

PRESS RELEASE

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EMET APPLAUDS CHAIRMAN TIM WALBERG (R-MICH), AND REPRESENTATIVE MIKE BAUMGARTNER (R-WASH) FOR THE INTRODUCTION OF THE DETERRENT ACT

On Wednesday, Chairman Tim Walberg of the House Education and Workforce Committee and Mike Baumgartner introduced the Deterrent Act, or The Defending Education Transparency and Ending Rogue Regimes Engaged in Nefarious Transactions Act. This legislation would make several amendments to the current Higher Education Act, regarding foreign gifts and reporting requirements to institutions of higher learning.

The bill proposes reducing the foreign gift threshold from \$250,000 to \$50,000. Additionally, it introduces an “Investment Disclosure Report” which mandates universities and private institutions with endowments exceeding \$6 billion to report on “Investments of Concern” over \$250 million. Institutions would be required to disclose these investments annually to the Department of Education (ED) if they involve a “country of concern” or a foreign entity of concern. These reports would then be made publicly accessible in a searchable database.

Institutions that fail to comply with the legislation’s foreign gift reporting requirements may face penalties, including fines or the loss of their Title IV eligibility.

Says Sarah Stern, Founder and President of EMET, “Unfortunately, authoritarian regimes that are flush with revenue, such as Qatar and the Chinese Communist Party, have found that their remunerative ties to universities have served to influence the hearts and minds of generations of Americans. A 2022 report by the Network Contagion Research Institute states that from 2021 to 2022 Qatar donated the largest amount to American universities, at \$4.7 billion, and many of these donations went unreported. This report also noted that these donations may have well made an impact on the growing problem of campus antisemitism. For far too long, young, impressionable American minds have been subjected to lucrative foreign influences that have penetrated through the academy, and many of these influences have been pernicious. And this has got to end. Now.”

EMET is a Washington DC based think tank and foreign policy institution that specializes in the Middle East.