

Congress of the United States
Washington, DC 20515

May 4, 2020

The Honorable Betsy D. DeVos
Secretary
U.S. Department of Education
400 Maryland Avenue SW
Washington, D.C. 20202

Dear Secretary DeVos:

Under your leadership as Secretary, the Department of Education (Department) has sought to improve transparency and reduce reliance on foreign investment in U.S. higher education. Recent revelations of China taking steps to suppress academic research into the origins of the COVID-19 pandemic underscores the importance of your efforts.¹ We write to seek a better understanding of the Department's efforts to address unreported foreign direct investment into the U.S. higher education system. This joint inquiry is in furtherance of Congressional Republican's efforts to investigate the Chinese government's propaganda and cover-up campaign surrounding this pandemic.²

According to a report by CNN, on April 13, 2020, the Chinese Communist Party (CCP) imposed new restrictions on the publication of academic research by Chinese researchers regarding the origins of COVID-19.³ Unfortunately, Chinese efforts to silence academic research they disagree with are not new.⁴ China has strategically invested in U.S. academia to attempt to steal confidential information and technology from U.S. companies, and even the U.S. government.⁵ Besides China peddling money for influence in U.S. institutions of higher education (IHE), China is restricting any research regarding the origins of COVID-19 that does not comport with CCP propaganda. To nations battling peak pandemic outbreaks, the CCP's

¹ Nectar Gan, Caitlin Hu, & Ivan Watson, *Beijing tightens grip over coronavirus research, amid US-China row on virus origin*, CNN (Apr. 13, 2020), available at <https://www.cnn.com/2020/04/12/asia/china-coronavirus-research-restrictions-intl-hnk/index.html>.

² Letter from Jody B. Hice, et. al., Ranking Member, H. Comm. on Oversight & Reform, Subcomm. on Gov't Operations, to Michael R. Pompeo, Secretary, U.S. Dep't of State (Apr. 2, 2020); Letter from Jim D. Jordan, et. al., Ranking Member, H. Comm. on Oversight & Reform to Tedros Adhanom Ghebreyesus, Dir.-Gen., World Health Org. (Apr. 9, 2020).

³ Gan et al., *supra* note 1.

⁴ Daniel Maxwell, *How China mastered the art of academic censorship*, STUDY INTERNATIONAL NEWS (Aug. 5, 2019), <https://www.studyinternational.com/news/academic-censorship-china-global-issue/>; Elizabeth Redden, *Censorship in a China Studies Journal*, INSIDE HIGHER ED (Apr. 19, 2019), <https://www.insidehighered.com/news/2019/04/19/another-case-censorship-china-studies-journal>.

⁵ See CHINA: THE RISK TO ACADEMIA, FEDERAL BUREAU OF INVESTIGATION, 1 (2019) available at <https://www.fbi.gov/file-repository/china-risk-to-academia-2019.pdf/view>; *Scholars or Spies: Foreign Plots Targeting America's Research and Development Before the H. Comm. on Space, Science, and Technology*, 115th Cong. (2018) (statement of Lamar Smith, Chairman) available at <https://docs.house.gov/meetings/SY/SY21/20180411/108175/HHRG-115-SY21-MState-S000583-20180411.pdf>.

machinations undoubtedly hamper the global response to the pandemic.⁶ According to a now-deleted notice sent by the CCP to Chinese universities, the CCP will require all research regarding the origination of the pandemic to be vetted by officials in Beijing prior to publication.⁷ Under fear of retaliation, an anonymous Chinese researcher said, “I think this is a coordinated effort from [the] Chinese government to control [the] narrative, and paint it as if the outbreak did not originate in China.”⁸

For some time, we have been concerned about the potential for the Chinese government to use its strategic investments to turn American college campuses into indoctrination platforms for American students. For example, a 2018 Hoover Institution report notes the presence of some 110 “Confucius Institutes” on college campuses as well as over 500 “Confucius Classrooms” in secondary schools.⁹ While the stated mission of such institutes and classrooms is to teach Chinese language and culture, the report notes, “faculty and other watchdogs have warned that they may present risks to intellectual freedom by using American universities as vehicles through which to advance Chinese Communist Party propaganda.”¹⁰ In fact, Liu Yunshan, the former Head of Central Propaganda Department of China, pointed to the proliferation of such centers in 2010 as part of a plan to “coordinate the efforts of overseas and domestic propaganda, [and] further create a favorable international environment for [China].”¹¹ At the very least, these institutes and classrooms allow the CCP a window into U.S. culture, infrastructure, and planning – providing a gathering ground for Chinese intelligence agencies.

These actions all bring into question whether U.S. IHEs receiving federal taxpayer dollars should be allowed to accept funds from China, the CCP, or other affiliated organizations. The interests of the two nations appear to have diverged.

The Higher Education Act of 1965 requires U.S. IHEs to disclose gifts from foreign sources.¹² Specifically, section 117 of the Act requires that “whenever any institution . . . receives a gift from or enters into a contract with a foreign source, the value of which is \$250,000 or more, the institution shall file a disclosure report.”¹³ The Act authorizes the Department to open an administrative investigation and, if necessary, ask the Attorney General to initiate a civil action to enforce compliance with the law.¹⁴ To implement Section 117, the

⁶ Gan et al., *supra* note 1.

⁷ *Id.*; *Notice on the publication of papers on the achievements of scientific research on new coronary pneumonia and strengthening management*, SCHOOL OF INFORMATION SCIENCE AND TECHNOLOGY, FUDAN (Apr. 13, 2020) (translated by Google Translate), <https://web.archive.org/web/20200409053204/http://www.it.fudan.edu.cn/Data/View/3657>.

⁸ *Id.*

⁹ Larry Diamond & Orville Schell, CHINESE INFLUENCE & AMERICAN INTERESTS: PROMOTING CONSTRUCTIVE VIGILANCE, THE HOOVER INST. (Oct. 24, 2018), *available at* https://www.hoover.org/sites/default/files/research/docs/chineseinfluence_americaninterests_fullreport_web.pdf.

¹⁰ *Id.*

¹¹ Ethan Epstein, *How China Infiltrated U.S. Classrooms*, POLITICO (Jan. 16, 2018), <https://www.politico.com/magazine/story/2018/01/16/how-china-infiltrated-us-classrooms-216327>.

¹² See Higher Education Act of 1965 §117, 20 U.S.C. §1011f (1998).

¹³ *Id.* at §1011f (a).

¹⁴ *Id.* at §1011f (f).

Department is finalizing new guidance outlining how IHEs should report foreign gifts to the Department.¹⁵ IHEs are expected to fully comply with this guidance during their next reporting period in July 2020.

The Department has opened investigations into multiple universities for potentially improperly reporting foreign gifts or for failing to report altogether.¹⁶ For each investigation, the Department notified the IHE its reporting “may not fully capture all gifts . . . or contracts from or with all foreign sources” and solicited documents to allow the Department to assess the IHE’s reporting.¹⁷

Furthermore, the Department also recently began an investigation into an American University which “has substantial contractual relations with a maximum biocontainment laboratory (MCL) in Wuhan, China (Wuhan MCL) (also known as the Wuhan Institute of Virology)” is believed to be owned by the Chinese government’s Chinese Academy of Sciences.¹⁸ A U.S. government analysis has reportedly indicated that the Wuhan Laboratory as a possible origin point of the current COVID-19 pandemic—contrary to the Chinese Communist Party’s claims that the outbreak emanated from one of the city’s wet markets.¹⁹

We appreciate that many leaders of IHEs are starting to acknowledge the threat of foreign academic espionage and have been working with the Administration and federal law enforcement to address gaps in reporting and transparency. However, there are continued concerns about gaps in reporting by IHEs, individual faculty members, and researchers that could potentially endanger national security. Some foreign countries strategically invest in IHEs and researchers that also receive Defense Department grants in an attempt to steal sensitive U.S. military secrets and technology.²⁰ For example, the Justice Department recently announced the arrest of a Harvard University professor who specialized in nanoscience.²¹ According to the Justice Department, the professor—who had received over \$15 million in National Institute of

¹⁵ OFFICE OF INFORMATION AND REGULATORY AFFAIRS, OFFICE OF MANAGEMENT AND BUDGET, *OIRA Conclusion* (Apr. 13, 2020), https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202002-1801-002.

¹⁶ Notice of Investigations and Record Requests, 84 Fed. Reg. 31,052 (June 28, 2019), *available at* <https://www.federalregister.gov/documents/2019/06/28/2019-13904/notice-of-investigation-and-record-requests>; Notice of Investigations and Record Requests, 84 Fed. Reg. 34,878 (July 19, 2019), *available at* <https://www.federalregister.gov/documents/2019/07/19/2019-15425/notice-of-investigation-and-record-requests>; Notice of Investigation and Record Requests, 84 Fed. Reg. 64,309 (Nov. 21, 2019), *available at* <https://www.federalregister.gov/documents/2019/11/21/2019-25231/notice-of-investigation-and-record-requests>; Notice of Investigations and Record Requests, 85 Fed. Reg. 11,059 (Feb. 26, 2020), *available at* <https://www.federalregister.gov/documents/2020/02/26/2020-03812/notice-of-investigation-and-record-requests>.

¹⁷ *Id.*

¹⁸ Letter from Reed D. Rubenstein, General Counsel, U.S. Dep’t of Education, to James B. Milliken, Chancellor, University of Texas System (Apr. 24, 2020) (on file with Comm. staff).

¹⁹ Bill Gertz, *Wuhan lab ‘most likely’ coronavirus source, U.S. government analysis finds*, *The Washington Times* (Apr. 28, 2020), <https://www.washingtontimes.com/news/2020/apr/28/wuhan-laboratory-most-likely-coronavirus-source-us/>.

²⁰ CHINA: THE RISK TO ACADEMIA, *supra* note 5, at 7.

²¹ Press Release, U.S. Dep’t of Justice, Harvard University Professor and Two Chinese Nationals Charged in Three Separate China Related Cases (Jan. 28, 2020), *available at* <https://www.justice.gov/opa/pr/harvard-university-professor-and-two-chinese-nationals-charged-three-separate-china-related>.

Health and Department of Defense grants—failed to disclose his association with a Chinese government program designed to recruit foreign scientists “and reward individuals for stealing proprietary information.”²² For decades, technology and intellectual property has been a concern vis a vis the Chinese government. Only under this Administration, has the federal government begun cracking down on this international crime and economic threat.

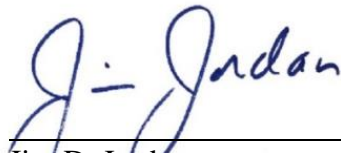
To help us better understand the depth and breadth of foreign influence and investment in U.S. higher education, as well as the Department’s efforts to address these problems, please provide the following information by May 11, 2020:

1. All information, documents, and communication(s) between the Department and all schools currently under a Section 117 investigation regarding acceptance or reporting of foreign gifts including, but not limited to, gifts to affiliated foundations, all ancillary or foreign campuses, and individual departments or professors between January 1, 2018 and present.
2. Any preliminary findings or reports that cover all open and closed investigations of the Department regarding false or misleading reporting of foreign gifts, including all source documents and information relied upon to determine findings or other report content.

In addition to these documents, please provide a staff-level briefing no later than May 11, 2020. This briefing may be conducted remotely for convenience and safety issues. To schedule the briefing or ask any follow-up or related questions, please contact Committee on Oversight and Reform staff at (202) 225-5074, Committee on Education and Labor staff at (202) 225-4527, Committee on Homeland Security staff at (202) 225-8417, Committee on Science, Space, and Technology staff at (202) 225-6371, Permanent Select Committee on Intelligence staff at (202) 225-4121, Armed Services Committee staff at (202) 225-4151, and Foreign Affairs Committee staff at (202) 225-5021.

The Committee on Oversight and Reform is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate “any matter” at “any time” under House Rule X. Thank you in advance for your cooperation with this inquiry.

Sincerely,



Jim D. Jordan
Ranking Member
Committee on Oversight and Reform



Virginia A. Foxx
Ranking Member
Committee on Education and
Labor

²² *Id.*

The Honorable Betsy D. DeVos

May 4, 2020

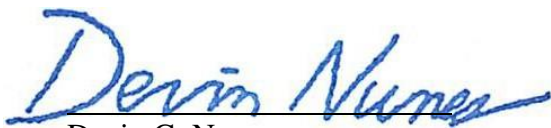
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Michael D. Rogers
Ranking Member
Committee on Homeland Security



Frank D. Lucas
Ranking Member
Committee on Science,
Space, and Technology



Devin G. Nunes
Ranking Member
Permanent Select Committee on
Intelligence



Mac Thornberry
Ranking Member
Armed Services Committee



Michael T. McCaul
Ranking Member
Foreign Affairs Committee

cc: The Honorable Carolyn B. Maloney, Chairwoman
Committee on Oversight and Reform

The Honorable Robert C. Scott, Chairman
Committee on Education and Labor

The Honorable Bennie G. Thompson, Chairman
Committee on Homeland Security

The Honorable Eddie Bernice Johnson, Chairwoman
Committee on Science, Space, and Technology

The Honorable Adam B. Schiff, Chairman
Permanent Select Committee on Intelligence

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The Honorable Adam Smith, Chairman
Armed Services Committee

The Honorable Eliot L. Engle, Chairman
Foreign Affairs Committee