

DHS RESTRICTIONS ON CONFUCIUS INSTITUTES AND
CHINESE ENTITIES OF CONCERN ACT

MAY 5, 2025.—Committed to the Committee of the Whole House on the State of the
Union and ordered to be printed

Mr. GREEN of Tennessee, from the Committee on Homeland
Security, submitted the following

R E P O R T

[To accompany H.R. 881]

[Including cost estimate of the Congressional Budget Office]

The Committee on Homeland Security, to whom was referred the bill (H.R. 881) to establish Department of Homeland Security funding restrictions on institutions of higher education that have a relationship with Confucius Institutes, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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The amendment is as follows:
Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “DHS Restrictions on Confucius Institutes and Chinese Entities of Concern Act”.

SEC. 2. LIMITATIONS ON CONFUCIUS INSTITUTES’ HOST SCHOOLS.

(a) **DEFINITIONS.**—In this section:

(1) **CHINESE ENTITY OF CONCERN.**—The term “Chinese entity of concern” means any university or college in the People’s Republic of China that—

- (A) is involved in the implementation of military-civil fusion;
- (B) participates in the Chinese defense industrial base;
- (C) is affiliated with the Chinese State Administration for Science, Technology and Industry for the National Defense;
- (D) receives funding from any organization subordinate to the Central Military Commission of the Chinese Communist Party;
- (E) provides support to any security, defense, police, or intelligence organization of the Government of the People’s Republic of China or the Chinese Communist Party;
- (F) purposefully undermines the United States’ relationship with Taiwan;
- (G) aids, abets, or enables the detention, imprisonment, persecution, or forced labor of Uyghur Muslims in the People’s Republic of China;
- (H) willfully and knowingly engages in malicious activities, including online disinformation campaigns and propaganda, for the purpose of interfering with United States Federal, State, or local elections; or
- (I) is affiliated with the Chinese Academy of Sciences.

(2) **CONFUCIUS INSTITUTE.**—The term “Confucius Institute” means a cultural institute funded by the Government of the People’s Republic of China.

(3) **INSTITUTION OF HIGHER EDUCATION.**—The term “institution of higher education” has the meaning given such term in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002).

(4) **RELATIONSHIP.**—The term “relationship” means, with respect to an institution of higher education, any contract awarded, or agreement entered into, as well as any in-kind donation or gift, received from a Confucius Institute or Chinese entity of concern.

(5) **THOUSAND TALENTS PROGRAM.**—The term “Thousand Talents Program” means any technological or educational program funded or administered by the Chinese Communist Party’s Ministry of Industry and Information Technology.

(b) **RESTRICTIONS ON INSTITUTIONS OF HIGHER EDUCATION.**—Beginning with the first fiscal year that begins after the date that is 12 months after the date of the enactment of this Act, the Secretary of Homeland Security shall ensure that an institution of higher education (referred to in this subsection as an “institution”) which has a relationship with a Confucius Institute, Thousand Talents Program, or Chinese entity of concern is ineligible to receive any funds from the Department of Homeland Security, unless the institution terminates the relationship between the institution and such Confucius Institute, Thousand Talents Program, or Chinese entity of concern, as the case may be. Upon termination of such a relationship, the institution at issue shall be eligible to receive funds from the Department of Homeland Security.

(c) **WAIVER.**—

(1) **IN GENERAL.**—The Secretary of Homeland Security may, after consultation with the Director of National Intelligence, on a case-by-case basis and for a period not to exceed one year, waive the application of subsection (b) with respect to an institution of higher education if the Secretary determines the institution at issue maintains robust safeguards and enforcement protocols to monitor the relationship at issue, including active measures to detect and deter attempts by Chinese nationals affiliated with a Confucius Institute, Thousand Talents Program, or Chinese entity of concern that is the subject of such relationship to gain unauthorized access to sensitive research, data, or federally funded development activities conducted at or on the premises of, or by, such institution, and either of the following conditions is satisfied:

- (A) The relationship at issue is in the national security interests of the United States.
- (B) The relationship at issue does not present a direct or indirect national security risk to the United States or its allies.

(2) **RENEWAL.**—The Secretary of Homeland Security may, after consultation with the Director of National Intelligence, annually renew a waiver issued pursuant to paragraph (1) if the Secretary determines all of the conditions described in such paragraph continue to be satisfied.

(3) **EFFECTIVE DATES.**—A waiver issued or renewed pursuant to paragraph (1) or (2), respectively, takes effect and applies beginning on the date that is 30 days after such issuance or renewal, as the case may be.

(4) **NOTIFICATION.**—If the Secretary of Homeland Security, after consultation with the Director of National Intelligence, issues or renews a waiver pursuant to paragraph (1) or (2), respectively, not later than 30 days before such issuance or renewal, as the case may be, takes effect, the Secretary shall submit to the Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate written notification regarding such issuance or renewal, including a justification relating thereto.

(d) **ASSISTANCE.**—The Secretary of Homeland Security shall provide outreach and, upon request, technical assistance to institutions of higher education relating to compliance with this Act.

(e) **REPORTS.**—Not later than 18 months after the date of the enactment of this Act and annually thereafter, the Secretary of Homeland Security shall submit to the Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate a report regarding implementation of this section during the immediately preceding 12 month period. Each such report shall include information relating to the following:

(1) Any institution of higher education that has a relationship with a Confucius Institute, Thousand Talents Program, or Chinese entity of concern and receives funds from the Department of Homeland Security.

(2) The implementation of subsections (b), (c), and (d).

PURPOSE AND SUMMARY

H.R. 881, the “DHS Restrictions on Confucius Institutes and Chinese Entities of Concern Act,” prohibits the Department of Homeland Security (DHS) from providing any funds to any United States institution of higher education that has a relationship with a Confucius Institute (CI) funded by the Government of the People’s Republic of China (PRC). H.R. 881 also bars such funds to any institution of higher education with a “Thousand Talents Program” or “Chinese Entity of Concern” that has a relationship with the Chinese Communist Party (CCP), supports China’s Military-Civil Fusion (MCF) programs, the PRC’s Ministry of State Security, or the PRC’s Ministry of Science and Technology. If an institution of higher education completely terminates the relationship with the CI or Chinese entity of concern, the institution will be eligible to receive funds from DHS. The Secretary may waive a restriction on funding in limited circumstances where the institution maintains robust safeguards and enforcement protocols and has measures to detect or deter any efforts by the PRC to gain access to sensitive research, and the relationship at issue does not present a national security risk to the U.S. or its allies or is in the national security interest of the U.S.

BACKGROUND AND NEED FOR LEGISLATION

For years, the CCP, working through the People’s Liberation Army (PLA), has executed sophisticated propaganda and espionage campaigns across the globe. Of particular concern, is the CCP’s practice of exploiting the open and collaborative nature of American academia, to conduct widespread industrial and military espionage inside the United States.

Confucius Institutes were first established in America in 2004.¹ These initiatives were marketed by the CCP as a mechanism to promote Chinese language and culture, support local Chinese teaching internationally, and facilitate cultural exchanges.² However, it quickly became apparent that CIs were an extension of the CCP's global influence apparatus, allowing it to impact the decisions of academic institutions, conduct espionage inside the homeland, and promote MCF programs.^{3 4} MCF is the CCP's aggressive national strategy to help the PRC develop the most technologically advanced military in the world by the year 2049, often through the theft of American intellectual property and trade secrets.⁵ The Federal Bureau of Investigation determined that the U.S. economy loses between \$225 and \$600 billion annually to the PRC due to counterfeit goods, pirated software, and the theft of trade secrets.⁶

Although there are less than five active CIs left in existence in the United States, the Government Accountability Office (GAO) has found that 43 out of the 74 schools surveyed still maintain a relationship with an entity that supported their previous CI.⁷ Congress has not been able to keep up in combatting these new entities because of the rapidly evolving nature of these threats. There is little to no transparency from institutions of higher learning in what type of assistance they receive from the PRC. Data collected by the Department of Education from June 22, 2020, to April 6, 2023, shows that universities in the United States have collected over \$3 billion from entities connected to the PRC and the CCP.⁸ Further complicating matters is the PRC's 2017 National Intelligence Law, which obligates individuals, organizations, and institutions to assist the PRC security and intelligence services in advancing a wide variety of intelligence work.⁹

The United States Government has taken some successful action against this encroachment in the last several years. Congress has already passed two statutes limiting the Department of Defense's (DOD) ability to fund U.S. universities that host a CI.¹⁰ For example, the Fiscal Year (FY) 2019 National Defense Authorization Act (NDAA) included provisions barring DOD from obligating or ex-

¹ U.S. Gov't Accountability Office, GAO-19-278, China: Agreements Establishing Confucius Institutes at U.S. Universities Are Similar, but Institute Operations Vary (2019), <https://www.gao.gov/assets/gao-19-278.pdf>.

² Congressional Research Service, Confucius Institutes in the United States: Selected Issues (2023) <https://crsreports.congress.gov/product/pdf/IF/IF11180>.

³ U.S. State Department, "Confucius Institutes U.S. Center" Designation as a Foreign Mission, <https://2017-2021.state.gov/confucius-institute-u-s-center-designation-as-a-foreign-mission/>.

⁴ U.S. Department of Justice, Texas Professor and NASA Researcher Arrested on Charges Related to China's Talent Program, <https://www.justice.gov/usao-sdtx/pr/texas-professor-and-nasa-researcher-arrested-charges-related-china-s-talents-program> (2020).

⁵ U.S. State Department, Military-Civil Fusion of the People's Republic of China, 2020, <https://www.state.gov/wp-content/uploads/2020/05/What-is-MCF-One-Pager.pdf>.

⁶ Fed. Bureau of Investigations, China: the Risk to Academia, <https://www.fbi.gov/file-repository/counterintelligence/china-risk-to-academia-2019.pdf/view>.

⁷ U.S. Government Accountability Office, "China: With Nearly All U.S. Confucius Institutes Closed, Some Schools Sought Alternative Language Support" Report Number GAO-24-105981, October 30, 2023, <https://www.gao.gov/assets/d24105981.pdf>.

⁸ U.S. Department of Education, College and Foreign Gift Report, <https://sites.ed.gov/foreigngifts/>.

⁹ U.S. Department of Homeland Security, Data Security Business Advisory: Risks and Considerations for Businesses Using Data Services and Equipment From Firms Linked to the People's Republic of China, https://www.dhs.gov/sites/default/files/publications/20_1222_data-security-business-advisory.pdf.

¹⁰ U.S. Government Accountability Office, "China: With Nearly All U.S. Confucius Institutes Closed, Some Schools Sought Alternative Language Support" Report Number GAO-24-105981, October 30, 2023, <https://www.gao.gov/assets/d24105981.pdf>.

pending funds for Chinese language instruction provided by a CI.¹¹ It also restricted DOD's ability to use funds to support Chinese language programs at U.S. universities that host a CI.¹² Subsequently, the FY 2021 NDAA prohibited the DOD from providing any funding to institutions of higher education that host CIs.¹³ Importantly, while both acts allow for waivers of the limitations if certain elements are met, no waivers have been granted altogether since May of 2023, according to the GAO.¹⁴ The waiver and assistance language included in this measure may be used by the Secretary of Homeland Security to help American institutions of higher education avoid unintended outcomes, such as a U.S. university's exchange program with a Chinese university on a topic wholly unrelated to national security resulting in denial of Federal Emergency Management Agency assistance following a natural disaster because the Chinese university met the bill's broad definition of "Chinese entity of concern" unbeknownst to the U.S. university.

H.R. 881, the "DHS Restrictions on Confucius Institutes and Chinese Entities of Concern Act," ensures that universities and other institutions of higher education prioritize the security of their scientific research and technological development efforts above a relationship or funding from entities affiliated with the CCP or PLA. Specifically, this legislation restricts DHS funding from going to universities who maintain relationships with entities connected to the CCP or support the PRC's MCF programs. This bill helps ensure taxpayer dollars are appropriately used and encourages universities to end relationships with partners who do not have America's best interests in mind. More importantly, this bill helps to free U.S. institutions from the PRC's foreign influence and ensure safety from the theft of their critical research and development work.

HEARINGS

The Committee held the following hearing in the 119th Congress that informed H.R. 881:

On March 5, 2025, the Full Committee held a hearing entitled "Countering Threats Posed by the Chinese Communist Party to U.S. National Security." The Committee received testimony from Dr. Michael Pillsbury, Senior Fellow for China Strategy, the Heritage Foundation; the Honorable William R. Evanina, founder and CEO, the Eviana Group; Craig Singleton, China Program Senior Director and Senior Fellow, Foundation for Defense of Democracies; and Dr. Rush Doshi, Assistant Professor of Security Studies, Georgetown University Walsh School of Foreign Service and C.V. Starr Senior Fellow for Asia Studies and Director of the China Strategy Initiative, Council on Foreign Relations.

¹¹ Id. at 6.

¹² Id.

¹³ United States Congress, Section 1062 of the H.R. 6395 William M. (MAC) Thornberry National Defense Authorization Act for Fiscal Year 2021, <https://www.congress.gov/116/plaws/publ283/PLAW-116publ283.pdf>.

¹⁴ U.S. Government Accountability Office, "China: With Nearly All U.S. Confucius Institutes Closed, Some Schools Sought Alternative Language Support" Report Number GAO-24-105981, October 30, 2023, <https://www.gao.gov/assets/d24105981.pdf>.

COMMITTEE CONSIDERATION

The Committee met on April 9, 2025, a quorum being present, to consider H.R. 881 and ordered the measure to be favorably reported, as amended, to the House by voice vote.

COMMITTEE VOTES

Clause 3(b) of rule XIII requires the Committee to list the recorded votes on the motion to report legislation and amendments thereto.

No recorded votes were requested during consideration of H.R. 881.

COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 3(c)(1) of rule XIII, the Committee advises that the findings and recommendations of the Committee, based on oversight activities under clause 2(b)(1) of rule X, are incorporated in the descriptive portions of this report.

CONGRESSIONAL BUDGET OFFICE ESTIMATE, NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

With respect to the requirements of clause 3(c)(2) of rule XIII and section 308(a) of the Congressional Budget Act of 1974, and with respect to the requirements of clause 3(c)(3) of rule XIII and section 402 of the Congressional Budget Act of 1974, the Committee adopts as its own the estimate of any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures contained in the cost estimate prepared by the Director of the Congressional Budget Office.

H.R. 881, DHS Restrictions on Confucius Institutes and Chinese Entities of Concern Act

As ordered reported by the House Committee on Homeland Security on April 9, 2025

By Fiscal Year, Millions of Dollars	2025	2025-2030	2025-2035
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	*	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2036?	No	Statutory pay-as-you-go procedures apply? No	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2036?	No	Mandate Effects	
		Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

* = between zero and \$500,000.

H.R. 881 would prohibit the Department of Homeland Security (DHS) from providing funds to any higher education institution that hosts Confucius Institutes, which are nonprofit cultural and educational centers funded by the Chinese government. That prohibition also would apply to institutions that have financial relation-

ships with Chinese universities or colleges that meet other criteria such as receiving funding from or providing support to elements of the Chinese Communist Party. H.R. 881 also would require DHS to report to the Congress on the number of education institutions that maintain relationships with Chinese entities of concern and receive funds from the department.

The requirements of H.R. 881 would not change the total amount of funding DHS provides to higher education institutions. CBO expects that the department would update its contracting and federal assistance procedures to ensure that it complies with H.R. 881. CBO estimates that those administrative and reporting efforts would cost less than \$500,000. Any spending would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Aldo Prosperi. The estimate was reviewed by Christina Hawley Anthony, Deputy Director of Budget Analysis.

PHILLIP L. SWAGEL,
Director, Congressional Budget Office.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act of 1995.

DUPLICATIVE FEDERAL PROGRAMS

Pursuant to clause 3(c) of rule XIII, the Committee finds that H.R. 881 does not contain any provision that establishes or reauthorizes a program known to be duplicative of another Federal program.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII, the objective of H.R. 881 is to establish Department of Homeland Security funding restrictions on institutions of higher education that have a relationship with Confucius Institutes.

CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

In compliance with rule XXI, this bill, as reported, contains no congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e), or 9(f) of rule XXI.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that H.R. 881 does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

This section states that the Act may be cited as the “DHS Restrictions on Confucius Institutes Act and Chinese Entities of Concern Act”.

Section 2. Limitations on Confucius Institutes’ host schools

Subsection (a) paragraph (1) defines the term “Chinese Entity of Concern” as a university or college located in the PRC that is involved with the implementation of MCF programs; supports the PRC’s defense industrial base; is affiliated with the Chinese State Administration for Science, Technology, and Industry for the National Defense; receives any funding from any organization that is subordinate to the Central Military Commission of the CCP; provides support to any security, defense, police, or intelligence organization of the Government of the PRC or CCP; purposefully undermines the United States’ relationship with Taiwan; aids, abets or enables the detention, imprisonment, persecution, or forced labor of Uyghur Muslims in the PRC; willfully and knowingly engages in malicious activities, including online disinformation campaigns and propaganda, for the purpose of interfering with the United States Federal, State, or local elections; or, is affiliated with the Chinese Academy of Sciences.

Subsection (a) paragraph (2) defines the term “Confucius Institute” as any cultural institute that is funded by the Government of the PRC.

Subsection (a) paragraph (3) defines the term “institution of higher education” as the meaning given in section 102 of the 20 U.S.C. 1002.

Subsection (a) paragraph (4) defines the term “relationship” as any in-kind donation or gift, contract awarded, or agreement entered into by an institution of higher education within the United States and any CI or Chinese entity of concern.

Subsection (a) paragraph (5) defines the term “Thousand Talents Program” as any technological or educational program funded or administered by the Chinese Communist Party’s Ministry of Industry and Information Technology.

Subsection (b) requires the Secretary of Homeland Security to ensure that any institution of higher education within the United States which has a relationship with a Confucius Institute, Thousand Talents Program, or Chinese entity of concern is ineligible to receive any funds from the Department of Homeland Security within one year of enactment of this legislation. If an institution of higher education completely terminates the relationship with the Confucius Institute, Thousand Talents Program, or Chinese entity of concern, the institution will be eligible to receive funds from the Department of Homeland Security.

Subsection (c) paragraph (1) allows the Secretary of Homeland Security to, after consultation with the Director of National Intelligence, waive the application of subsection (b) on a case-by-case basis and for a period not to exceed one year to institutions of higher education. The Secretary may issue such a waiver if the Secretary determines that the institution at issue maintains robust safeguards and enforcement protocols to monitor the relationship

at issue, including active measures to detect and deter attempts by Chinese nationals affiliated with a Confucius Institute, Thousand Talents Program, or Chinese entity of concern that is the subject to such relationship to gain unauthorized access to sensitive research, data, or federally funded development activities conducted at or on the premises of, or by, such institution. In addition, the relationship at issue must be either in the national security interests of the United States or not present a direct or indirect national security risk to the United States or its allies.

Subsection (c) paragraph (2) allows the Secretary to, after consultation with the Director of National Intelligence, annually renew a waiver issued pursuant to paragraph (1) if the Secretary determines all of the conditions described in such paragraph continue to be satisfied.

Subsection (c) paragraph (3) clarifies that a waiver issued or renewed pursuant to paragraph (1) or (2) takes effect and applies beginning on the date that is 30 days after such issuance or renewal.

Subsection (c) paragraph (4) requires the Secretary of Homeland Security, if the Secretary of Homeland Security after consultation with the Director of National Intelligence issues or renews a waiver pursuant to paragraphs (1) or (2), to submit to the Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate written notification regarding such issuance or renewal, including a justification relating thereto, not later than 30 days before such issuance or renewal.

Subsection (d) requires the Secretary of Homeland Security to provide outreach to and, upon request, technical to institutions of higher education relating to compliance of the Act.

Subsection (e) requires the Secretary of Homeland Security to submit to the Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate a report containing information on higher education institution that has a relationship with a Confucius Institute, Thousand Talents Program, or Chinese entity of concern and receives funds from the Department of Homeland Security.