

119TH CONGRESS  
1ST SESSION

# H. R. 1999

To amend the Higher Education Act of 1965 to require staff and faculty to report foreign gifts and contracts, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

MARCH 10, 2025

Mr. JAMES (for himself and Ms. FOXX) introduced the following bill; which was referred to the Committee on Education and Workforce

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## A BILL

To amend the Higher Education Act of 1965 to require staff and faculty to report foreign gifts and contracts, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Disclose Getting In-  
5 volved in Foreign Transactions Act” or the “Disclose  
6 GIFT Act”.

1 **SEC. 2. POLICY REGARDING CONFLICTS OF INTEREST**  
2 **FROM FOREIGN GIFTS AND CONTRACTS.**

3 The Higher Education Act of 1965 (20 U.S.C. 1001  
4 et seq.) is amended by inserting after section 117 the fol-  
5 lowing:

6 **“SEC. 117A. INSTITUTIONAL POLICY REGARDING FOREIGN**  
7 **GIFTS AND CONTRACTS TO FACULTY AND**  
8 **STAFF.**

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

13 “(1) a policy requiring covered individuals em-  
14 ployed at the institution to disclose in a report to  
15 such institution on July 31 of each calendar year  
16 that begins after the year in which such enactment  
17 date occurs—

18 “(A) any gift received from a foreign  
19 source in the previous calendar year, the value  
20 of which is greater than the minimal value (as  
21 such term is defined in section 7342(a) of title  
22 5, United States Code) or is of undetermined  
23 value, and including the date on which the gift  
24 was received;

25 “(B) any contract with a foreign source  
26 (other than a foreign country of concern or for-

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

10           “(C) 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 that has an  
14           undetermined monetary value, and including  
15           the date on which such contract is entered into,  
16           the date on which the contract first takes ef-  
17           fect, and, as applicable, the date on which such  
18           contract terminates; and

19           “(D) any contract entered into or in effect  
20           with a foreign country of concern or foreign en-  
21           tity of concern during the previous calendar  
22           year, the value of which is \$0 or more or which  
23           has an undetermined monetary value, and in-  
24           cluding—

1                   “(i) the date on which such contract  
2                   is entered into;

3                   “(ii) the date on which the contract  
4                   first takes effect;

5                   “(iii) if the contract has a termination  
6                   date, such termination date; and

7                   “(iv) the full text of such contract and  
8                   any addenda;

9                   “(2) a publicly available and searchable data-  
10                  base (in electronic and downloadable format), on a  
11                  website of the institution, of the information re-  
12                  quired to be disclosed under paragraph (1) (other  
13                  than the name or any other personally identifiable  
14                  information of a covered individual) that—

15                  “(A) makes available the information dis-  
16                  closed under paragraph (1) (other than the  
17                  name or any other personally identifiable infor-  
18                  mation of a covered individual) beginning on  
19                  the date that is 30 days after receipt of the re-  
20                  port under such paragraph containing such in-  
21                  formation and until the latest of—

22                  “(i) the date that is 5 years after the  
23                  date on which—

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

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

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

7                   “(B) is searchable and sortable—

8                   “(i) if the subject of the disclosure is  
9                   a gift, by the date on which the gift is re-  
10                  ceived;

11                  “(ii) if the subject of the disclosure is  
12                  a contract—

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

15                         “(II) by the date on which such  
16                         contract first takes effect;

17                         “(iii) by the attributable country with  
18                         respect to which information is being dis-  
19                         closed;

20                         “(iv) by the narrowest of the depart-  
21                         ment, school, or college of the institution,  
22                         as applicable, for which the individual  
23                         making the disclosure works; and

1                   “(v) by the name of the foreign source  
2                   (other than a foreign source who is a nat-  
3                   ural person); and

4                   “(3) an effective plan to identify and manage  
5                   potential information gathering by foreign sources  
6                   through espionage targeting covered individuals that  
7                   may arise from gifts received from, or contracts en-  
8                   tered into with, a foreign source, including through  
9                   the use of—

10                   “(A) periodic communications;

11                   “(B) accurate reporting under paragraph  
12                   (2) of the information required to be disclosed  
13                   under paragraph (1); and

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

16                   “(4) for purposes of investigations under sec-  
17                   tion 117B(a)(1) or responses to requests under sec-  
18                   tion 552 of title 5, United States Code (commonly  
19                   known as the ‘Freedom of Information Act’), a  
20                   record of the names of the individuals making disclo-  
21                   sures under paragraph (1).

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

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

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

8           “(B) receives funds under title VI.

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

10           “(1) the term ‘attributable country’ means—

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

15                   “(B) the country of incorporation of a for-  
16                   eign source that is a legal entity, or, if such  
17                   country is unknown, the principal place of busi-  
18                   ness (as applicable) of such foreign source.

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

20                   “(A) any agreement for the acquisition by  
21                   purchase, lease, or barter of property or serv-  
22                   ices by the foreign source;

23                   “(B) any affiliation, agreement, or similar  
24                   transaction with a foreign source that involves

1 the use or exchange of an institution’s name,  
2 likeness, time, services, or resources; and

3 “(C) any agreement for the acquisition by  
4 purchase, lease, or barter, of property or serv-  
5 ices from a foreign source (other than an arms-  
6 length agreement for such acquisition from a  
7 foreign source that is not a foreign country of  
8 concern or a foreign entity of concern); and

9 “(3) the term ‘covered individual’—

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

14 “(B) shall be interpreted in accordance  
15 with the Guidance for Implementing National  
16 Security Presidential Memorandum 33 (NSPM-  
17 33) on National Security Strategy for United  
18 States Government-Supported Research and  
19 Development published by the Subcommittee on  
20 Research Security and the Joint Committee on  
21 the Research Environment in January 2022 (or  
22 any successor guidance).

23 “(4) the term ‘foreign source’ means—

24 “(A) a foreign government, including an  
25 agency of a foreign government;

1           “(B) a legal entity, governmental or other-  
2           wise, created under the laws of a foreign state  
3           or states;

4           “(C) a legal entity, governmental or other-  
5           wise, substantially controlled (as described in  
6           section 668.174(e)(3) of title 34, Code of Fed-  
7           eral Regulations) (or successor regulations)) by  
8           a foreign source;

9           “(D) a natural person who is not a citizen  
10          or a national of the United States or a trust  
11          territory or protectorate thereof;

12          “(E) an agent of a foreign source, includ-  
13          ing—

14               “(i) a subsidiary or affiliate of a for-  
15               eign legal entity, acting on behalf of a for-  
16               eign source;

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

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

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

4           “(5) the term ‘gift’—

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

7           “(B) does not include—

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

20           “(ii) assignment or license of reg-  
21 istered industrial and intellectual property  
22 rights, such as patents, utility models,  
23 trademarks, or copyrights, or technical as-  
24 sistance, that are not associated with a  
25 category listed in the Commerce Control

1 List maintained by the Bureau of Industry  
2 and Security of the Department of Com-  
3 merce and set forth in Supplement No. 1  
4 to part 774 of title 15, Code of Federal  
5 Regulations (or successor regulations); or  
6 “(iii) decorations (as such term is de-  
7 fined in section 7342(a) of title 5, United  
8 States Code).”.

9 **SEC. 3. ENFORCEMENT AND OTHER GENERAL PROVISIONS.**

10 (a) ENFORCEMENT AND OTHER GENERAL PROVI-  
11 SIONS.—The Higher Education Act of 1965 (20 U.S.C.  
12 1001 et seq.), as amended by this Act, is further amended  
13 by inserting after section 117A the following:

14 **“SEC. 117B. ENFORCEMENT; SINGLE POINT-OF-CONTACT;  
15 INSTITUTIONAL REQUIREMENTS.**

16 “(a) ENFORCEMENT.—

17 “(1) INVESTIGATION.—The Secretary (acting  
18 through the General Counsel of the Department)  
19 shall conduct investigations of possible violations of  
20 section 117A and subsection (e) of this section by  
21 institutions and, whenever it appears that an institu-  
22 tion has knowingly or willfully failed to comply with  
23 a requirement of any of such provisions (including  
24 any rule or regulation promulgated under any such  
25 provision), shall request that the Attorney General

1 bring a civil action in accordance with paragraph  
2 (2).

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

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

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

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

3           “(4) FINES FOR VIOLATIONS.—The Secretary  
4           shall impose a fine on an institution that is com-  
5           pelled to comply with a requirement of section 117A  
6           pursuant to paragraph (2) as follows:

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

16                   “(i) \$250,000; or

17                   “(ii) the total amount of gifts or con-  
18                   tracts that the institution is compelled to  
19                   report pursuant to such civil action.

20          “(B) SUBSEQUENT VIOLATIONS.—In the  
21          case of an institution that has previously been  
22          compelled to comply with a requirement of sec-  
23          tion 117A pursuant to a civil action described  
24          in paragraph (2), and is subsequently compelled  
25          to comply with such a requirement pursuant to

1 a subsequent civil action described in paragraph  
2 (2), the Secretary shall impose a fine on the in-  
3 stitution in an amount that is the greater of—

4 “(i) \$500,000; or

5 “(ii) twice the total amount of gifts or  
6 contracts that the institution is compelled  
7 to report pursuant to such civil action.

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

11 “(1) receive and respond to inquiries and re-  
12 quests for technical assistance from institutions re-  
13 garding compliance with the requirements of section  
14 117A and subsection (c) of this section;

15 “(2) provide, every 90 days after the date of en-  
16 actment of the status updates on any pending or  
17 completed investigations and civil actions under sub-  
18 section (a)(1) to—

19 “(A) the authorizing committees; and

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

22 “(3) maintain, on a publicly accessible  
23 website—

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

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

6           “(4) not later than 7 days after making an up-  
7 date to the list maintained under paragraph (3)(A),  
8 notify each institution required to comply with the  
9 section listed in paragraph (1) of such update.

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

13           “(1) IN GENERAL.—An institution that is sub-  
14 ject to the requirements of section 117A shall, not  
15 later than the date on which the institution first ful-  
16 fills the requirements of such section—

17           “(A) establish an institutional policy that  
18 the institution shall follow in meeting the re-  
19 quirements of such section; and

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

1           “(2) DUTIES OF COMPLIANCE OFFICERS.—A  
2 compliance officer designated by an institution under  
3 paragraph (1)(B) shall certify, whenever the institu-  
4 tion is subject to the requirements of section 117A,  
5 that the institution—

6                   “(A) is in compliance with the require-  
7 ments of such section; and

8                   “(B) followed the institutional policy estab-  
9 lished under paragraph (1)(A).

10          “(d) DEFINITIONS.—For purposes of section 117A  
11 and this section:

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

15                           “(A) Any covered nation defined in section  
16 4872 of title 10, United States Code.

17                           “(B) Any country the Secretary, in con-  
18 sultation with the Secretary of Defense, the  
19 Secretary of State, and the Director of National  
20 Intelligence, determines, for purposes of section  
21 117A or this section, to be engaged in conduct  
22 that is detrimental to the national security or  
23 foreign policy of the United States.

24                   “(2) FOREIGN ENTITY OF CONCERN.—The  
25 term ‘foreign entity of concern’ has the meaning

1 given such term in section 10612(a) of the Research  
2 and Development, Competition, and Innovation Act  
3 (42 U.S.C. 19221(a)) and includes a foreign entity  
4 that is identified on the list published under section  
5 1286(e)(8)(A) of the John S. McCain National De-  
6 fense Authorization Act for Fiscal Year 2019 (10  
7 U.S.C. 22 4001 note; Public Law 115–232).

8 “(3) INSTITUTION.—The term ‘institution’  
9 means an institution of higher education (as such  
10 term is defined in section 102, other than an institu-  
11 tion described in subsection (a)(1)(C) of such sec-  
12 tion).”.

13 (b) PROGRAM PARTICIPATION AGREEMENT.—Section  
14 487(a) of the Higher Education Act of 1965 (20 U.S.C.  
15 1094) is amended by adding at the end the following:

16 “(30)(A) An institution will comply with the re-  
17 quirements of sections 117A and 117B(c).

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

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

23 “(ii) in order to regain eligibility to partici-  
24 pate in such programs, demonstrate compliance  
25 with all requirements of each such section for

1 not less than 2 institutional fiscal years after  
2 the institutional fiscal year in which such insti-  
3 tution became ineligible.

4 “(C) An institution described in this subpara-  
5 graph is an institution that has been subject to 3  
6 separate civil actions described in section  
7 117B(a)(2) that have each resulted in the institution  
8 being compelled to comply with one or more require-  
9 ments of section 117A or 117B(c).”.

10 (c) GAO STUDY AND REPORT.—

11 (1) STUDY.—Not later than 180 days after the  
12 date of enactment of this Act, the Comptroller Gen-  
13 eral of the United States shall initiate a study to  
14 identify ways to improve intergovernmental agency  
15 coordination regarding implementation and enforce-  
16 ment of sections 117A and 117B(c) of the Higher  
17 Education Act of 1965 (20 U.S.C. 1011f), as added  
18 by this Act, including increasing information shar-  
19 ing, increasing compliance rates, and establishing  
20 processes for enforcement.

21 (2) REPORT.—Not later than 3 years after the  
22 date of enactment of this Act, the Comptroller Gen-  
23 eral of the United States shall submit to Congress,

- 1 and make public, a report containing the results of
- 2 the study described in paragraph (1).

○