Bureau of Investiga-  
15 tion, the Director of National Intelligence, the Director  
16 of the Central Intelligence Agency, the Secretary of State,  
17 the Secretary of Defense, the Attorney General, the Sec-  
18 retary of Commerce, the Secretary of Homeland Security,  
19 the Secretary of Energy, the Director of the National  
20 Science Foundation, and the Director of the National In-  
21 stitutes of Health.

22 “(f) DEFINITIONS.—In this section:

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

1 marily for the benefit of, or under the auspices of,  
2 such institution, such as a foundation of the institu-  
3 tion, or an educational, 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 of  
9 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  
18 (including intellectual property) or services  
19 by the foreign source;

20 “(ii) except as provided in subpara-  
21 graph (B)(ii), any agreement for the acqui-  
22 sition by purchase, lease, or barter of prop-  
23 erty (including intellectual property) or  
24 services from a foreign source; and

1           “(iii) any affiliation, agreement, or  
2 similar transaction with a foreign source  
3 that involves the use or exchange of an in-  
4 stitution’s name, likeness, time, services, or  
5 resources; and

6           “(B) does not include—

7           “(i) an agreement made between an  
8 institution and a foreign source regarding  
9 any payment of one or more elements of a  
10 student’s cost of attendance (as such term  
11 is defined in section 472), unless such an  
12 agreement is made for more than 15 stu-  
13 dents or is made under a restricted or con-  
14 ditional contract;

15           “(ii) an arms-length agreement for  
16 the acquisition by purchase, lease, or bar-  
17 ter of property (including intellectual prop-  
18 erty) or services from a foreign source that  
19 is not a foreign country of concern or a  
20 foreign entity of concern; or

21           “(iii) any assignment or license of a  
22 granted intellectual property right (includ-  
23 ing a patent, trademark, or copyright) that  
24 is not associated with a category listed in  
25 the Commerce Control List maintained by



1 the Bureau of Industry and Security of the  
2 Department of Commerce and set forth in  
3 Supplement No. 1 to part 774 of title 15,  
4 Code of Federal Regulations (or successor  
5 regulations).

6 “(4) FOREIGN SOURCE.—The term ‘foreign  
7 source’ means—

8 “(A) a foreign government, including an  
9 agency of a foreign government;

10 “(B) a legal entity, governmental or other-  
11 wise, created under the laws of a foreign state  
12 or states;

13 “(C) a legal entity, governmental or other-  
14 wise, substantially controlled (as described in  
15 section 668.174(e)(3) of title 34, Code of Fed-  
16 eral Regulations) (or successor regulations)) by  
17 a foreign source;

18 “(D) a natural person who is not a citizen  
19 or a national of the United States or a trust  
20 territory or protectorate thereof;

21 “(E) an international organization (as  
22 such term is defined in the International Orga-  
23 nizations Immunities Act (22 U.S.C. 288));

24 “(F) a person who is an agent of a foreign  
25 principal (as such term is defined in section 1

1 of the Foreign Agents Registration Act of 1938  
2 (22 U.S.C. 611)); and

3 “(G) an agent of any of the entities de-  
4 scribed in subparagraphs (A) through (F), in-  
5 cluding—

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

9 “(ii) a person that operates primarily  
10 for the benefit of, or under the auspices of,  
11 such an entity, such as a foundation of  
12 such entity, or an educational, cultural, or  
13 language entity.

14 “(5) GIFT.—The term ‘gift’—

15 “(A) means any gift of money, property  
16 (including intellectual property), resources,  
17 staff, or services; and

18 “(B) does not include—

19 “(i) any payment of one or more ele-  
20 ments of a student’s cost of attendance (as  
21 such term is defined in section 472) to an  
22 institution by, or scholarship from, a for-  
23 eign source who is a natural person, acting  
24 in their individual capacity and not as an  
25 agent for, at the request or direction of, or

1 on behalf of, any person or entity (except  
2 the student), made for not more than 15  
3 students, and that is not made under a re-  
4 stricted or conditional contract with such  
5 foreign source;

6 “(ii) any assignment or license of a  
7 granted intellectual property right (includ-  
8 ing a patent, trademark, or copyright) that  
9 is not associated with a category listed in  
10 the Commerce Control List maintained by  
11 the Bureau of Industry and Security of the  
12 Department of Commerce and set forth in  
13 Supplement No. 1 to part 774 of title 15,  
14 Code of Federal Regulations (or successor  
15 regulations); or

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

19 “(6) RESTRICTED OR CONDITIONAL GIFT OR  
20 CONTRACT.—The term ‘restricted or conditional gift  
21 or contract’ means any endowment, gift, grant, con-  
22 tract, award, present, or property (including intellec-  
23 tual property) of any kind which includes provisions  
24 regarding—



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

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

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

9           “(2) SUBMISSION.—

10           “(A) FIRST WAIVER REQUESTS.—

11           “(i) IN GENERAL.—An institution  
12 that desires to enter into a contract with  
13 a foreign entity of concern or a foreign  
14 country of concern may submit to the Sec-  
15 retary, not later than 120 days before the  
16 institution enters into such a contract, a  
17 request to waive the prohibition under sub-  
18 section (a) with respect to such contract.

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

22           “(I) the complete and unredacted  
23 text of the proposed contract for  
24 which the waiver is being requested,  
25 and if such original contract is not in

1 English, a translated copy of the text  
2 into English (in a manner that com-  
3 plies with section 117(c)); and

4 “(II) a statement that—

5 “(aa) is certified by a com-  
6 pliance officer of the institution  
7 designated in accordance with  
8 section 117D(c); and

9 “(bb) includes information  
10 that demonstrates that such con-  
11 tract—

12 “(AA) is for the benefit  
13 of the institution’s mission  
14 and students; and

15 “(BB) will promote the  
16 security, stability, and eco-  
17 nomic vitality of the United  
18 States.

19 “(B) RENEWAL WAIVER REQUESTS.—

20 “(i) IN GENERAL.—An institution  
21 that, pursuant to a waiver issued under  
22 this section, has entered into a contract,  
23 the term of which is longer than the 1-year  
24 waiver period and the terms and conditions  
25 of which remain the same as the proposed

1 contract submitted as part of the request  
2 for such waiver may submit, not later than  
3 120 days before the expiration of such  
4 waiver period, a request for a renewal of  
5 such waiver for an additional 1-year period  
6 (which shall include any information re-  
7 quested by the Secretary).

8 “(ii) TERMINATION.—If the institu-  
9 tion fails to submit a request under clause  
10 (i) or is not granted a renewal under such  
11 clause, such institution shall terminate  
12 such contract on the last day of the origi-  
13 nal 1-year waiver period.

14 “(3) WAIVER ISSUANCE.—The Secretary—

15 “(A) not later than 60 days before an in-  
16 stitution enters into a contract pursuant to a  
17 waiver request under paragraph (2)(A), or be-  
18 fore a contract described in paragraph (2)(B)(i)  
19 is renewed pursuant to a renewal request under  
20 such paragraph, shall notify the institution—

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

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

1           “(B) may only issue a waiver under this  
2           section to an institution if the Secretary deter-  
3           mines, in consultation with each individual list-  
4           ed in section 117(e), that the contract for which  
5           the waiver is being requested—

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

8                   “(ii) will promote the security, sta-  
9                   bility, and economic vitality of the United  
10                  States.

11           “(4) DISCLOSURE.—Not less than 2 weeks  
12           prior to issuing a waiver under paragraph (2), the  
13           Secretary shall notify the authorizing committees of  
14           the intent to issue the waiver, including a justifica-  
15           tion for the waiver.

16           “(c) DESIGNATION DURING CONTRACT TERM.—In  
17           the case of an institution that enters into a contract with  
18           a foreign source that is not a foreign country of concern  
19           or a foreign entity of concern but which, during the term  
20           of such contract, is designated as a foreign country of con-  
21           cern or foreign entity of concern, such institution shall ter-  
22           minate such contract not later than 60 days after the Sec-  
23           retary notifies the institution of such designation.

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



1           “(1) IN GENERAL.—In the case of an institu-  
2           tion that has entered into a contract with a foreign  
3           country of concern or foreign entity of concern prior  
4           to the date of enactment of the DETERRENT  
5           Act—

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

11                   “(B) the Secretary shall, upon receipt of  
12                   the request submitted under such clause, issue  
13                   a waiver to the institution for a period begin-  
14                   ning on the date on which the waiver is issued  
15                   and ending on the sooner of—

16                           “(i) the date that is 1 year after the  
17                           date of enactment of the DETERRENT  
18                           Act; or

19                           “(ii) the date on which the contract  
20                           terminates.

21           “(2) RENEWAL.—An institution that has en-  
22           tered into a contract described in paragraph (1), the  
23           term of which is longer than the waiver period de-  
24           scribed in subparagraph (B) of such paragraph and  
25           the terms and conditions of which remain the same

1 as the contract submitted as part of the request re-  
2 quired under subparagraph (A) of such paragraph,  
3 may submit a request for renewal of the waiver  
4 issued under such paragraph in accordance with  
5 subsection (b)(2)(B).

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

8 (c) INTERAGENCY INFORMATION SHARING.—Not-  
9 withstanding any other provision of law, not later than  
10 90 days after the date of enactment of this Act, the Sec-  
11 retary of Education shall transmit to each individual listed  
12 in section 117(e) of the Higher Education Act of 1965,  
13 as amended by this Act—

14 (1) an unredacted copy of each report (includ-  
15 ing the name and address of a foreign source dis-  
16 closed in such report) received by the Department of  
17 Education under section 117 of the Higher Edu-  
18 cation Act of 1965 (20 U.S.C. 1011f) prior to the  
19 date of enactment of this Act); and

20 (2) any report, document, or other record gen-  
21 erated by the Department of Education in the  
22 course of an investigation—

23 (A) of an institution with respect to the  
24 compliance of such institution with such sec-  
25 tion; and

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

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

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

8 **“SEC. 117B. INSTITUTIONAL POLICY REGARDING FOREIGN**  
9 **GIFTS AND CONTRACTS TO FACULTY AND**  
10 **STAFF.**

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

15 “(1) a policy requiring covered individuals at  
16 the institution and covered individuals at affiliated  
17 entities of the institution to disclose in a report to  
18 such institution by July 31 of each calendar year  
19 that begins after the year in which such enactment  
20 date occurs—

21 “(A) any gift received from a foreign  
22 source in the previous calendar year, the value  
23 of which is greater than the minimal value (as  
24 such term is defined in section 7342(a) of title  
25 5, United States Code) or is of indeterminate

1 value, and including the date on which the gift  
2 was received;

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

14 “(C) any contract with a foreign source  
15 (other than a foreign country of concern or for-  
16 eign entity of concern) entered into or in effect  
17 during the previous calendar year that has an  
18 indeterminate monetary value, and including  
19 the date on which such contract is entered into,  
20 the date on which the contract first takes ef-  
21 fect, and, as applicable, the date on which such  
22 contract terminates; and

23 “(D) any contract entered into or in effect  
24 with a foreign country of concern or foreign en-  
25 tity of concern during the previous calendar

1 year, the value of which is \$0 or more or which  
2 has an indeterminate monetary value, and in-  
3 cluding—

4 “(i) the date on which such contract  
5 is entered into;

6 “(ii) the date on which the contract  
7 first takes effect;

8 “(iii) if the contract has a termination  
9 date, such termination date; and

10 “(iv) the full text of such contract and  
11 any addenda;

12 “(2) a publicly available and searchable data-  
13 base (in electronic and downloadable format), on a  
14 website of the institution, of the information re-  
15 quired to be disclosed under paragraph (1) (other  
16 than the information prohibited from public disclo-  
17 sure pursuant to subsection (c)) that—

18 “(A) makes available the information dis-  
19 closed under paragraph (1) (other than the in-  
20 formation prohibited from public disclosure pur-  
21 suant to subsection (c)) beginning on the date  
22 that is 30 days after receipt of the report under  
23 such paragraph containing such information  
24 and until the latest of—

1 “(i) the date that is 5 years after the  
2 date on which—

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

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

8 “(ii) the date on which a contract re-  
9 ferred to in subparagraph (B), (C) or (D)  
10 of paragraph (1) terminates; or

11 “(iii) the last day of any period that  
12 applicable State law requires a copy of  
13 such contract to be maintained; and

14 “(B) is searchable and sortable—

15 “(i) if the subject of the disclosure is  
16 a gift, by the date on which the gift is re-  
17 ceived;

18 “(ii) if the subject of the disclosure is  
19 a contract—

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

22 “(II) by the date on which such  
23 contract first takes effect;

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

4 “(iv)(I) if the covered individual at an  
5 institution is making the disclosure, by the  
6 most specific division of the institution  
7 (such as the department, school, or college)  
8 that the covered individual is at; and

9 “(II) if the covered individual at the  
10 affiliated entity of the institution is making  
11 the disclosure, by the name of such affili-  
12 ated entity;

13 “(v) by the name of the foreign  
14 source; and

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

21 “(A) periodic communications;

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

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

3 “(4) for purposes of investigations under sec-  
4 tion 117D(a)(1), a record of the name of each indi-  
5 vidual who makes a disclosure under paragraph (1)  
6 and each report disclosed under such paragraph.

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

9 “(1) received more than \$50,000,000 in Fed-  
10 eral funds in any of the previous five calendar years  
11 to support (in whole or in part) research and devel-  
12 opment (as determined by the institution and meas-  
13 ured by the Higher Education Research and Devel-  
14 opment Survey of the National Center for Science  
15 and Engineering Statistics); or

16 “(2) receives funds under title VI.

17 “(c) APPLICATION OF FEDERAL PRIVACY LAW; PRO-  
18 TECTIONS FOR NATURAL PERSONS.—

19 “(1) APPLICATION OF FEDERAL PRIVACY  
20 LAW.—Except as provided in paragraph (2), a dis-  
21 closure made pursuant to this section is not subject  
22 to Federal privacy law.

23 “(2) PROTECTIONS FOR NATURAL PERSONS.—

24 “(A) IN GENERAL.—Except as provided in  
25 subparagraph (B), with respect to a disclosure



1 made pursuant to this section, the following  
2 may not be publicly disclosed:

3 “(i) The name or address (other than  
4 the attributable country) of a foreign  
5 source that is a natural person.

6 “(ii) The name or any other person-  
7 ally identifiable information of a covered  
8 individual making such disclosure.

9 “(B) EXCEPTIONS FOR CONTRACTS WITH  
10 A FOREIGN COUNTRY OF CONCERN OR FOREIGN  
11 ENTITY OF CONCERN.—Subparagraph (A) shall  
12 not apply to a disclosure made pursuant to this  
13 section that contains information with respect  
14 to a contract entered into with a foreign coun-  
15 try of concern or foreign entity of concern.

16 “(d) DEFINITIONS.—In this section—

17 “(1) the terms ‘affiliated entity’, ‘attributable  
18 country’, ‘foreign source’, and ‘gift’ have the mean-  
19 ings given such terms in section 117(f);

20 “(2) the term ‘contract’—

21 “(A) means—

22 “(i) any agreement for the acquisition  
23 by purchase, lease, or barter of property  
24 (including intellectual property) or services  
25 by the foreign source;

1           “(ii) except as provided in subpara-  
2 graph (B), any agreement for the acquisi-  
3 tion by purchase, lease, or barter of prop-  
4 erty (including intellectual property) or  
5 services from a foreign source; and

6           “(iii) any affiliation, agreement, or  
7 similar transaction with a foreign source  
8 that involves the use or exchange of a cov-  
9 ered individual’s name, likeness, time, serv-  
10 ices, or resources; and

11           “(B) does not include—

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

18           “(ii) any assignment or license of a  
19 granted intellectual property right (includ-  
20 ing a patent, trademark, or copyright) that  
21 is not associated with a category listed in  
22 the Commerce Control List maintained by  
23 the Bureau of Industry and Security of the  
24 Department of Commerce and set forth in  
25 Supplement No. 1 to part 774 of title 15,

1 Code of Federal Regulations (or successor  
2 regulations); and

3 “(3) the term ‘covered individual’—

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

8 “(B) shall be interpreted in accordance  
9 with the Guidance for Implementing National  
10 Security Presidential Memorandum 33 (NSPM-  
11 33) on National Security Strategy for United  
12 States Government-Supported Research and  
13 Development published by the Subcommittee on  
14 Research Security and the Joint Committee on  
15 the Research Environment in January 2022 (or  
16 any successor guidance).”.

17 **SEC. 4. INVESTMENT DISCLOSURE REPORT.**

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

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

22 “(a) INVESTMENT DISCLOSURE REPORT.—A speci-  
23 fied institution shall file a disclosure report in accordance  
24 with subsection (b) with the Secretary on each July 31  
25 immediately following any calendar year in which the spec-

1 ified institution purchases, sells, or holds (directly or indi-  
2 rectly through any chain of ownership) one or more invest-  
3 ments of concern.

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

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

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

13 “(3) The combined value of all investments of  
14 concern sold over the course of such calendar year,  
15 as measured by the fair market value of such invest-  
16 ments at the time of the sale.

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

19 “(c) TREATMENT OF CERTAIN POOLED INVEST-  
20 MENTS.—

21 “(1) POOLED INVESTMENT CLASSIFICATION.—

22 “(A) IN GENERAL.—For purposes of this  
23 section, except as provided in subparagraph  
24 (B), a specified interest acquired by a specified  
25 institution in a regulated investment company,

1 exchange traded fund, or any other pooled in-  
2 vestment that holds an investment of concern  
3 shall be treated as an investment of concern  
4 and shall be reported pursuant to paragraph  
5 (2)(A).

6 “(B) CERTIFICATION OF POOLED INVEST-  
7 MENT.—Notwithstanding subparagraph (A),  
8 such specified interest shall not be subject to  
9 subparagraph (A) if the Secretary certifies, pur-  
10 suant to paragraph (2)(B), that such pooled in-  
11 vestment is not holding an investment of con-  
12 cern.

13 “(2) PROCEDURES.—The Secretary, after con-  
14 sultation with the Secretary of the Treasury and the  
15 Securities and Exchange Commission, shall establish  
16 procedures under which a pooled investment de-  
17 scribed in paragraph (1)—

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

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

22 “(d) TREATMENT OF RELATED ORGANIZATIONS.—  
23 For purposes of this section, assets held by any related  
24 organization (as defined in section 4968(d)(2) of the In-  
25 ternal Revenue Code of 1986) with respect to a specified

1 institution shall be treated as held by such specified insti-  
2 tution, except that—

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

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

12           “(e) VALUATION OF DEBT.—For purposes of this  
13 section, the fair market value of any debt shall be the out-  
14 standing principal amount of such debt.

15           “(f) REGULATIONS.—The Secretary, after consulta-  
16 tion with the Secretary of the Treasury and the Securities  
17 and Exchange Commission, may issue such regulations or  
18 other guidance as may be necessary or appropriate to  
19 carry out the purposes of this section, including regula-  
20 tions or other guidance providing for the proper applica-  
21 tion of this section with respect to certain regulated invest-  
22 ment companies, exchange traded funds, and pooled in-  
23 vestments.

24           “(g) DATABASE REQUIREMENT.—Beginning not  
25 later than May 31 of the calendar year following the date

1 of enactment of the DETERRENT Act, the Secretary  
2 shall—

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

6 “(A) are made publicly available (in elec-  
7 tronic and downloadable format), including any  
8 information provided in such reports;

9 “(B) can be individually identified and  
10 compared; and

11 “(C) are searchable and sortable; and

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

15 “(h) DEFINITIONS.—In this section:

16 “(1) INVESTMENT OF CONCERN.—

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

20 “(i) A foreign country of concern.

21 “(ii) A foreign entity of concern.

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

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

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

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

7 “(2) SPECIFIED INSTITUTION.—

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

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

12 “(ii) at the close of such calendar  
13 year, holds—

14 “(I) assets (other than those as-  
15 sets which are used directly in car-  
16 rying out the institution’s exempt pur-  
17 pose) the aggregate fair market value  
18 of which is in excess of  
19 \$6,000,000,000; and

20 “(II) investments of concern the  
21 aggregate fair market value of which  
22 is in excess of \$250,000,000.

23 “(B) REFERENCES TO CERTAIN TERMS.—

24 For the purpose of applying the definition  
25 under subparagraph (A), the terms ‘aggregate



1 fair market value’ and ‘assets which are used  
2 directly in carrying out the institution’s exempt  
3 purpose’ shall be applied in the same manner as  
4 such terms are applied for the purposes of sec-  
5 tion 4968(b)(1)(D) of the Internal Revenue  
6 Code of 1986.”.

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

8 (a) **ENFORCEMENT AND OTHER GENERAL PROVI-**  
9 **SIONS.**—The Higher Education Act of 1965 (20 U.S.C.  
10 1001 et seq.), as amended by this Act, is further amended  
11 by inserting after section 117C the following:

12 **“SEC. 117D. ENFORCEMENT; SINGLE POINT-OF-CONTACT;**  
13 **INSTITUTIONAL REQUIREMENTS.**

14 “(a) **ENFORCEMENT.**—

15 “(1) **INVESTIGATION.**—The Secretary (acting  
16 through the General Counsel of the Department)  
17 shall conduct investigations of possible violations of  
18 sections 117, 117A, 117B, 117C, and subsection (c)  
19 of this section by institutions and, whenever it ap-  
20 pears that an institution has knowingly or willfully  
21 failed to comply with a requirement of any of such  
22 provisions (including any rule or regulation promul-  
23 gated under any such provision), shall request that  
24 the Attorney General bring a civil action in accord-  
25 ance with paragraph (2).

1           “(2) CIVIL ACTION.—Whenever it appears that  
2           an institution has knowingly or willfully failed to  
3           comply with a requirement of any of the provisions  
4           listed in paragraph (1) (including any rule or regula-  
5           tion promulgated under any such provision) based  
6           on an investigation under such paragraph, a civil ac-  
7           tion shall be brought by the Attorney General, at the  
8           request of the Secretary, in an appropriate district  
9           court of the United States, or the appropriate  
10          United States court of any territory or other place  
11          subject to the jurisdiction of the United States, to  
12          request such court to compel compliance with the re-  
13          quirement of the provision that has been violated.

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

18                   “(A) pay to the Treasury of the United  
19                   States the full costs to the United States of ob-  
20                   taining compliance with the requirement of such  
21                   provision, including all associated costs of inves-  
22                   tigation and enforcement; and

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

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

6           “(A) SECTION 117.—

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

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

22           “(aa) for each gift or con-  
23 tract with determinable value  
24 that is the subject of such a fail-  
25 ure to comply, the greater of—

1 “(AA) \$50,000; or

2 “(BB) the monetary  
3 value of such gift or con-  
4 tract; or

5 “(bb) for each gift or con-  
6 tract of no value or of indeter-  
7 minable value, not less than 1  
8 percent and not more than 10  
9 percent of the total amount of  
10 Federal funds received by the in-  
11 stitution under this Act for the  
12 most recent fiscal year.

13 “(II) In the case of an institution  
14 that knowingly or willfully fails to  
15 comply with the reporting requirement  
16 under subsection (a)(2) of section  
17 117, such fine shall be in an amount  
18 that is not less than 10 percent of the  
19 total amount of Federal funds re-  
20 ceived by the institution under this  
21 Act for the most recent fiscal year.

22 “(ii) SUBSEQUENT VIOLATIONS.—In  
23 the case of an institution that has pre-  
24 viously been compelled to comply with a re-  
25 quirement of section 117 pursuant to a

1 civil action described in paragraph (2), and  
2 is subsequently compelled to comply with  
3 such a requirement pursuant to a subse-  
4 quent civil action described in paragraph  
5 (2), the Secretary shall impose a fine on  
6 the institution as follows:

7 “(I) In the case of an institution  
8 that knowingly or willfully fails to  
9 comply with a reporting requirement  
10 under subsection (a)(1) of section  
11 117, such fine shall be in an amount  
12 that is—

13 “(aa) for each gift or con-  
14 tract with determinable value  
15 that is the subject of such a fail-  
16 ure to comply, the greater of—

17 “(AA) \$100,000; or

18 “(BB) twice the mone-  
19 tary value of such gift or  
20 contract; or

21 “(bb) for each gift or con-  
22 tract of no value or of indeter-  
23 minable value, not less than 5  
24 percent and not more than 10  
25 percent of the total amount of

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

4 “(II) In the case of an institution  
5 that knowingly or willfully fails to  
6 comply with a reporting requirement  
7 under subsection (a)(2) of section  
8 117, such fine shall be in an amount  
9 that is not less than 20 percent of the  
10 total amount of Federal funds re-  
11 ceived by the institution under this  
12 Act for the most recent fiscal year.

13 “(B) SECTION 117A.—

14 “(i) FIRST-TIME VIOLATIONS.—In the  
15 case of an institution that is compelled to  
16 comply with a requirement of section 117A  
17 pursuant to a civil action described in  
18 paragraph (2), and that has not previously  
19 been compelled to comply with any such  
20 requirement pursuant to such a civil ac-  
21 tion, the Secretary shall impose a fine on  
22 the institution in an amount that is not  
23 less than 5 percent and not more than 10  
24 percent of the total amount of Federal

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

3 “(ii) SUBSEQUENT VIOLATIONS.—In  
4 the case of an institution that has pre-  
5 viously been compelled to comply with a re-  
6 quirement of section 117A pursuant to a  
7 civil action described in paragraph (2), and  
8 is subsequently compelled to comply with  
9 such a requirement pursuant to a subse-  
10 quent civil action described in paragraph  
11 (2), the Secretary shall impose a fine on  
12 the institution in an amount that is not  
13 less than 20 percent of the total amount of  
14 Federal funds received by the institution  
15 under this Act for the most recent fiscal  
16 year.

17 “(C) SECTION 117B.—

18 “(i) FIRST-TIME VIOLATIONS.—In the  
19 case of an institution that is compelled to  
20 comply with a requirement of section 117B  
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-  
25 tion, the Secretary shall impose a fine on

1 the institution for such violation in an  
2 amount that is the greater of—

3 “(I) \$250,000; or

4 “(II) the total amount of gifts or  
5 contracts that the institution is com-  
6 pelled to report pursuant to such civil  
7 action.

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

19 “(I) \$500,000; or

20 “(II) twice the total amount of  
21 gifts or contracts that the institution  
22 is compelled to report pursuant to  
23 such civil action.

24 “(D) SECTION 117C.—



1                   “(i) FIRST-TIME VIOLATIONS.—In the  
2 case of an institution that is compelled to  
3 comply with a requirement of section 117C  
4 pursuant to a civil action described in  
5 paragraph (2), and that has not previously  
6 been compelled to comply with any such  
7 requirement pursuant to such a civil ac-  
8 tion, the Secretary shall impose a fine on  
9 the institution in an amount that is not  
10 less than 50 percent and not more than  
11 100 percent of the sum of—

12                   “(I) the aggregate fair market  
13 value of all investments of concern  
14 held by such institution as of the close  
15 of the final calendar year for which  
16 the institution is compelled to comply  
17 with such requirement pursuant to  
18 such civil action; and

19                   “(II) the combined value of all  
20 investments of concern sold over the  
21 course of all the calendar years for  
22 which the institution is compelled to  
23 comply with such requirement pursu-  
24 ant to such civil action, as measured

1 by the fair market value of such in-  
2 vestments at the time of the sale.

3 “(ii) SUBSEQUENT VIOLATIONS.—In  
4 the case of an institution that has pre-  
5 viously been compelled to comply with a re-  
6 quirement of section 117C pursuant to a  
7 civil action described in paragraph (2), and  
8 is subsequently compelled to comply with  
9 such a requirement pursuant to a subse-  
10 quent civil action described in paragraph  
11 (2), the Secretary shall impose a fine on  
12 the institution in an amount that is not  
13 less than 100 percent and not more than  
14 200 percent of the sum of—

15 “(I) the aggregate fair market  
16 value of all investments of concern  
17 held by such institution as of the close  
18 of the final calendar year for which  
19 the institution is compelled to comply  
20 with such requirement pursuant to  
21 such subsequent civil action; and

22 “(II) the combined value of all  
23 investments of concern over the course  
24 of all the calendar years for which the  
25 institution is compelled to comply with

1           such requirement pursuant to such  
2           subsequent civil action, as measured  
3           by the fair market value of such in-  
4           vestments at the time of the sale.

5           “(E) INELIGIBILITY FOR WAIVER.—In the  
6           case of an institution that is fined pursuant to  
7           subparagraph (A)(ii), (B)(ii), (C)(ii), or (D)(ii),  
8           the Secretary shall prohibit the institution from  
9           obtaining a waiver, or a renewal of a waiver,  
10          under section 117A.

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

14               “(1) receive and respond to inquiries and re-  
15               quests for technical assistance from institutions re-  
16               garding compliance with the requirements of sec-  
17               tions 117, 117A, 117B, 117C, and subsection (c) of  
18               this section;

19               “(2) coordinate and implement technical im-  
20               provements to the database described in section  
21               117(d)(1), including—

22                       “(A) improving upload functionality by al-  
23                       lowing for batch reporting, including by allow-  
24                       ing institutions to upload one file with all re-  
25                       quired information into the database;

1           “(B) publishing and maintaining a data-  
2           base users guide, which shall be reviewed and  
3           updated as practicable but not less than annu-  
4           ally, including information on how to edit an  
5           entry and how to report errors;

6           “(C) creating a standing user group (to  
7           which chapter 10 of title 5, United States Code,  
8           shall not apply) to discuss possible database im-  
9           provements, which group shall—

10                   “(i) include at least—

11                           “(I) 3 members representing  
12                           public institutions with high or very  
13                           high levels of research activity (as de-  
14                           fined by the National Center for Edu-  
15                           cation Statistics);

16                           “(II) 2 members representing  
17                           private, nonprofit institutions with  
18                           high or very high levels of research  
19                           activity (as so defined);

20                           “(III) 2 members representing  
21                           proprietary institutions of higher edu-  
22                           cation (as defined in section 102(b));  
23                           and

24                           “(IV) 2 members representing  
25                           area career and technical education

1 schools (as defined in subparagraph  
2 (C) or (D) of section 3(3) of the Carl  
3 D. Perkins Career and Technical  
4 Education Act of 2006 (20 U.S.C.  
5 2302(3))); and

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

9 “(D) publishing, on a publicly available  
10 website, recommended database improvements  
11 following each meeting described in subpara-  
12 graph (C)(ii); and

13 “(E) responding, on a publicly available  
14 website, to each recommendation published  
15 under subparagraph (D) as to whether or not  
16 the Department will implement the rec-  
17 ommendation, including the rationale for either  
18 approving or rejecting the recommendation;

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

23 “(A) the authorizing committees; and

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

1           “(4) maintain, on a publicly accessible  
2 website—

3           “(A) a full comprehensive list of all foreign  
4 countries of concern and foreign entities of con-  
5 cern; and

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

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

12       “(c) INSTITUTIONAL REQUIREMENTS FOR COMPLI-  
13 ANCE OFFICERS AND INSTITUTIONAL POLICY REQUIRE-  
14 MENTS.—

15           “(1) IN GENERAL.—An institution that is re-  
16 quired to file a report under section 117 or 117C,  
17 that is seeking a waiver under section 117A, or that  
18 is subject to the requirements of section 117B, shall,  
19 not later than the earlier of the date on which the  
20 institution files the first report under section 117 or  
21 117C, requests the institution’s first waiver under  
22 section 117A, or first fulfills the requirements of  
23 section 117B—

24           “(A) establish an institutional policy that  
25 the institution shall follow in meeting the re-

1            requirements of sections 117, 117A, 117B, and  
2            117C; and

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

8            “(2) DUTIES OF COMPLIANCE OFFICERS.—A  
9            compliance officer designated by an institution under  
10           paragraph (1)(B) shall certify—

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

13           “(i) the institution’s accurate compli-  
14           ance with the reporting requirements  
15           under such section;

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

18           “(I) followed the institutional  
19           policy established under paragraph  
20           (1)(A) applicable to such section; and

21           “(II) conducted good faith efforts  
22           and reasonable due diligence to ensure  
23           that accurate information is provided  
24           in such report, including with respect  
25           to the valuations of any assets that

1 are disclosed in a report submitted  
2 under section 117C; and

3 “(iii) in the case of a report under  
4 section 117, any statements by the institu-  
5 tion required to be certified by such an of-  
6 ficer under clause (i) or (iv) of section  
7 117(b)(1)(C); and

8 “(B) whenever the institution requests a  
9 waiver under section 117A—

10 “(i) that the institution—

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

13 “(II) followed the institutional  
14 policy established under paragraph  
15 (1)(A) applicable to such section; and

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

19 “(C) whenever the institution is subject to  
20 the requirements of section 117B, that the in-  
21 stitution—

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



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

4           “(d) DEFINITIONS.—For purposes of sections 117,  
5 117A, 117B, 117C, and this section:

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

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

11                           “(B) Any country the Secretary, in con-  
12                           sultation with the Secretary of Defense, the  
13                           Secretary of State, and the Director of National  
14                           Intelligence, determines, for purposes of sec-  
15                           tions 117, 117A, 117B, 117C, or this section,  
16                           to be engaged in conduct that is detrimental to  
17                           the national security or foreign policy of the  
18                           United States.

19                           “(2) FOREIGN ENTITY OF CONCERN.—The  
20                           term ‘foreign entity of concern’ has the meaning  
21                           given such term in section 10612(a) of the Research  
22                           and Development, Competition, and Innovation Act  
23                           (42 U.S.C. 19221(a)) and includes a foreign entity  
24                           that is identified on the list published under section  
25                           1286(e)(8)(A) of the John S. McCain National De-

1 fense Authorization Act for Fiscal Year 2019 (10  
2 U.S.C. 22 4001 note; Public Law 115–232).

3 “(3) INSTITUTION.—The term ‘institution’  
4 means an institution of higher education (as such  
5 term is defined in section 102, other than an institu-  
6 tion described in subsection (a)(1)(C) of such sec-  
7 tion) with a program participation agreement under  
8 section 487.”.

9 (b) PROGRAM PARTICIPATION AGREEMENT.—Section  
10 487(a) of the Higher Education Act of 1965 (20 U.S.C.  
11 1094) is amended by adding at the end the following:

12 “(30)(A) An institution will comply with the re-  
13 quirements of sections 117, 117A, 117B, 117C, and  
14 117D(c).

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

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

20 “(ii) in order to regain eligibility to partici-  
21 pate in such programs, demonstrate compliance  
22 with all requirements of each such section for  
23 not less than 2 institutional fiscal years after  
24 the institutional fiscal year in which such insti-  
25 tution became ineligible.

1           “(C) An institution described in this subpara-  
2 graph is an institution—

3           “(i) against which judgment has been  
4 granted in 3 separate civil actions described in  
5 section 117D(a)(2) that have each resulted in  
6 the institution being compelled to comply with  
7 one or more requirements of section 117, 117A,  
8 117B, 117C, or 117D(e); and

9           “(ii) that pursuant to section  
10 117D(a)(4)(E), is prohibited from obtaining a  
11 waiver, or a renewal of a waiver, under section  
12 117A.”.

13 (c) GAO STUDY AND REPORT.—

14           (1) STUDY.—Not later than January 31 of the  
15 second calendar year that begins after the date of  
16 enactment of this Act, the Comptroller General of  
17 the United States shall initiate a study to identify  
18 ways to improve intergovernmental agency coordina-  
19 tion regarding implementation and enforcement of  
20 sections 117, 117A, 117B, 117C, and 117D(e) of  
21 the Higher Education Act of 1965 (20 U.S.C.  
22 1011f), as amended or added by this Act, including  
23 increasing information sharing, increasing compli-  
24 ance rates, and establishing processes for enforce-  
25 ment.

1           (2) REPORT.—Not later than 3 years after the  
2           date of the initiation of the study under paragraph  
3           (1), the Comptroller General of the United States  
4           shall submit to Congress, and make public, a report  
5           containing the results of the study described in para-  
6           graph (1).

