



Section 117 of the Higher Education Act: Reporting of Foreign Gifts and Contracts

Section 117 of the Higher Education Act of 1965 (HEA; P.L. 89-329, as amended) establishes foreign gift and contract reporting requirements for certain domestic public and private institutions that (1) offer a bachelor’s degree or higher (or offer a transfer program of at least two years), (2) are accredited by a nationally recognized accrediting agency, and (3) receive federal financial assistance.

Institutions meeting these criteria must report each foreign gift or contract that alone, or in combination with all other gifts and contracts from a single foreign source, total \$250,000 or more in a calendar year. The U.S. Department of Education’s (ED’s) Office of General Counsel is responsible for Section 117 compliance, including collecting and disseminating data on foreign gift and contract disclosures.

In recent years, Congress and the Administration have shown an increased focus on institutional compliance with Section 117. Concerns about foreign influence on institutions of higher education have centered on the “theft of proprietary research, promotion of propaganda and disinformation, and the imposition of political or cultural values through curricular or extracurricular programming.”

Reporting Requirements

Institutions must file biannual Section 117 reports by January 31 or July 31, whichever is sooner depending on the transaction date, regarding the receipt of a foreign gift or entry into a foreign contract.

The information an institution must report varies somewhat depending on whether a gift or contract is from a foreign government or a foreign nongovernmental source and whether a gift or contract is a “restricted or conditional gift or contract.”

A foreign government source includes an agency of a foreign government. A foreign nongovernmental source is any foreign source other than a foreign government.

A “restricted or conditional gift or contract” means

any endowment, gift, grant, contract, award, present, or property of any kind which includes provisions regarding—

(A) the employment, assignment, or termination of faculty;

(B) the establishment of departments, centers, research or lecture programs, or new faculty positions;

(C) the selection or admission of students; or

(D) the award of grants, loans, scholarships, fellowships, or other forms of financial aid restricted to students of a specified country, religion, sex, ethnic origin, or political opinion.

Table 1 outlines Section 117 statutory reporting requirements.

Table 1. HEA Section 117 Reporting Requirements

Required Information	UGGC	UNGC	RGGC	RNGC
Aggregate amount	✓	✓	✓	✓
Country of citizenship or principal residence of foreign source	N/A	✓	N/A	✓
Country of incorporation or principal place of business of foreign source	N/A	✓	N/A	✓
Date of receipt	✗	✗	✓	✓
Description of restrictions	✗	✗	✓	✓

Source: HEA §117

Notes: UGGC = unrestricted governmental gift or contract, UNGC = unrestricted nongovernmental gift or contract, RGGC = restricted governmental gift or contract, RNGC = restricted nongovernmental gift or contract, N/A = not applicable.

When a domestic institution is itself owned or controlled by a foreign source, reports must include the identity of the foreign source, the date on which the foreign source assumed ownership or control of the institution, and any resulting changes in program or structure.

HEA Section 117(f) specifies that institutions that fail to meet reporting requirements may be subject to civil action to compel compliance and may be required to pay the federal government all costs related to investigation and enforcement. ED has interpreted the HEA to require institutions to comply with Section 117 as a condition of participation in the HEA Title IV student financial aid programs (e.g., Pell Grants, Direct Loans). Failure to do so could result in ED imposing a range of consequences including, for example, fines and termination of an

institution’s eligibility to participate in the HEA Title IV programs.

Examples of Reported Data

To comply with Section 117’s public disclosure requirements, ED publishes biannual spreadsheets of all institutionally reported foreign gifts and contracts since enactment of Section 117 in 1986. In January 2026, ED established a new Section 117 portal, through which institutions report their Section 117 data and the public may access the biannual spreadsheets and review summary information about institutions’ reported data.

As of February 23, 2026, Qatar was the country of attribution with the largest dollar amount of reported transactions (about \$8.8 billion), representing about 1,300 transactions. China was the country of attribution with the second largest dollar amount of reported transactions (about \$4.9 billion), representing about 8,000 transactions. Canada and England were the countries of attribution with the highest and second highest number of reported transactions—11,896 and 11,872, respectively—representing about \$4.2 billion and \$4.3 billion, respectively.

Harvard University was the institution that received the largest aggregate dollar amount of gifts and contracts from foreign sources, totaling about \$4.5 billion, followed by Cornell University with \$4.2 billion.

The largest reported contract any institution has ever entered into was a restricted contract between Cornell University and a foreign legal entity in Qatar valued at about \$1.1 billion for the award period of January 1, 2026–June 30, 2032. The contract was for the establishment and support of Weill Cornell Medicine-Qatar, which is “the first American medical school established outside of the United States” and “was founded in 2001 through a partnership between Cornell University and the Qatar Foundation.”

The largest reported gift any institution has ever received was \$146.5 million to Georgia Southern University from an individual or business in Germany in 2022. It is unclear whether this gift is a restricted or conditional gift.

History of Enforcement Actions

Although Section 117 was enacted in 1986, ED began to more proactively monitor and investigate disclosures in 2019 as part of a broader “‘whole of government’ plan for protecting American national interests.”

From 2019 to 2021 during the first Trump Administration, ED opened 19 investigations into Section 117 noncompliance. The Biden Administration did not open any investigations. The second Trump Administration has opened four investigations to date.

ED and Department of State Interagency Agreement

To “improv[e] foreign gift and contract reporting,” and consistent with Executive Order 14282, ED and the U.S. Department of State (DOS) entered into an interagency agreement (IAA) on February 20, 2026, under which DOS

is to carry out several Section 117 tasks “in coordination with and at the direction of” ED. Tasks to be performed by DOS include, for example, (1) administration of Section 117’s institutional “biannual reporting and collection provisions of qualifying foreign source gifts and contract information” and of the Section 117 reporting portal; (2) execution of Section 117’s “enforcement provisions through the initiation of civil investigations” and recovery of investigation and enforcement costs; (3) “implementation of investigative audits, programs, and other initiatives that promote Section 117 compliance” and (4) “promotion of interagency coordination information ... and records sharing to achieve robust enforcement.”

Functions to be filled by ED include, for example, (1) “management and leadership” of Section 117 disclosure reporting and enforcement responsibilities and of “all enforcement reviews, inquiries, and investigations”; (2) “provision of leadership for compliance resolution processes” such as the initiation of compliance reviews and civil investigations; and (3) “coordination of reviews of documents that communicate or otherwise implement Section 117-related policies, including non-regulatory guidance.”

To support implementation of the IAA, ED is to transfer funds to DOS to “cover the services provided by DOS to ED” and to detail to DOS some ED employees. The IAA is effective February 20, 2026, until terminated by ED and DOS.

The DETERRENT Act (H.R. 1048)

In the 119th Congress, the DETERRENT Act (H.R. 1048) passed the House on a bipartisan basis and was referred to the Senate. It would reduce the Section 117 reporting threshold from \$250,000 to \$50,000 for gifts from or contracts with a foreign source other than a foreign country of concern (e.g., a “covered nation” as defined in 10 U.S.C. §4872, such as China) or a “foreign entity of concern” (e.g., as defined in 42 U.S.C. §19221(a), such as a Secretary of State-designated foreign terrorist organization). The bill would newly prohibit institutions from entering into contracts with a foreign country or entity of concern unless ED granted a waiver, and all gifts and permitted contracts from such sources would be reportable regardless of value. The bill would also newly require qualifying institutions to maintain a publicly available and searchable database of foreign gifts and contracts made to certain individual staff and faculty and to report to ED annually information on investments purchased, sold, or held with respect to a foreign country or entity of concern (investment of concern). Fines for knowing or willful violations of these provisions would vary depending on the provision violated and whether the violation was a first-time or subsequent offense. The act would terminate Title IV eligibility for any institution against which judgment has been granted in three civil actions that resulted in the institution being compelled to comply with any of the statutory requirements. Some opponents of the bill argue it would, among other concerns, “impact the privacy of research faculty and staff, threaten productive international collaborations, and task [ED] with new authorities it is not equipped to implement.”

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