

THE DETERRENT ACT

Introduced by Senator Thom Tillis (R-NC)

Now, more than ever, America's enemies and adversaries are becoming increasingly bold in their tactics to target our nation's students and college campuses. From stealing research, to pushing propaganda, to censoring free speech, colleges and universities across the nation are on the frontlines of malign foreign interference. Our adversaries, including the Chinese Communist Party (CCP), have expanded their influence by providing American academic institutions with lucrative funding opportunities. Many schools fail to report these foreign gifts and funding as required under Section 117 of the *Higher Education Act*, leaving foreign actors with a stranglehold on U.S. academic institutions.

- › **A congressional investigation** of two top research universities **uncovered nearly \$40 million in unreported research contracts** with the CCP.
- › **Nearly 30% of foreign funding schools disclosed had missing dates**, with billions reported as “anonymous.”

The Problem

Section 117's loose legislative language and institutions' refusal to adhere to the law have resulted in billions of dollars in foreign funds infiltrating our country undetected.

- › **Foreign influence poses a serious threat to our U.S. national security.** Every dollar that institutions accept from foreign entities that do not share American values brings potential obligations and undermines national interests. Experts have reported that billions of previously undisclosed foreign funds provided to universities have contributed to the rise of antisemitism on college campuses.
- › **Foreign influence poses a serious threat to U.S. research and intellectual property (IP).** University campuses have become modern battlegrounds for information warfare against foreign adversaries. Foreign gifts and contracts serve as entry points for regimes, such as the CCP, to infiltrate American universities and steal sensitive information.
- › **Foreign influence poses a threat to academic freedom and the well-being of American students.** Cultural exchange centers and satellite campuses funded by foreign entities are used to manipulate student behavior, particularly among those studying or conducting research abroad. By spreading state-sponsored propaganda, these questionable relationships suppress academic freedom and hinder open expression.

The Solution

The *Defending Education Transparency and Ending Rogue Regimes Engaging in Nefarious Transactions* (DETERRENT) Act brings much-needed transparency, accountability, and clarity to foreign gift reporting requirements for colleges and universities across the nation. Last Congress, the DETERRENT Act passed the House with overwhelming bipartisan support in a 246-170 vote, with 215 Republicans and 31 Democrats.

Specifically, the *DETERRENT Act* will:

Slash the foreign gift reporting threshold for colleges and universities from \$250,000 down to \$50,000, with an even stricter \$0 threshold for countries and entities of concern.

Close reporting loopholes and provides transparency to Congress, intelligence agencies, and the public.

Require disclosure of foreign gifts and contracts to individual staff and faculty at research-heavy institutions to protect those targeted the most by our adversaries.

Implement a series of repercussions for colleges and universities that remain noncompliant in foreign gift reporting such as fines and the loss of Title IV funding.

Bottom Line

Adversarial countries are using America's college campuses to undermine our nation's interests. The DETERRENT Act is a crucial step towards transparency and protecting American education and students from malicious foreign influence.



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