

Greater Insight into Foreign Transactions (GIFTs) in Higher Education Act

Introduced by Senator Marco Rubio (R-FL)

The GIFTs in Higher Education Act aims to target gifts and donations from designation foreign adversary sources to American colleges and universities, and holds institutions of higher education and the Department of Education more accountable to Section 117 reporting requirements.

Background: In October 2020, the Department of Education released the [findings](#) of a comprehensive investigation into compliance with reporting laws. The Department found that many large, well-resourced universities and colleges “aggressively and systematically” pursued and accepted foreign gifts while failing to comply with reporting and transparency laws. Following this report, colleges and universities disclosed \$6.6 billion in previously unreported gifts. While the Department of Education worked to enforce Section 117 under the Trump Administration, the Biden Administration has failed to take aggressive action to hold institutions of higher education accountable. To date, the Department has not released new disclosures and it has not indicated when it will do so.

The Problem: American universities lead the world in cutting-edge research in critical fields such as science, technology, engineering, and more. While many of these top-tier research institutions rely on the free and open exchange of information, our adversaries have used these open system to exert influence and steal critical information. Institutions will often open their doors to adversarial states, such as China, by accepting funding from proxy organizations, which are really government-controlled and exist for the sole purpose of exploiting and undermining their research initiatives. While current law requires federally-funded institutions to report foreign gifts and contracts, many fail to report complete and accurate information.

The Solution: The *GIFTs in Higher Education Act* would help promote transparency in higher education gifts and donations. This bill specifically:

- Expands the current Section 117 disclosure requirements to include faculty, professional staff and all staff engaged in research and development in addition to institutions of higher education.
- Requires gifts and contracts from designated foreign adversary sources to be disclosed within 30 days of the transaction dates if valued at \$50,000 or more in a calendar year.
- Codifies ‘designated foreign adversary sources’ and establishes a list of ‘designated foreign adversary governments’ that includes the People’s Republic of China, the Russian Federation, North Korea, Iran, Cuba, Syria, and the Nicolas Maduro regime of Venezuela.
- Requires the Department of Education to publish disclosures within 30 days of submission deadlines.
- Makes all federal funding to colleges and universities contingent on compliance with Section 117 disclosure requirements.
- Directs the Department of Education to work with other federal agencies to improve access to disclosure reports.