

**AMENDMENT TO H.R. 8070**  
**OFFERED BY MR. BANKS OF INDIANA**

At the appropriate place in title II, insert the following:

1 **SEC. 2 \_\_\_\_ . PROHIBITION ON CONTRACTS BETWEEN CER-**  
2 **TAIN FOREIGN ENTITIES AND INSTITUTIONS**  
3 **OF HIGHER EDUCATION CONDUCTING DE-**  
4 **PARTMENT OF DEFENSE-FUNDED RESEARCH.**

5 (a) IN GENERAL.—None of the funds authorized to  
6 be appropriated or otherwise made available for any fiscal  
7 year for the Department of Defense may be provided to  
8 a covered institution of higher education that fails to com-  
9 ply with the prohibition under subsection (b).

10 (b) PROHIBITION.—Beginning on January 1, 2026,  
11 a covered institution of higher education may not enter  
12 into a contract with a covered nation or a foreign entity  
13 of concern.

14 (c) WAIVERS.—

15 (1) SUBMISSION.—

16 (A) FIRST WAIVER REQUESTS.—

17 (i) IN GENERAL.—A covered institu-  
18 tion of higher education that desires to  
19 enter into a contract with a foreign entity

1 of concern or a covered nation may submit  
2 to the Secretary of Defense, not later than  
3 120 days before the institution enters into  
4 such a contract, a request to waive the  
5 prohibition under subsection (b) with re-  
6 spect to such contract.

7 (ii) CONTENTS OF WAIVER RE-  
8 QUEST.—A waiver request submitted by a  
9 covered institution of higher education  
10 under clause (i) shall include—

11 (I) the complete and unredacted  
12 text of the proposed contract for  
13 which the waiver is being requested,  
14 and if such original contract is not in  
15 English, a translated copy of the text  
16 into English (in a manner that com-  
17 plies with subsection (f)); and

18 (II) a statement that—

19 (aa) is signed by the Presi-  
20 dent or compliance officer of the  
21 institution designated in accord-  
22 ance with subsection (g); and

23 (bb) includes information  
24 that demonstrates that such con-  
25 tract is for the benefit of the in-

1                   stitution’s mission and students  
2                   and will promote the security,  
3                   stability, and economic vitality of  
4                   the United States.

5                   (B) RENEWAL WAIVER REQUESTS.—

6                   (i) IN GENERAL.—A covered institu-  
7                   tion of higher education that has entered  
8                   into a contract pursuant to a waiver issued  
9                   under this section, the term of which is  
10                  longer than the 1-year waiver period and  
11                  the terms and conditions of which remain  
12                  the same as the proposed contract sub-  
13                  mitted as part of the request for such  
14                  waiver, may submit, not later than 120  
15                  days before the expiration of such waiver  
16                  period, a request for a renewal of such  
17                  waiver for an additional 1-year period  
18                  (which shall include any information re-  
19                  quested by the Secretary).

20                  (ii) TERMINATION.—If a covered in-  
21                  stitution of higher education fails to sub-  
22                  mit a request under clause (i) or is not  
23                  granted a renewal under such clause, such  
24                  institution shall terminate such contract on

1           the last day of the original 1-year waiver  
2           period.

3           (2) WAIVER ISSUANCE.—The Secretary of De-  
4           fense—

5                   (A) not later than 60 days before a covered  
6           institution of higher education enters into a  
7           contract pursuant to a waiver request under  
8           paragraph (1)(A), or before a contract de-  
9           scribed in paragraph (1)(B)(i) is renewed pur-  
10          suant to a renewal request under such para-  
11          graph, shall notify the institution—

12                   (i) if the waiver or renewal will be  
13           issued by the Secretary; and

14                   (ii) in a case in which the waiver or  
15           renewal will be issued, the date on which  
16           the 1-year waiver period starts; and

17                   (B) may only issue a waiver under this sec-  
18          tion to an institution if the Secretary of De-  
19          fense determines, in consultation with the Sec-  
20          retary of Education, that the contract for which  
21          the waiver is being requested is for the benefit  
22          of the institution's mission and students and  
23          will promote the security, stability, and eco-  
24          nomic vitality of the United States.

1           (3) NOTIFICATION TO CONGRESS.—Not later  
2 than 2 weeks prior to issuing a waiver under para-  
3 graph (2), the Secretary of Defense shall submit to  
4 the Committees on Armed Services of the Senate  
5 and the House of Representatives written notice of  
6 the intent of the Secretary to issue such waiver to-  
7 gether with a justification for such waiver.

8           (4) APPLICATION OF WAIVERS.—A waiver  
9 issued under this section to a covered institution of  
10 higher education with respect to a contract shall  
11 only—

12                   (A) waive the prohibition under subsection  
13                   (b) for a 1-year period; and

14                   (B) apply to the terms and conditions of  
15 the proposed contract submitted as part of the  
16 request for such waiver.

17 (d) CONTRACTS PRIOR TO DATE OF ENACTMENT.—

18           (1) IN GENERAL.—In the case of a covered in-  
19 stitution of higher education that entered into con-  
20 tract with a covered nation or foreign entity of con-  
21 cern prior to January 1, 2026, and which contract  
22 remains in effect on such date—

23                   (A) the institution shall, not later than  
24 120 days before such date, submit to the Sec-

1           retary a waiver request in accordance with sub-  
2           section (c)(1)(A)(ii); and

3                   (B) the Secretary shall, upon receipt of the  
4           request submitted under subparagraph (A), im-  
5           mediately issue a waiver to the institution for a  
6           period beginning on the date on which the waiv-  
7           er is issued and ending on the sooner of—

8                           (i) January 1, 2027; or

9                           (ii) the date on which the contract  
10          terminates.

11          (2) RENEWAL.—A covered institution of higher  
12          education that has entered into a contract described  
13          in paragraph (1), the term of which is longer than  
14          the waiver period described in subparagraph (B) of  
15          such paragraph and the terms and conditions of  
16          which remain the same as the contract submitted as  
17          part of the request required under subparagraph (A)  
18          of such paragraph, may submit a request for re-  
19          newal of the waiver issued under such paragraph in  
20          accordance with subsection (c)(1)(B).

21          (e) DESIGNATION DURING CONTRACT TERM.—In the  
22          case of a covered institution of higher education that en-  
23          ters into a contract with a foreign source that is not a  
24          covered nation or a foreign entity of concern but which,  
25          during the term of such contract, is designated as a cov-

1 ered nation or foreign entity of concern, such institution  
2 shall terminate such contract not later than 60 days after  
3 the Secretary notifies the institution of such designation.

4 (f) TRANSLATION REQUIREMENT.—Any information  
5 required to be disclosed under this section with respect  
6 to a contract that is not in English shall be translated,  
7 for purposes of such disclosure, by a person that is not  
8 an affiliated entity or agent of the covered nation or for-  
9 eign entity of concern involved with such contract.

10 (g) COMPLIANCE OFFICER.—Each covered institu-  
11 tion of higher education applying for a waiver under sub-  
12 section (c) or (d), shall identify a compliance officer, who  
13 shall—

14 (1) be a current employee or legally authorized  
15 agent of such institution; and

16 (2) be responsible, on behalf of such institution,  
17 for personally certifying—

18 (A) compliance with the prohibition under  
19 this section; and

20 (B) the truth and accuracy of any informa-  
21 tion contained in such a waiver request.

22 (h) PUBLIC DATABASE.—Not later than 90 days  
23 after issuing a waiver under subsection (c) or (d), the Sec-  
24 retary of Defense shall publish a copy of the order grant-  
25 ing the waiver and the contents of the waiver request on

1 a publicly available website of the Department of Defense.  
2 Such information shall be made available on such website  
3 in the form of a searchable database that includes links  
4 to the text of all contracts to which the waiver pertains.

5 (i) ANNUAL REPORTS.—Not later than June 1, 2026,  
6 and on an annual basis thereafter, the Secretary of De-  
7 fense shall submit to the Committees on Armed Services  
8 of the Senate and the House of Representatives a report  
9 that includes a description of—

10 (1) the terms and contents of any waivers  
11 issued under this section in the period covered by  
12 the report;

13 (2) any trends in—

14 (A) the number of waivers issued under  
15 this section over time; and

16 (B) the types of contracts to which such  
17 waivers pertain; and

18 (3) the processes used by the Secretary to  
19 verify that covered institutions of higher education  
20 are in compliance with the requirements of this sec-  
21 tion.

22 (j) DEFINITIONS.—In this section:

23 (1) The term “contract” means—

24 (A) any agreement or memorandum of un-  
25 derstanding for the acquisition, by purchase,



1 lease, or barter, of property or services by or  
2 from a covered nation or foreign entity of con-  
3 cern; or

4 (B) any affiliation, agreement, or similar  
5 transaction with a covered nation or foreign en-  
6 tity of concern that involves the use or ex-  
7 change of the name, likeness, time, services, or  
8 resources of a covered institution of higher edu-  
9 cation.

10 (2) The term “covered institution of higher  
11 education” means an institution of higher education  
12 that conducts research funded by the Department of  
13 Defense.

14 (3) The term “foreign entity of concern” has  
15 the meaning given that term in section 10612(a) of  
16 the Research and Development, Competition, and  
17 Innovation Act (42 U.S.C. 19221(a)) and includes a  
18 foreign entity that is identified on the list published  
19 under section 1286(e)(9)(A) of the John S. McCain  
20 National Defense Authorization Act for Fiscal Year  
21 2019 (Public Law 115–232; 10 U.S.C. 4001 note).

22 (4) The term “covered nation” has the meaning  
23 given that term in section 4872(d) of title 10,  
24 United States Code.

1           (5) The term “institution of higher education”  
2           has the meaning given that term in section 102 of  
3           the Higher Education Act of 1965 (20 U.S.C.  
4           1002).

