

Opening Statement of Ranking Member Scott (VA-03)

Full Committee Markup

*Defending Education Transparency and Ending Rogue Regimes Engaging in Nefarious Transactions
(DETERRENT) Act (H.R. 5933)*

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Wednesday, November 8, 2023 | 10:15 a.m.

Thank you, Dr. Foxx.

This bill, as I understand it, affects gifts to institutions of higher education and their employees, so I'll focus my remarks on the legislation.

Global partnerships among academic institutions play a critical role in our social, economic, and innovative progress.

Historically, collaborations with global partners—and careful federal investments in research—have enabled our universities to make bold, forward-thinking strides in health, science, and technology for people around the world.

Furthermore, institutions across America have worked closely with the government to strengthen our research ecosystem through the recruitment and retention of researchers and scholars from other countries.

These global partnerships help drive intellectual and campus diversity. They strengthen the inner workings of our economy. And they give us an undeniable competitive edge.

We can all agree that institutions must be transparent about the resources they receive from foreign entities, particularly as the federal government invests roughly \$30 billion annually in our higher education institutions' research and development efforts.

Under Section 117 of the *Higher Education Act*, the Department of Education must collect and make publicly available certain information about foreign gifts and contracts involving institutions of higher education.

This process is in place to promote public transparency about foreign funding in higher education and protect government-funded activities from undue foreign influence, such as intellectual property theft and conflicts of interest.

I am pleased that the Biden Administration has worked to improve the compliance with the law by returning Section 117 oversight responsibility to the Federal Student Aid Office (FSA). FSA already gathers data and statistics from roughly 6,000 institutions that take part in the student federal aid programs.

Because of this move, on average, over 3,000 transactions and over \$1.5 billion more per year have been reported under this Administration than under the previous Administration.

This is just one piece of the President's work across federal government to safeguard university-conducted research and prevent foreign influence and intellectual property theft.

We should be building on this progress to develop sustainable, institutionalized responsibilities for Section 117 oversight.

Unfortunately, after weeks of Republican-led dysfunction that immobilized the House, we are taking up a bill that fails to meaningfully address research security at our higher education institutions.

Instead of helping institutions comply with the law, H.R. 5933 amends Section 117 to dramatically increase reporting requirements for institutions and faculty while also restricting contracts with certain foreign entities.

These added requirements only make it harder for institutions of higher education to fulfill their obligations under Section 117. As a result, this bill will hinder institutions from continuing to conduct critical research that has a global impact as well as limit their ability to function as the social, economic, and innovative hubs for which they are known.

That is why Democrats will offer an amendment that provides institutions with a clear process for complying with their reporting requirements by aligning this bill with the work federal agencies are already doing to prevent undue foreign influence.

And finally, I want to remind my colleagues again that achieving accountability and compliance can occur without contributing to anti-Asian, antisemitic or Islamophobic animosity.

As we heard from our hearing witness earlier this year, our approach to confronting foreign influence in our academic institutions must be like a scalpel, rather than a sledgehammer, to ensure that innocent Asian Americans are not unfairly targeted in an overall effort to combat a legitimate threat.

Simply put, indiscriminate policies may cause more harm than good.

We can—and must—take targeted, evidence-based steps to protect our research and development initiatives without jeopardizing the global partnerships that benefit us all.

To that end, I urge my colleagues to support the Democratic amendment, and I yield back the balance of my time.