

Latitudes: Are states getting tough on colleges' foreign ties?

1 message

Karin Fischer <newsletter@newsletter.chronicle.com>

Wed, Feb 12,
2025 at 11:00
AM

Reply-To: newsletter@newsletter.chronicle.com
To: amadorsapo@gmail.com

ADVERTISEMENT



UNIVERSITY OF BIRMINGHAM

Changing how the world works

FIND OUT HOW

We research
We activate

Latitudes

THE CHRONICLE
OF HIGHER EDUCATION

You can also [read this newsletter on the web](#). Or, if you no longer want to receive this newsletter, [unsubscribe](#).

Bills give states a blueprint for policing colleges' foreign funds

Statehouses could be the new focus of efforts to more strictly police the foreign ties of American colleges.

Two national groups, the Manhattan Institute and State Shield, have drafted model legislation to create state-level disclosure requirements for funds coming to colleges from China and other countries. Bills reflecting the prototypes have been introduced in at least three states in the current legislative session.

The playbook for pursuing action in the states as well as in Washington is not a new one — scholars at the Manhattan Institute, a conservative think tank, also wrote a model bill, with the Goldwater Institute, that served as a template for states' efforts to dismantle colleges' [diversity, equity, and inclusion programming](#).

This two-pronged strategy is now focused on international education. The U.S. House Committee on Education and the Workforce is expected to approve a [measure](#) on Wednesday to tighten federal reporting rules for overseas gifts and contracts to colleges.

Public officials have increasingly sounded the [alarm](#) about foreign influence in higher education, warning that campuses could be vulnerable to governments, particularly that of China, interested in obtaining American research and intellectual property.

In fact, six states have passed their own foreign-fund laws over the past four years. The model bills could give greater momentum to such efforts.

But state mandates could be burdensome and confusing for colleges forced to double their reporting, especially if state and federal rules differ or conflict, higher-education groups said. A patchwork of laws could also lead foreign governments and other actors to shift their funding to states with laxer requirements.

“The state legislation is well-meaning but not consistent,” said Sarah Spreitzer, vice president for government relations at the American Council on Education, or ACE. “This is better done at the federal level if there are national-security concerns about transparency.”

It doesn’t need to be an either-or, said Neetu Arnold, a policy analyst who drafted the [Manhattan Institute model bill](#).

The four-decade-old federal rules, part of the Higher Education Act, have been irregularly enforced, Arnold said. For instance, the first Trump administration opened [investigations](#) into foreign gifts and contracts at nearly 20 prominent research universities, but the inquiries were largely [dropped](#) under President Joseph R. Biden.

Arnold charged that colleges have failed to report millions of dollars from overseas under existing federal law. She previously compiled a [database](#) of “hidden foreign funds” at the National Association of Scholars, another group that has warned of [outside influence on campuses](#).

ACE and other higher-education groups have said the federal rules are unclear and that they need more guidance from the U.S. Department of Education, which is charged with collecting this information. Colleges’ disclosure of foreign gifts and contracts has increased in recent years as the issue has gained greater attention, Spreitzer said.

The Manhattan Institute model legislation builds on federal policy as well as state measures like a 2021 Florida law that requires colleges to report grants or gifts worth \$50,000 or more from seven “foreign countries of concern,” including China, Iran, and Russia. Thirteen states now have some sort of higher-ed fund-disclosure law on the books; the oldest dates back to the mid-1980s.

Like Florida, the Manhattan Institute bill would require reporting overseas funds of \$50,000 or more, lower than the current federal

threshold of \$250,000. (The congressional proposal would also lower the amount that triggers disclosure.)

The model legislation would apply to all countries, and annual reporting would be cumulative, meaning that all funds from a single source would count toward the total. Tuition paid by foreign governments or companies, like a scholarship program funded by the Saudi government, would have to be disclosed, but tuition paid by individual students or families would be exempt. The information would be published in a publicly available database.

The draft bill also deals with some of what Arnold sees as loopholes in the existing law. For example, it clarifies that funds that pass through college-related organizations would be reportable; colleges have argued that college foundations are not subject to current disclosure requirements because they are legally separate entities.

The measure would impose stiff fines on violators and order state officials to do random audits to ensure compliance. Under federal law, colleges that fail to submit reports risk losing access to federal student-aid funds.

Meanwhile, the [draft legislation](#) from State Shield, an organization that works to “combat [Chinese Communist Party] threats to U.S. peace, security, and values,” is more bare-bones. It applies to funds from Chinese sources only and does not contain an enforcement mechanism.

Officials from State Shield did not respond to requests for comment.

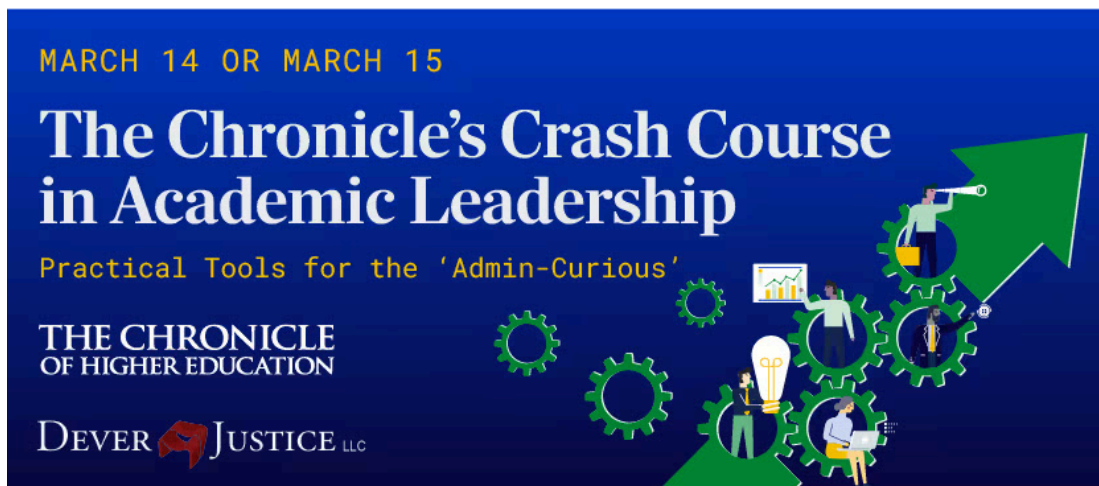
Arnold disputed that imposing state reporting rules would be duplicative. Colleges should already be collecting information that would have to be disclosed — like donor names and the purpose of funds — as a matter of good practice and would simply need to filter their databases for the specific reporting amount, she said.

“I think transparency is important,” Arnold said. “Hopefully, this legislation would promote accountability and rebuild trust with the public.”

ADVERTISEMENT



Upcoming Workshop



We've partnered with experienced academic leaders at Dever Justice LLC to design a virtual four-hour program for aspiring administrators. This workshop will offer faculty members the opportunity to explore a potential career path in academic administration, with insights on the personal, professional, and logistical steps involved. [Learn more and register.](#)

Measures introduced in the states

Arnold said the goal was not for states to pass carbon copies of the draft legislation but to give them a blueprint with important elements of a strong disclosure law.

In recent weeks, similar, although not identical, bills have been introduced in Iowa, Nebraska, and Oklahoma. The [Iowa bill](#) requires annual reporting of gifts or contracts of \$50,000 or more by public colleges. In [Oklahoma](#), both public and private colleges would have to post quarterly disclosures on their websites and submit them to the governor and other state officials. In [Nebraska](#), the reporting threshold would be just \$50.

“It’s an unfortunate fact that hostile foreign governments are using our higher-education system to their advantage,” said Sen. Bob Andersen, a Republican who introduced the Nebraska legislation.

During a late January hearing on the bill, Andersen said he was not “alleging any wrongdoing” by Nebraska colleges. “My only goal is to increase transparency.”

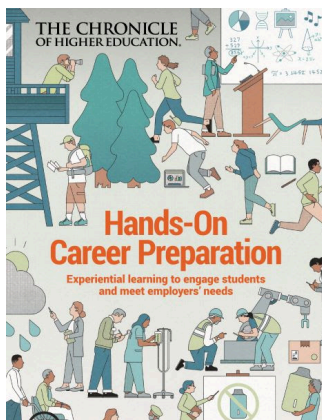
He said a preliminary draft of the bill was provided by a lobbying firm but in response to his concerns about foreign influence on campus.

An Iowa House higher-education subcommittee on Tuesday [advanced](#) the foreign-funds bill, while the other two states have so far taken no action on the bills. During the Nebraska hearing, lawmakers discussed narrowing the scope of the bill, such as limiting reporting requirements to, in the words of one legislator, funds from “naughty countries.”

During the same hearing, Matt Blomstedt, associate vice president for government relations for the University of Nebraska system, said state colleges had concerns about the strain on staff time and resources to comply, particularly given the low reporting threshold. “The University of Nebraska believes the existing mechanisms achieve the shared goal of transparency without imposing unnecessary duplication or administrative costs,” he said.

Spokesmen for other state governing boards and research universities either said that they had a policy of not weighing in on pending legislation or did not respond to requests for comment.

From the Chronicle Store



Hands-On Career Preparation

Experiential-learning programs are grounded in the belief that true understanding comes from direct engagement with the world. [Order this report](#) to learn how to create learning experiences that align academic goals with work-force demands.

Trump news roundup

Colleges scrambled last week to find alternate funding and sponsorships for students studying through a U.S. Agency for International Development scholarship program that was abruptly shut down.

Administrators were given just two days' notice to make arrangements so that students in the Lincoln Scholarship Program, which supports

Burmese students doing graduate work in areas critical to national development, could continue their studies. If colleges did not take over sponsorship of the students, their record in the federal student-visa database would be terminated, meaning that they could no longer legally stay in the United States.

The sudden closure of the scholarship program is part of a [broader crisis roiling USAID](#), imperiling foreign assistance. Almost all of the aid agency's staff have been placed on leave, and the Trump administration has called for shutting it down. (The scholarship serves students from "diverse backgrounds," raising concern that it may also have been targeted in the administration's crackdown on [diversity, equity, and inclusion programming](#).)

College officials said they were notified by employees of the U.S. Department of State, not USAID, that funding would be cut off. The officials, all of whom asked not to be identified because of political sensitivities, had to scrape together funding and take over as sponsor of the students' visas.

The State Department did not respond to *Chronicle* questions.

In an "urgent action alert" email sent on Monday night, the Institute of International Education, which administers the Lincoln scholarship, said it needed to raise \$7 million to cover living expenses and tuition for students and scholars midway through USAID-supported studies. If students are forced to return home, they could be forced into military service or arrested by the military junta that rules Myanmar.

About 300 Burmese students are studying through USAID, IIE said.

In other Trump-related news:

- Higher-education groups sent a [letter](#) to Marco Rubio, the secretary of state, urging the new administration to prioritize the "timely processing" of student visas.

- President Trump has [ordered](#) a review of American participation in the UN Educational, Scientific, and Cultural Organization. The United States [withdrew](#) from UNESCO during Trump's first administration but rejoined under Biden in 2023.
- My colleagues Alissa Gary and Maya Stahl reported on how colleges are responding to the possibility of [immigration raids](#) on campus.
- Michigan State University has rescheduled a [Lunar New Year's celebration](#) it had called off because of students' concerns about Trump's executive orders.

Sign up for a webinar on the new international student

The stereotype that international students predominantly hail from wealthy families persists in higher education. But today's students are often focused on college costs and looking for financial support.

Join me and a panel of experts for a *Chronicle* virtual forum on strategies for recruiting a new generation of budget-conscious international students. [Register for the webinar, on February 19 at 2 p.m. ET, here.](#)

Around the globe

The number of international scholars in the United States [increased](#) by 10 percent in the 2023 academic year, although the

totals have yet to reach to prepandemic levels.

U.S. Immigration and Customs Enforcement canceled recruitment interviews at a New York University career fair after more than 1,000 students and student organizations signed a petition [protesting](#) the immigration agency's involvement.

Viral social-media claims that an international student from the University of California at Los Angeles had her visa revoked because of taking part in campus protests have been [debunked](#).

Queen's University Belfast was criticized for opening a new campus in India even as it was [cutting jobs](#) at home.

Higher-education officials in the United Kingdom are among the appointees to a new "[soft power council](#)" given the task of exploring ways to drive British growth.

British lawmakers criticized the country's [immigration and visa policies](#) for putting up barriers to attracting graduate students and researchers in critical STEM fields.

Four out of 10 prospective international students considered studying outside of one of the major English-speaking destination countries, according to a new [survey](#).

Thanks for reading. I always welcome your feedback and ideas for future reporting, so drop me a line at karin.fischer@chronicle.com. You can also connect with me on [X](#), [LinkedIn](#), or [Bluesky](#). If you like this newsletter, please share it with colleagues and friends. They can [sign up here](#).

From Chronicle Careers
