

118TH CONGRESS
1ST SESSION

S. 1087

To require certain nonprofit and not-for-profit social welfare organizations to submit disclosure reports on foreign funding to the Attorney General, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 30, 2023

Mr. GRASSLEY introduced the following bill; which was read twice and referred to the Committee on the Judiciary

A BILL

To require certain nonprofit and not-for-profit social welfare organizations to submit disclosure reports on foreign funding to the Attorney General, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Think Tank Trans-
5 parency Act”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) CONDUCT INTENDING TO DIRECTLY OR IN-
9 DIRECTLY INFLUENCE PUBLIC POLICY OR PUBLIC

1 OPINION.—The term “conduct intending to directly
2 or indirectly to influence public policy or public opin-
3 ion” means, with respect to a covered entity, any ac-
4 tivity that the covered entity engaging in believes
5 will, or that the covered entity intends to, in any
6 way influence any agency or official of the Govern-
7 ment of the United States, or any section of the
8 public within the United States, with respect to—

9 (A) formulating, adopting, or changing the
10 domestic or foreign policies of the United
11 States; or

12 (B) the political or public interests, poli-
13 cies, or relations of a government of a foreign
14 country or a foreign political party.

15 (2) CONTRACT.—The term “contract” means
16 any agreement for the acquisition by purchase, lease,
17 or barter of property or services by the foreign prin-
18 cipal, for the direct benefit or use of either of the
19 parties.

20 (3) COUNTRY OF CITIZENSHIP.—The term
21 “country of citizenship”, with respect to a foreign
22 principal, includes—

23 (A) the principal residence for a foreign
24 principal who is a natural person; or

1 (B) the country of incorporation or the
2 principal place of business for a foreign prin-
3 cipal which is a legal entity.

4 (4) COVERED ENTITY.—The term “covered en-
5 tity”—

6 (A) means a nonprofit organization or a
7 not-for-profit social welfare organization that—

8 (i) spends more than 20 percent of
9 the resources of the organization within
10 any given calendar year on conduct intend-
11 ing to directly or indirectly influence public
12 policy or public opinion; or

13 (ii) is affiliated with, or is a subunit,
14 of an institution, as defined in section 117
15 of the Higher Education Act of 1965 (20
16 U.S.C. 1011f), that is subject to that sec-
17 tion and that—

18 (I) engages in or publishes sub-
19 stantial policy-related research or
20 scholarship; or

21 (II) hosts, sponsors, or otherwise
22 promotes annual, or on a more fre-
23 quent basis, events featuring report-
24 ers, journalists, or United States or
25 foreign government officials; and

1 (B) excludes—

2 (i) an “institution”, as defined in sec-
3 tion 117 of the Higher Education Act of
4 1965 (20 U.S.C. 1011f), that is subject to
5 that section; and

6 (ii) an entity organized and operated
7 exclusively for religious purposes.

8 (5) FOREIGN PRINCIPAL.—The term “foreign
9 principal” includes—

10 (A) a government of a foreign country or
11 a foreign political party;

12 (B) a person outside of the United States,
13 unless it is established that—

14 (i) the person is an individual and a
15 citizen of the United States; or

16 (ii) the person—

17 (I) is not an individual and is or-
18 ganized under or created by the laws
19 of the United States or of any State
20 or other place subject to the jurisdic-
21 tion of the United States; and

22 (II) has its principal place of
23 business within the United States;
24 and

1 (C) a partnership, association, corporation,
2 organization, or other combination of persons
3 organized under the laws of or having its prin-
4 cipal place of business in a foreign country.

5 (6) GIFT, DONATION, OR CONTRIBUTION.—The
6 term “gift, donation, or contribution” means any
7 gift of money, property, or in-kind contribution given
8 directly or indirectly to a covered entity by a foreign
9 principal.

10 (7) NOT-FOR-PROFIT SOCIAL WELFARE ORGANI-
11 ZATION.—The term “not-for-profit social welfare or-
12 ganization” means an organization described in sec-
13 tion 501(c)(4) of the Internal Revenue Code of 1986
14 and exempt from tax under section 501(a) of such
15 Code.

16 (8) NONPROFIT ORGANIZATION.—The term
17 “nonprofit organization” means an organization de-
18 scribed in section 501(c)(3) of the Internal Revenue
19 Code of 1986 and exempt from tax under section
20 501(a) of such Code.

21 (9) RESTRICTED OR CONDITIONAL GIFT OR
22 CONTRACT.—The term “restricted or conditional gift
23 or contract” means any endowment, gift, grant, con-
24 tract, award, present, or property of any kind that
25 includes provisions regarding—

1 (A) the employment, assignment, com-
2 pensation, or termination of researchers, schol-
3 ars, or experts;

4 (B) the earmarking of funds for depart-
5 ments, centers, research or lecture programs, or
6 new positions for researchers, scholars, or ex-
7 perts;

8 (C) the subject matter, nature, or contents
9 of research, analysis or any information pub-
10 lished or disseminated to officials of the United
11 States Federal Government, the media, or the
12 public; or

13 (D) any other condition or expectation re-
14 garding either the ability of the foreign prin-
15 cipal to review in advance, approve, veto, or
16 modify budgets, programs, events, or presen-
17 tations, or the contents of information or mate-
18 rials to be published or disseminated.

19 **SEC. 3. FINDINGS.**

20 Congress finds the following:

21 (1) Think tanks have provided Congress and
22 the executive branch with a wealth of research and
23 scholarship that largely has benefitted the public in
24 the United States by improving the drafting, enact-

1 ment, and enforcement of policy in the United
2 States.

3 (2) There is broad bipartisan agreement that
4 think tanks possess enormous influence on the pas-
5 sage and enforcement of policies, particularly those
6 that relate to foreign policy.

7 (3) In recent years, foreign funding of think
8 tanks has increased substantially.

9 (4) Congress, the executive branch, and espe-
10 cially the people of the United States have a right
11 to—

12 (A) know which think tanks receive foreign
13 funds; and

14 (B) assess for themselves the extent that
15 foreign influence should be considered when
16 analyzing the credibility and value of research
17 and scholarship produced by such think tanks
18 that receive foreign funds.

19 (5) The United States House of Representa-
20 tives has recognized the national security issues in-
21 herent in undue foreign influence of entities with
22 covert sources of foreign funding that testify before
23 Congress. Since 2015, representatives of entities
24 who testify before the United States House of Rep-
25 resentatives have been required to disclose relevant

1 foreign funding sources directed to them or their
2 employers in Truth-in-Testimony disclosure forms
3 required under clause 2(g)(5) of rule XI of the Rules
4 of the House of Representatives.

5 (6) Almost 30 years ago, Congress enacted sec-
6 tion 117 of the Higher Education Act of 1965 (20
7 U.S.C. 1011f) (hereinafter referred to as “section
8 117”) in light of concerns about the growing finan-
9 cial relationship between universities in the United
10 States and foreign sources. In enacting that legisla-
11 tion, Congress balanced academic freedom and na-
12 tional security by mandating financial transparency
13 through required reporting of contracts with, and
14 gifts from, any foreign source.

15 (7) Section 117 does not prohibit institutions of
16 higher education from taking foreign money, but
17 rather mandates accurate and transparent disclo-
18 sures of sources and amounts received by those in-
19 stitutions to the Department of Education. In 2019,
20 the Department of Education took concrete steps to
21 enforce section 117 by ensuring the integrity of re-
22 porting requirements, confirming the correct report-
23 ing and categorization of donations, and prohibiting
24 the use of domestic conduits and intermediaries to
25 avoid the disclosures of foreign gifts.

1 (8) Between 2011 and 2021, the Russian Fed-
2 eration (hereinafter referred to as “Russia”) gave
3 not less than \$160,000,000 to universities in the
4 United States. The People’s Republic of China
5 (hereinafter referred to as “China”) alone gave not
6 less than \$2,700,000,000 to universities during the
7 United States during the same time frame.

8 (9) Russia and China each have repressive and
9 deeply troubling records relating to human rights,
10 and both have engaged in cyber espionage targeting
11 individuals in the United States.

12 (10) Russia and China pose grave threats to
13 the national security interests of the United States,
14 yet those countries have successfully lavished billions
15 of dollars to cultivate strong ties with institutions of
16 higher education and research across the United
17 States.

18 (11) Although the Center for International Pol-
19 icy conducted a study in 2020 that concluded that
20 think tanks focused on Federal policy received not
21 less than \$174,000,000 in funding from foreign gov-
22 ernmental entities between 2014 and 2018, there is
23 currently no means to determine the actual level or
24 extent of foreign influence on those think tanks.

1 (12) What is clear is the vast amount of foreign
2 funding that United States-based think tanks re-
3 ceive, and that such foreign funding affects the di-
4 rection of their policy recommendations.

5 (13) There is significant concern in Congress
6 about potential contractual stipulations tied to for-
7 eign funding that could be leveraged by foreign pow-
8 ers to exert even greater influence over the research
9 and policy recommendations of think tanks that the
10 Federal Government and the public in the United
11 States would otherwise believe to be independent.

12 (14) There is broad bipartisan agreement that
13 undue foreign influence obscured through the use of
14 proxies—or hidden by the powerful brand of a highly
15 respected think tank—threatens the national secu-
16 rity interests of the United States. There is also
17 broad agreement that transparency is the most im-
18 portant and effective tool for reducing the harm of
19 foreign influence targeting United States public pol-
20 icy or public opinion.

21 (15) As such, this bill aims to provide critical
22 transparency regarding the foreign funding provided
23 to, and the related contractual agreements with,
24 think tanks whose work includes influencing United
25 States policies or public opinion.

1 **SEC. 4. CONTEMPORANEOUS DISCLOSURE REPORTS.**

2 (a) REPORTING CONDITIONS.—

3 (1) GIFTS, DONATIONS, OR CONTRIBUTIONS.—

4 (A) IN GENERAL.—Except as provided in
5 section 7, a covered entity that receives a gift,
6 donation, or contribution from a foreign prin-
7 cipal during a calendar year in an aggregate
8 amount of \$10,000 or greater shall file a disclo-
9 sure report with the Attorney General in ac-
10 cordance with subsection (b) not later than 90
11 days after each disclosure date.

12 (B) DISCLOSURE DATE DEFINED.—In this
13 paragraph, the term “disclosure date” means—

14 (i) the first date during any calendar
15 year by which a covered entity has received
16 a gift, donation, or contribution from a
17 foreign principal in an aggregate amount
18 of \$10,000 or greater; and

19 (ii) any other date during such cal-
20 endar year by which a covered entity has
21 received a gift, donation, or contribution
22 from a foreign principal in an aggregate
23 amount of \$10,000 or greater since the
24 most recent disclosure date for such cal-
25 endar year.

1 (2) CONTRACT, MEMORANDUM OF UNDER-
2 STANDING, OR AGREEMENT.—Except as provided in
3 section 7, a covered entity that enters into or modi-
4 fies a contract, memorandum of understanding, or
5 agreement with a foreign principal shall file a disclo-
6 sure report with the Attorney General in accordance
7 with subsection (b) within 90 days of the entering
8 into or modification of such contract, memorandum,
9 or agreement.

10 (b) CONTENTS OF CONTEMPORANEOUS DISCLOSURE
11 REPORT.—

12 (1) GIFTS, DONATIONS, OR CONTRIBUTIONS
13 ONLY.—The report required under subsection (a)(1)
14 shall detail the following:

15 (A) The identities of the foreign principal
16 and the primary point of contact of the foreign
17 principal for engaging with the covered entity,
18 including the name and title of such point of
19 contact.

20 (B) The date on which the foreign prin-
21 cipal provided a gift, donation, or contribution
22 to the covered entity.

23 (C) The aggregate dollar amount of such
24 gift, donation, or contribution attributable to a
25 particular foreign principal.

1 (D) A description of any conditions or re-
2 strictions regarding any of the disclosed gifts,
3 donations, or contributions.

4 (E) The aggregate amount of such gifts,
5 donations, or contributions received from each
6 foreign principal.

7 (F) A description of any decisions made
8 because of the foreign principal to the structure
9 of the organization or to the research, pro-
10 grams, or content intended to be or actually
11 published, disseminated, or promoted by the
12 covered entity.

13 (2) CONTRACT, MEMORANDUM OF UNDER-
14 STANDING, OR AGREEMENT ONLY.—The report re-
15 quired under subsection (a)(2) shall detail the fol-
16 lowing:

17 (A) The identities of the foreign principal
18 and the primary point of contact of the foreign
19 principal for engaging with the covered entity,
20 including the name and title of such point of
21 contact.

22 (B) The date on which the covered entity
23 entered into or modified a contract, memo-
24 randum of understanding, or agreement with a
25 foreign principal.

1 (C) Copies of all written contracts, agree-
2 ments, or memoranda of understanding the cov-
3 ered entity entered into or modified with any
4 foreign principal.

5 (D) Copies of all internal and external doc-
6 uments, research materials, and publications
7 produced as a result of the contract, memo-
8 randum of understanding, or agreement.

9 (E) A description of any decisions made
10 because of the foreign principal to the structure
11 of the organization or to the research, pro-
12 grams, or content intended to be or actually
13 published, disseminated, or promoted by the
14 covered entity.

15 **SEC. 5. INITIAL DISCLOSURE REPORTS.**

16 (a) IN GENERAL.—A covered entity shall file an ini-
17 tial disclosure report, in accordance with subsection (b)
18 or (c), with the Attorney General not later than 180 days
19 after the date of enactment of this Act if, during the pe-
20 riod beginning on January 1 of the most recent calendar
21 year that ended before the date of enactment of this Act
22 and ending on the effective date of this Act—

23 (1) the covered entity received a gift, donation,
24 or contribution from a foreign principal in an aggre-
25 gate amount of \$10,000 or greater;

1 (2) the covered entity entered into or modified
2 a contract, memorandum of understanding, or agree-
3 ment with a foreign principal; or

4 (3) the covered entity had previously entered
5 into a contract, agreement, or memorandum of un-
6 derstanding with a foreign principal that was still
7 valid or enforceable on or after January 1 of the
8 most recent calendar year that ended before the date
9 of enactment of this Act.

10 (b) PRIOR GIFTS, DONATIONS, OR CONTRIBU-
11 TIONS.—The report required under subsection (a)(1) shall
12 detail the following:

13 (1) The name of the foreign principal.

14 (2) The country of citizenship of the foreign
15 principal.

16 (3) The amount and date of such gifts, dona-
17 tions, or contributions.

18 (4) The description of any conditions or restric-
19 tions attached to, or placed on, the gifts, donations,
20 or contributions.

21 (5) A description of any decisions made because
22 of the foreign principal to the structure of the orga-
23 nization or to the research, programs, or content in-
24 tended to be or actually published, disseminated, or
25 promoted by the covered entity.

1 (c) CONTRACT, MEMORANDUM OF UNDERSTANDING,
2 OR AGREEMENT.—The report required under subsection
3 (a)(2) shall detail the following:

4 (1) The name of the foreign principal.

5 (2) The country of citizenship of the foreign
6 principal.

7 (3) Copies of each written contract, memo-
8 randum of understanding, or agreement.

9 (4) Any modification of each such written con-
10 tract, memorandum, or agreement.

11 (5) The terms and conditions of each oral
12 agreement.

13 (6) Any modification of each such oral agree-
14 ment.

15 (7) A comprehensive statement of—

16 (A) the nature and method of performance
17 of each item described in paragraphs (3)
18 through (6); and

19 (B) the actions taken by the covered entity
20 at the request or suggestion of each such for-
21 eign principal.

22 (8) A description of any decisions made because
23 of the foreign principal to the structure of the orga-
24 nization or to the research, programs, or content in-

1 tended to be or actually published, disseminated, or
2 promoted by the covered entity.

3 **SEC. 6. BRIEFINGS, TESTIMONY, OR SIMILAR FORMS OF**
4 **PRESENTATION OF RESEARCH.**

5 (a) LABELING OF WRITTEN MATERIALS.—If a cov-
6 ered entity provides a briefing, testimony, or similar form
7 of presentation of research to a member or employee of
8 Congress, or to an executive branch official, the covered
9 entity shall identify prominently on any written materials
10 provided to the member or employee of Congress, or to
11 the executive branch official, the name of the relevant for-
12 eign principal and the country of citizenship, if the foreign
13 principal is not a government, who provided funding for
14 such briefing, testimony, or similar form of presentation
15 of research.

16 (b) ADDENDUM TO BRIEFING, TESTIMONY, PRESEN-
17 TATION.—In the event that no written materials are pro-
18 vided in a briefing, testimony, or similar form of presen-
19 tation of research described in subsection (a), the covered
20 entity shall convey the information required under sub-
21 section (a) in writing to the member or employee of Con-
22 gress, or executive branch official, before or not later than
23 10 days after the date of the briefing, testimony, or pres-
24 entation.

1 **SEC. 7. RELATION TO OTHER REPORTING REQUIREMENTS.**

2 (a) STATE REPORTS.—

3 (1) REQUIREMENTS OF A COVERED ENTITY.—

4 If a covered entity has its headquarters in a State
5 that has enacted requirements for public disclosure
6 of gifts, donations, or contributions from, or con-
7 tracts or agreements with, a foreign principal that
8 are substantially similar to the requirements of this
9 Act, a copy of the disclosure report filed with that
10 State may be filed with the Attorney General in lieu
11 of a report required under this Act.

12 (2) REQUIREMENTS OF THE STATE.—The State
13 in which a covered entity has its headquarters shall
14 provide to the Attorney General such assurances as
15 the Attorney General may require to establish that
16 the covered entity has met the requirements for pub-
17 lic disclosure under State law if the State-mandated
18 disclosure report is filed.

19 (b) FEDERAL REPORTS.—If a covered entity receives
20 a gift, donation, or contribution from, or enters into a con-
21 tract or agreement with, a foreign principal, and if any
22 other department, agency, or bureau of the executive
23 branch requires a report containing requirements substan-
24 tially similar to those required under this Act, a copy of
25 the report may be filed with the Attorney General in lieu
26 of a report required under this Act.

1 **SEC. 8. ADMINISTRATION AND ENFORCEMENT.**

2 (a) BOOKS AND RECORDS.—

3 (1) RETENTION PERIOD.—For a period of not
4 less than 5 years, a covered entity shall retain the
5 necessary materials required to comply with the re-
6 quirements of this Act, including books of account,
7 all communications with any foreign principal, and
8 other records regarding the activities of the covered
9 entity related to any contracts, memorandum of un-
10 derstandings, or agreements with, or gifts, dona-
11 tions, or contributions from, a foreign principal.

12 (2) INSPECTION.—

13 (A) ATTORNEY GENERAL.—Upon request
14 of the Attorney General, each covered entity
15 shall furnish to the Attorney General all infor-
16 mation and records in the possession of the cov-
17 ered entity that the Attorney General may de-
18 termine to be necessary to comply with the re-
19 quirements under this Act.

20 (B) CONGRESS.—Upon request of Con-
21 gress or a committee of Congress, a covered en-
22 tity shall furnish to Congress or the relevant
23 committee of Congress such information and
24 records as Congress or the relevant committee
25 of Congress may request to determine the ex-

1 tent to which the covered entity is in compli-
2 ance with the requirements of this Act.

3 (3) PUBLICATION.—Any information or records
4 furnished pursuant to paragraph (2)(A) shall be
5 made available in the database required under sub-
6 section (b).

7 (4) PROHIBITION.—It shall be unlawful for any
8 person willfully to conceal, destroy, obliterate, muti-
9 late, or falsify, or to attempt to conceal, destroy, ob-
10 literate, mutilate, or falsify, or to cause to be con-
11 cealed, destroyed, obliterated, mutilated, or falsified,
12 any books or records required to be kept under the
13 provisions of this section.

14 (b) PUBLICATION.—All disclosure reports required by
15 this Act and the information and records required to be
16 furnished pursuant to subsection (a)(2)(A) shall be made
17 available to the public through a database maintained on
18 the official website of the Department of Justice.

19 (c) CIVIL MONETARY PENALTY.—Any covered entity
20 that fails to comply with the requirements of this Act, in-
21 cluding any rule or regulation promulgated thereunder,
22 shall be subject, in addition to any other penalties that
23 may be prescribed by law, to a civil money penalty of not
24 less than \$1,000 for each day of the failure described by

1 this Act—during which the covered entity is in violation
2 of this Act.

3 (d) CIVIL ACTION.—

4 (1) COURT ORDERS.—Whenever it appears that
5 a covered entity has failed to comply with the re-
6 quirements of this Act, including any rule or regula-
7 tion promulgated under this Act, a civil action may
8 be brought by the Attorney General in an appro-
9 priate district court of the United States, or the ap-
10 propriate United States court of any territory or
11 other place subject to the jurisdiction of the United
12 States, to request such court to compel compliance
13 with the requirements of this Act.

14 (2) COSTS.—For knowing or willful failure to
15 comply with the requirements of this Act, including
16 any rule or regulation promulgated thereunder, a
17 covered entity shall pay to the Treasury of the
18 United States the full costs to the United States of
19 obtaining compliance, including all associated costs
20 of investigation and enforcement.

21 (e) REGULATIONS.—The Attorney General may pro-
22 mulgate such regulations as the Attorney General con-
23 siders necessary to implement the requirements of this
24 Act.

1 **SEC. 9. EFFECTIVE DATE.**

2 This Act shall take effect on the date that is 120 days
3 after the date of enactment of this Act.

○